



# Great Gonerby Parish Council

## Grant award policy

1. A grant is any payment or gift made by Great Gonerby Parish Council to an organisation for a specific purpose that will benefit the Parish, or residents of the Parish, and which is not directly controlled or administered by the Parish Council.
2. The Parish Council operates two types of grants: a Section 137 grant and an unrestricted grant. 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 some of it' and that 'the direct benefit should be commensurate with expenditure'. To deliver the most benefit for the residents of Great Gonerby, a similar approach will be applied to the unrestricted grant application.
3. The Parish Council may offer grants in the form of a 0% interest loan. Loans would be offered over either 12 or 24 months with the organization making monthly repayments by BACS on the 20th of each month.
4. **What funding is available?** The availability of funds is dependent on the Parish Council's overall financial position and the choices it makes when allocating its resources. 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. When they do not have sufficient funds to support a valid request, the Parish Council will actively encourage organizations to seek grants from other agencies to finance projects.
5. **Who can apply?** Any non-commercial local community group, voluntary organization or sports / recreation club that provides a service to the residents of Great Gonerby Parish can apply for a grant.
6. **What can grants be used for?** Grants can normally only be used for capital projects, and not for revenue support, where the funds will be used in that financial year. The Parish Council awards grants, at its discretion, to organizations that 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 for residents, improving the environment or promoting the Parish in a positive way.
7. **How are grants decided?** The Parish Council will discuss an application at the main Parish Council meeting that follows its submission. Each application will be assessed on its own merits before the Parish Council makes a final decision. However, to ensure as fair a distribution as possible of available funds, the Parish Council will consider the amount and frequency of any previous awards made to the organization and the funding secured from other sources.

8. **How to apply for a grant.** All applications are to be made on a form that can be obtained from the Parish Clerk. Ongoing commitments to award grants in future years will not be accepted: a fresh application will be required each year.

9. **Additional documentation required.** The following additional information should be submitted with any application.

- a. Full and complete copies of signed, certified and audited accounts for the previous two years (only if the organisation has been in existence for that period).
- b. Bank statements for the previous 3 months. These should be signed by a member of the organisation, indicating their position held.
- c. A detailed budget plan and supporting evidence.
- d. The number, or percentage, of members who belong to the organization and live within Great Gonerby Parish Council's area.
- e. Details of any restrictions placed on who can use or access the organization's services.
- f. Evidence of other awards towards the project, e.g. lottery funding or grants from other bodies. Normally only one grant will be given in a fiscal year.
- g. Confirmation that the organization has robust tendering regulations, e.g. obtaining a minimum of three tenders. The Parish Council reserves the right to request proof of the tender process.
  - (1) Applicants will need to give a detailed justification if they have not used the cheapest quote. Quotes may be checked against market trends.
  - (2) The location of the supplier, the fact they have bought from a supplier before, or any offers the supplier makes about future service or maintenance of equipment will not be accepted as justification for choosing a specific supplier.
- h. A full report of any previous Parish Council grants awarded to the organization.

10. **What will normally not be funded?** The following will normally not be funded<sup>1</sup>:

- a. Private individuals.
- b. The activities of political organizations.
- c. The activities of religious organizations, unless they can show they operate clear and open community activities which do not require membership or connection to the organization and that the application will be of benefit to the community.
- d. General operational and maintenance costs.

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<sup>1</sup> This list is not exclusive and may be added to at the council's discretion.

- e. Events that have already occurred, equipment already purchased or works that have already started or been completed.
- f. Repayment of loans or cost of services, equipment or provisions obtained in anticipation of a grant.
- g. Organizations that have a closed or restricted membership.
- h. Organizations that are the responsibility of another public body or agency; however, some form of matched or joint funding might be considered.
- i. Upward funding: local groups where fund-raising is sent to a central HQ for redistribution.
- j. Purposes for which there is a statutory duty upon other local or central government departments to fund or provide.

11. **VAT.** The Parish Council grants will not cover reclaimable VAT. If an organisation is unable to cover the cost of the VAT then there may be an option for the Parish Council to pay the relevant bill and then reclaim the VAT.

12. **Grant conditions.** The following conditions apply to all grants; Should any of these conditions not be met, it could result in the award being withdrawn, the grant having to be repaid and future grant applications being refused:

- a. The grant can only be used for the purpose stated in the application and the Parish Council reserves the right to reclaim any grant not being used for the specified purpose of the application.
- b. Organizations are responsible for ensuring that they comply with all legal and statutory requirements.
- c. Should the organization disband for any reason during the period of the grant, the Parish Council may ask for all or part of the monies to be paid back.
- d. Prior approval of the Parish Council is required if the organization wishes to change the purpose for which a grant has been awarded.
- e. Organizations must contact the Parish Council before disposing of any equipment or resources purchased or part purchased with a grant from the Parish Council.
- f. The Parish Council reserves the right to monitor the use of the grant: the organization will allow reasonable access to premises and accounts as requested by the Parish Clerk.
- g. Acknowledgement of the financial support received from the Council is required on any documentation, promotional literature or other media. Not to do so could result in funding being withdrawn.

h. To be eligible for a grant, an organization shall not discriminate on grounds of racial origin, gender, disability, age, (except for obvious reasons, such as becoming a member of a youth club), or political or religious persuasion.

i. Normally only one grant will be awarded each financial year, although additional grants may be made in exceptional circumstances.

j. More than one project may be included in a grant, though one completed application form per project is required.

13. **Reporting.** A 6-monthly report should be made to the Parish Council for all grants awarded. These should detail the progress made and/or benefit to the community. Failure to submit a report may result in the Parish Council asking for all or part of the monies to be paid back.

14. **Publicising a grant.** All grants awarded are to be publicized. Non-compliance of publicity requirements is a breach of the funding agreement and may result in your grant claim being reduced, withdrawn or reclaimed. Applicants must cover the cost of publicizing the grant and this cannot be included in claims for grant reimbursement. The requirements will be set out in a grant agreement letter. Successful applicants will be required to:

a. Mention the grant in any press releases, online communications and websites.

b. Display a poster, plaque or billboard, depending on the amount of funding received and the type of investment, including the Great Gonerby Parish Council logo at the site where the grant was used.

15. **Changes during the grant period.** The applicant is expected to use the grant money to buy items as specified in the application and grant agreement. During the grant period, and for up to five years after the payment of the final claim, exceptional circumstances may arise where applicants need to change elements of a project. Examples include: changes to the use of buildings, equipment or any other assets bought with the grant; disposing of or selling any of the assets purchased with the grant; and closing, selling or transferring the business that is associated with the grant.

16. If this happens, the applicant must inform the Parish Council in writing immediately and, where appropriate, seek a contract variation. Agreement to an amendment is not automatic; if the applicant goes ahead with a change that the Parish Council does not agree to, there may be an obligation for them to repay the grant or the Parish Council may withhold part or the whole of the remaining grant.