

SOMERCOTES PARISH COUNCIL

SECTION 137 GRANTS POLICY | ADOPTED JAN 2025

1. Background

Under Section 137 of the Local Government Act 1972, Somercotes Parish Council (the Council) has discretionary powers to award grants to local groups or organisations. A grant is any payment or gift made by the Council to an organisation for a specific purpose. The law requires that Section 137 grants must be “in the interests of or will directly benefit the area or its inhabitants, or of part of it, or of some of it” and “the direct benefit should be commensurate with expenditure.” (Local Government Act 1972 section 137).

The Council will use the criteria set by Department for Communities and Local Government Act to determine the maximum amount of grant aid that will be available on an annual basis.

2. The Grant Process

To apply for a Council grant you must be a charity, community group or local voluntary organisation with a dedicated bank account, operating or providing a service to the community of Somercotes.

The Council defines a voluntary group as a not-for-profit organisation, set up and run by a voluntary, unpaid management committee. Grants are offered on a one-off basis to support a particular project, event, activity or the purchase of equipment

The Council particularly welcomes applications from small or newly formed groups and those that have not applied to us before. Grants must be spent within 12 months of issue. Receipts for all spend must be provided and unspent funds must be returned.

To be considered for an award, applicants must make a written application using the Grant Application form which can be found at www.somercotesparishcouncil.gov.uk and supply copies of their latest annual accounts.

All valid grant applications will be assessed by the RFO and presented to the following quorate meeting of the Parish Council with a recommendation if eligible for consideration. Applications which do not comply with the requirements will be dismissed. Applicants will be notified by the RFO, of the Council's decision.

3. Primary Criteria

In general, the Council use the following primary criteria when deciding whether or not to issue a grant:

- 3.1. That the grant will bring a direct benefit to the Parish or any part of it for some or all of its inhabitants
- 3.2. That the benefit gained will be commensurate with the expenditure incurred. This means that a Council will not spend a disproportionately large amount on something which has no, or very little direct benefit.

For example, spending the whole of the Council's allowance under Section 137 for the benefit of two people would be unlikely to confer commensurate benefit to the expenditure incurred

- 3.3. That we can legally issue a grant (please Legal Restrictions section)
- 3.4. That the Council hasn't, or will not, exceed the legal minimum amount of grant aid during the current financial year.

4. Secondary Criteria

- 4.1. Whether the organisation has completed the grant form correctly and in full
- 4.2. Evidence of a well managed group including previous experience and track record of delivery.
- 4.3. Financial sustainability and viability of the group and/or project
- 4.4. Evidence of compliance with previous grant award conditions
- 4.5. Whether the organisation has closed or restricted membership

5. What will not funded

The Council will not fund as a matter of general practice the following (list isn't exhaustive):

- 5.1. Grants that are covered under other mechanisms such as Burial Grounds
- 5.2. The activities of religious organisations, unless they can show they operate clear and open community activities which do not require membership or connection to the organisation and that the application will be of benefit to the community.

- 5.3. General operational and maintenance costs
- 5.4. Events OR projects that have already occurred, and or started
- 5.5. Repayment of loans or costs of services, equipment or provisions in anticipation of a grant.
- 5.6. “Upward funder” i.e. local groups where fund-raising is sent to a central HQ for redistribution.
- 5.7. Applications will not normally be considered from national organisations or local groups with access to funds from national “umbrella” or “parent” organisation; unless funds are not available from their national bodies or the funds are inadequate for a specified project.

6. Legal Restrictions

For legal reasons, the Council cannot accept Section 137 Grant applications from:

- 6.1. Individuals or appeals supporting an individual
- 6.2. Organisations which support or oppose any political party
- 6.3. Organisations that discriminate on grounds of sex, race, disability, sexual orientation, religion, belief or age.
- 6.4. Organisations or establishments for whom Central Government, Health Authorities, or the County Council are the appropriate sole statutory funder.
- 6.5. Organisations that do not provide a service to the community Somercotes
- 6.6. General Appeals
- 6.7. Religious group where funding is to be used to promote religious beliefs
- 6.8. Arts and Sports projects with no community or charitable element
- 6.9. Medical research, equipment or treatment
- 6.10. Animal welfare

7. Application Procedure

Organisations requesting financial assistance should submit:

- 7.1. A completed application for which includes:
 - 7.1.1. Details of the project/activity for which the grant is sought
 - 7.1.2. Details of the benefit to the local community within the Parish
 - 7.1.3. Details of the number of beneficiaries and what proportion of members/beneficiaries are residents of Somercotes Parish.
 - 7.1.4. Details of any restrictions placed on who can use/access their services
- 7.2. Confirmation that it complies with its equality obligations under the Equalities Act 2010 and other anti-discrimination legislation.
- 7.3. A copy of their trading account and balance sheet for the last financial year, or for new initiatives, a budget forecast (Note: organisations/applicants must demonstrate a clear need for financial support.)
- 7.4. A copy of their written constitution, together with details of their aims and purpose.

IMPORTANT NOTE: All questions on the application form should be fully answered and additional appropriate information, which supports an application, must be provided for the request to be considered by the Parish Council.

8. Successful Applicants

- 8.1. The grant will be paid by BACS. It must be acknowledged promptly by the organisation, stating the amount granted, and acceptance of any additional conditions and requirements imposed.
- 8.2. Organisations receiving grants are required to advise their users/members that grant has been received from Somercotes Parish Council.
- 8.3. Any grant must only be used for the purpose for which it was awarded unless the written approval of the Parish Council has been obtained for a change of use for the grant award.

- 8.4. Any unspent portion of the award must be returned to the Parish Council by the end of the financial year following the year in which it was awarded.
- 8.5. Organisations will be required to complete a project completion form detailing how funds were spent along with accompanying receipts/invoices as well as detailing how much of the award remains if any.

9. Publicising the Grant

Somercotes Parish Council requires that grants are publicised. Successful applicants will be required:

- 9.1. Mention the grant in any press releases, online communications, social media channels and websites.
- 9.2. Non-compliance of publicity requirements is a breach of a funding agreement any may result in your grant being reduced, withdrawn or reclaimed.

Applicants must cover the cost of publicising the grant and this cannot be included in claims for grant reimbursement.

10. Objections to expenditure

Expenditure will be open to be challenged by the auditor, or by a local government elector objector at audit (pursuant to s.16 Audit Commission Act 1998), on the basis that the expenditure is larger than the direct benefit to the area or residents would justify.