# Pensax Parish Council
# Grants Policy 2023-24

**1. INTRODUCTION**

1.1. This Policy describes how Pensax Parish Council ("Council") will make donations and grants from its revenue funds.

**2. GENERAL**

2.1. For this Policy: A ***Donation*** is given without needing to be specific about its use, whereas a Grant must be spent specifically for the agreed-upon purpose.

> *For example, a donation may be given towards a community club for the general running costs without being specific about what it is spent on. In contrast, a grant would be given towards the cost of particular projects, such as installing a new security system for a community club building.*

In reality, most applications under this policy will be defined as grants and subject to the following considerations.

2.2. The Council aims to ensure that all our award-making activity is:

- 2.2.1. open
- 2.2.2. transparent
- 2.2.3. fair
- 2.2.4. supports local organisations
- 2.2.5. competitive

2.3. Our awards are open to established voluntary or community groups and new or informal groups of parishioners who intend to become formally constituted by the date of application.

**3. PARISH COUNCIL POWERS and SECTION 137**

3.1. A parish council has several powers granted under various Acts of Parliament, which enable it to spend money. Since 2008 the "Power of Wellbeing" and, more recently, the "General Power of Competence, Localism Act 2011" (GPC) have allowed parish councils more flexibility in how they spend money within the local community. To use these powers, a parish council must have an appropriately qualified clerk and at least two-thirds of the councillors have been elected rather than co-opted or appointed. Eligible councils that wish to use the GPC must resolve to adopt it after each election.

3.2. Currently, Pensax Parish Council does not meet these criteria; therefore, all donations and grants fall under the statutory power of Section 137 of the Local Government Act 1972, which permits it to spend up to a specific limit on anything in the opinion of the Council is in the interests of Pensax Parish, or any part of it, or is in the interest or all or some of its inhabitants.

3.3. This amount is limited to a figure per head of the electorate on the electoral roll on the 1st of January before the commencement of the financial year. The figure is index-linked and is advised by NALC annually.

**NALC advise 2023-24 Sum is £9.93 – Number of electors on roll 04/23 - 257**

3.4. The Council has no obligation to spend all or any of the money available under S.137 and may not budget to do so. This money is not 'gifted' to the Council; it forms part of the Council's precept upon the District Council. Therefore, the cost of any grants or donations is reflected in residents' council tax bills.

**4. WHO CAN APPLY**

To be eligible for the award of a grant under Section 137, an organisation must:

4.1. be established for non-political, charitable, benevolent, social, cultural, recreational or philanthropic purposes

4.2. have a constitution, or set of rules, which define its aims, objectives and operational procedures.
4.3. be able to provide a copy of its latest annual accounts or most recent three bank statements. Accounts are to be checked and signed by a person independent of the group,
4.4. have a bank account operated by a minimum of at least two joint signatories.

**5. ELIGIBILITY**

5.1. The following requirements exist for requests to be funded:
- 5.1.1. The project should be something that makes the local community a better place in which to live, work or visit.
- 5.1.2. It should benefit people who live in Pensax Parish.
- 5.1.3. There must be clear evidence that local people support the project and are involved in carrying it out.
- 5.1.4. Applications do not have to be from groups that already exist.
- 5.1.5. Each group may only make one application per financial year.
- 5.1.6. Applications will be considered for day-to-day running costs and individual projects.

5.2. The following are not eligible:
- 5.2.1. Support for individuals or private business projects.
- 5.2.2. Projects that are the prime responsibility of other statutory authorities.
- 5.2.3. Projects that improve or benefit privately owned land or property.
- 5.2.4. Projects that have already been completed or will have been by the time the grant is made.

**6. CONDITIONS OF SUPPORT**

The Council may award any grant subject to all or some of the following conditions. Required conditions will be at the Council's discretion and consider your organisation's circumstances.

6.1. The application must be made using the official Council grant application form, available from the Clerk and on the Council's website.
6.2. Where part of the expenditure on a specific project sourced from a supplier exceeds £1,000, quotes from at least three suppliers must have been received.
6.3. Details must be provided of the extent to which funding has been sought or secured from other sources or own fund-raising activities.
6.4. Funding must only be used for the purpose agreed with the Council, and if the monies are not spent on the items agreed, they must be returned.
6.5. Funding must be spent within the financial year awarded and cannot be added wholly or partly to your reserves or 'up funded' to a central organisation for redistribution.
6.6. If project costs are more than anticipated on the application, the applicant must meet any shortfall. The Council will not make up any shortfall.
6.7. To fully understand your project or activity, Councillors may wish to visit your project or activity before the project or activity commences. They may also want to conduct a site visit once your funded project is underway.
6.8. At a minimum, you will write to confirm receipt of the funds for audit purposes.
6.9. The need to provide evidence of expenditure (receipted invoices) to the Clerk to the Council on completion of your project will be discretionary – based on the amount given and the purposes given. If required, this evidence of expenditure should equal or exceed the total amount of the grant detailed on your application.
6.10. Any unused funds at the end of the financial year the grant is paid out must be returned to the Council.
6.11. Acknowledging the Council's support in all publications, publicity and annual reports would be best.
6.12. You should show the funding awarded separately in your published financial accounts, and the Council should have access to your financial records on request, where appropriate.
6.13. A representative of your organisation should give a report at the Annual Parish Meeting (held on an evening between March and May each year) on how you spent the money and, if appropriate, how your project went. You should also provide an article detailing the project in the Parish magazine.

**7. ADDITIONAL CONDITIONS FOR LOANS**

Under certain situations, and where the council obtains GPC, consideration can be given to loan applications from organisations as previously defined in this policy under the following terms:

7.1. The maximum period of repayment of a loan is five years.
7.2. The interest rate applied to the loan shall be the average base rate, as supplied by the Council's bankers, plus 1.0% or 4.0%, whichever is greater.

7.3. Under normal circumstances, only one application will be considered in any financial year and determined by the availability of the Council's operational, financial reserves.
7.4. Before a loan is authorised, the Council must ensure that guarantees/guarantors for repayment are acceptable.

**8. WHEN TO APPLY**

8.1. The Council prepares its annual budget during November/December. Organisations should therefore write/apply by the end of October in time to be considered for the primary bids. Any award granted would become available for payment after April of the following year.
8.2. This may be a competitive process against other bids, and the quality of each submission is essential.
8.3. All groups will be treated equally. If an organisation has had a grant previously, they are not guaranteed to receive financial support but are not excluded from applying again. A fresh application will be required each time.
8.4. Whilst ad-hoc requests can be made at any time, there is no guarantee that any funds will remain available.

**9. HOW WILL DECISIONS BE MADE**

The decisions will be made by the Council. The Council's decision is final. Unfortunately, we may not be able to fund all projects as there may be more applications than the budget available. Any amount set aside within the budget in respect of applications received by the due date does not guarantee an award. All applications will be considered carefully. Due account will be taken of the extent to which funding has been sought or secured from other sources or your own fund-raising activities.

**10. HOW TO APPLY**

Applications should be made in writing. Please apply to the Clerk for a standard application form or download one from the parish council website at pensaxparish.org. Complete in full.

**PENSAX PARISH COUNCIL**
**GRANT APPLICATION FORM**

Please read the full Council's Grant/Donation Awarding Policy and Procedures information sheet before fully completing this form. Applications must be submitted on the attached form and emailed/posted to the Clerk at any time during the year.

Please ensure you attach/provide a link to the following documents relevant to your organisation:

- Your accounts - A copy of the last Audited Accounts and a Budget for the current financial year or bank statements for the previous three months if newly established that has a least two joint signatories.
- Your last Annual General Meeting – A copy of the previous AGM Minutes.
- Your articles or documents of Formation / Trust / Constitution or Rules of the organisation.

Note:

- Applicants will be invited to attend the Council Meeting when the application is discussed to answer any questions Councillors may have.
- Applicants must report to the Parish Council when the Grant Funding has been spent.
- Applicants should acknowledge that Grant Funding has been received from Pensax Parish Council for that particular project.
- Applicants may be invited to attend a Parish Meeting to speak about the benefit of receiving the Grant. Additionally, they may be asked to write an article for the Parish Newsletter/Magazine.
- Applicants are reminded that the Council deals with public funds and are limited by law on which projects they can grant.
- Grants will not be paid retrospectively.

Please give evidence of

- How the grant will be used primarily for the benefit of residents of Pensax Parish.
- How have you been active in generating funds for the project yourselves?
- Declare any political connections.
- Evidence you are non-profit making.
- Give full details of other grants applied for and the outcome of those applications if known.

Pensax Parish Council will make their decision by a majority vote. Applicants will be advised of the Council's decision within one week of the meeting where it is discussed.

If necessary, please use a continuation sheet, inserting the organisation's name at the top for easy reference.

**PENSAX PARISH COUNCIL**
**GRANT APPLICATION FORM**

| | | |
|---|---|---|
| The official name of the organisation applying | | |
| Named Contact &<br>Postal Address for correspondence | | |
| Daytime telephone no<br>Email address | | |
| Details of the organization's purpose/aim | | |
| Your website | | |
| Total amount of grant requested | Please provide quotes or breakdowns on a separate sheet(s) | £ |
| What is the Grant going to be used for and who will gain the most benefit?<br><br>Give details of the project | | |
| Have you applied to any other organizations for Grants towards this project?<br><br>Please give details and the outcome of the application if known | | |
| Details of income you have raised yourselves from fundraising events, subscriptions, donations etc. | | |
| Registered Number: | Who are the users of your organisation: demographics etc | What are expected numbers of beneficiaries: |
| Signature of person applying (e.g. Chairman, Secretary, Treasurer, Leader)<br>Date | | For Parish Council use only. |

Please use this page to supplement any of the information in the form: