

# CROSTHWAITE AND LYTH PARISH COUNCIL

## GRANTS AND DONATIONS POLICY

Approved 12/06/2023

### Introduction and Background

Crosthwaite and Lyth Parish Council has the power to raise money through the precept and to spend money within its wide-ranging legal powers, ensuring it provides effective financial and risk management. In addition to its specific statutory spending powers, the Parish Council may spend in a single financial year up to a prescribed limit (£9.93 per elector in 2023-24) for any purposes which in its opinion are 'in the interests of, and will bring direct benefit to the area or any part of it, or all or some of its inhabitants.' The Council is the judge of what is or is not in the interests of the area or inhabitants provided that the 'direct benefit' will be commensurate with the expenditure to be incurred' (Local Government Act 1972, Section 137).

Under this legislation, contributions may also 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. Contributions to UK charities and bodies providing a public service do not have to bring any direct benefits to the Council's area or its inhabitants.

Crosthwaite and Lyth Parish Council allocates a sum of money in its budget each year for grants and donations. The grant and donations budget is discretionary funding and the aim is to support community groups, activities and projects which benefit the parish. A grant is awarded for a particular purpose or project whereas a donation is awarded for general purposes.

### Policy

1. Applications for a grant or donations must be made in writing and include the amount requested. The application should include a description of how the money will be spent and how this will benefit the parish and its residents. Applications should be submitted to the Clerk to the Council.
2. Applications for a grant or donation in the following financial year are welcomed, as this allows the Council to make suitable provision in its budget. Such requests should be submitted before the end of October.
3. In order to justify the award of a grant or donation, the Parish Council reserves the right to require the applicant to produce its accounts for the previous year or any other financial information that it deems appropriate to assist its consideration of the request.
4. Applications will be considered and determined at a full Parish Council meeting (i.e. In the public domain).
5. The Clerk will inform the applicant of the Council's decision and arrange payment in the case of successful applications.
6. The Council will require a report on how the money was spent and the impact or difference the funding made. The Council reserves the right to request return of the money in the event of the purpose of the grantor not being achieved.
7. The Council will not exceed the amount allocated in its budget for grants and donations in any financial year.
8. The Council will not make grants or donations to individuals for their own use.
9. Priority will be given to applications supporting activities and projects that will be of direct benefit to the Parish and its residents.

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