

# **Policy for the Consideration of Grant Requests**

The Town Council considers grant requests from organisations as part of its annual budget setting process. A diverse range of groups apply for grants and the following criteria are designed to assist in ensuring that an objective approach is taken in considering applications.

<b>OBJECTIVES</b>	<ul style="list-style-type: none"> <li>• <b>To maximise the benefit to the community of grants provided by the Town Council.</b></li> <li>• <b>It is intended that grants will assist the development of local organisations and services and make those services more accessible to members of the community in terms of the cost of using them.</b></li> <li>• <b>Grants are intended primarily to benefit the residents of Nailsea.</b></li> </ul>
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<b>PRINCIPLES</b>	<p><b>LEGAL REQUIREMENTS</b></p> <ul style="list-style-type: none"> <li>• <b>The Town Council has the statutory power but not a duty to make grants.</b> Grants are made at the discretion of the Council and are not an entitlement for any group.</li> <li>• Grants are not made to individuals.</li> <li>• There are financial limits on the Council’s power to award grants to organisations not directly involved in providing services to residents of the Town.</li> </ul> <p><b>THE FOLLOWING ARE CURRENT COUNCIL CUSTOM AND PRACTICE (NOT POLICIES)</b></p> <ul style="list-style-type: none"> <li>• Grant applications are considered between October and December, in preparation for setting the budget for the subsequent financial year. Other than in exceptional circumstances, grant requests outside the routine budget-setting timetable will be deferred until the next annual cycle.</li> <li>• Grants can only be offered for the subsequent financial year. If a grant is unspent the Council can consider whether to defer the release of the funds to the following year.</li> <li>• There is no presumption of an automatic ‘inflation increase’ if a grant is made to the same organisation in successive years.</li> <li>• Loans will only be made in exceptional circumstances.</li> </ul>
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## **1. Categories of Grant Applicant**

<b>Type of Organisation</b>	<b>Eligible for a Grant?</b>	<b>Comment</b>
Local Charities e.g trusts, incorporated assoc’s, Companies Ltd by Guarantee	Yes	Consideration must be given to the financial position of the applicant organisation (see 2. below).
Local Voluntary organisations, membership organisations	Yes	
National or Regional Charities: local branch	Yes	
Commercial organisations	No, other than in exceptional circumstances.	
Individuals	No	The Town Council does not give grants to individuals. The Community Trust is the local organisation that considers requests from individuals. The Town Council gives a grant to the Community Trust for this purpose.
National or Regional Charities: fundraising campaigns	No, other than in exceptional circumstances.	

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### 2. Applicant Organisation

Purpose of the applicant organisation	What section of the community does the organisation benefit?	How many people would the grant benefit? How significant is the benefit that the grant would create?
Organisational structure	Does the organisation have paid staff? What is the role of volunteers?	Does the organisation appear to be managing its finances efficiently?
Financial structure	What are the sources of income? e.g. charges for services provided, membership fees, subscriptions, other grant funders.	What would be the impact of not receiving the grant? Can the organisation reasonably increase its regular income from other sources e.g. by increasing subscriptions?
Financial management	What is the organisation's financial position?	Grants will not be made to organisations with cash reserves of over 12 months apart from exceptional circumstances, such as reserves being built up for specific expenditure.
Type of funding requested	One-off or recurring? If recurring, short term or long term? Is the grant for specific or general expenditure?	Funding to assist a start-up venture should identify how long it will be required before alternative funding is in place.

### 3. Categories of Grant

Type of Grant	Definition	Comment
<b>1. "Essential" Annual Subsidy</b>	<ul style="list-style-type: none"> <li>Without a grant the organisation could not continue in its present state.</li> <li>The grant pays for or contributes to an essential service for the people of Nailsea.</li> <li>If the grant applicant charged (or increased its charges) for the service it would deter some or all users.</li> </ul>	The preference is to fund a specific item of expenditure.
<b>2. "One-off" Grants</b>	Any eligible organisation applying for funds for a specific, one-off item of expenditure.	
<b>3. "Annual donation"</b>	A general contribution to support a local organisation. This includes Council's membership of organisations whose work it wants to support.	The grant funding will be of a smaller amount e.g. up to £150.
<b>4. "Start-up" subsidy</b>	Applicants proposing a new service or activity and needing funds to start. The organisation can generate income (e.g membership or fees).	Applicants will be encouraged to become financially self-sufficient (i.e cash flow) within a mutually agreed period, at which point an application from them would fall into one of the others categories or not be eligible.