

**CONSULTATION FOR THE PROVISION OF A GRANT SCHEME.**  
**WDA/47/08**

**Recommendation**

That:

1. Members approve that Waste Collection Authorities be consulted on a Grant Scheme for the Community and Voluntary Sector, being provided by MWDA.

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**Report of the Director**

**1. Purpose of the Report**

- 1.1 To request that members agree to consult the Waste Collection Authorities on a Grant Scheme for the Community and Voluntary Sector to be provided by MWDA.

**2. Background**

- 2.1 The updated Joint Merseyside Waste Management Strategy (JMWMS) states that the Authority will integrate a wide range of projects with associated partners in the delivery of sustainable waste management across Merseyside.
- 2.2 The Authority has committed to integrating the Community and Voluntary Sector in the delivery of its services. As part of the approved budget for Financial Year 2008/09 the Authority has committed £15,000 to enact this commitment.
- 2.3 The Community and Voluntary Sector (CVS)/Small to Medium Enterprises (SMEs) do not normally have access to capital funds to instigate projects. Normally the CVS and/or SME's have to obtain grants prior to any projects being initiated. These grants essentially act as a 'pump-prime fund' to initiate projects and then take them through to final completion.
- 2.4 As the Authority and the JMWMS is committed to integrating the Community and Voluntary Sector in the delivery of sustainable waste management across Merseyside, there is a need to ensure that the Authority can make provisions for a grant scheme to be made available for use by the CVS or an SME.

### **3. Current position.**

- 3.1 The Authority has power under the Waste Minimisation Act 1998 which states “A relevant Authority may do, or arrange for the doing of, or contribute towards the expenses of the doing of, anything which in its opinion is necessary or expedient for the purpose of minimising the quantities of controlled waste, or controlled waste of any description generated in its area”. However, this Act requires that the Authority shall “where a relevant Authority in England (“the first authority”) proposes to exercise any of its powers under subsection (1), it shall before doing so consult about the proposal every other relevant authority whose area includes all or part of the area of the first authority. It is proposed that the waste collection authorities will be consulted on this proposal of a grant scheme and a further report will be made to the Authority which will detail the outcomes from this consultation at a future Authority meeting.
- 3.2 The award of grant aid is a discretionary function and the Authority will wish to be satisfied that a proper process has been followed in receiving and assessing applications. The Authority is also reminded that its fiduciary duty to the Council Tax payers of the Districts and consequently the Authority means that in agreeing grant aid Members must be certain that the amount of any grant is commensurate with the benefit to the people of Merseyside. The Authority’s assessment process is designed to ensure this.

### **4. Proposed Grant scheme**

- 4.1 The proposed grant scheme will focus on adding value to the Authority and will only be utilised where specific project(s) have been identified which aids in the delivery of the Authority’s vision aims and objectives. Any application will have regard to the following key points:
- 4.1.1 Value for money;
  - 4.1.2 Procedures that are consistent with good regulation and the need to provide effective protection and proper accountability for public money; and
  - 4.1.3 Improved sustainability and long term planning.
- 4.2 The types of projects that grants will be used for are smaller one-off projects which require some capital to act as a pump prime funding. Examples of these projects could be the purchase of services which would aid in the delivery of education awareness and training purposes or the

procurement of food caddies to be given to householders as part of a project to collect food waste which will be processed into compost.

- 4.3 The proposed grant scheme will be made available to all organisations that are classed as CVS or SME organisations. Once received the grant application will be appraised against a grant evaluation decision making table (in Appendix 1). This will be used to determine the most effective use of the grant scheme to deliver against the Authority's vision, aim(s) and objectives.
- 4.4 Organisations who wish to tender for a grant shall ensure that they meet certain criteria (Appendix 2).
- 4.5 In order to ensure that the Authority minimises the risk of the grant being lost or misused, an offer letter is proposed (in Appendix 3). This offer letter provides a basic 'service level agreement' between the Authority and the organisation. This letter will be signed by a relevant person from the chosen organisation. This signatory guarantees that the grant monies will be passed back to the Authority should the organisation not complete the project as per the Authority's direction or if there are any surplus funds from the project.
- 4.6 An amendment to the Financial Rules is proposed (Appendix 4) which will support the current procedure and allow the provision of financial support prior to any goods and services being received by the Authority. This amendment will reflect and support Section E within the Financial Procedural Rules with specific reference to the delivery of partnership working between the Authority and the CVS or an SME.

## **5. Risk Implications**

- 5.1 The chosen organisation may not deliver the project as required despite receiving grant funding from the Authority. This risk is mitigated by the completion of an offer letter (as per Appendix 3) from the Authority, which clearly indicates what the project is, how it will be managed and what the deliverables are with an associated timescale.
- 5.2 The adoption of these recommendations will allow the Authority to enhance its ability to support for the CVS, which has previously been committed, through the ratification of the JMWMS and the Corporate Social Responsibility Policy.

## **6. HR Implications**

6.1 There are no HR implications associated with this report.

## **7. Environmental Implications**

7.1 Projects instigated will have consequential positive impacts on the environment, as they will support the sustainable management of waste across Merseyside, thus reducing the impacts of waste across Merseyside.

## **8. Financial Implications**

8.1 The proposed grant scheme would be for a maximum of £5,000 for any one project/organisation in anyone year, current budget provision is £15,000. Provision of grants would be managed within approved budgets for the financial year.

8.2 If adopted after consultation, an amendment to the Financial Rules Procedure will have to be made to take account of the provision of a grant (Appendix 4).

## **9. Conclusion**

9.1 The Authority and the JMWMS have both committed to ensuring that the Community and Voluntary Sector are integrated into the delivery of sustainable waste management across Merseyside.

9.2 Due to the lack of capital funding particularly associated with the CVS/SME's, a grant scheme will assist the Authority in engaging with the CVS to deliver elements of the JMWMS.

9.3 In order to ensure that the Authority can meet its requirements from its own commitment and from the implementation of the JMWMS, members are asked to agree to the Waste Collection Authorities being consulted on a grant scheme for the Community and Voluntary Sector and an amendment to the Financial Procedural Rules.

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The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.

**Appendix 1**

Grant evaluation decision making table for grant funded projects

Project Title:		
Score	Potential	Score
Does project address waste issues sustainably	40	
Does the project help to deliver against the Authority's vision, aim(s) and objectives	10	
Partnership involvement	5	
Sufficient project management	10	
Realistic project budget	5	
Sufficient Health & Safety, Risk and Legal considerations	5	
Sufficient record keeping and evaluation	10	
Communications plan	5	
<b>TOTAL</b>	<b>100</b>	
Judges comments		



**Appendix 2**

Organisational criteria for grant approval:

- are classed as a voluntary and community sector organisation or a small to medium sized enterprise;
- have a recognised legal and constitutional status. Compliance (by organisations that hold charitable status) with the accounting framework for charities and appropriate guidance for the Charity Commission; and
- are financially viable.

### Appendix 3

Offer letter to third parties for grant scheme funding.

#### **Draft Offer Letter for Project Funding (incorporating advance payments to community/third sector)**

I am pleased to inform you that subject to the terms and conditions of this offer letter, the Director/Assistant Director of Merseyside Waste Disposal Authority (“the Director”) is prepared to pay [insert name of the organisation] (“the Organisation”) a grant of [insert sum inclusive/exclusive of VAT] to [insert details of project proposal].

Approval is given in accordance with the Authority’s Financial Procedural Rules and the proposal as outlined in your correspondence dated [insert date].

The claim for payment must be accompanied by:

- I. an itemised statement of the costs incurred by the project on labour, overheads and related expenditure and confirmation that the Organisation has defrayed expenditure against these costs; and of any income received under the project; and
- II. a report of the completed project or
- III. where funding is being provided in advance of any service or goods being received, an appropriate service level agreement is agreed between the Authority and the Organisation on spend and deliverables and timescales for the project.

Any overpayment of grant, whether disclosed by a report or otherwise, must be refunded to the Director forthwith on his first demand or upon the Organisation becoming aware that the grant has been overpaid, whichever first occurs.

The Director reserves the right to require a report from an independent accountant to be submitted.

The Director and his representatives shall be entitled to inspect the project at any time and to require such further information to be supplied as he or they see fit. Such information may include but is not limited to information concerning the financial position of the Organisation.

The Director shall be under no obligation to pay the grant, and grant already paid may become repayable, in whole or in part, at his discretion if:

- i. the Project is not completed or in the opinion of the Director or his representative there is no longer any reasonable prospect of the Project being completed by [insert date];
- ii. there has been a change in the nature or scale of the Project or in its likely total cost which in the opinion of the Director is substantial;
- iii. any information supplied by or on behalf of the Organisation to the Director or any of his representatives in the Organisation’s proposal under or in connection with this letter proves to have been materially incorrect or misleading; or
- iv. the Organisation does not comply with or observe, the conditions of this letter or agreed service level agreement.

The Director shall be under no obligation to make any payment on a claim received after [insert date]. There will be a general presumption against paying claims received after this date.

No amendment to the terms of this offer letter will be effective unless and until confirmed in writing on behalf of the Director.

This offer remains open for acceptance until [insert date]. Acceptance of this offer letter constitutes agreement in full to the terms and conditions set out in this letter.

Acceptance must be shown by an authorised signatory of the Organisation signing the duplicate copy of the Offer Letter on behalf of the Organisation and returning it to [insert name of project manager] at the above address.

Yours

On behalf of [name of Organisation] I accept the offer set out above

Signed.....

Position.....

Date.....

## **Appendix 4**

Amended text (in italics) for Financial Procedural Rules.

Section E: External Arrangements 1. Partnerships, 1.4.

1.4 The Director of Waste Disposal will ensure that all partnership arrangements are properly documented, do not impact adversely upon the services provided by the Authority and that a risk assessment appraisal has been undertaken, in conjunction with the treasurer to the Authority, prior to entering such agreements. *Where monies are given in advance of goods and services being received, the Director shall ensure that an appropriate service level agreement is in place between the Authority and the third party with associated caveats on spends and deliverables being achieved. Should these deliverables not be attained a mechanism to allow recompense to the Authority must be agreed prior to any monies being issued.*