



## **Policy for Section 137 Grants – February 2017**

### **Background**

Under Section 137 of the Local Government Act 1972, Harrold Parish Council (the Council) has discretionary powers to award grants to local groups or organisations for “purposes, which may bring a direct benefit to the area or any part of it for some or all the inhabitants”. 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. At time of print this accounted to approximately £9.6k a year.

### **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 Harrold. The Council defines a voluntary group as a non-profit making or non-commercial organisation, set up and run by a voluntary, unpaid management committee. Grants are usually offered on a one-off basis to support a particular project, event, activity or the purchase of equipment. They are also open to new groups wishing to start up and receive a small contribution towards their running costs. 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. The council reserves the right to ask for evidence that the grant has been spent on the intended purpose.

To be considered for an award, applicants must make a written application using the Grant Application form which can be found at [www.harroldparishcouncil.com](http://www.harroldparishcouncil.com). All valid grant applications will be assessed and presented to the full council for consideration at the next quorate meeting of the Parish Council. Applicants will be notified by the Clerk of the Council's decision.

### **Criteria used by the Council to determine whether to issue a grant**

In general, the council will use the following primary criteria when deciding whether to issue a grant:

1. That the grant will bring a *direct benefit to the area* or any part of it *for some or all the inhabitants*
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. That we can legally issue a grant (see Legal Restrictions section)
4. That the Council hasn't, or will not, exceed the legal maximum amount of grant aid during the current financial year

Secondary criteria under consideration may include:

- Whether the organisation has completed the grant form correctly and in full
- Evidence of a well-managed group including previous experience and track record
- Financial sustainability and viability of group and/or project

- Evidence of compliance with previous grant award conditions
- Whether the organisation has a closed or restricted membership

### **Legal Restrictions**

For Legal reasons, the council cannot accept Section 137 Grant applications from:

- Individuals or appeals supporting an individual
- Organisations which support or oppose any political party
- Organisations that discriminate on the grounds of sex, race, disability, sexual orientation, religion and belief or age
- Organisations or establishments for whom Central Government, Health Authorities, or the Borough Council are the appropriate sole statutory funder
- Organisations that do not provide a service to the community of Harrod
- General appeals
- Religious groups where funding is to be used to promote religious beliefs
- Arts & sports projects with no community or charitable element
- Medical research, equipment or treatment
- Animal welfare

### **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.

### **Related materials**

Sections 137 and 137(A) Local Government Act 1972:

<http://www.legislation.gov.uk/ukpga/1972/70/section/137>