Exmouth Town Council

Grants & Service Level Agreement Policy

1. Introduction & Policy Statement

1.1. Exmouth Town Council recognises the immense value of voluntary and community activity and its contribution to residents' well-being, the local economy and the sustainability of a wide range of services which benefit visitors and people living and working in the town. The following policy and procedures are based on the principles of fairness, responsiveness to local need and accountability.

1.2. Exmouth Town Council has the authority to make grants under the Local Government Act 1972, s 137, which allows a local authority to spend a limited amount on activities for which it has no specific power, but which the authority considers 'will bring direct benefit to the area, or any part of it or all of some of its inhabitants'. The Local Government and Housing Act 1989 added the requirement that the benefit obtained should be commensurate with the expenditure incurred.

1.3. There are 2 main types of grants:

- **capital grants** are one-off payments for projects such as the provision of new equipment;
- **service level agreements** are for revenue costs, where the service provided is meeting a need that the Council thinks is important; or where the Council has asked the organisation to provide the service on the Council's behalf.

1.4. Exmouth Town Council will consider requests for funding within the framework of a service level agreement (SLA) on condition that:

a. an agreed set of measurable targets is put in place (and against which performance will be monitored);
b. the continued health of the individual organisation is monitored ;
c. value for money is demonstrated;
d. SLAs will normally be:
e. for 1 year if the funding request is to support the organisation's core running costs; or
f. for 3 years if an organisation is delivering services on behalf of the Town Council.

1.5. The Council allocates a finite amount of funding each year for capital grants and service level agreements. In 2025/26, there is £10,000 allocated for capital grants and £37,000 for service level agreements.

1.6. Capital grant and service level requests usually exceed the funds available.

1.7. The aim of this policy is to enable the Council to make an informed and fair assessment of relative need and thereby seek to ensure that the finite resources are distributed fairly. Capital grant requests exceeding £1500 will not normally be met in full; service level funding agreements do not normally exceed £5,000 per annum.

2. Principles

2.1. Recipients of previous grants should not assume that they will be awarded a grant in future years. Grants will be awarded on the basis of the criteria and assessment process set out in this policy as amended from time to time.

2.2. Grants are awarded at the discretion of the Council.

3. Eligibility Criteria

3.1. Grants will only be awarded to organisations or partnerships which demonstrate that they:

a) Have a need for grant funding. Grants will not be given to any organisation with significant uncommitted funds
b) Have, in the opinion of the Council, sound governance arrangements.
c) Have, in the opinion of the Council, sound financial management and plans.
d) Represent good value for money.
e) Have clear policies on equality and inclusion covering service users, subject to recognised exemptions.

3.2. Applications from consortia and partnerships are accepted, when submitted by an organisation accepting lead responsibility for delivery. This organisation must be able to provide evidence and supporting documents confirming their eligibility.

3.3. Grants may only be awarded to branches of regional or national organisations which clearly demonstrate how the funding is to be used to specifically benefit the people of Exmouth.

4. Application and Determination Process

4.1. Application forms are available on the Council Website.

4.2. Grant applications can be submitted for consideration at any time during the Council year; however applicants should be aware that applications are generally discussed at one of the quarterly Finance Committee meetings which are held in May, August, November and February. The grant funding available does diminish over the course of the financial year and early applications are therefore encouraged.

4.3. Original applications are circulated to all members of the Finance Committee for scrutiny before the Finance Committee Meeting. On occasions, the Town Clerk may be asked to seek further information or clarification from the applicant and visits to applicants' organisations may be requested.

4.4. All organisations in receipt of grants will be required to provide a short report for the Annual Parish Meeting, held in March of each year, to explain how the grant has been used for the benefit of their organisation.

5. Supporting documentation required

5.1. The following items are required in support of each application:

- Insurance:
  Evidence of current Public Liability Insurance covering a minimum of £2 million, Employer's Liability Insurance (if you are employing staff) and buildings / contents insurance (if applicable).

- Accounts – You must provide a copy of your audited accounts for the latest complete financial year and bank statements covering the last three months.

- Aims of the organisation /Constitution / Memoranda and Articles / Terms of Reference

- Child protection and vulnerable adult policies

5.2. The application itself must contain the following information:

a) Names and addresses of key contact
b) The overall aims and objectives of your organisation
c) Description of the service provided, project or event to be supported
d) Reason for application with details of how the grant will be used
e) Number of clients served
f) How much funding is being applied for
g) How the grant will benefit the town and people of Exmouth
h) Other sources of funding for the same purpose, whether secured or unsecured

6. The eligibility of applications will be assessed against the following criteria:

6.1. If the applicant has received funding in the previous year, the Council must be satisfied that the applicant has delivered that project or service to a satisfactory level.

6.2. Applicants must answer all the questions on the application form.

6.3. Applications must demonstrate direct benefit to the inhabitants of Exmouth.

6.4. The funding requested must be commensurate with the benefit obtained by the inhabitants of Exmouth.

6.5. A schedule of awarded grants will be published on the Council's website annually.

6.6. Feedback on individual grant applications may be given on request to the organisation concerned.

7. Service level agreements

7.1. Service level agreements may be offered in return for providing a service to the Council or to the Community.

7.2. Such beneficiaries, in addition to completion of the annual report, may, at the discretion of the committee, be invited to make a presentation to the committee and /or take part in a question and answer session so that the Committee is fully acquainted with their work.

7.3. In the case of three-year service level agreements, the Council will not make any automatic allowance for inflation but will instead set the grant level at the same amount for the three-year period.

8. Conditions

8.1. Minor changes may be allowed subject to the funding being used in line with the original application. Any such changes must be applied for to the Council and agreed in writing.

8.2. Records should be kept showing how the grant has been spent.

8.3. Monitoring and management information must be provided to the Council at the end of 12 months, or each year for service level agreements, in the form of an Annual Report.

8.4. 3-year funding payments will only be made when monitoring information has been provided in writing for the previous year and the latest available accounts have been submitted.

8.5. Any funds not utilised for the original purpose must be offered back to the Council.

This Policy was adopted by Exmouth Town Council at a meeting of its Finance Committee on 13th February 2020.

Review date: February 2026.