

GRANT APPLICATION & ACCEPTANCE PROCEDURES FOR ALL BUDGET MANAGERS

1. CONTENTS

Background	2
Grant Application Procedure	3
Grant applications made on behalf of non-council establishments	5
Grant applications where the county council acts as accountable body	6
Grant Acceptance Procedure	7
Preparing to receive the grant or external funding	8
Grant application and acceptance checklist	10

2. BACKGROUND

- 2.1 The **Grant Application and Acceptance Procedure** is set out in the County Council's Financial Procedure Rules (Section 8), hereafter referred to as the 'Rules'. The Rules form part of the overall control framework within which North Yorkshire County Council operates. They aim to facilitate sound, innovative service delivery by setting out best practice for the administration of all financial matters throughout the Council, ensuring a high quality of financial information, robust financial management and enabling good decision making. They should not be viewed as a barrier to executive action and are constantly kept under review to ensure that they remain relevant to the day to day activities of the Council and contribute to the delivery of value for money.
- 2.2 The Procedures, in turn, make reference to section 6 of the **Executive Members Delegation Scheme** (also in the Constitution). This sets a financial limit of £100,000 above which appropriate Member authorisation must be obtained prior to the signing of any application documentation. This is detailed in section 3 of this document.
- 2.3 The latest version of the Rules can be found in the Council's Constitution at:
<https://www.northyorks.gov.uk/council-constitution>.
- 2.4 This guidance covers the procedures to be followed when applying for and accepting grants, irrespective of whether that grant is revenue or capital in nature, including:
- i. what is required of you as the grant applicant
 - ii. the support available from Integrated Finance
 - iii. the role of the Corporate Director (Strategic Services)
 - iv. the role of the Assistant Chief Executive (Legal and Democratic Services)
 - v. the use of the Grant Application and Acceptance forms

3. GRANT APPLICATION PROCEDURE

3.1 Allow enough time

First of all, if you are serious about applying for a grant or external funding, ensure that you allow sufficient time to follow these procedures. If you want the application to be successful, do not rush an application or skip these procedures merely to meet a tight deadline.

The **Grant Application Form** acts as a checklist, or audit trail, to ensure that any potential risks to the Council have been appropriately assessed prior to the submission of the application. Both the Application and Acceptance forms are in excel format and completion notes are included.

In developing the application, you should also consider the period after the grant or external funding has been fully spent. If the project for which the application is being made is to extend beyond the use of the grant, you must consider how you plan to fund the project once the grant has been fully expended. For example, a capital build project will need to factor in any on-going repairs and maintenance costs; and a revenue project that employs grant funded staff will need to consider whether it would be better to issue temporary employment contracts, secure other funding sources to retain those posts in the longer term or whether redundancies will be required.

3.2 Involve Integrated Finance

When considering an application for a grant or external funding, the Officer leading on the application should contact Integrated Finance at the outset for advice and support. The team, having a wide range of experience in applying and accounting for grant and external funding, will be able to guide you through these procedures and any potential pitfalls, act as a 'critical friend' in reviewing the application documentation and provide financial information necessary to the completion and acceptance of any award such as the details of the County Council's bank account into which the grant or external funding should be paid.

Contact the Financial Enquiry Service via the FES Enquiry Form at
<http://nyccintranet/content/finance-enquiry-service-fes>

3.3 Terms and Conditions

If the terms and conditions relating to the funding are available at the application stage, you should request that they are reviewed by Legal Services. Any concerns or clarifications can then be addressed with the awarding body prior to any submission so that a decision can be taken as to whether or not to proceed with the application.

It is important to check that any terms and conditions do not place any risk or onerous conditions on the County Council.

3.4 The role of the Corporate Director (Strategic Resources)

The Rules require that the Corporate Director (Strategic Resources) be consulted on any application for grant or external funding. Authorisation to submit an application must be obtained in advance of the application documentation being signed and submitted.

3.5 The value of the application matters

If the value of the application is in excess of £100,000, the Corporate Director (Strategic Resources), in consultation with the Director to whose service the application relates, is required to authorise the submission of the application.

3.6 Who signs the application?

As the County Council's Section 151 Officer, the Corporate Director (Strategic Resources), or their representative, should be consulted on who the authorised signatory on any application should be. The awarding body may stipulate that one of the signatories is the Section 151 Officer. However, it may be that this responsibility can be delegated to the Director or Assistant Director within the service.

Consider carefully who should act as the authorised signatory(s), particularly in terms of (i) their location, i.e. are they local and available to sign at short notice, and (ii) their ability to act in the longer term.

4. GRANT APPLICATIONS MADE ON BEHALF OF NON-COUNCIL ESTABLISHMENTS

- 4.1 The DfE, in particular, announce bidding rounds for grant funding which is available to both Council and non-Council establishments such as academies and PVI (private, voluntary and independent) early years providers. However, the awarding body usually requires that the applications be submitted by and in the name of the County Council on behalf of both Council and non-Council establishments.
- 4.2 Where this is the case, it is imperative that you seek the advice of both Integrated Finance and Legal Services as the terms and conditions place risk on the County Council should either the works fail to proceed as per the application or there is a change in use of the asset funded from the grant. There is an expectation that the funding, in part or full, would have to be returned to the awarding body.
- 4.3 Legal Services will provide support to prepare an agreement between the County Council and the grant recipient, the aim of which is to safeguard the Council's financial resources.
- 4.4 Another issue to be aware of is EU State Aid compliance. In submitting an application, the applicant is required to confirm that the application is compliant with EU State Aid rules. Again, Legal Services are able to provide advice on this.
- 4.5 The same applies to any application relating to non-Council establishments.

5. GRANT APPLICATIONS WHERE THE COUNTY COUNCIL ACTS AS ACCOUNTABLE BODY

- 5.1 The procedures covered in sections 3 and 4 also apply when applying for and accepting grants and other external funding where the County Council acts as the accountable body in relation to partnership funding.
- 5.2 Financial Procedure Rule 21 sets out the requirement for any intention for the County Council to act as Accountable Body to be authorised prior to the entering into of such an arrangement.
- 5.3 The Director to whom the Accountable Body role is relevant, in consultation with the Corporate Director (Strategic Resources) and the Assistant Chief Executive (Legal and Democratic Services), will agree the terms and conditions of that Accountable Body role, and sign any associated documentation on behalf of the County Council.
- 5.4 Unless there is explicit agreement to the contrary, which must be documented fully in the Accountable Body agreement, the governance rules of the partnership will be expected to follow the Financial, Contract and Property Procedure Rules agreed by the County Council.

6. GRANT ACCEPTANCE PROCEDURE

6.1 Review of the award letter & terms and conditions

The **Grant Acceptance Form** acts as a checklist, or audit trail, to ensure that any risks to the County Council have been appropriately assessed prior to the acceptance of the award.

The form is in Excel format and the majority of the data autofills from the original Application Form which sits alongside it. Completion notes are included.

The content of the award letter and associated terms and conditions should be reviewed by Legal Services to confirm that they do not suggest any financial or legal risk to the County Council. Either of these two documents may have information not previously included in the application material.

A copy of the grant award letter and the signed Grant Acceptance Form should be forwarded to Integrated Finance, either direct to your Integrated Finance support relating to the application ('Finance support') or via the Finance Enquiry Service via the FES Enquiry Form at <http://nyccintranet/content/finance-enquiry-service-fes>.

6.2 Approving the acceptance of the grant offer

The Corporate Director (Strategic Resources) will agree the terms and conditions of all grant offers made to the County Council. If the value of the application is:

- i. in excess of £50,000 but less than £99,999, the Corporate Director (Strategic Resources) in consultation with the Director to whose service the application relates and the Assistant Chief Executive (Legal and Democratic Services) is required to accept the grant offer and sign the appropriate documentation to formally do so.
- ii. in excess of £100,000 the Executive Member, following consultation with the Director to whose service the application relates and the Assistant Chief Executive (Legal and Democratic Services), will authorise the Corporate Director (Strategic Resources) under the Executive Members Delegation Scheme to accept the offer and sign the appropriate documentation to formally do so.

7. PREPARING TO RECEIVE THE GRANT OR EXTERNAL FUNDING

7.1 Payment terms

Be clear as to the awarding body's payment terms, i.e. whether the funding is to be paid in advance or claimed in arrears; whether it will be paid in a single or multiple instalments; and when.

7.2 Making the claim(s)

Integrated Finance can assist in the preparation of any funding claims. If involved from the outset, officers will be aware of the requirement to prepare and submit funding claims in arrears. If not, please contact the Finance Enquiry Service via the FES Enquiry Form at <http://nyccintranet/content/finance-enquiry-service-fes>.

Grant and external funding awards do not usually include for VAT and the Council is able to recover VAT on the expenditure incurred. As such, claims should not include VAT. If in doubt as to whether VAT is relevant, please either discuss this with your Finance support or contact the Council's VAT officer via the Finance Enquiry Service via the FES Enquiry Form at <http://nyccintranet/content/finance-enquiry-service-fes>.

Claim forms will require the same authorised signatory(s) as the application form.

7.3 Receiving the grant or external funding

The funding will be received into the County Council's New County Fund bank account.

When it is received, it will need allocating, or 'posting', to the relevant cost centre by the Income Section (Business Support Services). To inform the Income Section of any funding due into the County Council, e-mail income@northyorks.gov.uk with details of (i) the amount due, (ii) the date it is expected and (iii) the cost centre code and income subjective to which it should be credited.

The Treasury Management function within Integrated Finance also needs to be informed via either your Finance support or the Finance Enquiry Service so that the County Council's daily cashflow forecast can be updated - <http://nyccintranet/content/finance-enquiry-service-fes>.

The cost centre should already have been identified for this purpose on the Grant Acceptance Form.

7.4 Capital and Revenue Grant Monitoring

Capital grants are recorded and monitored in both the Capital Grants Register and the Capital Plan. Both are managed by the Technical, Capital and Pensions Team within Integrated Finance.

Revenue grants are recorded and monitored in the Revenue Grants Register which is managed by the Business Partnering Team, Integrated Finance.

The application itself or a detailed spending plan will inform the uploading of the expenditure and grant/funding budgets.

It is important that Integrated Finance is provided with a copy of the grant award letter and any terms and conditions (paragraph 6.1) as soon as they are received by the service in order that these records can be maintained.

7.5 Audit

If the terms and conditions of the award require the completion and submission of an audit declaration, forward a copy of the documentation to the Council's internal audit service, Veritau Ltd, by e-mail to enquiries@veritau.co.uk so that the work can be scheduled in. Veritau Ltd may impose a charge for undertaking grant and external funding auditing tasks.

GRANT APPLICATION AND ACCEPTANCE CHECKLIST

The following is a summary checklist to help in the preparation of the grant application and in accepting the award:

GRANT APPLICATION CHECKLIST		
1	Gather all application/bid information including terms and conditions. At this point it is worth securing the support of the Directorate Corporate Director (they will need to sign the Grant Application form).	
2	Contact Integrated Finance for advice and support from the outset.	
3	Complete the ' Grant Application Form ' in readiness for seeking authorisation from (i) the Assistant Chief Executive (Legal and Democratic Services) and (ii) the Corporate Director (Strategic Resources).	
4	Forward the ' Grant Application Form ' along with a copy of the application/bid and any terms and conditions to the Assistant Chief Executive (Legal and Democratic Services).	
5	Once reviewed and signed off by Legal Services, forward the ' Grant Application Form ' and associated paperwork to Integrated Finance (or your Finance support) who will arrange for the Finance approvals to be secured.	
6	Once fully authorised, Integrated Finance will confirm that the application/bid can be submitted to the awarding body.	
GRANT ACCEPTANCE CHECKLIST		
1	Advise Integrated Finance of the receipt of the offer of an award.	
2	Complete the ' Grant Acceptance Form ' and attach a copy of the award letter and any terms and conditions; forward to the Assistant Chief Executive (Legal and Democratic Services) for review.	
3	Once reviewed and signed off by Legal Services, forward the ' Grant Acceptance Form ' and associated paperwork to Integrated Finance (or your Finance support) who will arrange for the Finance approvals to be secured.	
4	Once fully authorised, Integrated Finance will confirm that the signed acceptance letter can be submitted to the awarding body.	
5	Confirm with your Finance support that both the Treasury Management and Income teams are advised of the grant payment arrangements.	
6	If the grant requires auditing, forward a copy of the documentation to Veritau Ltd.	