

## **Policy and procedure**

### **Term Grants**

#### **1. Purpose**

- 1.1 Term grants provide revenue funding for Lyme Regis-based organisations whose functions or services are important to the community and its well-being.

#### **2. Funding**

- 2.1 For the financial years 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25, the council has set aside £80,000 each year to support local organisations, subject to budgetary constraints. This sum will not be adjusted for inflation.
- 2.2 From this budget, £60,000pa will be awarded to term grants.
- 2.3 Applications can be made up to £30,000pa.

#### **3. Selection Criteria**

- 3.1 The town council does not have specific criteria that organisations have to meet to be eligible for a term grant; the benefits an organisation can bring to the town, its residents and visitors differ widely.
- 3.2 In addition, rigid qualification criteria often disadvantage smaller community-based organisations and promote applications from those well versed in seeking external funding.
- 3.3 However, any organisation applying for a term grant from the town council must clearly demonstrate in its application:
- 3.3.1 what the main activities of the organisation are
  - 3.3.2 what the funding is for and what it seeks to achieve
  - 3.3.3 the length of time funding is required for
  - 3.3.4 how the funding will benefit the town, its residents and/or visitors
  - 3.3.5 how these objectives and benefits will be measured
  - 3.3.6 a business plan that includes a clear understanding of organisation's operating environment, risk exposure, and projected income and expenditure
  - 3.3.7 bank references
  - 3.3.8 audited accounts for the previous financial year
  - 3.3.9 registration documentation
  - 3.3.10 details of other grant applications and/or fund-raising activities; the council will look favourably on organisations that show evidence of self-help, either by fundraising or obtaining funds from other sources
  - 3.3.11 how it will inform others that they have received funding from the council.

## 4. **Restrictions**

4.1 Awards of term grants will be subject to the following restrictions:

4.1.1 the organisation must provide services to Lyme Regis and its community

4.1.2 the organisation must be non-profit making

4.1.3 the organisation must not provide grants or donate monies to others

4.1.3 funding will not normally exceed £30,000pa

4.1.4 funding duration will not exceed five years. If a project seeks further funding after five years, a new application must be made

4.1.5 funding must be used for the purpose and objectives agreed.

4.2 Funding will not be used for retrospective expenditure, to pay off debts incurred, or costs that have already been funded elsewhere, i.e. no 'double funding'.

4.3 Any organisation in receipt of a term grant cannot apply for a community grant.

## 5. **Timetable**

5.1 Public notice for term grants	9 January 2020
Closing date for applications	Noon 27 January 2020
Extraordinary Full Council	4 February 2020

## 6. **Monitoring and Review**

6.1 Prior to any grant payment, organisations must enter into a term grant agreement with the town council. Each agreement will reflect the nature of the functions and services delivered by the recipient organisation.

6.2 The term grant agreement will detail:

6.1 the purpose of the grant and what it will be achieve

6.2 contract duration

6.3 the amount of grant, including any distribution between capital and revenue expenditure

6.4 compliance arrangements and the process for notification of changes

6.5 performance objectives, reporting and review

6.6 disputes and termination processes

6.7 breach of conditions and recovery of grant processes

6.8 notice requirements

6.9 publicity and acknowledgement of support.

6.3 Performance against the term grant agreement will normally be reviewed twice a year and reported to a council committee. If an organisation fails to meet its performance objectives, the council can increase the frequency and nature of performance reporting.

6.4 Consistent failure to achieve performance objectives may result in the early termination of a term grant agreement and may result in the organisation having to repay the grant funding it has received.

- 6.5 Any grant no longer needed must be offered back to the council. It cannot be used for other purposes.
- 6.6 Organisations will be informed they must not assume they will be awarded any further funding when the grant arrangement ends.
- 6.7 If requested, a term grant recipient must allow a councillor and/or the town clerk to sit on its board of management.
- 6.8 The town clerk must be given the opportunity to review the organisation's business plan, accounts and performance data on behalf of the council.

**Implementation date: 9 January 2020**

**Review date: December 2024**

John Wright  
Town clerk  
December 2019