

## **Mellor Parish Council (MPC) Policy on Grants and Charitable Donations**

### **Purpose**

To outline the policy to be adopted and applied by MPC when considering applications made to it for grants and/or charitable donations.

### **Restrictions and Considerations**

Under Section 137 of the Local Government Act 1972, MPC has discretionary powers to award grants to local groups or organisations which provide a direct benefit to the parish or its residents.

The appropriate maximum sum allowable for parish councils for the purposes of section 137(4)(a) of the Local Government Act 1972 for 2018-2019 was £7.86 per head of electorate (this amount is usually adjusted each year in line with the retail prices index).

The Responsible Finance Officer of MPC will confirm the current maximum sum applicable before any award is confirmed.

Section 137 further states that if the grant application will only benefit (say) 10% of the residents, then only a maximum of 10% of the total budgeted Section 137 monies available for distribution can be awarded.

Grants and/or donations can only be awarded following approval of a motion linked to an agenda item of business.

### **Policy**

Under normal circumstances, no more than 20% of the total cost of the work/project will be considered for a Grant. It is expected that groups and organisations will look at accessing additional sources of funding for their project alongside any application to the Parish Council Grants Fund.

With the general exception of newly forming groups (i.e. where MPC is being asked to support with seed funding), the application for a grant under Section 137 must be from an organisation that:

1. is established for charitable, benevolent, social, cultural, recreational or philanthropic purposes.
2. has a constitution, or set of rules, which defines its aims, objectives and operational procedures.
3. is able to provide a copy of its latest annual accounts and/or most recent bank statement. Its accounts must have been independently audited and approved.
4. has a bank account operated by a minimum of at least two joint signatories.

### **The applicant must demonstrate that the project:**

1. will make the parish a better place in which to live, work or visit.
2. will benefit the residents of the parish.

### **Projects not eligible for support include those:**

1. undertaken by individuals or private business.
2. that are the prime responsibility of other statutory authorities
3. that improve or benefit privately owned land or property
4. that have already been completed or will have been completed by the time the grant is awarded.

## Conditions of support

The council may make the award of any grant subject to all or some of the following conditions which may be amended at the discretion of the council at any time and may take into account the organisation's individual circumstances.

- All applications must be completed using MPC's approved application form available from the Clerk. The form can also be downloaded from the Parish website at <https://admin.easywebsites.co.uk/inc/mellorparishcouncil.org.uk/downloads/MPCGrantsPolicy.pdf>
- There must be clearly presented evidence that local people support the project and are involved in carrying it out.
- Applications do not have to be from organisation/groups that already exist.
- Each organisation/group may make more than one application per financial year (1 April to 31 March).
- Details must be provided of the extent to which funding has been sought or secured from other sources or own fund-raising activities.
- Funding must only be used for the purpose agreed with MPC.
- Funding must be spent within the financial year in which it is awarded and cannot be added either wholly or partly to the organisation's reserves.
- Any unused funds remaining at the end of the financial year in which the grant is paid out must be returned to MPC on demand.
- If the project runs over budget, any shortfall must be met by the organisation.
- Parish councillors may wish to visit the project or activity, prior to or during its implementation, to better understand where/how the grant will be spent and how it will benefit local people.
- The applicant must acknowledge receipt of the cheque, in writing, within 3 working days of its receipt.
- MPC reserves the right to request proof of expenditure (receipted invoices) on completion of the project, based on the amount of the grant and its intended purpose. (If required, this evidence of expenditure should be equal to or more than the total of the amount of the grant detailed on the application.)
- The applicant must acknowledge Mellor Parish Council's support in all publications, publicity and annual reports.
- The applicant should show the grant/award separately in its published financial accounts and MPC should have access to the organisation's financial records, if required.
- If requested by MPC, a representative of the applicant's organisation should give a report to the Annual Parish Meeting (held on an evening in May each year) explaining how the money was spent and how the award has benefitted the local community.
- All monies awarded shall be repaid to Mellor Parish Council on demand:
  - If a false declaration is made, or if any information contained in the application is found to be false, inflated or exaggerated;
  - If the proposed project does not proceed/or is abandoned for any reason or if the organisation disbands during the period of the grant;
  - If the organisation does not provide the necessary invoices & receipts confirming how the money has been spent or does not comply with any other conditions stipulated in this policy document or on the application form.

## When to apply

Requests for small grants (under £500.00) should be submitted by the end of February to be considered and fit within the Parish Councils budget process and timelines. However, ad-hoc requests can be made at any time, but there is no guarantee that funds will be available.

Larger requests (over £500.00) should be submitted by the end of October in any year to allow the Council time to adjust its budget for the following financial year. Any award granted would become available for payment after the beginning of April of the following year.

This is a competitive process. Each application will receive equal consideration and will be judged on its merits and how it satisfies the councils' policy on awarding charitable donations/grants.

The Parish Council will take into account any previous grant made to an organisation or group when considering a new application.

### **How decisions are made**

All applications will be considered by MPC at its next Council meeting following receipt and a decision forwarded to the applicant at the earliest opportunity.

MPC may defer its decision, at its sole discretion, if further information is required from the applicant.

Mellor Parish Council is under no obligation to award a charitable donation or grant (in full or in part) in support of any application.

The Council's decision in relation to all applications is final and there is no right to appeal.