in partnership with Sunderland City Council

Sunderland City Council

Annex 3

STRATEGIC INITIATIVES BUDGET (SIB) CRITERIA AND PROJECT GUIDELINES

1 ABOUT THE SIB FUND

1.1 SIB was established in 1996/7 to promote action on key priorities identified in the relevant Area Regeneration Frameworks, and to attract other funding into the area. Each Regeneration Framework area is currently allocated a minimum of £200,000 per year. Applications for funding are approved by the relevant Area Committee or Cabinet.

1.2 SIB is approved on an annual basis as part of the full Council budget process in February or March each year. It is possible that due to financial constraints in a particular year, the allocation may be reduced or withdrawn. Approvals from future years' SIB allocations are therefore subject to this budget process and cannot be guaranteed.

1.3 Applications therefore will only be approved for the current year unless exceptional circumstances can be established, such as the need to secure other funding over a period of time or enable the recruitment or retention of staff to proceed. Projects that apply for funding from future years' allocations do so at their own risk.

2 APPLYING FOR SIB

2.1 The Council's Office of the Chief Executive administers SIB through its Strategic Economic Development Service. Any project wishing to enquire about a possible application, or who have any queries regarding the process, should in the first instance, contact the relevant Area Regeneration Officer below:

Nicol Trueman Sunderland East, and Washington
Telephone 561 1162 Fax 553 1599
e-mail: nicol.trueman@sunderland.gov.uk

Pauline Hopper Sunderland North, and Coalfield
Telephone 553 7912 Fax 553 1599
e-mail: Pauline.hopper@sunderland.gov.uk

Richard Parry Sunderland South and Sunderland West
Telephone 561 1217 Fax 553 1599
e-mail: richard.parry@sunderland.gov.uk

2.2 Once the suitability of the project has been established through an Expression of Interest, an application form will be sent out electronically or by post accompanied by these guidelines, guidance notes for filling in the application form, and a copy of the relevant Framework(s) and Action Plans. As a copy of the completed application form will be attached to a covering report as part of the Area Committee's agenda, we would appreciate it if the form could be returned electronically to the relevant Area Regeneration Officer at the appropriate e-mail address provided above. If this is not possible, a typed copy can be sent to the address shown on the covering letter. The covering letter will also provide the date of the next pre-agenda and the full Area Committee meetings, and the deadline for returning the completed application form.

2.3 Where an SIB application refers to inputs or support from other Council Directorates, either financial or otherwise, the Lead Agent should seek the agreement of the relevant Directorate. Agreement should be at the appropriate level within the Directorate and should be in place prior to the application being placed on the pre agenda. The appropriate Directorate contact name will be supplied and support or authorisation will be included in the application.

2.4 Where possible, a representative of the project must attend the pre agenda and the full Area Committee meetings in order to respond to any queries the Elected Members may have. Please note however, that attendees will not be expected to speak on behalf of the application but to respond to any questions there may be regarding the application

2.5 An application to the Area Committee should not be interpreted as a guarantee of its approval. The Committee reserves the right to defer or reject any submission on the basis of available SIB funding in the current financial year and the project's suitability in the light of Area Framework priorities and SIB criteria. However, it will make a decision at the meeting whether to grant the full amount being requested, make a contribution of a lesser amount, defer the request or refuse the application.

3. CRITERIA FOR ELIGIBILITY

3.1 SIB is intended to address the Area Regeneration Framework priorities, which are identified in the Sunderland Strategy and Local Area Agreement.

3.2 Applications should also demonstrate the potential benefits to local communities the proposed project would bring, and subsequently be able to provide evidence and statistics that can illustrate these benefits.

3.3 SIB is mainly intended for one off projects, capital expenditure and "pump priming" of new initiatives. Revenue support can be included in any application, but this will only be at the commencement of a new project or as "gap funding", for up to six months, to enable a project to

continue while other funding is being sourced. Ongoing or repeat revenue or maintenance costs, such as electricity or rent, will not normally be considered for SIB funding.

3.4 A major aim of SIB is to attract other funding into the area. While the lack of other funding would not disqualify any application, priority is given to those projects that are seeking or have secured additional funding from other sources such as Single Regeneration Budget, Lottery, European funding, sponsorship or grants from charitable institutions.

3.5 Applicants are normally expected to make a contribution towards overall project costs, although this is not essential for SIB support to be considered.

3.6 Applications will normally only be approved for the current year unless exceptional circumstances can be established, such as the need to secure other funding or enabling the recruitment or retention of staff to proceed. In such cases, future years' allocations would therefore become 'active' once the full Council's budget for that year had been formally approved.

3.7 Any project applying for SIB funding must have a management committee, some form of written constitution and a dual signatory bank/building society account.

4 NON-ELIGIBILITY

4.1 Individuals or groups that are not formally constituted are ineligible for SIB funding.

4.2 SIB should not be used to finance projects that would normally be funded through other sources or to compensate for budget reductions in mainstream provision.

4.3 SIB cannot provide ongoing revenue or maintenance support to projects (see 3.3 above) or for payments for redundancy.

4.4 SIB cannot be used for activities of a political or exclusively religious nature.

4.5 SIB cannot be used to fund retrospectively i.e. for expenditure already incurred before the application has been approved.

5 APPROVAL AND PAYMENT

5.1 If the application is approved in full or in part, an offer letter confirming the allocation will be sent out to the nominated contact person within a week. Funding will only become available once the terms and conditions

accompanying the offer letter have been signed and returned. ***These terms and conditions that accompany the offer letter should be read carefully, as this constitutes a contract between Sunderland City Council and the project.***

5.2 Payments are paid in arrears and claims must be submitted on a quarterly basis, along with Quarterly Monitoring Return.

Full transaction list, copies of invoices and all necessary paperwork should be sent in during the first week of the following months to ensure payment: January; April; July and October

In special circumstances the timescale of submitting claims can be negotiated between Lead Agent and the ARO.

5.3 There is not the facility to overspend on specific allocations. It is the project's responsibility to have estimated the costs correctly, and the Council does not accept any liability should these estimates prove inaccurate or insufficient. Should the available funding prove inadequate to meet the project's aims, it will be the project's responsibility to seek additional funding. If this is not possible, the Lead Agent should seek advice from the relevant Area Regeneration Officer regarding the current status of their SIB allocation. Any project that exceeds the original allocation will be required to find the overspend from their own resources.

6 CONDITIONS

6.1 Projects must be managed in accordance with all appropriate statutory requirements and employment legislation and must not be conducted in any way as to bring Sunderland City Council into disrepute

6.2 **Purchasing / Procurement requirements**

The Council has a duty to ensure that, where it awards public monies to external organisations, value for money and probity is demonstrated as monies are expended.

Where any such monies are used to procure goods, materials, services or works the following procurement requirements must be applied.

Procurement up to £5,000

This applies to procurements, which are less than £5,000.

Records must be kept to objectively demonstrate that value for money has been achieved, and competition has been considered. For example, if all or part of a grant was to be used to purchase computer equipment it would be appropriate to contact four suppliers of the equipment

concerned and ask for a price from each supplier. A note should be retained of the price quoted in each case. If the supplier used is not the supplier quoting the lowest purchase price, a record should be kept with the quotes to explain why the chosen supplier was used. This would normally be on the grounds of quality. This process would also apply to suppliers of services e.g. consultancy services for feasibility studies and for purchases classed as capital works.

Procurement between £5,000 and £75,000

This applies to procurements, which are equal to or exceed £5,000 but which are less than less than £75,000.

For procurement of this value, at least three written relevant quotations must be obtained from suitable contractors or suppliers. If less than three quotations are obtained (e.g. because the work is specialised) or considered the reason for this should also be recorded. Finally, if the supplier used is not the supplier quoting the lowest purchase price, a record should be kept with the quotes to explain why the chosen supplier was used.

Procurement equal to or exceeding £75,000 up to EU Thresholds

This applies to contracts for works, supplies or services with an estimated value equal to or exceeding £75,000 but less than the thresholds prescribed by the EU Regulations or to which the full extent of them do not apply.

Contracts subject to this rule must be let by one of the procurement procedures below:

a) the Open Procedure
b) the Restricted Procedure or a tender from a Standing List
c) a Call-Off pursuant to an existing Framework Agreement let by the Council or other Third part
d) the Competitive Dialogue Procedure the Negotiated Procedure

Contracts Exceeding EU Thresholds

This rule applies to contracts for applicable works, supplies or services with an estimated value above the thresholds prescribed by the EU Regulations. The thresholds set as at 31st January 2006 were:

a)	Works	£3,497,313
b)	Supplies	£139,893
c)	Services	£139,893

Contracts subject to this rule must be let by one of the following procurement procedures:

a) the Open Procedure;
b) the Restricted Procedure;
c) the Competitive Dialogue Procedure;
d) the Negotiated Procedure.

Advertising Contracting Opportunities

Where above the applicable EU threshold a Contract Notice must first be placed in the OJEU in the form prescribed.

Public Notice shall be given in one or more local newspapers and/or in one or more journals circulating among persons who undertake such contracts. The notice shall set out particulars of the contract and invite persons interested to apply within such period, being not less than ten days, as may be specified, for tender documentation, stating the last date when tenders will be accepted.

All procurement opportunities (regardless of value) should be considered as to whether their advertising would be beneficial in order to encourage openness, transparency and competition.

6.3 **Potential conflicts of Interest**

Any potential conflicts of interest (e.g. the supplier is a friend or relative of the person procuring the service, goods or works) should be declared and those affected should not participate in the procurement process or decision.

6.4 Retention of Records

Records of all of the above processes should be retained for a period of three years and must be available for inspection by representatives of the Council if required.

Failure to comply with any of the above conditions could result in clawback of monies and further claims or awards not being approved.

Please note: Projects will be required to submit all relevant documentation with regard to the appointment of a contractor or supplier with the first Quarterly Monitoring Return (or the most appropriate)

6.5 Projects are required to provide accurate and verifiable information for monitoring, evaluation and reporting purposes, and must fill in and return the quarterly monitoring return form that is sent requesting information on projects' progress. Additionally, projects are subject to audit and monitoring throughout their duration by officers of the Chief Executive. Failure to return monitoring forms or comply with any other financial requests made may result in the remainder of the allocation being withheld or future applications being refused.

6.6 Once a project has used its full SIB allocation, projects will be required to submit a written report and attend a future Area Committee meeting to discuss the project's impact. Lead Agents will be informed of when this report and presentation will be required by the relevant Area Regeneration Officer.

6.7 It is the project's responsibility to keep the relevant Area Regeneration Officer informed of any changes that may affect its SIB allocation. In this respect it should be noted that:

- The normal practice will be to make SIB funding available for the period indicated in the funding profile in Section 7 of the application form. If funding is not claimed in accordance with the profile of projected costs in Section 7 of the application form or once the projected completion date has been reached, any unused allocation may be reclaimed, unless the project has indicated a reason for the delay and requested an extension to their funding period.

- No project will be allowed to access SIB funding beyond 2 years from the date of the original offer letter, unless it has received approval for funding over several years. Beyond this period, any unused allocation will be returned to SIB and any project still requiring the funding would need to submit a new application.

- SIB can only be used for the purposes outlined in section 3.4 and section 7 of the application form. If a project for any reason wishes to use their allocation for purposes other than the ones originally proposed, they would need either to return the unused allocation and submit a new proposal to the Area Committee or make a formal request to the Area Committee to vire the allocation.

6.8 The project should ensure that, wherever appropriate, publicity generated by the project acknowledges SIB support. It is a condition of SIB that any press releases be made via the SIB Marketing and Communications team (Tel 0191 553 1933). Please note that in cases where SIB has provided support for the feasibility stage of a capital build project, SIB support will need to be acknowledged on site billboards at the construction stage. The SIB logo can be obtained from the SIB Marketing and Communications team.

7. Working with Children, Young People and Vulnerable Adults

7.1 When funding has been awarded to deliver a project that will encounter or work with children, young people and vulnerable adults during the lifetime of the funding programme, all staff and volunteers involved must apply and complete an enhanced Criminal Record Bureau Disclosure, copies of which, must then be forwarded onto the Area Regeneration Officer to be retained on file.

7.2 All staff and volunteers working indirectly or directly with children, young people and vulnerable adults, throughout the lifetime of the award, must have relevant qualifications, copies of which should be supplied

7.3 Lead organisations must have an adopted Safeguarding Children, Young People and Vulnerable Adults Policy.

7.4 Projects cannot start delivery of the project, outlined in section 3.4 of the application, until all relevant paperwork has been seen and approved by the Area Regeneration Officer.

8. Suspending or re-cooping funding

8.1 If at any time during the lifetime of the award it is believed or evidenced that the Lead Agent or his/her associates, employees, assistants or agents have brought the Council or funding programme into disrepute either directly or indirectly, Sunderland City Council declare the right to suspend or re-coup the funds.

8.2 Furthermore the Council retains the right to terminate the funding where the organisation is found or suspected of being involved in any criminal or disreputable activity.