

Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

Stage 1

Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	Yes	
Relevant Group Head review	Yes	
MAT+ review (to have been circulated at least 5 working days before Stage 2)	Yes	
This item is on the Forward Plan for the relevant committee	Yes	
	Reviewed by	
Finance comments (circulate to Finance)	Yes	20/08
Risk comments (circulate to Lee O'Neil)	LO	03/09/26
Legal comments (circulate to Legal team)	LH	10/09/26
HR comments (if applicable)		

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

Stage 2

Report checklist – responsibility of report owner

ITEM	Completed by	Date rec'd
Monitoring Officer commentary – at least 5 working days before MAT	L Heron	10/09/26
S151 Officer commentary – at least 5 working days before MAT	T. Collier	20/08/26
Commissioner engagement		
	Delete as applicable:	No issues Comments in S. 7
Confirm final report cleared by MAT		

Community Wellbeing & Housing

29th September 2026

Title	Community Grants Mapping Across Surrey Authorities: Section 24 Position and Decisions Required from Sovereign Authorities
Purpose of the report	To make a decision
Report Author	<i>Stephen Mortimer-Cleevely, Borough Lead Independent Living, Housing & Health</i>
Ward(s) Affected	All Wards
Exempt	Report & Background Papers 1,2 – No, Appendix 1 - Yes
Exemption Reason	Appendix 1 contains exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006 Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
Corporate Priority	Community Resilience Services
Recommendations	Committee is asked to: 1. Approve the continuation of the Council's existing Community Grant Programme (as approved for 2026/27) into 2027/28 for the currently funded strategic community organisations identified within Appendix 1 2. Agree that grant awards are made on the basis of existing funding principles and approved budget provision, subject to normal grant agreements and monitoring arrangements.
Reason for Recommendation	The Committee is being asked to approve continuation of the Council's existing Community Grant Programme into 2027/28 to avoid a funding cliff edge for key voluntary and community organisations during Local Government Reorganisation. Providing timely certainty will help maintain preventative services, support vulnerable residents and reduce the risk of increased pressure on statutory services. Although Spelthorne is operating under Commissioner oversight rather than the same Section 24

	framework as other Surrey authorities, the recommendation is to follow the same prudent principles being applied across Surrey by continuing existing provision without creating new long-term commitments
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4. **Executive summary of the report** *(expand detail in Key Issues section below)*

What is the situation	Why we want to do something
This report concerns the continuation of Spelthorne Borough Council's existing community grant funding (as approved for 2026/27) into 2027/28 during Local Government Reorganisation. It focuses on maintaining support for key voluntary, community and social enterprise organisations that deliver preventative services, advice, family support, volunteering infrastructure and support for vulnerable residents. This relates to a total proposed budget of £170,000.	There is a risk of a funding cliff edge if decisions are delayed until the new unitary arrangements are in place. Without timely certainty, funded organisations may lose staff, reduce services, struggle to retain volunteers or be unable to plan beyond March 2027, which could increase pressure on statutory services and cause avoidable disruption for residents.
This is what we want to do about it	These are the next steps
The proposed approach is to continue existing strategic community grant arrangements through 2027/28, within approved budgets and subject to normal governance, monitoring and grant agreement requirements. Although Spelthorne operates under Commissioner oversight and is in a different position from councils considering Section 24 controls, the recommendation is to follow the same prudent principles being adopted across Surrey.	The Committee is asked to approve continuation of the existing Community Grant Programme for the organisations identified in the report. Officers will then finalise grant agreements, apply appropriate monitoring arrangements, maintain alignment with Commissioner oversight and support an orderly transition into the future unitary arrangements.

5. **Key issues**

- 5.1 As part of Local Government Reorganisation preparations, Surrey authorities have undertaken a countywide review of community grant funding arrangements to understand the potential implications for the voluntary, community and social enterprise (VCSE) sector during transition to the new unitary authorities on 1 April 2027.

- 5.2 The review identified significant risks should authorities delay grant decisions until vesting. Many VCSE organisations rely on annual grant funding to retain staff, coordinate volunteers, maintain community infrastructure and provide preventative services which reduce pressure on statutory agencies.
- 5.3 A growing concern raised through Surrey's Community, Wellbeing and Engagement workstream is the potential creation of a "funding cliff edge" in 2027/28 if councils defer decisions due to uncertainty surrounding Local Government Reorganisation. Such an approach could lead to the loss of services, staffing reductions and disruption to support for vulnerable residents.
- 5.4 Nine of Surrey's twelve local authorities have now approved, extended or otherwise committed funding arrangements that provide continuity of grant support into 2027/28. The remaining authorities are preparing equivalent reports for consideration through September committee cycles. As a result, a consistent Surrey-wide approach is emerging which seeks to maintain community resilience during the transition period while avoiding decisions that could materially constrain the future unitary authorities.
- 5.5 Unlike most Surrey authorities, Spelthorne remains subject to Commissioner intervention and oversight. Consequently, the Council's position differs from authorities considering decisions primarily through the lens of Section 24 reorganisation controls. The Council is not required to rely on the same interpretation of Section 24 restrictions because Commissioner oversight arrangements remain in place, and Spelthorne and Woking have been exempted from the S24 regime by Government for that reason.
- 5.6 However, officers consider there is merit in adopting the same underlying principles being applied elsewhere across Surrey. Specifically, this means supporting continuity of existing grant-funded community services through 2027/28 whilst avoiding any new long-term commitments or liabilities that could prejudice future decision-making by successor authorities.
- 5.7 The recommendations contained within this report seek to provide certainty for key community partners, maintain support for vulnerable residents and avoid unnecessary disruption during the final year of transition.

5.8 Risk of a Funding Cliff Edge

A number of organisations currently receiving grant support from Spelthorne Borough Council provide services which contribute directly to community wellbeing, early intervention and prevention.

For many organisations, Council funding supports core staffing, volunteer management, outreach activity and community infrastructure. Delays in funding decisions would create significant uncertainty and may result in organisations being unable to:

- Retain experienced staff.
- Recruit or manage volunteers effectively.
- Secure additional match funding.
- Plan service delivery beyond March 2027.

- Maintain support for vulnerable residents.

The resulting loss of capacity could increase demand on statutory services and undermine community resilience during a period of significant organisational change across local government.

5.9 Section 24 Position

The emerging interpretation of Section 24 is that restrictions are intended to prevent predecessor authorities from entering into commitments that:

- create significant new liabilities;
- dispose of strategic assets;
- materially affect future financial sustainability; or
- significantly limit the future discretion of successor councils.

The controls are not considered to be directed at routine operational decisions required to maintain services up to vesting day and immediately beyond.

It is therefore considered reasonable for authorities to continue with community grant awards where they:

- support ongoing service delivery;
- represent continuation of existing policy approaches;
- remain within approved financial envelopes;
- are limited in duration;
- contain appropriate review mechanisms and break clauses where appropriate; and
- are fully documented through local governance arrangements.

This approach is consistent with lessons from previous local government reorganisations, where continuity of service delivery was maintained while avoiding significant long-term commitments.

5.10 Surrey-Wide Position

Community grant mapping undertaken across Surrey has demonstrated that community funding arrangements vary between authorities. Nevertheless, a common approach is now emerging.

Nine of Surrey's twelve authorities have already approved or committed to grant arrangements extending through 2027/28. The remaining authorities are bringing equivalent reports to committee during September 2026.

The emerging countywide consensus is that maintaining continuity of existing community services represents the most proportionate response to Local Government Reorganisation and reduces the risk of avoidable disruption to residents and community organisations.

Adopting a consistent approach also reduces the risk of inequity whereby organisations operating in one part of Surrey receive funding certainty while equivalent organisations elsewhere face avoidable delay.

5.11 Spelthorne's Position Under Commissioner Oversight

Spelthorne Borough Council remains subject to Commissioner intervention and financial recovery arrangements.

This means the Council's decision-making context differs from that of authorities whose principal consideration is compliance with Section 24 controls associated with Local Government Reorganisation.

While Section 24 considerations have informed discussions elsewhere in Surrey, officers consider that the more relevant consideration for Spelthorne is whether continuation of existing grant arrangements represents a prudent and proportionate use of resources which supports residents and aligns with the Council's recovery framework.

Officers are satisfied that continuation of existing grant-funded arrangements through 2027/28 is consistent with those objectives.

6. Options appraisal and proposal

6.1 Officers have considered three options for managing Community Grant Programme funding during 2027/28. Option 1 is the preferred approach as it balances continuity for residents and community organisations with prudent financial management, Commissioner oversight and the need to avoid creating new long-term commitments.

6.2 **Option 1:** Continue existing strategic community grant arrangements through 2027/28 — **preferred option**. This would continue support for the currently funded strategic community organisations identified in the report, within approved budget provision and subject to normal grant agreements, monitoring and assurance. This option provides timely certainty, reduces the risk of a funding cliff edge, supports vulnerable residents and follows the same prudent principles being adopted across Surrey, while recognising Spelthorne's separate position under Commissioner oversight.

6.3 **Option 2:** Defer any decision until the new unitary arrangements are in place. This would avoid Spelthorne making a commitment for 2027/28 before Local Government Reorganisation is implemented but would create significant uncertainty for funded organisations. It risks staff losses, reduced service capacity, difficulties retaining volunteers and avoidable disruption to residents who rely on preventative community support. West Surrey needs to make assumptions this autumn in order to complete drafting its budget.

6.4 **Option 3:** Reduce or cease existing community grant funding for 2027/28. This would reduce immediate financial commitments but would be likely to have the greatest impact on community organisations and residents. It could undermine preventative services, increase pressure on statutory provision and create inconsistency with the emerging Surrey-wide approach, where most authorities have already approved or committed equivalent arrangements.

7. Risk implications

- 7.1 The principal risk is that delaying or not approving continuation of existing community grant funding would create a funding cliff edge from April 2027, resulting in service disruption for residents and instability for key voluntary and community organisations. This could lead to loss of staff and volunteers, reduced preventative support, reduced ability to secure external funding, and increased pressure on statutory services. Conversely, continuing existing time-limited grants within approved budgets presents a lower risk, provided awards remain subject to appropriate governance, monitoring, Commissioner oversight and do not create new long-term liabilities for successor authorities.

8. Financial implications

- 8.1 The funding under consideration relates primarily to continuation of existing grant baselines rather than the creation of new funding commitments.

Where authorities choose to proceed with 2027/28 awards, decisions should:

- remain within approved budgets;
- demonstrate affordability;
- be subject to appropriate governance;
- avoid creating long-term liabilities; and
- where appropriate, include break clauses or review mechanisms.

9. Legal comments

- 9.1 Pursuant to section 1 of the Localism Act 2011 and section 65 of the Health Services and Public Health Act 1968 (where applicable) the Council has the powers to provide grant funding to voluntary and community sector.
- 9.2 The grant awards must be in accordance with the Council's governance requirements and subject to appropriate grant funding agreements being entered into.
- 9.3 The Council must give due regard to the Public Sector Equality Duty when allocating funding.

Corporate implications

10. Commissioners' comments

- 7.1 Commissioners agree that there is merit in Spelthorne BC adopting the same underlying principles being applied elsewhere across Surrey.

11. S151 Officer comments

- 11.1 The S151 Officer supports the proposed approach which both helps reduce the risk of uncertainty and a cliff edge for VCSE partners and also enables this

element of the 2027/28 budget to be firmed up in line with West Surrey budget timelines.

12. Monitoring Officer comments

- 12.1 Subject to matters set out in section 9 of this report, there are no further legal implications arising from the recommendations in this report.

13. Procurement comments

- 13.1 There are no procurement implications arising directly from the recommendations in this report.

14. Equality and Diversity

- 14.1 Continuation of the existing Community Grant Programme is expected to have a positive equality impact by helping to sustain services that support residents who may experience disadvantage, vulnerability or barriers to accessing mainstream provision. The organisations funded through the programme provide advice, early help, family support, volunteering infrastructure and wellbeing services which are particularly important for older residents, families with young children, disabled residents, people experiencing financial hardship, carers and those at risk of social isolation.

Failure to provide timely funding certainty could have a disproportionate impact on these residents if community-based preventative services are reduced or withdrawn. Maintaining existing grant arrangements through 2027/28 therefore supports the Council's wider equality duties by promoting access to support, reducing inequality of outcome and helping to ensure that vulnerable residents continue to receive assistance during Local Government Reorganisation.

15. Sustainability/Climate Change Implications

- 15.1 Where grant-funded organisations deliver services locally, through outreach, advice, volunteering and community-based support, this may also contribute indirectly to sustainability by reducing avoidable travel, supporting local solutions and strengthening community resilience during Local Government Reorganisation. Grant agreements and monitoring arrangements can continue to encourage funded organisations to operate in environmentally responsible ways, including making efficient use of resources, reducing waste and considering low-carbon approaches to service delivery where practicable.

16. Other considerations

- 16.1 There is significant uncertainty in the VCSE sector as a result of LGR and reorganisation in relation to the ICB, its incumbent on all system partners to recognise and provide mitigation for this uncertainty.

17. Local Government Reorganisation Implications

14.1 The report has highlighted significant LGR implications.

18. Timetable for implementation

18.1 Decision to be made at Community Wellbeing and Housing Committee on 29th September, and used to inform the next iteration of West Surrey Budget.

19. Contact

19.1 Stephen Mortimer-Cleevely

***Please submit any material questions to the Committee Chair and Officer
Contact by two days in advance of the meeting.***

Background papers:

Surrey CEX Executive Summary Paper

Surrey CEX Presentation

Appendices:

Appendix 1 Strategic Grant Spend 25/26