



Bungay Town Council

Grants and Donations Policy

Introduction

Bungay Town Council sets aside a sum of money each year to donate to good causes in the Town as either a grant or a donation. The sum allocated by the Council is part of the annual precept the Town Council collects from the electorate and is available for distribution from 1st April each year. The sum allocated should not exceed 15% of the precept unless otherwise decided by Bungay Town Council.

The Town Council is governed by rules set out in the Local Government Act 1972 (section 137) which states the money must be spent on purposes for the direct benefit of the Town and be commensurate with the expenditure incurred, for example, spending a large amount for the benefit of only one or two people is not acceptable.

Bungay Town Council applies different criteria dependent on the type of group or charity. For this purpose, a group such as the Citizens Advice Bureau or Suffolk Ambulance service who are not specifically local to Bungay may receive a grant without an application as this is not feasible and would only receive a nominal amount. Whereas groups such as local brownies, schools or other organisations would be asked to apply for specific projects and the grant available would be larger.

Contributions may be made to charities and bodies providing a public service on a non-profit making basis, but only in furtherance of their work in the United Kingdom. It is unlawful for a council to contribute to an individual or a charity or a public service body operating overseas. Contributions to UK charities and bodies providing a public service do not have to bring any direct benefit to the council's area or to its inhabitants.

No further amount will be allocated from the annual budget if the money is committed before the end of the financial year (end of March each year).

Policy

Applications will be accepted throughout the financial year from individuals (on behalf of a group) or not-for-profit community groups, or where the donation is to provide benefit to residents of Bungay. Any expenditure under section 137 must be properly authorised by resolution, minuted and shown in a separate column in the councils' accounts.

Bungay Town Council operate the following criteria for all applications:

- a) Normally no more than one application, per organisation, for a grant in each financial year
- b) The organisation must be non-profit making (and not an individual)
- c) Grants are not made retrospectively
- d) The organisation must be one that, in some way, benefits the local community.

For local groups Bungay Town Council would also apply the following criteria:



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- a) The organisation must demonstrate a clear need for financial support by providing a description of the project / activity for which a contribution is needed
- b) A set of audited accounts or suitable financial statement should be submitted to ensure there is a genuine need for a grant.
- c) Organisations that have only recently set up and do not have audited accounts should provide a financial statement regarding their proposed budget instead.
- d) Efforts to generate income from other sources must be submitted.
- e) A report on how the money was spent should be submitted.
- f) Monitoring of the grant / donation will take place and a report submitted on how it has been spent is required.

Procedure

Although applications will be accepted throughout the year, normally they will be considered twice during the financial year – in the months of April and September. Ideally, therefore applications should be submitted to the Clerk of the Council not later than the end of the preceding month with the information set out in the policy above.

The application will be placed on the agenda for consideration by Council who will decide on the application based on the information provided. Please note that all agenda papers are published and therefore in the public domain. The Clerk of the Council will inform the applicant of the Councils' decision and arrange payment if successful or an explanation if the grant or donation was turned down.

Should you be successful:

A written receipt must be provided by the organisation and a note to show the funds have been used for the purposes specified in the application if applicable.

- The council reserves the right to require repayment in the event of the outcome not being achieved.

Adopted by: Mick Lincoln, Chairman

Date: 29th November 2018