

APPENDIX 3: HEREFORDSHIRE COUNCIL WARD MEMBER GRANT FUND POLICY

1. The purpose of the Herefordshire Council Ward Member Grant Fund (HCWGMF) is to enable all ward members to allocate funds to facilitate small scale projects and activities in their respective wards. This will facilitate closer involvement in local initiatives being led by their communities.
2. Allocations of public money from the Fund must be done lawfully and transparently ie in accordance with the council's financial procedures and guidance ensuring that formal public records are made of the respective councillors spending decision.
3. The Fund must be used to underpin and further the council's budget and policy framework and must not be used in a way contrary to Council policy.
4. To minimise the need for additional staff resource to administer the Fund there will need to be a degree of self-regulating with minimal officer interventions required. For example, if members are unsure about the amount of spend against their allocated fund or whether it adheres to council policies, they should seek guidance from the Council's Director of Finance or the Democratic Services Manager.
5. Any decision under the HCWGMF must not be contrary to Herefordshire Council's budget and policy framework, and the County Council must have legal powers to make the decision and incur the expenditure proposed.
6. The legal parameters for Herefordshire Council to introduce the HCWGMF have been established under s236 of the Local Government and Public Involvement in Health Act 2007. This allows local Members to discharge the Council's functions in relation to their local electoral Ward. The Localism Act 2011, also grants local authorities a 'General Power of Competence' - expressly giving authorities the power to take the reasonable action they need '*for the benefit of the authority, its area or persons resident or present in its area*'.
7. Members are being given wide discretion to fund projects/initiatives and activities for the benefit of the whole or any part of their Ward or those within it. This expenditure will be drawn from a £1000 (per financial year) budget allocated to each member and which may not be exceeded. There will be no carry over of grant, members will be required to allocate the full £1000 within the financial year of allocation (there will be no carry over of underspends).
8. There must be a transparent audit trail in respect of decisions under this HCWGMF. In compliance with the legislation, the individual Member is responsible for ensuring a record is made in writing of any decision or action she or he has taken in connection with this grant allocation.
9. The Democratic Services Manager will keep a record of HCWGMF expenditure in respect of each electoral Ward. This will inform members on request of the balance remaining. The Democratic Services Manager will also present an annual report to the May annual Council meeting setting out the actual expenditure in each Ward and highlighting a selection of case studies of initiatives that have been funded.
10. Priority will be given to maintaining a high profile for the HCWGMF and the records of expenditure will be publicly viewable on the HC website and held for public inspection on request for 6 years.

11. The members' Code of Conduct applies to the members administration of the HCWMGF. Members must declare any Disclosable Pecuniary Interest (DPI) or Other Disclosable Interest (ODI) in the proposal. No proposal may be put forward in which the member has a DPI or ODI which would require the member to have withdrawn from a meeting. Where there is any doubt over the legality of propriety of the expenditure, the Democratic Services Manager in consultation with the Director of Finance will determine whether the expenditure is lawful and proper, and their decision will be final.
12. Accordingly, where there is any potential concern about the lawfulness or propriety of the proposed expenditure, no firm commitment for expenditure should be made or promised until such advice has been sought and a determination has been made.
13. The HCWMGF should be used for one-off items of expenditure and not for expenditure that would create an on-going financial commitment.
14. The HCWMGF cannot be used for direct employment of staff or for gifts or hospitality payments.
15. Two or more members may agree on a joint proposal for the whole or part of their HCWMGF budgets (for example, to fund a joint initiative which covers two or more wards). Where this is the case, formal confirmation will be required from all members involved in the joint proposals.
16. Members should consider the financial viability of a potential recipient (such as a local voluntary body) in order to reduce the risk of public money being wasted. In cases of uncertainty or concern, members are encouraged to seek advice from the Director of Finance.
17. Members will be responsible for organising and facilitating any publicity in relation to expenditure from the HCWMGF which should, where possible, clearly state the link to Herefordshire Council. Any publicity must be non-party political and in accordance with legal restrictions on the Council, with the periods before elections particularly sensitive.
18. Where a proposal is for a project that requires funding from more than one source (and not all sources are the HCWMGF) members are advised to allocate funding to a specific part of the project rather than put monies into a larger pot.
19. If the payee is Value Added Tax (VAT) registered and can recover VAT on goods or services to be funded, the HCWMGF grant should be net of VAT.
20. The Council's financial procedures must be followed and competitive quotations obtained where more than one supplier is able to provide the requisite service(s) or good(s). Advice on this can be obtained from Financial and Procurement officers within Corporate Support Services.
21. If for any reason the project for which the HCWMGF has been used does not go ahead, the recipient of the funding must contact the member in question to discuss alternative proposals for the use of the funding and ensure that any allocation is returned to the Council if it is unable to be used for the purposes set out in the grant application.

22. Members must ensure that any funding for such projects must be made subject to these conditions, and they should ensure the HCWMGF grant has been used for the intended purpose and must update the record supplied to the Democratic Services Manager to reflect any subsequent variation.
23. Authorisation of expenditure from the HCWMGF must be made on the pro-forma provided and returned to the Democratic Services Manager who will arrange publication of the decision and forward it to the Director of Finance.
24. In a year of all-out local elections, no commitments, payments or related publicity may be undertaken once the Notice of Election has been published until after the date of the election.
25. The HCWMGF will be kept routinely under review and may be altered from time to time. The Director of Finance may issue further guidance as necessary.