



Saxilby with Ingleby Parish Council

Non-confidential

Grants Scrutiny Panel

Report to: Extra-Ordinary Full Council 25-07

Report by: Clerk

Proposer: Cllr Waller, Chair of Finance and Risk and Vice-Chair of the Council

Power/duty which decision falls under: Local Government Act 1972, Section 111 – Power to do anything (whether or not involving expenditure) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of the council's functions.

Which council objective(s) it falls under:

Establishing a Grants Review Panel ensures grant funding is secured lawfully and effectively, enabling projects that improve facilities, support well-being, protect the environment, and encourage community participation to progress.

Public Sector Equality Duty

Consider how policies/decisions affect those protected under the Equality Act)

N/A Internal Procedure.

Duty to conserve and enhance biodiversity

Consider how the policy/decision will contribute to conserving or enhancing biodiversity

N/A Internal Procedure.

Consideration on carbon reduction:

N/A Internal Procedure.

Consideration of risk management in relation to the proposal¹

It is impossible to list every risk faced by a local council. Risk, in the general sense, means the likelihood of an event happening, and the severity of the negative consequences. The insurance industry regards risk as representing loss or damage. Risk always involves uncertainty. When protecting a local council effectively, it is important to consider if risk is present in the following areas (SLCC AN241)[Tick]

- | | |
|------------------|-----------------|
| ✓Decision making | ✓Legal |
| ✓Finances | Inspections |
| Property | ✓Written/verbal |
| Staff | ✓Communication |
| Events | ✓Insurance |

Does the report consider any new activity? If ‘Yes’, has a risk assessment, including risk management proposals, been included for consideration and adoption by the council?

(Financial Regulation 17b)

Yes – see below.

Grant Application Risk Matrix

Risk Area	Description	Potential Impact	Likelihood	Severity	Mitigation Measures
Ineligible Applications	Applications submitted that do not meet funder eligibility criteria	Rejection of application, reputational damage	Medium	High	Grants Scrutiny Panel due diligence prior to submission
Misrepresentation of Applicant Status	Incorrectly describing the Council or associated groups in application documentation	Loss of funder trust, potential for funder complaints or regulatory action	Low	High	Clear checks of eligibility criteria and transparency of status
Lack of Proper Authorisation	Applications submitted without formal Council or Committee approval	Non-compliance with Council governance, reputational risk	Medium	Medium	Authorisation process built into the review and approval workflow
Missed Deadlines	Failure to submit applications within funder timeframes	Lost funding opportunities	Medium	Medium	Early notification of funding opportunities and clear timelines
Financial Mismanagement	Improper use or reporting of grant funds	Requirement to return funds, reputational damage	Low	High	Robust financial controls and reporting
Conflicts of Interest	Perceived or actual conflicts not properly managed	Reputational risk, funder complaints	Low	Medium	Declarations of interest and transparency in decision-making
Resource Pressures	Insufficient officer time to prepare high-quality applications	Poor-quality submissions, reduced success rate	Medium	Medium	Prioritisation and allocation of resources

¹Risk areas to consider - strategic/operational, likelihood/impact, add to risk register? Any contingency planning needed?

Key to Assessment:

- **Likelihood:**
 - Low = Rare
 - Medium = Possible
 - High = Likely
- **Severity:**
 - Low = Minor reputational or financial impact
 - Medium = Moderate impact requiring remedial action
 - High = Significant impact including potential financial loss or regulatory action

REPORT

Agenda Item 5:

To agree to set up a Grants Review Panel including terms of reference, process, and members to sit on the panel

1. Purpose of the Report

This report proposes establishing a Grants Review Panel to strengthen the council's approach to making grant applications.

The aim is to establish a process to ensure all applications are compliant with the requirements of grant-making bodies, properly authorised, and appropriately monitored to protect the council, its members, and officers.

2. Background

The council has a number of community projects in progress and further ones to progress, such as those in the Neighbourhood Development Plan. In order to facilitate these, external funding is often required.

A councillor has put forward a proposal for a Grants Review Panel to be set up in order to support a more strategic, effective and robust process for consideration of grants.

The proposed Grants Review Panel and process are designed to:

- Reduce the likelihood of ineligible or non-compliant applications
- Reduce time spent on ineligible applications
- Provide transparency and accountability
- Support successful, high-quality funding applications

3. Proposal

In order to strengthen internal governance, and reduce risk to the council, it is proposed that the council establish a **Grants Scrutiny Panel**, whose role would be to carry out a scrutiny function.

The panel would operate under defined terms of reference and a clear process.

The purpose of the panel will be to:

- Provide oversight and due diligence on all grant eligibility and grant applications before submission.
- Ensure compliance with relevant funder criteria, policies, and council authorisations.
- Support officers and working groups in identifying appropriate funding sources
- Mitigate risk of reputational or regulatory issues

4. Draft Terms of Reference for the Grants Scrutiny Panel

Purpose:

To review and provide assurance that all proposed grant applications are eligible, and compliant, prior to submission.

Membership:

- A minimum of three councillors with demonstratable experience to sit on the Finance and Risk Committee
- The Clerk (or Deputy Clerk) to advise and support
- Other councillors may be invited for specific projects if required

Key Responsibilities:

1. Review all proposed grant applications against funder policies and eligibility criteria
2. Confirm the proposed use of funds is in-line with council purpose/objectives/projects/events
3. Confirm authorisation levels (e.g. Committee or Council approval).
4. Provide advice on application processes and timelines to committees and working groups
5. Maintain a record of decisions and recommendations

Meetings:

The panel will convene as required, either in-person or remotely, to consider applications in a timely manner.

5. Proposed Process

The following process is suggested:

1. **Identification of Funding Opportunities**

Potential funding source identified



2. **Notification of Funding Form Submitted to the Grants Scrutiny Panel**

Proposed funding opportunities are flagged to the Panel as early as possible to allow sufficient time for review.



3. **Due Diligence Review**

The Panel undertakes a review to confirm compliance with eligibility criteria and policies, completing Pro-Forma



4. **Recommendation and Authorisation**

The Panel makes a recommendation to Full Council (or the relevant Committee, if delegated authority exists) to support or not support proceeding with the application completing a Pro-Forma



5. **Council Approval**

Committee or council review the proposal.



6. **Submission**

Where approved, the application is finalised and submitted by the Clerk or designated officer.

6. Recommendations

That Full Council notes the report and

- a) **Agrees to establish a Grants Scrutiny Panel**
- b) **The Finance and Risk Committee be the panel's parent committee**
- c) **Approves the draft Terms of Reference and process for the panel**
- d) **Appoints a minimum of three councillors with relevant experience to sit on the panel**