

**Rackheath Parish Council**  
**Grant Awarding Policy and Procedure**  
**Adopted by the Parish Council at the meeting of 20 July 2015**  
**Review July 2017**

**INTRODUCTION**

- 1.1 Rackheath 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.

**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 Rackheath Parish;
    - ii) those based in the immediate locality but outside Rackheath Parish;
  - 2.1.3 individual persons, which subdivide into:-
    - i) those living within Rackheath Parish;
    - ii) those living outside Rackheath Parish; and,
  - 2.1.4 one off gifts to individuals, where the giving of the gift is initiated by the Parish Council.

**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 Rackheath 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 fact that other granting bodies have been asked for, or have made grants/donations to an organisation/project/individual, does not exclude Rackheath 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

#### **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 Rackheath Parish, and recognised as being Rackheath based and predominately serving the local community of Rackheath.
- 4.1.5 Not to make grants/donations to locally based organisational/charities in the immediate vicinity of Rackheath, but outside Rackheath 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 Rackheath Urban Parish.
- 4.1.7 To be prepared to make grants/donations to individuals who live within Rackheath 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 Rackheath
- 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 Committee and any change to it to be approved by the Parish Council Finance 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.

## **BUDGET FOR GRANTS/DONATIONS**

- 5.1 In previous financial years the annual budget for grants/donations was set at £100.
- 5.2 The Finance 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 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 underspent/overspent.
- 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 Committee that the amount remaining uncommitted in that financial year be made at the meeting for member's information

## **PARISH COUNCIL CONTROL OF THE TIMING OF MAKING GRANTS AND DONATIONS**

- 6.1 The Council requires organisations/projects/individuals requiring grants or donations to give any expression of interest for a grant application exceeding £50 by 30 September of the financial year prior to the funds being required in order that budget provision can be considered. Submission of bids/applications are required by 30 November of the financial year prior to the funds being required.
- 6.2 The Parish Council needs to ensure that grants/donations do not, or would be unlikely to, exceed the overall annual budget for such expenditure.
- 6.3 Bids from organisation/project/individual at either times of the year will be considered if the budget allows.

## **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.