

LINDFIELD PARISH COUNCIL

FINANCE & GENERAL PURPOSES COMMITTEE

POLICY AND PROCEDURES OF THE PARISH COUNCIL FOR THE CONSIDERATION AND AWARDING OF GRANTS AND DONATIONS

This policy, and its related procedures, amends that adopted by the Parish Council in 1995. The aim of the policy and procedures is to provide guidelines for the Parish Council when it considers and decides whether or not to fund requests for grants and donations.

1. INTRODUCTION

1.1 Lindfield Parish Council annually sets a grant aid budget in order to provide financial assistance to a range of organisations, projects and activities which provide services for local residents. Requests are received from voluntary and community organisations and sometimes individuals. Applicants for funding must meet the main eligibility criteria set out in this document in order to be considered for grant aid. It is at the discretion of the Parish Council as to what extent such requests must meet the supplementary criteria also set out in this document.

1.2 The grant aid budget is discretionary funding and as such is separate from any other services which the Parish Council may fund under contract to fulfil statutory obligations or the delegated works of its Committees.

1.3 In the event of the Parish Council receiving more requests for funding, in any one financial year, than there are budgeted resources available, it will fund only those to which it assigns the highest priority.

2. CATEGORIES OF GRANT OR DONATION

2.1 Grants or donations may be categorised into four main types or headings, namely, those requested by:-

2.1.1 national organisations and charities

2.1.2 locally based organisations and charities, which in turn subdivide into:-

- i) those based in Lindfield Urban Parish;
- ii) those based in the immediate locality but outside Lindfield Urban Parish;

2.1.3 individual persons, which subdivide into:-

- i) those living within Lindfield Urban Parish;
- ii) those living outside Lindfield Urban Parish; and,

2.1.4 one off gifts to individuals, where the giving of the gift is initiated by the Parish Council.

3. POLICY OF THE PARISH COUNCIL IN CONSIDERING APPLICATIONS FOR GRANTS AND DONATIONS.

3.1 Before considering whether to make grants/donations to any organisation/project/individual, the policy requires three main checks to be made against the following criteria:-

3.1.1 The organisation/ project is properly constituted, structured and administered in relation to its financial management and controls. Evidence needs to be sought that appropriate management mechanisms are in place and that accountability is provided through formally elected or delegated members/managers/leaders. Depending upon whether the organisation/project is based in the village, or elsewhere, this may require the production of the most recent set of audited accounts or annual income and expenditure information. The provision of a copy of the latest set of accounts would not normally be necessary for well known national or local organisations /charities based within Lindfield Urban Parish and predominately serving local residents.

3.1.2 The organisation/project/individual needs to show evidence of efforts made to raise their own funding requirements. Again, with national and local organisations/charities such information should generally be readily available to the Parish Council.

3.1.3 It is important that the Parish Council knows whether other bodies are being asked to award or have already approved awards. Reference should be made to the WSCC database to ascertain whether approaches have been made for grants or donations from the organisation/project/individual to WSCC and/or other granting bodies, e.g. District Councils. The fact that other granting bodies have been asked for, or have made grants/donations to an organisation/project/individual, does not exclude Lindfield Parish Council from awarding. Each case should be determined on its own particular merits, after appraisal of the information provided.

3.2 In addition to the three main checks above, the Parish Council may wish to seek evidence against all or some of the following supplementary criteria:-

- there is clear evidence of local need or demand for the proposed project/activity
- the grant will help provide a facility or service that will be of real and direct benefit to local residents
- local residents will lose, or have significantly diminished, a service if grant is not awarded
- the applicant does not clearly fall within the remit of some other agency, company, e.g. hospital, private school
- the applicant is not seeking funding for significant capital e.g. equipment, buildings
- the project/activity has a starting date within nine months of the date of request for grant aid

- the project/activity is properly thought through, is viable, of good quality and will ensure proper use of public funds, providing best value and value for money
- the organisation/project can demonstrate that it has the experience and competence to undertake what is proposed.
- the project/activity has defined aims, outputs, beneficiaries and outcomes, e.g. the impact
- mechanisms are in place for the subsequent monitoring and evaluation of the project/activity
- the organisation/project demonstrates clear knowledge and commitment to equal opportunities and Health & Safety

4. APPRAISAL PROCESS

- 4.1 Having made the three main checks and such assessment against the supplementary criteria as is deemed appropriate the policy of the Parish Council is:-
- 4.1.1 Not to make grants and donations to organisations that make, or attempt to make, profit for the benefit of members or owners over and above revenue expenditure, e.g. running costs, staff costs, premises maintenance and general overheads.
- ~~4.1.2 So far as organisations and charities are concerned, only to make grants and donations to those which are overwhelmingly run by volunteers.~~
- 4.1.3 Not to make grants and donations to national organisations /charities, unless the request comes from a local branch. In this case there should be clear evidence of the grant used by that local branch and that there accrues a specific and direct benefit to local residents according to need. Examples of local branches of national organisations/charities, which might fall within this definition, are Relate, Samaritans, CAB etc. The definition would not include such national charities as, for example, Cancer Research, British Heart Foundation etc.
- 4.1.4 To focus the bulk of the grant/donation expenditure, primarily, upon organisations/projects located within Lindfield Urban Parish, and recognised as being Lindfield based and predominately serving the local community of Lindfield.
- 4.1.5 Not to make grants/donations to locally based organisational/charities in the immediate vicinity of Lindfield, but outside Lindfield Urban Parish, unless they meet the criteria for locally based branches of national organisations/charities.
- 4.1.6 Not to make grants/donations to individuals who live outside Lindfield Urban Parish.
- 4.1.7 To be prepared to make grants/donations to individuals who live within Lindfield Urban Parish, provided that they are in full time education and the nature of the activity for which they request a grant/donation is judged by the Parish Council to be appropriate and of significant benefit to that individual's social development, and, in particular, that

there is clear evidence that the individual is personally making a substantial effort to raise funding for that particular project/activity.

- 4.1.8 To be prepared to make a grant/donation to an individual where they are making the request for a grant/donation towards their work on behalf of an organisation/project and the Parish Council would consider making a grant to that particular organisation/project if it had made the request for a grant/donation towards activities. This would include being prepared to consider making a contribution, say, to the expenses for the main co-ordinator of Neighbourhood Watch, where that individual made the request on behalf of that organisation.
- 4.1.9 Where the Parish Council initiates the provision of a gift for an individual, that individual must have provided an exceptional service to either the Parish Council or to Lindfield Urban Parish.
- 4.1.10 The maximum award of any grant/donation to any organisation/project/individual should not exceed £250 in any one financial year (this figure to be reviewed annually by the Finance & General Purposes Committee and any change to it to be approved by the ~~Parish Council~~ Finance and General Purposes Committee *. Where consideration is to be given, exceptionally, to making a grant/donation which exceeds this agreed maximum figure, the Parish Council will be provided with a written paper from a delegated member setting out a case against the relevant criteria in this document.

** - amendment agreed by F&GP at the meeting on 19.09.02, further to a report by Cllrs. Stevenson and Snowling.*

- 4.1.11 All requests for grant aid are to be received in writing by the Parish Clerk. Such requests need to address the main relevant supplementary criteria of this policy. The Clerk will promptly pass such requests to those members of the Finance & General Purposes Committee so delegated to assess the request against the criteria. Those members, after deliberation and possibly investigation, will table a resolution, with recommendation, at the next meeting of the Committee. The resolution will be debated and voted upon in accordance with standing orders. ~~This procedure has the advantage of maintaining the confidentiality of the full financial matters provided by applicants as the public debate need only be based upon the recommendation.~~

5. BUDGET FOR GRANTS/DONATIONS

- 5.1 In previous financial years the annual budget for grants/donations was set at £1,500, but this budgeted amount had a history of under-spend. After some reclassifications of budget headings the 2000/2001 budget for grants/donations was set at £1,000.
- 5.2 The Finance & General Purposes Committee should recommend to the Parish Council each year an appropriate annual budget for expenditure on grants/donations. In addition, it would be for the Finance & General Purposes Committee to recommend to the Parish Council whether there should be any transfer (virement) of the ~~grants/donations budget to other budget heads during the financial year if it becomes clear that the grants/donations budget is likely to be under spent.~~

grants/donations budget to/from other budget heads during the financial year if it becomes clear that the grants/donations budget is likely to be underspent/overspent. *

** - amendment agreed by F&GP at the meeting on 19.09.02, further to a report by Cllrs. Stevenson and Snowling.*

- 5.3 It is important that when the Parish Clerk knows there is an application for grant aid on the agenda of a meeting of the Finance & General Purposes Committee that the amount remaining uncommitted in that financial year be made at the meeting for member's information.

6.0 PARISH COUNCIL CONTROL OF THE TIMING OF MAKING GRANTS AND DONATIONS

- 6.1 The Parish Council has not specified that all of those organisations/projects/individuals requiring grants or donations should make their bids to the Parish Council at a particular point/date in the financial year in order for the Parish Council to ensure that grants/donations do not, or would be unlikely to, exceed the overall annual budget for such expenditure.

- 6.2 The creation of the above "beauty parade" system for determining grants/donations allocation would be cumbersome. For instance, it would be administratively time consuming (e.g. sending out letters to potential bidders requesting applications to be made by a particular date, advertising the bid process in the local press etc); it would encourage bids (and perhaps higher than necessary individuals bids) from those who might otherwise not have made such a bid to the Parish Council (on the basis that if there is a set date for bids, "they had better get one into the Parish Council to be on the safe side"); and it would debar those organisations/projects who were not aware of such bidding (and would debar individuals because the Parish Council could have no idea who might want to make a bid on an individual basis), or did not see an advertisement in the local press, or who genuinely did not expect at an early stage to be needing to ask for a grant/donation.

- 6.3 Currently bids come in, uninvited as and when the organisation/project/individual feels the need to seek a grant/donation. As the Parish Council only makes small grants this process is deemed beneficial for smaller organisations/projects who may not be able to plan their financial needs so far in advance.

7. CLAWBACK/SUSPENSION OF GRANT AID

- 7.1 The Parish Council reserves the right to claw back grant awarded, or suspend grant in the process of being awarded. Such circumstances would arise, for example, where a grant had been used for purposes other than those for which it was awarded.

- 7.2 Should the Parish Council become aware of any financial mismanagement, or had other serious concerns regarding the operation, management or running of an organisation/project by the recipient of a grant, or any of the resultant services or activities, it reserves the right to suspend grant aid payments, or in extreme

circumstances demand clawback. Should such circumstances arise the Parish Council will, in the first instance, seek explanation and try to assist in the resolution of such problems/difficulties.

8. MONITORING AND EVALUATION

- 8.1 The development of monitoring and evaluation systems, particularly in respect of outcomes, is an area of good management practice all voluntary sector organisations should be prioritising. The Parish Council would welcome the provision of findings from grant aided organisations/projects. Such information will assist other applicants in the overall management and development of activities/projects. The Parish Council would not seek to penalise grant requests from organisations/projects which have identified areas of weakness through the process of monitoring and evaluation that they are planning to address and change with a view to continuous improvement.

9. RECOMMENDATION

- 9.1 That the Finance and General Purposes Committee agrees the above policy, and its related procedures, and recommends to the Parish Council that it be adopted as its amended policy for considering and awarding grants/donations.

THIS POLICY STATEMENT WAS ADOPTED BY THE PARISH COUNCIL ON 16 NOVEMBER 2000, SUBJECT TO THE DELETION OF PARAGRAPH 4.1.2 AND THE FINAL SENTENCE OF PARAGRAPH 4.1.11.

FURTHER AMENDMENTS (MARKED *) WERE AGREED BY THE FINANCE AND GENERAL PURPOSES COMMITTEE ON 19 SEPTEMBER 2002: PARAGRAPHS 4.1 10 AND 5.2.