

Okehampton Town Council
Full Council Meeting 21st December 2020
Meeting Report

Date:	10 th December 2020
Name:	Emma James, Town Clerk
Subject:	COVID19 Grants

DALC's advice in relation to COVID19 financial assistance by councils states:

Councils with the General Power of Competence may find it easier to help their communities, although should take care to abide by the normal restrictions and to consider any risks they may be incurring.

Councils without the General Power of Competence could use Section 137 for some tasks provided that it feels there would be commensurate benefit in doing so. A grant under S137 should not be given where the benefit is solely to one person but one person can benefit where the community also benefits; this also applies to commercial ventures. However, please remember that S137 is not intended to be a long term prop to a commercial venture.

Local Councils are restricted by S137 of LGA 1972 to whom they can give money. In 2020/21 the limit of a Councils S137 spend is set at no more than £8.32 per elector. This funding has to be given for things that are of benefit to the majority of the community and cannot be given to individuals.

OTC has adopted the General Power of Competence which means that it is not subject to this ruling. OTC's funding is public money mainly derived from residents Council Tax and any spend should be for the benefit of the community, not individuals.

OTC's internal auditor checks that grants have been given in accordance with legislation. OTC must evaluate the risk associated with the granting of financial assistance to individuals and should properly evidence the need of the individuals to reduce the risk of the misuse of the funding which is obtained from residents of the town through their council tax.

Both the original and previously reviewed resolution that referrals would be through Citizens Advice means that individuals need will have been fully accessed and they will only have been referred to OTC if there is no other option available. Thus reducing the risk of the misuse of public funds and fulfilling the requirement of the Council to undertake due diligence required by audit.

Granting of funds to individuals comes with increased risks including:

- Misuse of public funding
- Criticism from the internal/external auditor and/or residents for the giving of grants to individuals which effectively would be directly funded by their neighbours/community, especially if there is a need for the precept to increase which their almost certainly will in 2021/22 in view of the anticipated 2% reduction in the council tax base

Citizens Advice

Following the request for this item of business to be added to an agenda for discussion I spoke with the Supervisor of the Okehampton Branch of the CAB to ascertain the current situation on 24th November.

The CAB are not currently meeting people face to face and have reverted to digital working which has increased the speed in which clients are dealt with. Timescales have reduced from around 4 to 5 weeks to 4 to 5 days at most as the workload is now central rather than being location based.

Emergency cases are prioritised, foodbank voucher decisions are made on the day of initial contact.

On rare occasions there are occasions when they are unable to make contact with the client. This is because they are only permitted to leave a message or send a letter if prior permission has been given by the client for them to do so.

Okehampton United Charities

On 9th December the following report was received from the OUC in relation to their COVID19 hardship grants authorised for residents of the Town and Hamlets:

21 households have been supported with 38 grants of £250 (maximum of 3 grants per household). Typically grants are paid within 48 hours of the application being received and approved, turnaround has been as quick as 12 hours in some cases.

Recommendation

My recommendation as Clerk and RFO strongly remains that OTC only grants funding to individuals referred by Citizens Advice and as set out in existing policy for the reasons set out in this report.

Emma James
Town Clerk and RFO

10th December 2020