

## **MEDBOURNE PARISH COUNCIL GRANTS POLICY (Approved 11 January 2016)**

### **Purpose of the policy**

For some years, the Council has awarded grants to organizations based in or working in the village. For some of these organizations these grants became a lifeline and a major source of regular funding and nothing in this policy is intended to prevent the Council from funding necessary activity in the parish.

### **Legal Position**

A grant defined as any payment made by the Parish Council to an organization for a specific purpose that will benefit the Parish or residents of Medbourne, and which is not directly controlled or administered by the Parish Council, and also is not in return for goods or services properly procured.

In law, unless certain conditions are met (and they are currently not met in Medbourne), the Council must have a specific power for every payment made. There is no specific power to pay grants and the Council must use Section 137 of the Local Government Act 1972 which enables local councils to spend a limited amount of money for purposes for which they have no other specific statutory expenditure. The law requires that Section 137 grants must be “in the interests of or will directly benefit the area or its inhabitants, or of part of it, or of some of it” and “the direct benefit should be commensurate with expenditure”.

### **Process**

It is suggested that by introducing a formal but simple application process the Council will be able to demonstrate that it is using public money, and awarding grants, fairly. The Council intends to use the award of any grants to foster and encourage local clubs, groups and organizations within the Parish. Nothing in this policy will require the Council to make any grant in any year.

If possible, the Council will make a small budgetary provision for grant aid to voluntary groups or charitable organizations. To qualify for a grant the applicant must be able to demonstrate that any funding from the Parish Council will benefit the Parish or residents of the Parish. Grant applications will be considered twice yearly at the April and October Parish Council meetings.

### **Scope of Funding**

Funding applications will be considered from voluntary and community sector organizations which:-

- a) are based in or around Medbourne and deliver activities or services to the people of Medbourne; or,
- b) are based outside of Medbourne but are provide activities or services not otherwise available to the people of Medbourne.

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 fundraising activities.

### **Policy Statement**

The availability of funds to support voluntary activity is dependent on the Council’s overall financial position and the choices it makes when allocating its resources. Medbourne Parish

Council may choose to award grants entirely at its discretion to organizations 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 the environment; and / or
- promoting the parish of Medbourne in a positive way.

The Parish Council will not award grants:-

- to private individuals, commercial organizations, local groups where fund-raising is sent to another office or central headquarters for redistribution, political parties, or religious organizations (unless for a purpose which does not discriminate on grounds of belief); or
- for purposes for which there is a statutory duty upon another local authority, public sector, or central government department to fund or provide.

### **Grant conditions**

- Grants will only be considered on receipt of a fully completed application form sent to the Clerk.
- Only one application for a grant will be considered from any organization in any one financial year.
- The Council will not make any ongoing commitment to award grants in future years – an application will be required each year.
- Grants will not normally be made retrospectively.
- The recipient organization must provide the Council with a written report within six months showing how the money was spent.
- Grants may only be used for the purposes specified and the Council reserves the right to reclaim any or all grants if used or apparently used for other purposes
- The project must be based within the Parish Area and/or considered by Councillors to be of overall benefit to the village and residents, and/or a significant part thereof.
- The organization making the application should be a non-profit making voluntary organization where membership is open (i.e. no discrimination of membership on grounds of sex, race, religion etc.) or a recognised charity.
- Grants cannot be used to fund religious or political activities.
- The maximum amount that can normally be applied for is £200, but this is subject to the discretion of the Council.
- Applicants must provide a statement about the objective of the project/service, the benefits it is envisaged the project/service would bring to the Community, and any other information they feel relevant.
- Applicants are asked to confirm if funding has been obtained or sought from other sources. This will not prejudice the application; indeed projects in receipt of other (matching) funding will be welcomed.
- Applicants are asked to consider whether there are any ongoing maintenance costs and if so, advise the Council how these are to be met.
- The Council reserves the right to return to the applicant for additional information and/or clarification where deemed appropriate.
- Where funds are used to purchase equipment the Council reserves the right to reclaim this equipment should the project terminate within 5 years of commencement (normally determined by the approval date of the funds).