Revised Policy and Guidance on Councillor's Divisional Fund

This Policy was last revised in March 2022 for implementation from 1 April 2022 (N.B. The Policy was further updated in August 2026 to reflect the new title of the Audit and Governance Committee throughout).

1. Background and Aims of the Scheme

   a) The Councillor's Divisional Fund (CDF) is a Member-led scheme providing a specific budget to enable each Member to, subject to compliance with the requirements of the scheme, fund proposals that actively support local communities in their electoral divisions and assist the delivery of the strategic objectives of the Council.

   b) Each Member will be allocated up to £3,000 (as per budget approved at Full Council February 2023) to spend within each financial year. Any funds remaining and unspent within this budget at the end of the financial year will be returned to corporate balances (any funding for proposals that did not go ahead in a previous financial year and which are returned after the financial year end will not be added to a Member's existing £3,000 budget for the current financial year).

   c) Members should advise applicants whether other funding streams are available through other sources, including the County Council, may be a more appropriate alternative to the CDF – e.g. the County Council's Local Communities Fund (including the Talented Athletes Programme). Where appropriate, applicants seeking funding should be signposted to such funding sources and also to advice and support to assist them in establishing and formalising community groups where relevant.

   d) Applications will be processed through Democratic Services, who will also give advice on the operation of the fund and whether proposals meet the requirements of the scheme. A record of all expenditure under the scheme will be maintained and will be publicly available on the Council's website.

2. The Scheme

   a) The fund is designed to allow Members to offer financial support to organisations, charities and community groups within their division that actively support the community.

      Funding may also be provided to individuals where a Member is assured that CDF funding is the most appropriate means of providing financial support in the circumstances and that the funding will have a demonstrable benefit for the wider local community. Such funding will trigger additional monitoring and risk assurance measures with the applicant informed in advance of the necessary requirements.

b) Proposals should be for one-off items of expenditure and not for anything which could create an on-going financial commitment, e.g. administrative support.

c) General running costs (except for salaries and main office rents) of not-for-profit or community organisations and local charities can be funded, Funding does not need to be earmarked for specific activities or events, as long as the Member is assured that the funding will be used for the benefit of the wider local community on activities that are in keeping with the Council's strategic objectives.

d) Funding is not available for general charitable donations.

e) Funding cannot be given to any request which supports any matter which is contrary to County Council Policy. Additionally funding cannot be provided to oppose or support any proposal including planning proposals which the County Council has a legal obligation to determine or where the Council may provide formal views as part of a consultation process. Funding cannot be provided for activities which the Council considers to be politically affiliated, or relating to pressure groups or groups related to regulatory processes (e.g. a group or activity whose purpose is to support or oppose a particular viewpoint on a regulatory decision of local or national government or a governmental body).

f) Any awards made should be in excess of £100.00 in order to ensure that the administration costs of arranging the payment do not exceed the payment itself.

g) In order to help spread the available funding across the community, each individual payment by a Member shall not exceed £1000. Members can choose to fund the same organisation more than once in any financial year, although such payments should be limited to exceptional circumstances or to those bodies that are co-ordinating activities / funding or acting as accountable body for other community groups – e.g. Parish Councils, Community Voluntary Service branches

h) Two or more Members may agree a joint proposal for the whole or part of their divisional budgets and the total amount received may therefore exceed £1,000 provided the proposals meet the requirements of the scheme.

i) Any payments over £1000 (including joint payments and repeat payments) to any organisation in a single financial year will trigger additional monitoring and risk assurance measures with the applicant informed in advance of the necessary requirements.

j) Any payments to help establish a new organisation will trigger additional monitoring and risk assurance measures, in recognition of the lack of historical information available for such organisations and the related increased risk.

k) Payments to profit-making organisations or organisations that receive other forms of statutory funding for that specific purpose (for example, the provision

of books for community schools and academies) are only permitted where the Member feels assured that the funding will have a benefit for the wider local community (not just paying customers) or where the organisation's involvement is necessary for an application to be processed. Funding arranged through the County Council's owned, part-owned or arms-length managed companies are permitted.

l) Payments to District and Borough Councils are not intended to supplement those Councils' own budgets and expenditure and are therefore only permitted where that Council is acting as an accountable body for an informal community group or is offering its own services to enable an activity to take place – e.g. venue hire to enable a free community event to be held.

m) Payments to Parish and Town Councils are permitted.

n) Applications that have ongoing maintenance and /or cost implications for current and future years should not be funded unless agreement has been reached with a third party to take on responsibility for such maintenance and/ or any other costs or the relevant Member guarantees to cover any ongoing costs in future financial years through their CDF allocation.

o) Direct payments to third party contractors are only permitted in exceptional circumstances where the applicant does not have access to an appropriate bank account.

3. Declarations of Interest

a) The Council's Code of Conduct and the Nolan Principles and usual rules on declarations of interest apply to the CDF. Members must not place themselves in a position where their honesty and integrity may be questioned and should exercise their responsibility for the stewardship of the council's resources properly.

b) If a Member has a private or pecuniary interest in a proposal it is essential that they declare it on the application form to ensure appropriate transparency. No funding will be given when a Member directly benefits financially from the award. If a pecuniary interest is declared advice from the Monitoring Officer must be sought before payment is made.

4. Administrative Procedures

a) CDF applications must be made through the electronic system. Members need to ensure accuracy of information on all applications. Democratic Services and the relevant Members will be required to undertake appropriate checks to satisfy themselves that applications meet the requirements of the CDF scheme.

b) Payments will be made by BACS transfer or internal transfer.

c) If other County Council funding for the same project / activity has been applied for, agreed or previously provided, such details must be included on the application form. If other more relevant funding streams are available then the applicant should be signposted to these.

d) Payment can be made towards projects / activity that are seeking match funding from more than one source. However, if the project / activity is not able to progress due to the other sources of funding not being obtained, then the payee is required to notify the Council and the relevant Member within 30 days of the match funding decision, to arrange for the CDF payment to be reimbursed in accordance with para 4. e) below

e) Funding must be returned promptly and in any event within 30 days of the notification to the Council that a project/activity will not be proceeding where it is unused by the applicant organisation (e.g. where the event or activity has been cancelled) and/or the project/activity cannot proceed due to lack of match funding. Where funding is returned in the same financial year as it was awarded the Member may still be able to access the funding for other applications provided they are made within the time limits set out in the Policy.

f) Funding proposals/requests under the CDF scheme must demonstrate how the project meets the Council's Strategic Objectives.

g) A sample of applications annually will be the subject of an audit which will include ensuring that the monies provided have been spent in accordance with the application made. The type and number of applications to be audited will be agreed with the Chairman of Audit and Governance Committee and the results of the audit reported to that Committee as part of the annual review of expenditure.

h) Reports on the use of the Divisional Fund will be brought to Audit and Governance Committee on an annual basis. Expenditure reports will be given to the Group Business Managers and non-aligned Members on a monthly basis.

5. <u>Publicity</u>

a) CDF funding is intended to have a direct benefit for the community. It is important that this is transparent and that the contribution made by the Council is recognised appropriately.

b) In order to ensure funding is recognised –

i) a list of awards made will be maintained on the Council's website

ii) reports on the use of the Divisional Fund will be brought on an annual basis to Audit and Governance Committee.

c) In addition to this, the organisations in receipt of the award will be informed of the need to acknowledge the County Council's funding. This may include a notice stating the project was funded via the Divisional Fund, or acknowledged in the organisation's publications, annual reports or meeting minutes. Individual Councillors should not be named in any permanent notices or plaques. Advice on suitable publicity is available to Members from the Communications Team.

6. Review

The Scheme will be kept under review as part of the annual report to Audit and Governance Committee and in accordance with all Council policies.

7. End of financial year.

All applications for CDF funding in a non-election year must be submitted by the first Friday in March. Any applications received after this date will not be processed.

Members are encouraged to spread their applications across the financial year to prevent delays in payments in the run-up to the financial year end.

8. Pre-Election Periods

In the year of a Nottinghamshire County Council election, no requests for funding, payments or publicity relating to this scheme will be accepted from the end of February until after polling day.