**Introduction**

A grant is any payment or gift made by North Kelsey Parish Council to an organisation for a specific purpose that will benefit the Parish, or residents of the Parish, and which is not directly controlled or administered by the Parish Council.

North Kelsey Parish Council operates two types of grant, a Section S137 grant and an unrestricted grant.

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 some of it” and “the direct benefit should be commensurate with expenditure”.

In order to deliver the most benefit for the residents of North Kelsey a similar approach will be applied to the ‘unrestricted’ grant application.

**Who can apply?**

Local community groups, voluntary organisations and sports/recreational clubs, all of which must be of a non-commercial nature.

Any grant application must be seen to be of benefit to residents of North Kelsey.

**How can the grants be used and how are they decided?**

Grants can normally only be used for capital projects and not for revenue support.

North Kelsey Parish Council awards grants, at its discretion, to organisations which can demonstrate a clear need for financial support to achieve an objective which will benefit the Parish by:

* providing a service;
* enhancing the quality of life;
* improving the environment, and promoting the Parish of in a positive way.

The Parish Council will hear the application and make a final decision. Each application will be assessed on its own merits. However, to ensure as fair a distribution as possible of available funds, the Parish Council will take into account the amount and frequency of any previous awards.

Due account may also be taken of the extent to which funding has been sought or secured from other sources or fund-raising activities. At the Parish Council’s specific annual budgeting meeting an amount will be set from which grants will be awarded during the following financial year.

The availability of funds is dependent on the Council’s overall financial position and the choices it makes when allocating its resources. It is not just the role of the Parish Council to award grants. Where possible it actively encourages organisations to seek grants from other agencies to finance projects.

**How should an application be made?**

All applications are to be made on a form that can be obtained from the Parish Clerk or the Parish Council website. Normally only one grant will be given in a Council fiscal year.

Ongoing commitments to award grants in future years will not be made.

A fresh application will be required each year.

**What is required with the application?**

* Full and complete copies of your signed, certified and audited accounts for the last two years (only if your organisation has been in existence for that period)
* A recent bank statement for last 3 months. These should also be signed by a member of your organisation, indicating their position held.
* A detailed budget plan and supporting evidence.
* A copy of your organisations Constitution, Terms of Reference or Rules.
* The number, or percentage, of members that belong to the organisation and that live within North Kelsey Parish Council area
* Details of any restrictions placed on who can use/access the organisation’s services.
* Should you have had a previous grant from the Council, it is wise to check that you have included a full report of your previous award. Your current grant application might be affected if you fail to do so.
* Evidence of other awards towards the project, e.g. lottery funding, other bodies.
* For grant requests for projects the Parish Council will require that the organisation has robust tendering regulations, e.g. obtaining a minimum of three tenders. The Parish Council reserves the right to request proof of the tender process.

North Kelsey Parish Council expects applicants to get the best value for money for any equipment, so applicants will need to give a detailed justification if they haven’t used the cheapest quotes. Quotes may be checked against market rates.

The following reasons will not be accepted as sufficient justification for why the applicant has not used the cheapest quote:

* the location of the supplier;
* the fact they have bought from a supplier before; or
* any offers the supplier makes about future service or maintenance of equipment.

**VAT**

North Kelsey Parish Council grant awards will not cover reclaimable VAT. If an organisation is unable to cover the cost of the VAT then there is the option for North Kelsey Parish Council pay the relevant bill and then reclaim the VAT.

**0% Loans**

North Kelsey Parish Council reserve the right to offer grants in the form of a 0% interest loan. Loans would be offered over either 12 or 24 months with monthly repayments to be paid by BACS on the 20th of each month.

**What will not normally be funded**

The following will not normally be funded:

* Private individuals.
* The activities of political organisations.
* 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.
* General operational and maintenance costs.
* Events that have already occurred, equipment already purchased, works already started or completed.
* Repayment of loans or cost of services, equipment or provisions in anticipation of a grant.
* Organisations that have a closed or restricted membership.
* Organisations that are the responsibility of another public body/agency, however some form of matched/joint funding might be considered.
* “Upward funder” i.e. local groups where fund-raising is sent to a central HQ for redistribution.
* Purposes for which there is a statutory duty upon other local or central government departments to fund or provide.

This list is not exclusive, and may be added to at the council’s discretion.

**Grant conditions.**

The grant can only be used for the purpose stated in the application and the Council reserves the right to reclaim any grant not being used for the specified purpose of the application.

Organisations are responsible for ensuring that they are in compliance with all legal and statutory requirements.

Should for any reason the organisation disband during the period of the grant the Council may ask for all or part of the monies to be paid back.

Prior approval of the Council is required if any change of purpose of the grant is required.

Organisations must contact the Council before disposing of any equipment or resources purchased or part purchased with a grant from the Council.

The Council reserves the right to monitor the use of the grant, the organisation will allow reasonable access to premises/accounts upon request from the Parish Clerk.

Acknowledgement of the financial support received from the Council is required on documentation and any promotional literature or other media operation. To not do so could mean funding being withdrawn.

To be eligible for a grant an organisation shall not discriminate on grounds of racial origin, gender, disability, age, (except for obvious reasons, such as becoming a member of a Youth club), and political or religious persuasion.

Normally only one grant per year, though exceptions may be made.

More than one project may be comprised in a grant, though one completed application form per project is required. Should any of these conditions not be met it could result in the award being withdrawn, the grant having to be repaid and future grant applications being refused.

**Reporting**

All grants awarded will be subject to a 6 month ‘report back’ to North Kelsey Parish Council as to the progress and/or community benefit.

Failure to return a ‘report back’ may result in the Council asking for all or part of the monies to be paid back.

**Publicising the Grant**

North Kelsey Parish Council requires that grants are publicised.

The requirements will be set out in the grant agreement letter. Successful applicants will be required to:

* mention the grant in any press releases, online communications and websites; and
* display a poster, plaque, or billboard, depending on the amount of funding received and the type of investment, including the North Kelsey Parish Council logo.

Non-compliance of publicity requirements is a breach of the funding agreement and may result in your grant claim being reduced, withdrawn or reclaimed.

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

**Changes During the Grant Period**

The applicant is expected to use the grant money to buy items as specified in the application and grant funding agreement. During the grant period, exceptional circumstances may arise where applicants need to change elements of a project.

Applicants must inform North Kelsey Parish Council in writing immediately and where appropriate seek a contract variation.

Applicants must inform the North Kelsey Parish Council about any changes to a project, for example:

* changes to use of buildings, equipment or any other assets bought with the grant;
* disposing of or selling any of the assets;
* closing, selling or transferring the business that’s associated with the grant.

This applies during the project and for five years after the payment of the final claim.

Agreement to an amendment is not automatic and if the applicant goes ahead with a change that North Kelsey Parish Council does not agree to, there may be an obligation to repay the grant or North Kelsey Parish Council may withhold part or the entire remaining grant.

This document is available free online at https://north-kelsey.parish.lincolnshire.gov.uk

In accordance with the Parish Council’s Publication Scheme this document can be purchased for 10p per page, plus postage and packaging. To get a quote for a copy of this document please contact the Clerk to the Parish Council.

**North Kelsey Parish Council**

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