

# CABINET

20 SEPTEMBER 2024

## REPORT OF THE PORTFOLIO HOLDER FOR PARTNERSHIPS

### A.7 EXTERNAL FUNDING REVIEW

#### PART 1 – KEY INFORMATION

##### **PURPOSE OF THE REPORT**

Further to the report to Cabinet on 19 April 2024, which identified grant spending that has occurred in 2023/24, this report proposes a revised approach and process for the authority to make decisions in respect of External Funding for allocating grant funding and/or other financial assistance / support in the future, in line with the Council's Corporate Vision and Priorities.

##### **EXECUTIVE SUMMARY**

The Council allocates funding to support its Corporate Vision and Priorities across the voluntary and community sector, either from its own resources or from external provision, such as from health partners or the Police, Fire and Crime Commissioner.

Currently, funding is allocated individually by services following a broadly similar approach which may include application forms, criteria and assessment of applications. Any grant funding needs to support the delivery of the Council's Corporate Plan and associated priorities.

The review of grant funding has previously identified what was spent in 2023/24 (reported to Cabinet in April 2024) and this report now identifies the high-level framework for the allocation of funding and/or financial assistance / support.

The report does not identify the schemes or funding that should be allocated to particular activities or recipients as this may change over time considering needs or the financial position at that time. However it does set out the parameters for allocating funding to ensure a consistent approach is followed and supported by Portfolio Holder decisions.

Although a high level framework and checklist approach is recommended for approval through this report, further to this decision, an External Funding Policy should be developed and submitted to the Audit Committee to support the governance around the allocation of External Funding.

The External Funding Policy will be approved by the Leader of the Council, as Portfolio Holder for Finance and Corporate Governance, as to be adhered to and applying across the Council for all areas, not just within specific portfolio responsibilities. However, in the interim the high level framework will apply with immediate effect to all external funding and should be followed prior to the expiry of any existing arrangements.

##### **RECOMMENDATION(S)**

**It is recommended that Cabinet:**

- a) approves the External Funding High Level Framework, as set out in Appendix 1,**

which provides a process for the acceptance of external funding provision, a process for the provision of financial assistance to external bodies and other allocation of funding, with immediate effect;

b) agrees that an External Funding Policy be developed for approval by the Leader of the Council, as the Portfolio Holder for Corporate Finance and Governance, to complement the External Funding High Level Framework, to be presented to a future Audit Committee for their support and assurance on the governance processes;

c) requests that external and internal communication on the Council's new arrangements for External Funding are undertaken ensuring the Council complies with its obligations under its Best Value Duty and statutory guidance.

#### **REASON(S) FOR THE RECOMMENDATION(S)**

The review which has led to this report has considered existing provision across the organisation, the Council's Corporate Plan and Priorities, legislative requirements, and how external funding can be accepted and/or allocated in the future.

#### **ALTERNATIVE OPTIONS CONSIDERED**

No other option was considered as Cabinet formally requested a review of external funding to be undertaken.

### **PART 2 – IMPLICATIONS OF THE DECISION**

#### **DELIVERING PRIORITIES**

The provision of grant funding must contribute to the priorities in the Corporate Plan.

Full Council approved and adopted 'Our Vision', the Corporate Plan for 2024/28 at its meeting in November 2023 (minute no. 76). The Vision includes 6 Key Themes, with supporting text,

For example, external funding could be received or allocated to raise aspirations and create opportunities, support the heritage offer or promote safer, healthier, well connected and inclusive communities. It is important that any decisions made to receive or allocate funding articulate the outcomes expected to support the Council's vision and priorities.

The External Funding High Level Framework meets the Corporate Plan Key Theme of "**Financial Sustainability and Openness:**

*To continue to deliver effective services and get things done we must look after the public purse; that means carefully planning what we do, managing capacity, and prioritising what we focus our time, money and assets on. Tough decisions will not be shied away from, but will be taken transparently, be well-informed, and based upon engagement with our residents. We will give clarity on where the Council spends the money it is provided with."*

**OUTCOME OF CONSULTATION AND ENGAGEMENT** (including with the relevant Overview and Scrutiny Committee and other stakeholders where the item concerns proposals relating to the Budget and Policy Framework)

Officers who hold budgets which may be used for grant funding have been consulted in respect of their views for where there are potential gaps in provision or what they see as key issues for funding provision.

Outcomes of the consultation included the importance of ensuring any approach is addressing priorities in the Corporate Plan and consideration of undertaking multifaceted approaches so trying to deal with more than a single issue where possible, the importance of some of the wider determinants that affect our population and the importance of addressing need.

**LEGAL REQUIREMENTS (including legislation & constitutional powers)**

<b>Is the recommendation a Key Decision (see the criteria stated here)</b>	<b>NO</b> ( this report is a review of external funding processes and development of a new framework)	<b>If Yes, indicate which by which criteria it is a Key Decision</b>	<input type="checkbox"/> <b>Significant effect on two or more wards</b> <input type="checkbox"/> <b>Involves £100,000 expenditure/income</b> <input type="checkbox"/> <b>Is otherwise significant for the service budget</b>
		<b>And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)</b>	

The allocation of funding must follow good governance procedures and formal decision making requirements to ensure effective use of public money and to ensure that external funding meets grant requirements.

The Council in giving financial assistance, directly or indirectly, from public resources, which includes funds, must satisfy itself whether the support they are proposing to provide amounts to a subsidy under the UK subsidy control rules established under the Subsidy Control Act 2022 (“the Act”). A ‘subsidy’ is where a public authority provides support to an enterprise that gives them an economic advantage, meaning equivalent support could not have been obtained on commercial terms. This could include, for example, a cash payment, a grant, a loan with interest below the market rate or the free use of equipment or office space.

To enable the Council to assess whether the support they are proposing is a ‘subsidy’, as defined in the Act, it must apply a four limbed test. Financial assistance will be considered a subsidy where it satisfies all four of the ‘limbs’ of the test. Limb A is satisfied because the Council is a public authority providing financial assistance to external bodies.

The remaining limbs are as follows:-

- Does the financial assistance confer an economic advantage on one or more enterprises
- Is the financial assistance specific, so provided to one or more, but not others
- Whether the financial assistance is capable of having an effect on competition or investment

The Council must have regard to the Statutory Guidance issued in November 2022, and updated in June 2023, by the former Secretary of State for the Department for Business, Energy & Industrial Strategy under section 79 of the Act. Recent case law has also confirmed that care

should be given to the receipt of external funding into an organisation and how it wishes to use those funds, so as not to subsidise itself, to confer an economic advantage if delivering an enterprise (as defined in the Act).

All allocations of funding should therefore be considered in relation to whether the Act applies. If funding does constitute a subsidy, then a subsidy scheme will usually be required to allow any payment unless exemptions apply.

How funding is allocated must be assessed against the requirements of the Act and whether it is subject to its provisions. For example, if a procurement exercise is undertaken through the market, because the Council is requiring the provision of services to be delivered, or there is an open call for bids to a fund, there is no distortive effect on competition as it is free for a wide range of organisations to apply. This will be the default position for the allocation of all external funding, this enables openness and fair opportunities, if a direct award is necessary an exemption with justification must be sought and documented.

External funding received will have overarching or detailed provisions for how the money is spent, either as detailed grant conditions in a funding agreement or, for example, via a Memorandum of Understanding and all spending must be in accordance with these provisions. Any external funding arrangements must be undertaken with proper record keeping as determined by the relevant scheme.

The Council's Constitution contains several rules and requirements to be complied with in respect of External Funding and associated decision making, the recommended proposals in this report are not contrary to the existing governance position but with the intention of enhancing them. For example, if the Council receives external funding, formal recorded decisions are required to formally accept the same, highlight the relevant Corporate Plan priorities, the conditions of doing so, and the implications on the Council with regards to governance and delivery.

Appropriate approval routes for spending must be obtained, if necessary, at an executive level, for example, via a Portfolio Holder decision, or consultation, and spending must also be supported by the relevant Officer decision(s). This External Funding high level framework proposes that until the Policy is approved, decisions for external funding will either be at Cabinet or at Portfolio Holder, depending upon the subject matter or value in accordance with our Financial Procedure Rules. It is intended that the Policy will provide more guidance on existing rules of procedure too.

In terms of the legal power to receive and provide external funding this would depend upon the actual service, scheme or grant being considered. In each instance, different legislation, guidance and requirements will apply, therefore each decision must record these.

The most recent Best Value Guidance issued by the former Department of Levelling Up, Housing and Communities in May 2024, refers to 2015 guidance which sets out clear expectations for Councils considering changing funding to local voluntary and community groups and small businesses as still current. Paragraph 7 of the 2015 Guidance states:

*"7. Authorities should seek to avoid passing on disproportionate reductions - by not passing on larger reductions to the voluntary and community sector and small businesses as a whole, than they take on themselves and in particular:*

- An authority intending to reduce or end funding (where 'funding' means both grant*

*funding and any fixed term contract) or other support to a voluntary and community organisation or small business should give at least three months' notice of the actual reduction (FN 8) to both the organisation involved and the public/service users.*

- *An authority should actively engage the organisation and service users as early as possible before making a decision on: the future of the service; any knock-on effect on assets used to provide this service; and the wider impact on the local community.*
- *Authorities should make provision for the organisation, service users, and wider community to put forward options on how to reshape the service or project. Local authorities should assist this by making available all appropriate information, in line with the Government's transparency agenda.*

*FN8 - Where on the basis of past practice the organisation might have some basis for expecting the funding or contract to be continued.*

It is therefore important that in any revisions to the way existing external funding is allocated, the expectations to give notice and actively engage, as set out above, should be followed in a timely manner prior to expiry of existing arrangements.

**X The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:**

The Monitoring Officer has contributed to the development of the report and given due consideration to governance and legal requirements throughout.

#### **FINANCE AND OTHER RESOURCE IMPLICATIONS**

The Council allocates a significant amount of funding each year, either from internal resources or external funding. Although the funding from external partners does often allow some discretion, significant funding will be supported by grant agreements which focusses where funding must be allocated. For example, the Healthy Housing funding from the Integrated Care Board could have been allocated to different areas associated with housing, however, must be spent on delivering housing improvements in the areas of need.

Other funding either provided from internal resources or some smaller amounts received externally, may have greater discretion for allocation.

When allocating funding consideration must also be given to ensure it meets some or all of the following: -

- Funding is in line with the priorities in the Corporate Plan and if provided by an external funder, is in line with their grant conditions.
- Where possible a multifaceted approach is taken which seeks to deliver a more holistic solution.
- If possible, funding should be with joint partners or match funding (accepting there will be many cases where this is not possible).
- The Council does not take responsibility for funding where other organisations should be leading.

**X The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:**

Although there are no significant comments over and above those set out elsewhere in the report, it is worth highlighting the complimentary approach proposed via the development of an

External Funding Policy that will capture the various elements set out within the high level framework discussed in this report, which will in turn strengthen the consistent and robust approach across the authority.

### **USE OF RESOURCES AND VALUE FOR MONEY**

The following are submitted in respect of the indicated use of resources and value for money indicators:

<p>A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;</p>	<p>Funding may be provided from external sources and needs to be managed in terms of allocation and whether funding is recurrent. Alternatively, the Council may allocate from its own resources, although this must consider any savings requirements. Sustainability should be considered within the work that is funded, and future funding is not assured.</p>
<p>B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and</p>	<p>Funding governance is currently undertaken via a number of routes, which vary depending on the types of funding and amount of money allocated. Routes include Officer Decisions through to Member approval, for example, by Portfolio Holder decisions and, on some occasions, Cabinet. These proposals recommend decisions on External Funding should be made by Cabinet or Portfolio Holders until the Policy is developed.</p>
<p>C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.</p>	<p>This report seeks to ensure that funding allocated supports the delivery of the Corporate Plan.</p>

### **MILESTONES AND DELIVERY**

Each individual amount of funding will need to be allocated within a specific time period and therefore generates its own milestones to effectively allocate the resources.

Delivery of all funding should also include a review to ensure the resources have achieved the aim of the funding or to understand what improvements could be made.

Officers will be made aware of the flow chart and checklists in Appendix 1 and informed that they must be followed prior to the External Funding Policy being approved

An External Funding policy needs to be developed which will ensure consistency in allocation of funding.

The policy will need to be agreed by the Leader of the Council as Portfolio Holder for Corporate Finance and Governance following the provision of appropriate delegation.

Following agreement of the policy it will be taken to Audit Committee for their support and assurance on the governance processes.

The policy will also be highlighted to officers who will be informed that its provisions must be followed for allocating any external funding

<b>ASSOCIATED RISKS AND MITIGATION</b>	
There is a risk if funding is allocated without reference to the Council's objectives in the Corporate Plan, it may not meet the Council's aims, and similarly, funding needs to be allocated in a coordinated way to ensure it is consistent across the Council.	
<b>EQUALITY IMPLICATIONS</b>	
In line with the Public Sector Equality Duty, public bodies such as the Council must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, and victimisation, advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.	
An equality impact assessment may be considered for funding allocations to ensure that the proposals do not have a negative impact on the protected characteristics.	
<b>SOCIAL VALUE CONSIDERATIONS</b>	
The receipt and allocation of External Funding provides an opportunity to address wider social value considerations and those applying for funding may be asked to demonstrate the wider impact the use of the funding may have.	
<b>IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030</b>	
The receipt and allocation of External Funding can be in accordance with the Council's aim to be net zero by 2030 for the types of funding that may have implications for net zero. Funding may be allocated to a wide variety of projects and not all funding will have a direct impact on the Council's net zero approach.	
<b>OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS</b>	
<b>Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.</b>	
<b>Crime and Disorder</b>	Depending on the type of external funding being received or allocated, it may have an impact on crime and disorder and will be in accordance with the Council's priorities.
<b>Health Inequalities</b>	External Funding is likely to be wide in its nature; however, must be in accordance with the Council's priorities
<b>Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)</b>	All allocations of funding must comply with the Subsidy Control Act 2022, either by being outside the Act, for example, via an open call process to allocate funding or if it constitutes a subsidy, it must be in accordance with a subsidy control regime.
<b>Area or Ward affected</b>	This report follows a review of grants provided across the district in 2023/24.

### **PART 3 – SUPPORTING INFORMATION**

<b>BACKGROUND</b>
The focus of this report is on grant funding to the voluntary and community sector, as wider funding, such as allocation of disability facility grants, or use of health inequalities funding to support wider inequality work, is subject to separate governance procedures.

A review of the types of funding available was identified in the report to Cabinet earlier this year [Agenda for Cabinet on Friday, 19th April, 2024, 10.30 am](#) and highlighted that for the 2023/24 period up to £750K was allocated from Council resources and external funding was in the region of £1M. Some of that funding was not necessarily directed to the voluntary and community sector for example some of the shared prosperity funding helped deliver the Starlings project. Funding may vary significantly from year to year for example the Tendring Community Fund allocated a significant amount of funding at that time and is not now in operation and in addition external funding depends on the resources of partners.

The report does not seek to identify the schemes or types of funding that should be allocated to particular activities or recipients as this may change over time considering needs or the financial position at that time. However it does set out the parameters for allocating funding to ensure a consistent approach is followed and that it is in line with the Corporate Priorities and highlights the importance of working with partners where appropriate.

#### Meeting the Requirements of the Corporate Plan

All allocations of funding must be in line with the requirements of the Corporate Plan as this includes the high level approved priorities and objectives of the Council.

Each broader theme such as working with partners to improve quality of life is more closely defined such as promoting safer, healthier, inclusive and well-connected communities. Funding must be able to demonstrate a clear link to the Corporate Priorities to ensure they are being delivered by the work proposed.

#### Funding with Partners and Match Funding

Attracting match funding by allocation of grants or by entering agreements with other funders helps deliver the effective use of resources and can help deliver Council priorities at a reduced cost. This has already been used effectively for example in delivering the Mental Health Hub and funding for the Harwich and Shotley Ferry. It was also used in the Tendring Community Fund application process, where preference was given for where match funding was delivered.

Match funding is not always appropriate and in many instances, there is a requirement to fully fund a particular activity, however match funding can be seen as an effective way in terms of prioritising resources and obtaining better outcomes for the funding allocated. In addition, consideration should be given to other potential funders for a project and whether there is an alternative and more appropriate funding mechanism so that the Council does not provide funding at all.

This review of how the Council wishes to allocate funding will provide a more transparent and consistent approach to delivering funding to areas the Council determines are important via its Corporate Plan. To provide clarity an External Funding Policy will be developed which identifies the process for receipt of funding and allocation of funding, in the interim the External Funding High Level Framework, as set out in Appendix 1 should be followed across the Council.

As part of this process, differentiation between the allocation of grants and contracts for services will need to be undertaken. A grant is a financial transfer used to contribute to an activity that is in alignment with the Council's objectives. A contract for services is where a level of service is defined and commissioned via a procurement route.



## **Funding Allocation Process**

The receipt and allocation of funding is identified in the flow chart within Appendix 1 both from the perspective of external provision of funding and also in relation to the allocation of internal resources.

The flowchart provides a high-level framework in which to consider financial assistance / support to external bodies. Separate rules that need to be followed at each stage of the process are set out within the Council's constitution as necessary. The process proposed therefore complements these existing rules rather than replacing them.

### External Partner Funding

In addition to any requirements already set out within the Council's Constitution, key areas of consideration for accepting funding before any decision is undertaken include;

1. For any funding offered the grant conditions from the provider of the funding must be identified. This could include a Memorandum of Understanding, specific grant conditions, a legal agreement or by way of the application form if the funding was applied for.
2. Any grant conditions must be reviewed to ensure the proposed receipt of the funding can be used in accordance with those conditions. This should also include ensuring that the grant conditions for the funding align with the Council's Corporate Priorities.
3. The Council must comply with its internal governance framework when utilising external funding, for e.g. procurement procedure rules, timescales must be taken into account;
4. As part of this process organisational capacity to deliver any work must be considered both in terms of governance and delivery.
5. Consideration must also be given to ensure allocation of any funding received must be lawful and which legal powers are being relied upon.
6. Reference must be given as to whether allocation of the funding is appropriate for the Council to undertake or for example whether the provider of the funding should be allocating directly to recipients
7. Prior to receiving any funding a formal decision must be undertaken at an appropriate level. For significant level funding this is likely to be Cabinet.

### Decision to Allocate

In addition to any requirements already set out within the Council's Constitution, when deciding to allocate funding this can either be via a grant process or via commissioning of a service. Key areas to consider include

1. Any proposed allocation of funding must be in accordance with the Council's legal requirements taking into account subsidy control, procurement obligations and governance requirements
2. Allocation of any funding must be in accordance with the Council's current financial position
3. Any proposed allocation of funding must be in accordance with the Council's priorities as set out in the Corporate Plan and clearly articulated
4. Any proposed allocation of funding must be in accordance with any grant conditions
5. Provision of funding should not usually be for covering costs associated with business as usual for recipients
6. If a grant is to be given, where possible grant criteria should be provided which could

be used in conjunction with an application process which should allow for assessment against those criteria. It is expected that Internal Audit are consulted on any associated processes.

7. If a commissioning process is followed it should include a specification, follow the Council's procurement procedure rules and the allocation based on that specification
8. Following a determination to allocate funding this must be recorded as a decision
9. Following allocation of funding evaluation should be undertaken in accordance with the level of funding provided to ensure it meets the grant conditions/specification and in the case of procurement, it reflects any requirements set out within the associated processes.

### Ongoing Funding

It is expected that the high-level framework set out in the flowchart will apply at the next anniversary of any existing financial assistance / support arrangements with external bodies or for any new / emerging proposals. This will result in earlier considerations and engagement being undertaken in accordance with the Council's Best Value requirements, as set out to ensure that organisations and users are given the required notice on the new arrangements and impact upon them. New arrangements may result in the necessary procurement activities being undertaken where services are being commissioned, which could therefore be different to the historical position where grants may have been awarded. This high-level approach will also enable a review of existing provision along with challenging the purpose of any funding given and 'gaps' in services to local residents when set against the wider provision across the District.

Based on the above, if there is repeat funding to a provider at each renewal proposed funding agreements must be assessed using this process.

If repeat funding leads to a reasonable expectation that future funding will be provided then at least 3 months' notice must be given of cessation of any funding in accordance with Best Value controls to expiry upon the anniversary.

### **Grant Checklist**

Services are expected to follow the flow chart and checklists set out within the appendices which identify key areas to focus on when receiving and allocating funding and provide fairness and consistency across the Council. Services are expected to retain these checklists and use them to support formal decision making, throughout the duration of the associated schemes for audit purposes.

As highlighted earlier in this report, the flow chart and checklist can also be incorporated within the proposed External Funding Policy to formalise the approach.

At its meeting in April 2024, it was agreed by Cabinet that the review to be undertaken will include engagement with Officers and the relevant Portfolio Holders, to understand existing schemes and determine proposals for the future, taking into account service provision, subsidy control implications, the Council's financial position and delivering the Council's Corporate Plan. With this in mind and as highlighted above, as the flowchart and checklists set out only a high-level framework, the matters identified by Cabinet will form part of the more detailed considerations at the various stages of the process as it is applied by Services during the course of allocating funding going forwards, rather than as part of the review set out in this report. In terms of timescales this will be done as each

allocation of funding is considered.

Although a high level framework and checklist approach is recommended for approval through this report, further to this decision, an External Funding Policy should be developed and submitted to the Audit Committee to support the governance around the allocation of External Funding.

The External Funding Policy will be approved by the Leader of the Council, as Portfolio Holder for Finance and Corporate Governance, as to be adhered to and applying across the Council for all areas, not just within specific portfolio responsibilities. However, in the interim the high level framework will apply with immediate effect to all external funding and should be followed prior to the expiry of any existing arrangements.

#### **PREVIOUS RELEVANT DECISIONS**

At the Cabinet meeting on 21 July 2023, [Agenda for Cabinet on Friday, 21st July, 2023, 10.30 am](#) (item 22) Cabinet approved a review of grant funding across the Council and requested a report following the review be presented to Cabinet.

A further report was agreed at Cabinet on [Agenda for Cabinet on Friday, 19th April, 2024, 10.30 am](#) (Minute 118) which highlighted the spending that occurred in relation to grants in 2023/24 and identified the further work of determining potential future allocation of grant funding.

**RESOLVED** that Cabinet –

- (a) notes the contents of this report including the Allocation of Funding for 2023/24, as set out in Appendix 1 to the Portfolio Holder's report (A.4);
- (b) authorises the Portfolio Holder for Partnerships to continue with the requested review in order to determine what priorities the Council could support through external funding in the future;
- (c) agrees that such review will include engagement with Officers and the relevant Portfolio Holders, in order to understand existing schemes and determine proposals for the future, taking into account service provision, subsidy control implications, the Council's financial position and delivering the Council's Corporate Plan;
- (d) requires that, following completion of the review, a further report will be presented to Cabinet in readiness for the budget process for 2025/26; and
- (e) in light of the revised approach for the review, recommends to the Community Leadership Overview and Scrutiny Committee that its work on reviewing grant schemes operated by the Council ceases in order to prevent a duplication of Council resources on this subject.

#### **BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL**

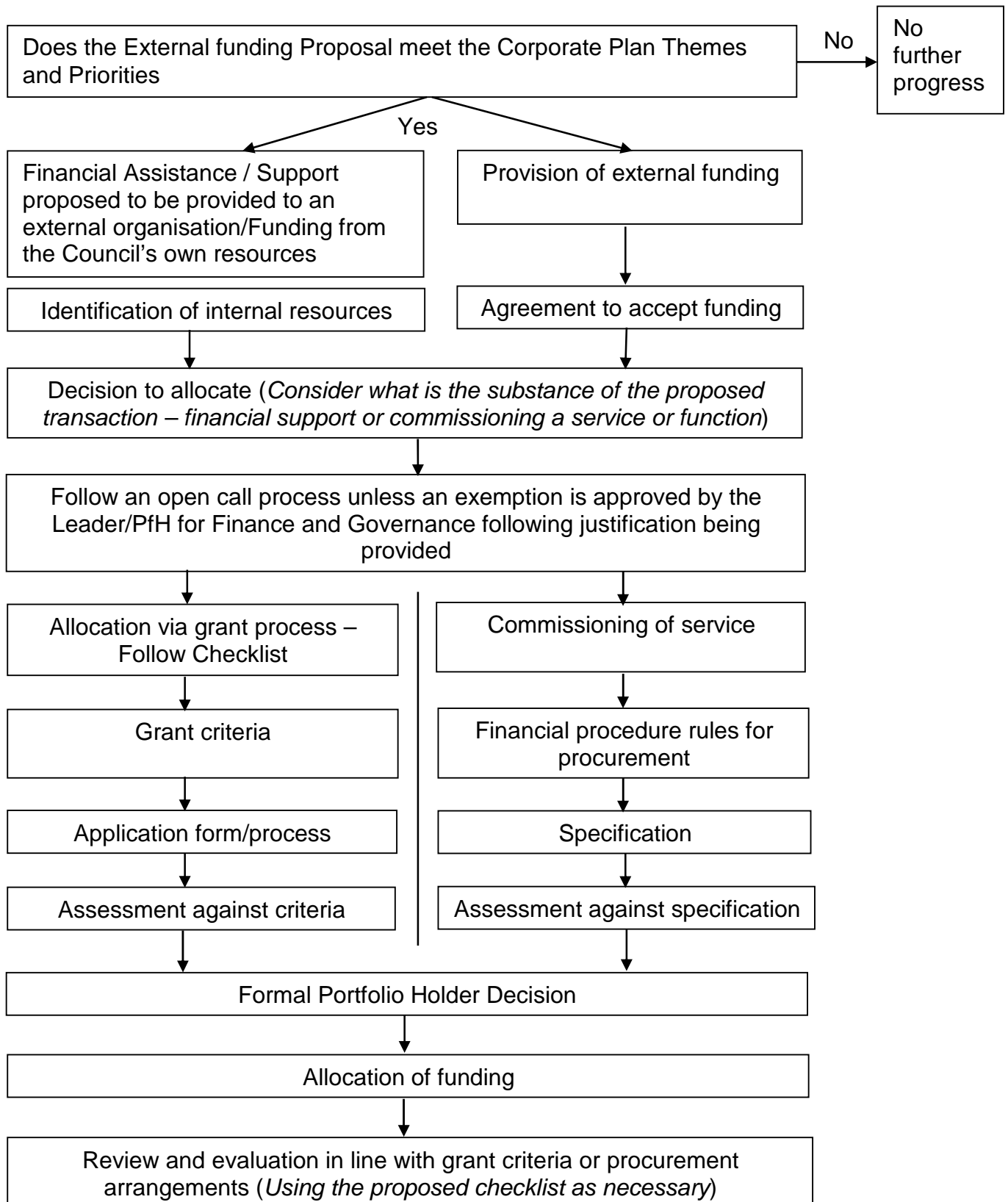
None

#### **APPENDICES**

**Appendices A to C Allocation of Funding 2023/24**

<b>REPORT CONTACT OFFICER(S)</b>	
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**Figure 1**



**Receipt of Funding**

Prior to accepting any funding from an external partner the following checklist should be appropriately completed prior to considering acceptance of funding.

Checklist	Yes/No	Comments
Have conditions for allocating the funding been identified (grant conditions, assurance framework, MOU etc?)		
Will the funding align with the Corporate Plan Themes and Priorities and state which one and why? What are the outcomes expected.		
Is there organisational capacity for using the funding within the timescales expected?  <ul style="list-style-type: none"> <li>- Governance</li> <li>- Delivery</li> </ul> Have you consulted the relevant services where support is required?		
Does the receipt of the external funding place additional financial and resource commitments on the Council? (For example play equipment requiring maintenance)		
Which legal powers are being relied upon to support the use of the funding		
Have you undertaken a Subsidy Control assessment? If so, what was the outcome?		
Is the Council best placed to allocate the funding (should it be allocated by the funder direct?)		
Has a formal decision been taken to accept the funding at Cabinet or Portfolio Holder level?		

**Allocation of Funding**

The following checklist should be completed prior to allocating any funding and once completed a decision is required to allocate the funding.

Checklist	Yes/No	Comments
Will the funding align with the Corporate Plan Themes and Priorities and state which one and why? What are the outcomes expected		
Is there organisational capacity for using the funding within the timescales expected?  - Governance  - Delivery  Have you consulted the relevant services where support is required?		
Does allocation of the funding meet legal requirements?  - - Procurement rules (if appropriate) - Governance requirements		
Are there sufficient resources to allocate the funding?		
Is allocation of funding in accordance with any conditions (if funding has been provided externally)		
Are criteria provided for how the recipient is to use the funding (e.g. via an application form, grant conditions or specification)?		
Which legal powers are being relied upon to support the use of the funding?		
Have you undertaken a Subsidy Control assessment? If so, what was the outcome?		
Is the Council best placed to allocate the funding (should it be allocated by the funder direct?)		

Funding should not usually be allocated for business as usual running costs		
Has a formal decision been taken to allocate the funding at Cabinet/Portfolio Holder level?		