

## TRAFFORD COUNCIL

Report to: Executive:  
Date: 26 June 2017  
Report for: Decision  
Report of: Executive Member for Communities and Partnerships

### Report Title

**Future of the Section 48 AGMA Grants Scheme**

### Summary

**This report asks for formal consideration to be given to the closure of the current AGMA Grants Scheme established under S48 Local Government Act 1985, with a view to its replacement by a new scheme under the Greater Manchester Combined Authority (GMCA).**

### Recommendation(s)

**The Executive is recommended to:**

- 1. Give initial consideration to the case for closure of the Section 48 AGMA Grants programme and authorise a consultation on closure of the scheme to be undertaken by AGMA to inform a final decision on closure to be taken at a later date.**
- 2. Support the development of a new funding programme for culture, under the GMCA, as a potential replacement for the Section 48 Scheme.**
- 3. Note that it is intended to run the consultation for a new CA programme for culture at the same time as the consultation on closure of the Section 48 scheme.**

Contact person for access to background papers and further information:

Name: Jane Le Fevre  
Extension: 4215

Background Papers: None

Relationship to Policy Framework/Corporate Priorities	The grants scheme and any proposed replacement for that scheme will support and underline all corporate priorities
Financial	None arising from this report
Legal Implications:	As the scheme is a statutory scheme it will be necessary to follow the process outlined in the report in order to close the scheme
Equality/Diversity Implications	These issues will be considered as part of the consultation around both the closure of the existing scheme and the new arrangements proposed
Sustainability Implications	None at this juncture
Resource Implications e.g. Staffing / ICT / Assets	None
Risk Management Implications	None
Health & Wellbeing Implications	None
Health and Safety Implications	None

## Background

- 1.1 AGMA Executive operates a grant scheme under Section 48 of the Local Government Act 1985 (“the 1985 Act”) on behalf of the ten Greater Manchester district councils. The current 2015/18 programme of grant funding to “eligible voluntary organisations” (as defined in the 1985 Act) was agreed in December 2014 by the AGMA Executive and was for a three year period. Initially funding was only guaranteed for the first year, with funding for years 2 and 3 of the programme being subject to the availability of funds. However, ultimately all three years are to be funded. The scheme is currently in year 2 of the current three year funding cycle, which is due to end at the finish of the 2017/18 financial year. Funding for year 3 was agreed at the joint AGMA/GMCA Executive Board on 16<sup>th</sup> December 2016. The total funding for the three year programme is £9,943,906, including a total of £210,000 for programme management support.
- 1.2 AGMA Leaders have previously indicated that they would like to review options for the development of a new programme for culture under the GMCA, with a view to aligning the start of the new programme with the closure of the Section 48 scheme.

## 2.0 Future of the Section 48 Scheme

- 2.1 In early 2016, Leaders indicated that they wished to review options to move the Section 48 scheme to the GMCA, such a move being consistent with wider reviews and changes arising since the establishment of the GMCA and subsequent changes which have been put in place as a result of the devolution agreements and Orders. The option favoured by Leaders was closure of the Section 48 scheme in conjunction with the establishment of a new programme for culture under the GMCA in 2018/19 after year 3 of the current funding cycle of the AGMA scheme closes in 2017/18.
- 2.2 At its meeting on 16 December 2016 the AGMA/GMCA Executive Board decided to recommend to constituent councils that consideration be given to the closure of the AGMA Section 48 Grants scheme and that approval be sought for AGMA to undertake a consultation on the formal closure of the scheme.

2.3 It should be noted that if closure is agreed by all (or in the absence of agreement a majority of) the constituent Councils then, due to the legislative requirements relating to the closure of a scheme established under Section 48 of the 1985 Act, the closure of the scheme would not occur until the end of the financial year after that in which the decision to close the scheme was made. An indicative timetable for closure of the Section 48 scheme is set out below:

- May/June 17 - Constituent councils agree that closure option should be considered and approve the undertaking of a consultation on closure by AGMA during 2017;
- June/July 2017 – formal notice given to funded organisations that closure of the scheme is being considered and that a consultation will be undertaken. To also note that the GMCA intends to consult on a new programme during 2017 and run the consultation for this alongside the Section 48 closure consultation.
- Late 2017 – subject to consideration of the outcome of the consultation AGMA Executive makes recommendation to constituent councils to agree closure of S48 scheme;
- Before end March 2018 – Constituent councils agree to closure of the Section 48 scheme
- 31<sup>st</sup> March 2019 – AGMA Section 48 scheme closes

2.4 The indicative timetable for closure referred to at paragraph 2.3 above would mean that there would be a need for a further year beyond the current 2015/18 funding cycle in which the AGMA Section 48 scheme would remain in existence, in line with the legislative requirements concerning closure of the scheme. However, assuming that the replacement GMCA scheme would be in place from April 2018, it would be possible to zero fund the final year of the Section 48 scheme so as to avoid any overlap in provision. It is to be noted that a precedent has already been set for possible zero funding of particular years of the Section 48 scheme, as the second and third years of the current cycle of funding were not guaranteed and potentially could have been left unfunded (although this did not ultimately occur).

2.5 Once the ten constituent Councils have agreed that the closure option should be considered, a consultation will be undertaken with currently funded groups and other interested parties in 2017, whilst the new programme is consulted on. It is intended to run the consultation for a new CA programme for culture at the same time as the consultation on closure on the Section 48 scheme. A final decision on the closure of the AGMA Section 48 scheme will only be made following consultation and a report will be brought back to each of the ten constituent Councils regarding the outcome of that consultation and members will be asked to confirm or reject the proposed closure of the scheme.

### **3.0 Development of a new scheme**

3.1 The current Section 48 Fund Criteria were reviewed by AGMA in 2012 with a view to strengthening economic outcomes of the fund and its contribution to the Greater Manchester Strategy (GMS).

3.2 Given the changing context in which Greater Manchester is now operating, and the extent to which the GM agenda has moved on, a refresh of the Greater Manchester Strategy is now underway. It is intended to revisit GM's strategic approach to reassess the issues and opportunities that the strategy needs to address, and re-examine the interventions required to drive growth and reform across the conurbation. Allocations of funding through the GMCA will need to be aligned to

emerging priorities. Interim feedback from the current consultation appears to indicate that one of the main reasons why people like working, living, learning, doing business or visiting in Greater Manchester is because of its rich cultural and arts offer.

- 3.3 The GMCA has been asked to consider the opportunity to align a new GMCA culture programme with emerging priorities for culture, in addition to possibly aligning with other funding programmes, for example the Life Chances Investment Fund and also work in relation to Children's Services. From April 2017 the Life Chances Investment Fund will allow Greater Manchester to use public money to deliver better services and improve the lives of GM residents. There is the potential to link any investment through the new GMCA scheme more robustly to an evidence base to maximise the positive impacts of the scheme.
- 3.4 The criteria for the current Section 48 scheme are shaped around funding the activities of local not for profit organisations which meet three main objectives:
- That they contribute to the recognition of Greater Manchester locally, nationally and internationally – helping create the conditions to attract new investment, new visitors and new talent;
  - That they contribute to improving the skills and employability of greater Manchester residents, encouraging people to fulfil their full potential; and
  - That they play a role in developing strong and inclusive communities, contributing to an improved quality of life and wellbeing for all residents.
- 3.5 There would be a need to review the criteria for a new GMCA cultural programme. This could mean that eligibility of organisations seeking grants need not necessarily be restricted to those organisations meeting the 'eligible voluntary organisation' definition found in section 48. There could, instead, be a broader, or narrower, set of qualifying criteria. The criteria for the new scheme would need to be agreed by the GMCA, and the constituent Councils will be involved in this programme as it develops.
- 3.6 The GMCA would also need to consider the appropriate level of funding for a new GMCA cultural programme and a new governance structure would also need to be designed and put into place to manage the new programme. A further report setting out proposals for the development of a new cultural programme is to be brought to the joint AGMA/GMCA Executive Board in 2017.

### **Other Options**

The recommendation at this stage is simply to note the proposals and the consultation which is due to be undertaken on those proposals. The Executive could indicate that they did not support the proposal, but as it has already been agreed at AGMA/GMCA, it is unlikely that the proposal would be halted unless a majority of the individual authorities rejected the proposals.

### **Consultation**

The proposed consultation is referred to within the report

### **Reasons for Recommendation**

To enable the proposed closure of the existing S48 Scheme to be progressed alongside consideration of a wider scheme

**Key Decision** (as defined in the Constitution): No (please delete)

**Finance Officer Clearance** (type in initials) JLF

**Legal Officer Clearance** (type in initials) NB

**CORPORATE DIRECTOR'S SIGNATURE** (electronic)

A handwritten signature in blue ink that reads "Joanne Hyde". The signature is written in a cursive, flowing style.

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

## **Introduction**

Trafford Council is committed to achieving equality in both service delivery and employment. The Council has made a commitment to work through the three levels of the Equality Framework for Local Government, demonstrating cumulative good practice to achieve equality of outcomes in relation to the six equality 'strands':

### **Age, Disability, Gender, Gender Identity, Race, Religion and Belief, Sexual Orientation**

A key requirement of the Equality Framework at Level 1, (a Developing Council), is the implementation of Equality Impact Assessments. This will help the Council to meet the requirements of various pieces of equality legislation. The Council must ensure that all sections of the community receive services appropriate to their needs, and that no-one is adversely affected in the way we deliver services. An impact assessment will help to determine whether a service or policy is failing to meet the needs of specific groups or has discriminatory outcomes.

### **What is an Equality Impact Assessment (EIA)?**

An Equality Impact Assessment is a thorough and systematic assessment of how functions, policies and procedures, strategies etc; impact on people covered by the different equality strands. The primary function of the equality impact assessment should be to determine whether the impact of any developments is or is likely to be negative or adverse and the extent of this impact, so that it can be addressed.

*If, as a result of the assessment, it is decided that the policy/procedure/decision has an adverse impact, the authority must consider alternative ways of acting to reduce or eliminate the impact and better achieve the promotion of equality of opportunity. The processes involved in conducting an equality impact assessment should not be an end in themselves. The aim of the assessment is the promotion of equality of opportunity. It is the **outcomes** of the equality impact assessment that are of primary concern.*

There are two levels of EIA: initial and full. You need to decide what level of impact assessment is needed. The essential difference between the 2 kinds of assessment will be in the level of detail and consultation undertaken. An initial/screening assessment is mainly a desktop research exercise, while a full assessment will involve public consultation and involvement. The degree of assessment will depend on the relevance of the policy or strategy to equality and the general impact it will have on people's lives. Therefore, for larger, more significant changes to service delivery where it is known early on that there will be a large number of stakeholders affected by the changes, the lead officer will bypass the initial stage and go straight to a full EIA.

### **When do I undertake an EIA?**

An impact assessment should begin as soon as a relevant new policy, function or procedure is considered, when policies/ procedures etc are reviewed or in line with the corporate schedule of impact assessments. It should be an integral part of policy and service development, so that equality considerations become a natural part of everything we do. EIAs should be an integral part of Service Improvement Projects, Transformation Projects and preparation of major strategies, for example, the Sustainable Community Strategy and the People Strategy.

### **Implications for Decision Making**

When a decision maker eg the Committee or a senior officer is making a formal decision on any matter they must be made aware of the implications of their decision in relation to the Council's obligations in relation to equality. Therefore, all reports should state that an EIA has been carried out and summarise the main implications of the EIA. It may be appropriate in certain cases to append a copy of the EIA or a summary of it to the report or to set out in the report how the implications of the EIA will be met or managed.

Training is available on: [www.learningpool.com/trafford](http://www.learningpool.com/trafford)

Further guidance is available on: <http://intranet/yourtrafford/EqualityDiversity/EqualityImpactAssessments.asp>

For further advice and support, please contact: Adele Coyne, x 4605

## Sustainability Issues - Guidance for Officers Preparing Reports for Decision

*There are a number of areas around sustainability and climate change which must be taken into consideration in Decisions, and in the preparation of reports recommending these decisions.*

### **Energy Use in the Council's Own Estate**

*The potential effects of a decision on energy use in the council's own estate, including schools, must be considered. The council must annually report carbon emissions from council activities via National Indicator NI185, and any decision which would increase energy use in either council buildings or the fleet must be raised and discussed with the council's Sustainability Manager before it is taken.*

*Energy use in the council's estate is also a key aspect of the 'Use of Resources' Key Line of Enquiry under the Comprehensive Area Assessment, an area where the council needs to improve.*

### **Carbon Emissions in Trafford Borough**

*Trafford has a target of a 9.4% reduction in per capita carbon emissions by 2011 under our Local Area Agreement. Emissions are measured across three sectors: domestic homes, business and industry and road transport, and are reported via National Indicator NI186.*

*Any decision likely to have an impact on carbon emissions in any of these three sectors should be raised and discussed with the council's Sustainability Manager before it is taken.*

### **Adapting to the Effects of a Changing Climate**

*Changes in local weather patterns resulting from global climate change will increasingly impact on council services and life in Trafford. As a result, steps need to be taken to adapt council services to take these new weather patterns such as storms, flooding and heatwaves into consideration.*

*Any decision which may give rise to a risk from the effects of a changing climate needs to be brought to the attention of the council's Sustainability Manager. The council has a Climate Change Adaptation Strategy (reported under National Indicator NI188) to deal with these issues, and it may need to be updated in the light of new decisions.*

### **Biodiversity**

*The council has a duty to protect biodiversity in Trafford (reported under National Indicator NI197), and any decision which may have an impact on biodiversity in the borough should be brought to the attention of the Sustainability Manager before it is taken.*

## Risk Management Implications - Guidance for Officers Preparing Reports for Decision

*This is a brief note setting out guidance for stating risk management implications in reports for Decision.*

*Identifying risk management implications enables members and officers to establish clear and consistent interpretation of the exposures to risk, both threat and opportunity, that the Council may face. For those who are tasked with writing and interpreting reports the following guidance may be of assistance. (More detailed risk management guidance can be found on the risk management site on the Authority's intranet).*

- *When reporting on risk implications reference can be made to the Authority's risk management policy and guidance.*
- *Risks should be referred to as either having Strategic or Operational implications or a combination of both.*
- *Where significant issues form part of the report, confirmation that a risk assessment was undertaken can be referred to. If no risk assessment was undertaken then state when one is planned or why it is unnecessary to do so.*
- *Identify who is responsible for managing any relevant risks and the action taken or proposed to ensure desired outcomes.*
- *Indicate when the greatest risk is likely to occur. Not all risks occur consistently or with the same magnitude over the course of a project.*
- *State whether it is considered that controls are adequate enough to manage the risk effectively and identify where improvements can be made to achieve success.*