

# BRISTON PARISH COUNCIL

The Parish Office  
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## **DONATION, GRANT and LOAN POLICY**

With effect from 9 May 2016  
as resolved at the Council Meeting 9 May 2016

### **1. GENERAL NOTES**

For the purposes of this policy donations and grants differ only in that a donation is given without the need to be specific about how it is used whereas a grant must be spent specifically for the purpose agreed. For example a donation may be given towards a sports club for the general running costs without being specific about what it is spent on whereas a grant would be given towards the cost of specific project such as installation of a new security system. In reality most applications under this policy will be defined as a grant and be subject to the following considerations:

The Parish Council's aim is to ensure that all our award-making activity is:

- open
- transparent
- fair
- competitive
- supports local organisations

Our awards are open to established voluntary or community groups, as well as new or informal groups of parishioners who are or intend by the date of application to become formally constituted.

### **2. PARISH COUNCIL POWERS and SECTION 137**

A Parish Council has a number of powers granted under various Acts of Parliament which enable it to spend money. Since 2008 the "Power of Wellbeing" and more recently the "General Power of Competence, Localism Act 2011" allow Parish Councils more flexibility in how they spend money within the local community. In order to use either of these powers it is necessary that the Council has a qualified clerk, and at least two thirds of the councillors have been elected rather than co-opted or appointed. Currently Briston Parish Council does not meet these criteria therefore all donations and grants fall under the statutory power of Section 137 of the Local Government Act 1972, which permits it to spend

up to a certain limit on anything which in the opinion of the Council is in the interests of the parish, or any part of it, or is in the interest or all or some of its inhabitants.  
This amount is limited to a figure per head of the electorate on the electoral role on 1st January before the commencement of the financial year. The figure is index-linked and is advised by NALC annually.

The Parish Council has no obligation to spend all or any of the money available under S.137. This money is not 'gifted' to the Parish Council; it forms part of the Precept which the parish council makes on the District Council.

The cost of any grants or donations is therefore reflected in residents' council tax bills.

### **3. WHO CAN APPLY?**

To be eligible for the award of a grant under Section 137 an organisation must:

- be established for charitable, benevolent, social, cultural, recreational or philanthropic purposes,
- have a constitution, or set of rules, which define its aims, objectives and operational procedures,
- be able to provide a copy of its latest annual accounts and/or most recent bank statement. Accounts are to be checked and signed by a person independent of the group,
- have a bank account operated by a minimum of at least two joint signatories.

### **4. WHAT CAN BE FUNDED?**

- the project should be something that makes the local community a better place in which to live, work or visit
- it should benefit people who live in the parish
- there must be clear evidence that local people support the project and are involved in carrying it out
- applications do not have to be from groups that already exist
- each group may only make one application per financial year applications will be considered for day-to-day running costs and individual projects

### **5. THE FOLLOWING ARE NOT ELIGIBLE**

- support for individuals or private business projects.
- projects that are the prime responsibility of other statutory authorities.
- projects that improve or benefit privately owned land or property.
- projects that have already been completed or will have been by the time the grant is made.

### **6. CONDITIONS OF SUPPORT**

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

the application must be made using the official Briston Parish Council application form. Where expenditure on a specific project exceeds £1,000 quotes from at least three providers must have been received.

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 the parish council and if the monies are not spent on the items agreed, they must be returned.

funding must be spent within the financial year awarded and cannot be added wholly or partly to your reserves.

if your project costs are more than you anticipated on your application, any shortfall must be met by you. Briston Parish Council will not be in a position to make up any shortfall.

in order to fully understand your project or activity the parish councillors may wish to visit your project or activity, prior to the project or activity commencing. They may also wish to conduct a site visit once your funded project is underway.

as a minimum, you will write to confirm receipt of the cheque for audit purposes, or as the cheque is handed over you will sign a form or receipt at the same time.

the need to provide evidence of expenditure (receipted invoices) to the Clerk to the Council on completion of your project will be discretionary – based on the amount given and the purposes given. (If required, this evidence of expenditure should be equal to, or more than, the total of the amount of the grant detailed on your application.)

any unused funds at the end of the financial year in which the grant is paid out must be returned to Briston Parish Council.

you must acknowledge Briston Parish Council's support in all publications, publicity and annual reports.

you should show the funding awarded separately in your published financial accounts and Briston Parish Council should have access to your financial records, on request, where appropriate.

a representative of your organisation should give a report at the Annual Parish Meeting (held on an evening between March and May each year) on how you spent the money and if appropriate how your project went.

## **7. WHEN TO APPLY**

The Parish Council prepares its annual budget during October/November. Organisations should therefore:

write/apply by the end of October in time to be considered for the main bids. Any award granted would become available for payment after April the following year.

This is a competitive process against other bids and the quality of each bid is important. All groups will be treated equally. If an organisation has had a grant previously, they are not guaranteed to receive financial support again but are not excluded from applying again. A fresh application will be required each time.

Whilst ad-hoc requests can be made at any time, there is no guarantee that any funds will remain available.

## **8. HOW WILL DECISIONS BE MADE?**

All bids will be judged after the closing date. The decisions will be made by Briston Parish Council. Briston Parish Council's decision is final. Unfortunately we may not be able to fund

all projects as there may be more applications than there is money available. However all applications will be considered carefully. Due account will be taken of the extent to which funding has been sought or secured from other sources or own fund-raising activities.

## 9. HOW TO APPLY

Applications should be made in writing. Please apply to the Clerk for a standard application form.

## 10. ADDITIONAL CONDITIONS FOR LOANS

Under certain situations consideration may be given to loan applications from organisations as previously defined in this policy under the following terms:

the maximum period of repayment of a loan is 5 years.

the interest repayments in years 1&2 will be  $\frac{1}{4}$  the average base rate, years 3&4 will be  $\frac{1}{2}$  the average base rate and years 5,6 and 7 will be the average base rate as supplied by the Council's bankers.

under normal circumstances only one application will be considered in any one financial year and will be determined by the availability of Briston Parish Council's financial reserves.

before a loan is authorised, Council must ensure that guarantees/guarantors for repayment are found to be acceptable.

Signed:

N. Fyfford

Readopted: 5/3/2018

signed: N. Fyfford

Updated:

5th Dec 2016

Date: 5th March 2018

readopted: 1/4/19

N. Fyfford