



Item 21

Council - 11 September 2025

Review of Grants & Donations Policy

1. Introduction

- 1.1 Council at its Meeting on 8 July 2025 resolved that the Clerk review the Grants & Donations Policy and bring suggestions to a future meeting of Council. The current Policy may be viewed at <https://www.llangyfelachcommunitycouncil.org.uk/policy-procedures/>

2. Current Policy

- 2.1 The Council's current Policy outlines what is required for an application to be considered by the Council. The Policy sets out the supporting documentation required to be submitted together with a list of Grant / Donation Conditions.
- 2.2 A known difficulty for some Organisations is that the current Policy requires the applicant to belong to a formally constituted Organisation with proper accounting records and a dedicated bank account. These Council rules ensure that appropriate financial systems are in place to protect the Council, the Community and the public purse. The safeguards in place ensure accountability, transparency and an audit trail.

3. Review of Policy

- 3.1 The Clerk has reviewed the Policy and considered options to assist Organisations without bank accounts. The Clerk remains of the belief that the Council should not make financial payments to an Organisation that is not formally constituted and does not have a dedicated bank account.
- 3.2 However, Council could consider making a donation in kind to an Organisation that does not meet the above criteria. The Policy could be amended to include something along these lines:

"Donations will only be made to recipient organisations with a verifiable bank account, except in exceptional circumstances where the Council deems the donation supports a legitimate community cause and appropriate safeguards can be established."

Definition of Exceptional Circumstances

In rare and justified cases, the Council may approve donations to informal Organisations without a bank account if the following conditions are met:

- i) **Community Benefit:** *The donation must clearly support a legitimate activity or initiative that benefits the wider community.*
- ii) **Established Presence:** *The recipient has a demonstrable history of community engagement, participation in local events, or collaboration with recognised organisations.*
- iii) **Safeguards in Place:** *The donation is made in kind (e.g. equipment, materials) rather than via a bank transfer. Clear terms of use and reporting expectations are established and agreed upon."*

3.3 A potential pitfall with this proposal would relate to the question of ownership and getting the equipment back when Organisations fail or cease to exist.

3.4 Research shows that many Grant / Donation giving bodies are far stricter, not only with Bank Accounts but also with other Policies and Procedures / Governance arrangements of bidding organisations. These bodies have much greater experience than the Council has.

4. Frequency of Giving Grants & Donations

4.1 The Council currently sets aside an annual budget for Grants & Donations. The Council considers request every 3-months in July, November & March.

4.2 As part of the Policy review, Council are asked to consider amending the frequency. Suggestions would be annually, 6-monthly or to remain at 4-monthly.

5. Amended Grants & Donations Policy

5.1 An amended Grants & Donations Policy is attached at **Appendix 21A**, together with an amended Grants & Donations Policy Application Form at **Appendix 21B**. It is a total redrafting of the current Policy and is aimed to be easier to understand.

5.2 Both appendices would require amendment dependent on the views of Council as outlined within this report.

6. Recommendation(s). It is recommended that:

6.1 Council consider the issue of in kind payments.

6.2 Council consider the issue of frequency of considering Grant / Donation requests.

6.3 The amended Grants & Donations Policy and Application Form be adopted subject to any requirement amendments.

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Clerk to Llangyfelach Community Council