

From: Mike Hill, Cabinet Member for Community Services
David Brazier, Cabinet Member for Transport & Environment
Amanda Honey, Corporate Director, Customer & Communities
Mike Austerberry, Corporate Director, Enterprise & Environment

To: Paul Carter, Leader

Date: January 2014

Decision No: 13/00088

Subject: **New Combined Member Grant Scheme**

Classification: Unrestricted

Electoral Division: All Divisions

Summary:

This report sets out the proposal for a new combined Members Grant Scheme that will deliver annual base savings in the region of £1.42m.

Recommendation:

Following Cabinet Committees for Environment, Highways & Waste on 13.12.13 and Communities on 17.12.13, the Leader is asked to agree to the introduction of the new combined Members Grant Scheme with effect from 1 April 2014.

1. Introduction

- 1.1 In light of "Facing the Challenge" and the transformation agenda, there has been discussion between Cabinet Members with regards to a new combined Members Grant Scheme (MGS) for Kent. The proposal intends to ensure that demand is managed downward, that a more integrated approach is adopted and that value for money is a primary focus given the current financial climate the authority finds itself within.
- 1.2 This paper takes forward this proposal and sets out a range of principles, financial implications, benefits, risks and the next steps for implementation, which is currently scheduled for April 2014.
- 1.3 Currently members have access to £3.52m (see 1.4) of delegated grant funds and in light of the real financial pressure the authority faces, there has been a commitment to deliver a more pragmatic and cost effective grant scheme, while continuing to allow members to react to local priorities that perhaps do not form part of the council's core focus.

1.4 The proposal is to cease the four current grant schemes:

• Member Grants	-	£840k
• Local Schemes Grant	-	£400k
• Capital Scheme Grants	-	£500k
• Member Highway Fund	-	£1,780k (after top slicing)

These total £3.52m. The proposal is to then introduce one single Member Grant Scheme (MGS), consisting of £25k per member (£2.1m in total).

2. Financial Implications

2.1 The new Member Grant Scheme's budget will be £2.1m which is an annual saving to KCC of £1.42m.

2.2 Once implemented, the new Member Grant Scheme would offer all Members financial parity in the grant funding available to them, as previously, some elements of the grant were not allocated on a pro rata member or district basis e.g. Local Scheme Grants.

3. New Scheme Overview

3.1 The new Member Grant Scheme will be managed and administered through the Community Engagement Officers (CEOs), who will work with local residents and continue to support Members.

3.2 All applications will initially be discussed with Members by the CEO, who will provide advice in terms of funding availability, as well as any queries in relation to the application and criteria for the scheme.

3.3 If the application is for a community based project, the CEO would liaise with the applicant and Member from the point of receiving the application to payment being made.

3.4 If the application is for a highways related project, the application (once verified and accepted by the CEO as above) will be passed to a dedicated Highways team for feasibility and technical support and this Highways officer will then be the point of contact for Members. The Highways Team and the CEO will then liaise in the background to ensure the governance is correct.

3.5 A refreshed single application process and performance management system will be implemented and it is intended that it will be predominantly based on the current online Member Highway Fund process, as well as incorporating some of the information required as part of the current Member Grants process.

3.6 The current criteria for three of the grant schemes stipulates that projects where KCC has withdrawn funding in the past are not eligible for Member grants and given the future transformation, outsourcing and potential down-sizing of services, it is imperative that this remains for the new Member Grant Scheme. The criteria will be refreshed and distributed in advance of the implementation date.

- 3.7 Managing demand is an essential part of “Facing the Challenge” and currently Members can request feasibility studies for a multitude of projects that their £25k Member Highway Fund could never afford, with one in seven (approximately) being abortive. There are also currently no parameters stipulated around scope of the projects to be assessed.
- 3.8 A menu of costed Highways project options will be developed in consultation with members of the Environment, Highways & Waste Cabinet Committee in early 2014 in order to give guidance on the potential costs of a range of Highways based projects. This would not prohibit the ability of Members to explore other projects, but make it simpler when deciding how to allocate funds and what projects to prioritise.
- 3.9 There may be some initial costs in adapting the Member Highway Fund IT systems to ensure it is compatible with the requirements of the new Member Grant Scheme. It is proposed that any underspend in 2013/14 is used to support the transition process and fund the IT upgrade.
- 3.10 Consideration needs to be given to the sign off arrangements, allowing both the relevant Cabinet Member and a Senior Officer to act as the designated approval / sign off method.

4 Benefits

- 4.1 The most obvious benefit of this proposal is an annual saving to KCC of £1.42m. This is a clear message to staff and residents that every budget within the organisation is under scrutiny and as this proposal clearly links with the principles of the transformation project and seeking to do things differently.
- 4.2 The proposed new Member Grant Scheme aims to provide a more joined up and flexible scheme for Members, with the opportunity to use funds in a way that meets local community needs without being restricted on specific funding stream criteria.
- 4.3 There will inevitably be further savings to be extracted if demand is legitimately reduced as each abortive project has a financial implication.

5. Impact

- 5.1 The obvious impact of 4.1 is that less funding will ultimately be available to members.
- 5.2 Resources currently supporting the existing schemes will be reviewed in line with the demand for the new scheme.

6. Conclusions

- 6.1 Officers who currently manage both the Member Highway Fund and the other Member Grant Schemes are all very supportive in the establishment of the proposed new scheme, which as detailed will deliver considerable savings for KCC, will bring greater consistency to the current disparate processes and provides a more flexible pot for Members to access.

- 6.2 The scheme will be operational from 1st April 2014. To aid with this constrained timetable, it is proposed that all final applications for the existing four grant schemes are submitted before 1st March 2014. This will allow time for the old systems to be completed and ensure there is time to get new systems in place.
- 6.3 Once completed, a full set of criteria, a clear flow chart for the new Member Grant Scheme and a copy of the new application form will be circulated to Members and the intention is for user testing prior to implementation.

7. Recommendation(s):

- 7.1 Following the Cabinet Committees for Environment, Highways & Waste on 13.12.13 and Communities on 17.12.13, the Leader is asked to agree to the introduction of the new combined Members Grant Scheme with effect from 1 April 2014.

Officer Contact details

Steve Charman
Head of Consultation and Engagement
steve.charman@kent.gov.uk

Tim Read
Head of Transportation
tim.read@kent.gov.uk