

Briefing Note

Review of Grants & Donations Policy

1.0 Background

1.1 On 18 June 2015, Menheniot Parish Councillors adopted a scheme for allocating sums of money in the form of grants and donations that would be taken from a budget set up using S106 funds that had been awarded to the council. The reason for introducing a system was primarily to manage the outflow of funds so that all eligible organisations had an equal opportunity to make an application, and councillors would be able to make their decisions as part of a structured and considered decision making process. In May 2018, the Chair asked the Clerk to review the current system and make recommendations where appropriate.

1.2 This report examines the awarding of grants before and after that date, identifies any changes that may have occurred and draws conclusions on the operation of the scheme. Recommendations are included in the final section.

1.3 The Parish Council has the power to make grants and donations¹ that will bring direct benefit to the area, or any part of it or all of some of its inhabitants. It is also a requirement that the benefit obtained should be commensurate with the expenditure incurred.² For these reasons, councillors apply terms and conditions to any award they make, and applicants must comply with them.

2.0 Evidence

2.1 The parish council has been making awards since at least the time of the first review that was made in 2015. The tables below show a comparison between the period 2010-2015, and 2015-todate (October 2018). The two time periods are not equal.

Small Grants (less than £250)	2010-2015	2015-2018
Number of applications	44	13
Number of applicants	26	9
Applications per applicant	2.75	1.44
Average value	£96	£104
Average per year	£842 (5 years)	£493 (2.75 years)
From external groups	38%	29%
Top 3 applicants	Merrymeet Christmas Tree (13%); Menheniot Sports Association (12%); Menheniot Christmas Tree (11%)	Menheniot School (26%); Cruse (15%); Skatepark (12%)
Large Grants (more than £250)	2010-2015	2015-2018
Number of applications	15	13
Number of applicants	5	6
Applications per applicant	3.00	2.2
Average value	£2097	£2267
Average per year	£6292 (5 years)	£10,719 (2.75 years)
Top 3 applicants	St Lalluwys (43%);	St Lalluwys (45%);

¹ Localism Act 2011 ss1-8

² The Local Government and Housing Act 1989

	Renewable Energy (21%); Parish Hall (19%)	Menheniot Sports Association (29%); Menheniot Old School (17%)
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2.2 Observations

2.1 Small Grants: the number of repeat applications from groups has decreased since the grants policy was introduced. In part, this is due to a reduction in the number of requests from groups located outside the parish boundary (eg Citizens Advice; Air Ambulance; Blind Association; Headway). The average value of awards has increased by 8%. None of the top three applicants from the first period are found in the second period.

2.2 Large Grants: the number of repeat applications has also decreased slightly (this may be due to the shorter time period of the analysis); the average value of awards has also increased by 8%; St Lalluwys Church is the organisation receiving the highest value of awards, and the only group appearing in both lists. The amount awarded each year has increased by 70%.

3.0 Application Process

3.1 Small Grants and Donations may now be considered at any council meeting following receipt of a request. Experience with other funding organisations suggests that this is of benefit to informally organised local groups who may need small amounts of funding at short notice. There has been no negative feedback on the scheme.

Large Grant applications are typically twenty times larger than Small Grant applications, and so councillors require more information and a more formal assessment before making their decisions. No negative feedback has been received on the process, although the most common issue encountered by the Clerk has been about the provision of financial information by the applicant. These issues have always been speedily resolved.

3.2 The Cornwall Association of Local Councils produces a model set of conditions, which are reflected in those already applied by this parish council. However, the CALC template includes an additional set of eligibility criteria that councillors may wish to include (see Section 4 below).

4.0 Conclusions & Recommendations

4.1 The grants and donations scheme has managed the outflow of community funds that were given to the council by developers as part of their S106 obligations. The current Community Grants budget is currently £5522, the equivalent of 6 months of awards.

In the short term, councillors may wish to consider maintaining support for the scheme until the current budget is exhausted (estimated to be June 2019). However, given the important role that the council's financial support has among the parish's voluntary and community groups, members may wish to consider a range of options for its future.

Funding for the Community Grants budget is drawn from council reserves, and is unaffected by the budget proposals and precept setting for 2019/20.

4.2 The options that councillors may wish to consider might include:

- Does the Community Grants scheme provide a community benefit that is commensurate with the amount given?
- If there are community benefits, are they sufficient to recommend continuing with either grants scheme?
- If councillors agree to continue with a grants scheme:
 - How much funding should be allocated?
 - Are any changes in the application process or terms & conditions needed?

- The Small Grants scheme awards under £500 each year, and is funded from the precept: would councillors consider merging the two separate Small Grants & Donations funds together and reducing the amount raised from the precept from £750 to £500?
- The range and variety of applicants and awards for both funds has decreased: can more be done to raise awareness of the scheme?

4.3 Recommended that in the short term:

- Councillors agree to continue to manage the Community Grant fund in its present form until all monies are awarded.
- Small Grants & Donations are merged with a budget of £500 taken from the precept.
- Clerk undertakes a consultation with voluntary groups in the parish to establish their usage and opinion of all grants programmes.
- A summary of the consultation and recommendations is presented to councillors at their meeting on 16 May 2019.

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