

Cannock Wood Parish Council

Grant awarding policy

Introduction

The Parish Council may make grants to local organisations for specific purposes that will benefit the Parish or residents of the Parish. Grants are largely paid out of the 'precept', which is the main source of funding for the Parish Council, collected for us by Cannock Chase District Council as part of council tax. The cost of any grants or donations is therefore reflected in residents' council tax bills.

The Parish Council aims to ensure that all its grant or donation award making activities are open, transparent, fair, benefit Cannock Wood or its inhabitants, and support local organisations. The direct benefit accruing to the area must be commensurate with the expenditure incurred.

The Parish Council will set a grants budget annually as part of the general budget setting process. Monies may, at the sole discretion of the Council be granted or donated from this budget, but the Council has no obligation to spend any or all those budgeted funds. The total grant monies awarded in each financial year must not exceed the budgeted amount agreed by the Parish Council, unless resolved otherwise by a motion at a full Parish Council meeting.

This policy aims:

- to set out for the benefit of residents and potential applicants what criteria are used to help inform the Parish Council's decision-making;
- to ensure a consistent and appropriate response to funding requests by providing policy guidelines to be followed when deciding on and making grants or donations under the powers and constraints of Section 137 and 137A of the Local Government Act 1972 (see Appendix 1).

So that decision-making is seen to be fair, members of the Parish Council who are also trustees or involved in the management of organisations applying for funding are not entitled to vote on grant or donation making decisions which might benefit those applicants. The same constraint applies to any members of the Parish Council who are connected* persons of trustees or those involved in the management of organisations applying for funding.

* A person is connected if they are a member of the councillor's family (spouse, civil partner, any person with whom they live as a partner in an enduring family relationship, a child or stepchild of the director, a child or stepchild of a or parents).

Who can apply

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

- be established for charitable, benevolent, social, cultural, recreational, or philanthropic purposes;
- have a constitution, or set of rules, which defines its aims, objectives, and operational procedures;
- be able to provide a copy of its latest annual accounts and most recent bank statement. The accounts are to be checked and signed by a person independent of the group. In the case of a newly formed organisation, provide a detailed budget and business plan and bank statement.
- Have a bank account operated by a minimum of at least two joint signatories.

Requests will not be considered from organisations outside the parish of Cannock Wood unless the service they provide significantly benefits Cannock Wood parish or its residents. Grants will not be made to projects that discriminate on any grounds.

What is eligible to be funded

To be eligible for any award of a grant or donation the purpose must:

- a) be a project that enhances the fabric of Cannock Wood Parish and makes it a better place in which to live, work or visit, or
- b) be a service that benefits the wellbeing of a significant number of inhabitants of Cannock Wood parish,
- c) be the capital costs or day-to-day running costs of an individual project.

What is not eligible to be funded

Grants or donations shall not be made for the following:

- a) supporting individuals or private business projects;
- b) projects that are the prime statutory responsibility of other government bodies;
- c) projects that improve or benefit privately owned land or property;
- d) projects that have already been completed or will have been by the time the grant is made (i.e. grants or donation will not be made retrospectively);
- e) non-charitable bodies outside of Cannock Wood parish or for work unrelated to Cannock Wood parish;
- f) general running costs.

Conditions of grants and donations

1. Funding must only be used for the purpose agreed with Cannock Wood Parish Council. Reallocation of any funds after receipt to any other items or purposes is not allowed. Any funds not spent on the items agreed by the end of the financial year in which the grant was made must be returned to Cannock Wood Parish Council within one week of the end of the financial year. If the organisation is unable to use the grant for the purpose for which it was awarded, all monies must be returned promptly to the Parish Council.
2. Funding must be spent within the financial year awarded and cannot be rolled over to subsequent years or added wholly or partly to reserves.
3. If the project costs are more than anticipated on the application, any shortfall must be met by the applicant.

Application procedure

- Application forms are available from the Parish Clerk and on the Parish Council's website www.cannockwood.org.
- All applications and supporting documentation must be submitted to the Parish Clerk. Detailed and informative applications are encouraged.
- Any additional information arising from the application form or required by the Parish Council prior to making a decision should be promptly provided.
- Details must be provided of the extent to which funding has been sought or secured from other sources or own fund-raising activities.
- No application will be considered by the Parish Council unless the application form and all supporting information has been provided at least seven days before a scheduled Parish Council meeting. The dates of meetings are available on the Parish Council website and from the Clerk.
- Decisions are discretionary and final. Of those applications decided favourably, the Parish Council will decide the level of support it will make and this may be all or part of the sum requested. The applicant will be informed in writing of the Parish Council's decision within two weeks of the meeting. All payments are made by cheque.
- Any grants or donations awarded where the event or projects works are more than four weeks in the future will not immediately be sent a cheque. The applicant should give at least eight weeks' notice of the commencement date to allow time for cheque authorisation and processing.

Acceptance of a grant award

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Accepting an award means that the recipient:

1. Acknowledges that any grant approved will be paid no sooner than 28 days prior to the event or project commencement date.
2. Will be accountable for funds and will provide a receipt.
3. Will sign a disclaimer explicitly releasing the Council from any responsibility for the event or activity.
4. Will, if requested, provide evidence of expenditure (receipted invoices) to the Parish Clerk on completion of the project where the funding provided is in excess of £500. The evidence of expenditure should be equal to, or more than, the total of the amount of the grant detailed on the application.
5. In the case of awards in excess of £500 the applicant should show the funding awarded separately in its published financial accounts and the Parish Council should have access to the financial accounts, on request, where appropriate.
6. The organisation must acknowledge the Parish Council's grant in all publications, publicity and annual reports relating to that financial year and/or the event or project the grant supported.
7. Will provide a report for the Parish Council outlining how the grant has been utilised, how it assisted the organisation and what it achieved, and agrees to the Parish Council publishing the report and/or its own article about the grant as the Parish Council sees fit.
8. In the case of awards in excess of £1000 the applicant should be available to give a report in person at the Cannock Wood Annual Parish Meeting (held on an evening between March and May each year) on how the money was spent and, if appropriate, how the project went.

Date adopted	Minute number	Review date

Appendix 1: Local Government Act 1972 Section 137 and 137A

137 Power of local authorities to incur expenditure for certain purposes not otherwise authorised.

(1) A local authority may, subject to the provisions of this section, incur expenditure which in their opinion is in the interests of, and will bring direct benefit to, their area or any part of it or all or some of its inhabitants, but a local authority shall not, by virtue of this subsection, incur any expenditure—

(a) for a purpose for which they are, either unconditionally or subject to any limitation or to the satisfaction of any condition, authorised or required to make any payment by or by virtue of any other enactment; nor

(b) unless the direct benefit accruing to their area or any part of it or to all or some of the inhabitants of their area will be commensurate with the expenditure to be incurred.

(1A) In any case where—

(a) by virtue of paragraph (a) of subsection (1) above, a local authority are prohibited from incurring expenditure for a particular purpose, and

(b) the power or duty of the authority to incur expenditure for that purpose is in any respect limited or conditional (whether by being restricted to a particular group of persons or in any other way),

the prohibition in that paragraph shall extend to all expenditure to which that power or duty would apply if it were not subject to any limitation or condition.

(2) It is hereby declared that the power of a local authority to incur expenditure under subsection (1) above includes power to do so by contributing towards the defraying of expenditure by another local authority in or in connection with the exercise of that other authority's functions.

~~**F2(2A)(2B) Sections repealed**~~

(2C) A local authority may incur expenditure under subsection (1) above on publicity only by way of assistance to a public body or voluntary organisation where the publicity is incidental to the main purpose for which the assistance is given; but the following provisions of this section apply to expenditure incurred by a local authority under section 142 below on information as to the services provided by them under this section, or otherwise relating to their functions under this section, as they apply to expenditure incurred under this section.

~~**F3(a) Section repealed**~~

(2D) In subsection (2C) above—

- “publicity” means any communication, in whatever form, addressed to the public at large or to a section of the public; and

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- “voluntary organisation” means a body which is not a public body but whose activities are carried on otherwise than for profit.

(3) A local authority may, subject [F4, in the case of a parish or community council,] to the following provisions of this section, incur expenditure on contributions to any of the following funds, that is to say—

(a) the funds of any charitable body in furtherance of its work in the United Kingdom; or

(b) the funds of any body which provides any public service (whether to the public as a whole or to any section of it) in the United Kingdom otherwise than for the purposes of gain; or

(c) any fund which is raised in connection with a particular event directly affecting persons resident in the United Kingdom on behalf of whom a public appeal for contributions has been made by the Lord Mayor of London or the chairman of a principal council or by a committee of which the Lord Mayor of London or the chairman of a principal council is a member or by such a person or body as is referred to in section 83(3)(c) of the Local Government (Scotland) Act 1973.

(4) The expenditure of a local authority under this section in any financial year shall not exceed the amount produced by multiplying—

(a) such sum as is for the time being appropriate to the authority under [F5Schedule 12B to this Act], by

(b) the relevant population of the authority’s area.

~~(4AA) F6 section repealed~~

(4AB) For the purposes of subsection (4)(b) above the relevant population of a local authority’s area shall be determined in accordance with regulations made by the Secretary of State; and a statutory instrument containing such regulations shall be subject to annulment in pursuance of a resolution of the House of Commons.

(4A) For the purpose of determining whether a local authority have exceeded the limit set out in subsection (4) above, their expenditure in any financial year under this section shall be taken to be the difference between their gross expenditure under this section for that year and the aggregate of the amounts specified in subsection (4B) below.

(4B) The amounts mentioned in subsection (4A) above are—

(a) the amount of any expenditure which forms part of the authority’s gross expenditure for that year under this section and in respect of which any grant has been or is to be paid under any enactment by a Minister of the Crown, within the meaning of the Ministers of the Crown Act 1975 (whether or not the grant covers the whole of the expenditure);

(b) the amount of any repayment in that year of the principal of a loan for the purpose of financing expenditure under this section in any year;

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(c) so much of any amount raised by public subscription as is spent in that year for a purpose for which the authority are authorised by this section to incur expenditure;

(d) any grant received by the authority for that year out of the European Regional Development Fund or the Social Fund of the European Economic Community, in so far as the grant is in respect of an activity in relation to which the authority incurred expenditure in that year under this section;

(e) the amount of any repayment in that year of a loan under this section made by the authority in any year; and

(f) the amount of any expenditure—

(i) which is incurred by the authority in that year in circumstances specified in an order made by the Secretary of State; or

(ii) which is incurred by the authority in that year and is of a description so specified; or

(iii) which is defrayed by any grant or other payment to the authority which is made in or in respect of that year and is of a description so specified.

~~(4C) [F7](#) section repealed~~

(5) A statutory instrument containing an order under this section may apply to all local authorities or may make different provision in relation to local authorities of different descriptions.

(6) Any such instrument shall be subject to annulment in pursuance of a resolution of either House of Parliament.

(7) The accounts of a local authority by whom expenditure is incurred under this section shall include a separate account of that expenditure [F8](#). . . .

[F9](#)(7A) In relation to England, [F10](#)section 25 of the Local Audit and Accountability Act 2014 (inspection of statements of accounts etc)] applies in relation to a separate account included in a local authority's accounts by virtue of subsection (7) above as it applies in relation to a statement of accounts prepared by the authority pursuant to [F11](#)section 3(3)] of that Act.

(7B) In relation to Wales, section 29 of the Public Audit (Wales) Act 2004 (rights of inspection) applies in relation to a separate account included in a local authority's accounts by virtue of subsection (7) above as it applies in relation to a statement of accounts prepared by the authority pursuant to regulations under section 39 of that Act.]

~~[F12](#)(8) Section repealed~~

[F13](#)(9) Subject to subsection (10) below, in this section "local authority"[F14](#) means—

(a) a parish council which is not an eligible parish council for the purposes of [F15](#)Chapter 1 of Part 1 of the Localism Act 2011 (general power of competence)], or

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(b) a community council] **[F16**which is not an eligible community council for the purposes of Part 2 of the Local Government and Elections (Wales) Act 2021 (general power of competence)].

(10) In subsection (3) above “local authority” means—

(a) in relation to England, a county council, a district council, a London borough council, the Common Council or a parish council,

(b) in relation to Wales, a county council, a county borough council or a community council.]]

137A Financial assistance to be conditional on provision of information.

(1) If in any financial year a local authority provides financial assistance—

(a) to a voluntary organisation, as defined in subsection (2D) of section 137 above, or

(b) to a body or fund falling within subsection (3) of that section,

and the total amount so provided to that organisation, body or fund in that year equals or exceeds the relevant minimum, then, as a condition of the assistance, the authority shall require the organisation, body or fund, within the period of twelve months beginning on the date when the assistance is provided, to furnish to the authority a statement in writing of the use to which that amount has been put.

(2) In this section “financial assistance” means assistance by way of grant or loan or by entering into a guarantee to secure any money borrowed and, in relation to any financial assistance,—

(a) any reference to the amount of the assistance is a reference to the amount of money granted or lent by the local authority or borrowed in reliance on the local authority’s guarantee; and

(b) any reference to the date when the assistance is provided is a reference to the date on which the grant or loan is made or, as the case may be, on which the guarantee is entered into.

(3) The relevant minimum referred to in subsection (1) above is £2,000 or such higher sum as the Secretary of State may by order specify.

(4) It shall be a sufficient compliance with a requirement imposed by virtue of subsection (1) above that there is furnished to the local authority concerned an annual report or accounts which contain the information required to be in the statement.

(5) A statement (or any report or accounts) provided to a local authority in pursuance of such a requirement shall be deposited with the proper officer of the authority.

(6) In this section “local authority” includes the Common Council