

Policy and Finance Committee

Date: 17 June 2019

Title: Grant application

Purpose of the Report: To update Committee on a recent grant application and to seek endorsement.

Contact Officer: Sarah Sandiford, Head of Democratic and Central Services

Corporate Objective/s	To consolidate processes and procedures, ensuring operational efficiency.	
Implications:		
Financial		
Human Resources		
Operational/Service delivery		
Legal	√	Local Government Act 1894

1. RECOMMENDATION

1.1 To approve the General Grant application for £500 submitted by All Saints Church for the purpose of providing a monthly lunch for senior citizens within the parish.

2. BACKGROUND

2.1 The Town Council operates an annual scheme of General Grants, with applications reviewed each year in April/May and in November. Councils are permitted to give community grants through the Local Government Act 1972 (section 137) and the General Power of Competence.

2.2 General Grant guidelines and procedures are in place to ensure all relevant legislation including the above is adhered to and that there are safeguards to ensure use of public monies for appropriate purposes which will be of benefit to those living within the parish. The Guidelines were last reviewed in 2016.

2.3 Under current guidelines, the maximum amount of a General Grant is £500. Start-up organisations with less than two years of accounts may apply for up to £250.

2.4 The annual budget allocation for General Grants is £10,000.

3. FUNDING TO CHURCHES

3.1 In Spring 2019, an application for a General Grant of £500 was submitted by All Saints Church. The project cited was the provision of disabled access to the North Transcept, a project which was anticipated to take three years and cost in excess of £30,000.

3.2 As a result of lack of clarity within the parish council sector about provision of funding to churches, a Legal Topic Note was issued in January 2018 by the National Association of Local Councils (NALC).

3.3 The guidance issued by NALC makes clear that there is specific legislation in the Local Government Act 1894 prohibiting parish councils from contributing to the expense of executing works including works of maintenance or improvement to property owned by the church or held for an ecclesiastical charity.

3.4 The guidance explores the question of whether later legislation, such as the Local Government Act 1972 and the General Power of Competence, overrides the provisions of the 1894 Act.

3.5 NALC advises that there is an accepted legal principle, applied by the courts, whereby if two statutory provisions are in conflict or overlap, the more detailed provision will prevail over the more general one.

3.6 Taking this principle, NALC concludes that other more recent, more general legislation would not override the specific provisions of the LGA 1894.

3.7 Whilst it accepts there is no case law to resolve this question and that there is no consensus on this issue, NALC states that “a council that considers making a payment in these circumstances needs to consider whether it is prudent to take a course of action that it cannot be certain is legally valid”.

3.8 Advice was also sought, as an additional measure, from the Society of Local Council Clerks on this matter. SLCC concurs with NALC on this matter.

3.9 As a secondary issue, the Committee is asked to note that current General Grant guidelines do specify that projects should be completed within a year.

3.10 The meeting of the Grants Sub Committee at which applications were considered could not make a determination on this application, as legal advice was still being sought. A recommendation was therefore made to the Policy and Finance Committee to consider the application further.

4.0 UPDATE

- 4.1 Following discussion with the applicant, a change of use for the original General Grant application has now been agreed. The General Grant sought (£500) would be used for costs relating to monthly lunches provided by the Church to elderly residents of the parish.
- 4.2 There is no restriction which would apply to the funding of activities taking place within church buildings.
- 4.3 The monthly lunches for older people would be a project meeting the General Grant criteria of providing a tangible benefit to residents within the local community.
- 4.4 All other eligibility criteria of the General Grant scheme are met and all necessary supporting documents were provided as part of the application.

5.0 CONCLUSIONS

- 5.1 The change of project means that the General Grant application from All Saints Church now meets the scheme eligibility criteria.
- 5.2 The committee is asked to consider approval of the General Grant application.

End.