



Earnley Parish Council

Grant Awarding Policy and Procedure

Introduction to Policy

1. A grant is any payment made by Earnley Parish Council to an organisation which is not directly controlled or administered by the Parish Council, for a specific purpose that will benefit the Parish or residents of the Parish.
2. The law requires that grants made under Section 137 of the Local Government Act 1972 must be “in the interests of or will directly benefit the area or its inhabitants, or of part of it, or some of it” and “the direct benefit should be commensurate with expenditure”. It is also a requirement that where a grant of more than £2000 is made using Section 137 then the Council is required to demand that the recipient provides, as a condition of the grant, an account of how the grant has been used. Similar considerations will apply when considering applications for other grants such as those made under the General Power of Competence.

Purpose

3. The Parish Council may award grants, at its absolute discretion, to voluntary or charitable organisations which can demonstrate a clear need for financial support to achieve an objective which will benefit the Parish by:
 - providing a service
 - enhancing the quality of life,
 - improving recreation or sports facilities
 - improving the environment
 - promoting the Parish of Earnley in a positive way.

Eligibility

4. The Parish Council will not award grants to:
 - private individuals
 - commercial organisations
 - purposes for which there is a statutory duty upon other local or central Government departments to fund or provide
 - regional or national organisations unless their activities provide an identifiable benefit to local residents
 - political parties
 - religious organisations unless for a purpose which does not discriminate on grounds of belief.
5. This list is not exclusive and may be added to at the council's discretion.

Application Procedure

6. Only one application for a grant will be considered from any organisation in any one financial year.
7. Ongoing commitments to award grants in future years will not be made. A fresh application will be required each year and will be at the discretion of the Council.
8. Grant applicants must submit a completed application form. This must be supported by a copy of their last year-end accounts showing the organisation's income, expenditure and level of balances. Organisations that do not prepare annual accounts must supply copies of bank statements covering the six months preceding the application.

The requirement to produce accounts will be waived for national or regional organisations which publish their accounts. The Council may award grants to organisations of its own choosing which have not submitted a formal application.

9. Grants cannot be awarded after the relevant project or event has been completed

Other Considerations

10. Organisations will normally be expected to have clear written aims and objectives, a written constitution, and a separate bank account controlled by more than one signatory.

11. All grants awarded, at the discretion of the Council may be subject to regular reporting to Earnley Parish Council to demonstrate progress and the achievement of community benefit.

Grant Budget

12. At the Parish Council's specific annual budgeting meeting an amount will be set from which grants will be awarded during the following financial year. This amount will principally be for grant requests that have already been received by the Parish Council in accordance with the application procedure, and which it envisages may be granted. Any amount included within the budget for an application amount does not guarantee an award, a decision upon an award will remain for approval by Earnley Parish Council at the appropriate meeting.

13. Once the grants budget is exhausted, the Parish Council will only consider emergency requests for assistance, and generally only from organisations with which it has close links.

Processing Grant Requests

14. An unplanned grant request, once received in writing, will be considered at the next meeting of the Parish Council.

15. Each application will be assessed on its own merits. However, to ensure as fair a distribution as possible of available funds, the Parish Council will take into account the amount and frequency of any previous awards. Due account may also be taken of the extent to which funding has been sought or secured from other sources or fund-raising activities.

16. Earnley Parish Council may make the award of any grant or subsidy subject to such additional conditions and requirements as it considers appropriate.

17. The Parish Council reserves the right to refuse any grant application which it considers to be inappropriate, or against the objectives of the Council.

18. Nothing contained herein shall prevent Earnley Parish Council from exercising, at any time, its existing duty or power in respect of providing financial assistance or grants to local or national organisations under the provisions of the Local Government Act 1972, Section 137.

Successful Applications

19. A grant award must only be used for the purpose stated in the application. If the organisation is unable to use the money, or a part of it, for the purpose stated then all monies, or the unspent part of such monies, must be returned to Earnley Parish Council. The Parish Council may request proof of expenditure.