

PEGSWOOD PARISH COUNCIL

GRANTS AND DONATIONS

POLICY

Approved by the Parish Council on: 21 August 2017

Document Control	
Author: Parish Clerk	Signature
Approved on behalf of Parish Council	Signature

Change History		
Version	Date	Reason for Change
v1	March 2014	
v2	June 2015	Amendments to qualifying criteria etc.
v3	August 2017	Introduction of subsidies

1. Introduction

- 1.1. Pegswood Parish Council is committed to giving financial support to local initiatives but has a responsibility to distribute grants, subsidies and donations in a fair and equitable manner to reflect the value of the organisations, services or activities to the residents of the parish.
- 1.2. The Parish Council has a legal responsibility to safeguard and account for public money. It has a responsibility to manage any risk to its finances and to gain value for money in how it spends its resources.
- 1.3. The Parish Council, under the Local Government Act 1972 s137, and other applicable Acts, will consider donating to local organisations, services or activities which can demonstrate that the money will make a real difference to the services that they offer to parish residents.
- 1.4. There are three methods by which the Parish Council supports local groups:
 - 1.4.1. The first is by a contribution directly towards the cost of new work and/or activities that an organisation intends to carry out. This grant is to a limit £3,000.
 - 1.4.2. The second is by providing a subsidy towards core activities of existing organisations which have a base in the parish and provide an important service, in the eyes of the Parish Council, to Pegswood residents. They are for a specified period of time, usually for a maximum of three years and would be to a maximum of £1,000 each year.
 - 1.4.3. The third is for **donations** of smaller amounts made available for community groups. These donations will be from an allocated sum within the Parish Council's annual budget. Such donations would be to a maximum of £100 per organisation.
- 1.5. The contributions are achieved by raising money directly through the precept. The agreed allocations are published in the Parish Council's annual budget.
- 1.6. The maximum funding any one organisation can receive from the Parish Council in a financial year is capped at £3,000.

2. Eligibility

- 2.1. The Parish Council will only consider applications for grants, subsidies and donations from organisations and groups which operate within the parish and demonstrate that they are in need of financial assistance; or organisations which demonstrate that they substantially benefit residents of the parish.
- 2.2. It will not normally consider applications from national organisations, or local groups with access to funds from national 'umbrella' or 'parent' organisations.
- 2.3. The organisation receiving the award should be a not-for-profit voluntary organisation where membership is open to all residents; with no discrimination of membership.
- 2.4. Organisations supporting or involving young people and/or vulnerable adults should have necessary Safeguarding Policies and, having assessed the roles within the organisation to have any Disclosure and Barring Service certificates in place and up to date.
- 2.5. The Parish Council will not fund:
 - 2.5.1. Individuals.
 - 2.5.2. Religious or political groups and activities.
 - 2.5.3. School activities that take place within the school day; or those which are normally LEA funded.
 - 2.5.4. Organisations not registered as charities; or those not considered 'not-for-profit' i.e. that are operated as a business to make a profit or surplus.
 - 2.5.5. National Organisations; except where it can be demonstrated that the donation will substantially benefit residents of the Parish.
 - 2.5.6. Projects that have already commenced; or have been completed, and services already delivered.
- 2.6. The Parish Council will not commit to any continuing expenditure, including beyond the agreed subsidy term.

3. Conditions

- 3.1. Additional applications within a 12 month period will not normally be considered. The maximum funding any one organisation can receive from the Parish Council in a financial year is £3,000.

- 3.2. Any successful organisation will have a bank account in its own name with two authorised representatives required to sign each cheque.
- 3.3. All awards must be properly accounted for and evidence of expenditure should be supplied as requested. If Pegswood Parish Council is not satisfied with the evidence provided it reserves the right to call for a refund of the money.
- 3.4. The Parish Council may request that applicants provide written feedback explaining how the award benefitted their organisation and what effect it had within the local community. It is a legal requirement that any organisation that receives a grant in excess of £2,000 is required to present a report within 12 months of receiving a grant. Should feedback be required, this will be communicated within the decision letter.
- 3.5. The award must be used for the purpose for which the application was made.
- 3.6. If the receiving organisation is unable to use the award for the stated purpose, all monies must be returned, by cheque, to the Parish Council.
- 3.7. The completed application form must be signed and dated by a responsible person within the organisation.
- 3.8. Acknowledgment of Pegswood Parish Council's contribution must be recognised and displayed appropriately.
- 3.9. The award of a grant, subsidy or donation one year will not set a precedent for further requests in future years.
- 3.10. The Parish Council reserves the right to request the repayment of any grant/subsidy/donation where the application does not comply with these conditions.

4. Application Process

Donations

- 4.1. All applications for donations shall be in writing to the Parish Clerk. The request should detail the number of Pegswood residents that would benefit

from the service, activity or project. What the service, activity or project is, and full details of what the donation would be used for.

4.2. These requests will be considered by the Parish Council at the next available full Parish Council meeting.

Grants

4.3. All applications for grants shall be made on the Parish Council's application form, which must be completed in full. Any questions must be fully answered and any additional requested documentation must be provided at the time of the submission of the grant, to enable proper consideration. Additional information required (where applicable) will be:

- 4.3.1. A copy of the organisation's adopted constitution; and/or details of its aims and objectives; and/or its current business plan
- 4.3.2. A copy of the organisation's latest annual accounts, clearly showing all expenditure and income for each year
- 4.3.3. The name and qualification of your auditor
- 4.3.4. A copy of its latest bank statement, showing any reserves
- 4.3.5. A list of other grant applications made by the organisation in the past 6 months; those received, awaiting decision, and those refused and the reason why
- 4.3.6. Details of any 'self-help' arrangements i.e. membership fees structure or other fund raising activities
- 4.3.7. A detailed budget and business plan or feasibility study for any new initiative
- 4.3.8. Three separate quotations for work or supply of goods and services, required for new projects, and start-up subsidies

Subsidies

4.4. Any organisation applying for a subsidy will need to:

- 4.4.1. Provide a full and detailed description of the services they provide to Pegswood residents, and how they consider these important for the community
- 4.4.2. Demonstrate the need for financial assistance and identify where the money will be spent
- 4.4.3. Provide details of salaries, payments to officers, expenses and any other fees, clearly shown within a statement of accounts
- 4.4.4. Provide the level of any membership fee (if any) payable from the organisation's members

- 4.4.5. Provide an annual statement, each year, clearly showing that the allocated money has been used for the purpose provided, and that the organisation remains committed to its stated aims and objectives
- 4.4.6. Ensure that the annual statement clearly indicates the level of expenditure and income on the core activity
- 4.5. The applications will be considered by the Parish Council's Working Group in October, therefore applications for consideration must be with the Parish Clerk by 1 October each year.
- 4.6. Where the Working Group considers that the information provided is insufficient to determine the awarding of a grant or subsidy it may either; dismiss the application; or invite the applicant to attend the Working Group meeting to provide the supporting information to assist in the making of a recommendation to Council.
- 4.7. The Parish Council will agree all applications at the next available full Parish Council meeting; during budget setting discussions.
- 4.8. Any successful award will be made available during April of the following year. Where the award exceeds £1,000, the award will normally be paid in two tranches, April and October. Subsidies will be paid in April each year.
- 4.9. Recipients of awards will be required to acknowledge the grant and any caveats placed upon the granting of financial assistance in writing as soon as they are in receipt of Parish funding.

5. Decisions

- 5.1. The Parish Council's decision on any application will be based on the application's merits, and is final. There is no right of appeal.
- 5.2. The Parish Council will determine the amount of award, using the figure stated by the applicant only as a guide.
- 5.3. Where an elected member of Pegswood Parish Council is a member of the organisation applying for a grant, subsidy or donation, that elected member shall consider whether, in accordance with the adopted Code of Conduct of the Parish Council and their submitted individual Declaration of Pecuniary

Interests, if it is necessary for them to declare an interest in the matter and remove themselves from the decision making process. Advice may be sought from the Parish Clerk or the Monitoring Officer of Northumberland County Council.

6. Monitoring and Evaluation

- 6.1. The development of a monitoring and evaluation system in respect of outcomes is an area of good management practice all voluntary organisations should be prioritising. The Parish Council would welcome the provision of findings from successful organisations or projects; as this may assist other applicants and enable the Parish Council to evaluate future applications for their effectiveness.
- 6.2. The administration of and accountability for any award shall be the responsibility of the recipient organisation. All awards must be properly accounted for and evidence of expenditure should be supplied to the Parish Council on request.
- 6.3. Nothing in this policy prevents the Parish Council from considering the provision of a grant or donation to an organisation or project without an application where the Parish Council considers that the giving of such a grant or donation will bring substantial benefits to residents of the parish. Such decisions would be considered at a full Parish Council meeting and based upon a Parish Council led feasibility and risk management report.

It is not just the role of a Parish Council to award grants. Where possible the Parish Council actively encourages organisation/groups to seek grants from other agencies to finance activities and projects.