

NARBERTH TOWN COUNCIL
Community Grants & Strategic Funding Framework

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1. Purpose

1.1 This Policy establishes a transparent, proportionate and accountable framework for the allocation of grants, discretionary donations and strategic funding arrangements by Narberth Town Council.

1.2 The purpose of this Framework is to:

- support activities that deliver demonstrable benefit to residents of Narberth;
- ensure lawful and responsible use of public funds;
- demonstrate value for money;
- encourage sustainable community development;
- support long-term community outcomes;
- reduce reliance upon fragmented recurring financial support where appropriate.

1.3 This Policy seeks to ensure that funding decisions are evidence-based, consistent and capable of withstanding public, governance and audit scrutiny.

2. Core Principles

2.1 The Council shall seek to ensure that funding decisions are guided by:

- transparency;
- fairness;
- accountability;
- value for money;
- sustainability;
- equality of opportunity;
- community benefit;
- prevention of dependency;
- long-term impact.

2.2 The Council shall generally seek to favour investment which creates enduring community value where appropriate.

3. Legal and Governance Framework

3.1 Grants and funding arrangements shall be administered in accordance with:

- Local Government Act 1972 (including Section 137 where applicable);

- Local Government Act 2000;
- Well-being of Future Generations (Wales) Act 2015;
- Financial Regulations;
- Standing Orders;
- approved annual budgets;
- any other applicable statutory provisions.

3.2 The existence of a budget allocation shall not in itself create a statutory power to make a grant.

3.3 No grant shall be awarded without an identified statutory power.

3.4 The Responsible Financial Officer retains a continuing duty to advise Members on:

- lawfulness;
- financial risk;
- governance implications;
- compliance with Financial Regulations.

4. Grant Structure

4.1 General Principles

The Council shall administer grant funding through a tiered structure designed to ensure that application and evidence requirements remain proportionate to the amount and nature of funding sought.

The Council reserves the right to vary funding thresholds by formal resolution where necessary.

4.2 Tier 1 — Small Grants

Tier 1 — Small Grants	
Funding value:	Up to £500
Purpose:	Tier 1 funding is intended to support: • small community initiatives; • start-up activity; • one-off projects; • events; • minor equipment purchases;

	• limited community activities. Applications under Tier 1 shall be subject to proportionate evidence requirements.
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4.3 Tier 2 — Standard Grants

Tier 2 — Standard Grants	
Funding value:	£501–£3,000
Purpose:	Tier 2 funding is intended to support: • larger community projects; • equipment purchases; • community programmes; • capital improvements; • events with wider community impact; • initiatives delivering measurable outcomes. Applications under Tier 2 shall require enhanced supporting evidence.

4.4 Strategic Funding Arrangements

The Council may establish Strategic Funding Arrangements where it determines that continuing support is appropriate to deliver identified Council priorities and sustained community benefit.

Such arrangements shall normally:

- support clearly identified community outcomes;
- define measurable objectives;
- include review arrangements;
- remain subject to annual budget approval.

4.5 Exceptional Applications

The Council reserves the right to consider exceptional applications outside standard funding thresholds where Members determine that exceptional community benefit may arise.

Exceptional applications may require enhanced financial scrutiny and additional supporting evidence.

5. Sustainability and Repeat Funding

5.1 General Principles

The Council recognises that community organisations may require support at different stages of development and operation. Grant funding should assist organisations and projects in becoming sustainable where reasonably practicable.

5.2 Dependency Prevention

Grants and discretionary donations are intended principally to support projects, initiatives and identifiable community outcomes rather than create recurring dependency upon annual Council funding.

5.3 Repeat Applications

Repeated annual applications or discretionary requests for substantially the same purpose shall not normally receive priority unless applicants can demonstrate:

- continuing need;
- measurable community benefit arising from previous awards;
- attempts to secure alternative funding;
- actions taken to reduce future reliance upon Council support;
- continuing value for money.

5.4 Previous Funding Disclosure

Applicants who have previously received financial support from Narberth Town Council may be required to provide:

- amount previously awarded;
- date of award;
- purpose of previous award;
- outcomes achieved;
- reasons further funding is sought.

5.5 Strategic Investment Principle

The Council shall generally favour strategic, transformational or long-term investment where appropriate over fragmented recurring expenditure where the latter does not demonstrate wider community value.

5.6 Existing Funding Arrangements

Existing grants, discretionary donations or informal funding arrangements in place prior to adoption of this Policy shall not automatically continue under this Framework and may be reviewed by Full Council.

6. Strategic Funding Arrangements

6.1 Purpose

The Council recognises that certain organisations, initiatives or activities may provide continuing and identifiable community benefit which justifies a planned programme of support.

6.2 Establishment

Strategic Funding Arrangements shall normally be established through formal Council resolution.

6.3 Arrangements shall normally include:

- annual funding amount;
- purpose of funding;
- duration of support;
- review periods;
- expected outcomes;
- monitoring arrangements;
- reporting requirements.

6.4 Strategic Funding Arrangements:

- shall not create automatic entitlement to future funding;
- remain subject to annual budget approval;
- remain subject to statutory powers;
- remain subject to Financial Regulations;
- may be amended or withdrawn by Council resolution.

6.5 Duration

Strategic Funding Arrangements should normally operate for a defined period not exceeding:
Three municipal years
unless Members determine exceptional circumstances apply.

6.6 Review

Strategic Funding Arrangements shall normally be reviewed annually to consider:

- outcomes achieved;
- continued community benefit;

- value for money;
- financial sustainability;
- continuing alignment with Council priorities.

7. Eligibility

7.1 General Eligibility

Applicants shall demonstrate that proposed activities, projects or initiatives provide identifiable benefit to residents of Narberth and align with the objectives of this Framework.

Applicants must satisfy all applicable eligibility requirements.

7.2 Eligible Applicants

The following may normally apply:

- registered charities;
- voluntary and community organisations;
- Community Interest Companies (CICs);
- sports clubs and community associations;
- not-for-profit organisations;
- constituted groups;
- new organisations or emerging groups (subject to proportional evidence requirements);
- other bodies where the Council determines community benefit can be demonstrated.

7.3 Applicants must normally:

- demonstrate local community benefit;
- hold an organisation bank account where appropriate;
- possess suitable governance arrangements proportionate to their size and activities;
- identify a responsible contact;
- provide required supporting documentation;
- comply with relevant legislation and regulatory requirements.

7.4 Geographic Benefit

Projects should normally:

- operate within Narberth; or
- demonstrate clear and substantial benefit to residents of Narberth.

Projects delivered outside Narberth may be considered where substantial benefit to residents can be demonstrated.

7.5 Partnerships

Applications involving multiple organisations may be considered where:

- responsibilities are clearly defined;
- a lead organisation is identified;
- financial accountability arrangements are clear.

8. Exclusions

8.1 General Principles

The Council is required to use public funds lawfully and responsibly. Certain activities shall therefore normally be excluded from support.

8.2 Excluded Activities

The Council shall not normally fund:

- retrospective expenditure;
- repayment of debts or loans;
- political activity or lobbying;
- activities intended principally for private profit;
- unrestricted reserve accumulation;
- recurrent operational deficits;
- salaries or staffing costs as core expenditure;
- statutory responsibilities of another public body;
- projects without identifiable community benefit;
- projects benefiting individuals rather than the wider community;
- activities occurring outside the United Kingdom where statutory powers do not permit;
- endowments;
- rates, council tax or utility costs;
- second-hand road vehicles;
- projects generating significant ongoing liabilities without evidence of future sustainability.

8.3 Religious and Political Organisations

Applications from religious or political organisations shall not automatically be excluded.

However, funding shall only be considered where:

- unrestricted community benefit can be demonstrated;
- the activity is not principally religious or political in nature;
- the activity is open to the wider community.

8.4 Repeat Applications

Applications for substantially identical projects or purposes may receive reduced priority where:

- previous funding has not demonstrated outcomes;
- repeat requests create ongoing dependency;
- insufficient justification is provided.

8.5 Council Discretion

Nothing within this section shall prevent the Council from considering exceptional circumstances where lawful powers permit and Members determine that exceptional community benefit exists.

9. Financial Evidence Requirements

9.1 General Principles

Applicants shall provide sufficient information to enable the Council to assess:

- financial need;
- value for money;
- sustainability;
- affordability;
- organisational capacity;
- risk associated with the proposed project.

Evidence requirements shall remain proportionate to the amount requested.

Failure to provide requested information may result in applications being deemed incomplete.

9.2 Requirements for All Applications

The following information shall normally be provided:

- completed application form
- project description
- project timetable
- cost breakdown

- quotations, estimates or supporting cost evidence
- evidence of match funding where applicable
- declaration and signature

9.3 Tier 1 Requirements

(Up to £500)

Applicants shall additionally provide:

- evidence of organisational activity or existence
- organisation bank account information where applicable
- supporting statement or reference where appropriate

9.4 Tier 2 Requirements

(£501–£3,000)

Applicants shall additionally provide:

- constitution or governing document
- most recent approved accounts
- most recent bank statement
- evidence of banking arrangements
- project budget
- public liability insurance where appropriate
- safeguarding policy where children or vulnerable adults are involved

9.5 Enhanced Requirements

(Strategic Funding Arrangements or exceptional applications)

The Council may require:

- current management accounts
- cashflow forecast
- explanation of unrestricted reserves
- liabilities and commitments schedule
- evidence of applications to other funding bodies
- sustainability plan
- additional supporting documentation considered necessary by the Clerk/RFO

9.6 Verification and Due Diligence

The Council reserves the right to:

- verify information supplied;
- request clarification;
- request additional documentation;
- refuse applications where information is materially incomplete or unclear.

Knowingly supplying false or misleading information may result in:

- refusal of funding;
- recovery of awarded grants;
- exclusion from future applications.

10. Grant Conditions and Payment Arrangements

10.1 General Conditions

All grants awarded by the Council shall be subject to the conditions contained within this Policy and any additional conditions imposed by Full Council as part of an award decision.

Acceptance of grant funding shall constitute acceptance of all associated terms and conditions.

10.2 Use of Grant Funding

Grant funding:

- shall only be used for the purpose stated within the approved application;
- shall not be transferred to another organisation or individual without prior written approval;
- shall not be used for expenditure outside the agreed project scope;
- shall not be used for retrospective expenditure;
- shall not be used for purposes prohibited within this Policy.

Recipients shall notify the Council of any significant change affecting an approved project.

The Council reserves the right to review grant arrangements where material changes arise.

10.3 Grant Acceptance

Successful applicants may be required to complete a Grant Acceptance Form confirming:

- acceptance of grant conditions;
- agreement to provide monitoring information;

- agreement to provide evidence of expenditure where requested;
- agreement to acknowledge Council support;
- agreement to comply with recovery provisions where applicable.

Failure to return required documentation may result in withdrawal of the offer.

10.4 Payment Arrangements

Payments:

- shall be approved by formal Council resolution;
- shall be processed in accordance with Financial Regulations;
- shall only be made to verified organisation bank accounts;
- shall not normally be made in cash;
- shall not normally be made directly to individuals.

Payments may be made:

- in full;
- in stages;
- by agreed milestones;
- following receipt of supporting evidence where appropriate.

10.5 Conditions Attached to Awards

The Council may attach additional conditions including:

- expenditure restrictions;
- project timescales;
- monitoring requirements;
- safeguarding requirements;
- publicity requirements;
- milestone reporting requirements.

Failure to comply with conditions may result in suspension of payments.

10.6 Duration of Grant Awards

Grant awards shall normally be used and claimed within the same financial year in which they are awarded unless otherwise agreed by Full Council.

Projects should normally commence within twelve months of award.

10.7 Expiry of Grant Awards

Funding may be withdrawn where:

- grants remain unclaimed;
- projects no longer proceed;
- grant funding is no longer required;
- agreed conditions are not satisfied.

Withdrawn funding may:

- return to the grants budget;
- be transferred to reserves;
- be reallocated by Council.

10.8 Public Acknowledgement

Recipients shall acknowledge support from Narberth Town Council where reasonably practicable.

This may include:

- websites;
- social media;
- printed material;
- event programmes;
- annual reports.

The Council may publicise:

- recipient organisations;
- project titles;
- funding amounts;
- project outcomes.

Publication shall be undertaken in accordance with data protection requirements.

11. Monitoring, Reporting and Grant Recovery

11.1 Monitoring Principles

The Council has a responsibility to ensure that public funds are used lawfully, effectively and for the purposes intended.

Monitoring arrangements shall:

- demonstrate value for money;
- provide accountability;
- confirm delivery of outcomes;
- support future decision-making;
- protect public funds.

Monitoring requirements shall remain proportionate to the amount awarded.

11.2 Reporting Requirements

Recipients may be required to provide:

- activity summaries;
- beneficiary numbers;
- evidence of expenditure;
- photographs;
- measurable outcomes;
- volunteer contribution information;
- community impact information.

11.3 Completion Reports

Recipients may be required to submit a Grant Completion Report including:

Requirement	Example
Project summary	Activity delivered
Beneficiaries	Number reached
Financial summary	Actual expenditure
Outcomes	Results achieved
Evidence	Photographs, invoices
Future plans	Sustainability intentions

11.4 Enhanced Monitoring

For larger grants, strategic funding arrangements or higher-risk projects, the Council may require:

- interim reports;
- milestone reporting;
- annual reviews;
- financial updates;

- evidence of external funding;
- impact assessments.

11.5 Grants Register

The Clerk/RFO shall maintain a Grants Register recording:

- organisation;
- project title;
- statutory power used;
- amount awarded;
- award date;
- payment date;
- monitoring status;
- completion status.

11.6 Publication and Transparency

The Council may publish:

- recipient organisation;
- purpose of grant;
- amount awarded;
- project outcomes.

Publication shall comply with applicable data protection legislation.

11.7 Recovery of Grant Funding

The Council reserves the right to recover all or part of a grant where:

- projects do not proceed;
- funds remain materially unspent;
- funding has been used outside approved purposes;
- materially false or misleading information has been supplied;
- grant conditions have been breached;
- recipient organisations cease operation before completion.

11.8 Recovery Procedure

Where recovery is considered necessary:

1. The recipient shall be notified in writing.

2. Reasonable opportunity shall be given for explanation or supporting information.
3. Council shall determine whether:
 - no action is required;
 - revised arrangements may be agreed;
 - partial recovery is appropriate;
 - full recovery is appropriate.

Recovery decisions shall normally be determined by Full Council.

Section 12 — Conflicts of Interest

12.1 General Principles

Members and Officers involved in the consideration, assessment or administration of grant funding shall act impartially and in accordance with applicable legislation, the Members' Code of Conduct, Standing Orders and Council policies.

Grant decisions shall be made solely on the basis of evidence, community benefit and lawful decision-making.

12.2 Declaration of Interests

Members and Officers shall declare any personal, prejudicial, financial or other relevant interest relating to:

- applicant organisations;
- trusteeships;
- directorships;
- employment;
- family relationships;
- financial interests;
- any other connection capable of influencing, or appearing to influence, decision-making.

Declarations shall be recorded within the minutes where required.

12.3 Participation Restrictions

Where a declared interest requires withdrawal under the Code of Conduct or applicable legislation, the Member shall:

- declare the interest;
- withdraw from the meeting room where required;
- take no part in discussion;
- take no part in voting.

Members with declared interests shall not seek to influence the decision-making process informally before or after meetings.

12.4 Officer Impartiality

Officers shall:

- provide impartial advice;
- identify governance risks;
- identify statutory powers;
- apply the policy consistently.

Nothing within this policy shall prevent the Responsible Financial Officer from advising Members where concerns arise regarding lawfulness or financial risk.

Section 13 — Complaints and Appeals

13.1 Decisions of Council

All grant awards and refusals shall be determined by Full Council resolution.

Grant awards are discretionary and applicants do not possess an automatic entitlement to funding.

13.2 Appeals

There shall be no formal right of appeal against Council decisions regarding grant awards.

Applicants may request:

- clarification of decisions;
- feedback on scoring;
- guidance on improving future applications.

The Council may reconsider an application only where:

- material factual error occurred;
- relevant information was omitted;
- procedural error is identified.

Disagreement with a decision shall not in itself constitute grounds for reconsideration.

13.3 Complaints

Complaints relating to administration of the grants process shall be managed in accordance with the Council's Complaints Procedure. Complaints regarding Member conduct shall be addressed through applicable standards procedures.

Section 14 — Policy Review and Governance Arrangements

14.1 Review Period

This Policy shall normally be reviewed every three years.

Earlier review may take place where:

- legislation changes;
- Financial Regulations change;
- governance concerns arise;
- audit recommendations are received;
- Council determines review necessary.

14.2 Monitoring of Policy Effectiveness

The Council may periodically review:

- grant distribution patterns;
- repeat applications;
- strategic funding arrangements;
- community outcomes;
- value for money;
- financial risk.

Findings may inform future amendments.

14.3 Delegated Administrative Authority

The Clerk/RFO may undertake administrative actions required for implementation of this Policy including:

- validation of applications;
- requesting additional information;
- maintaining the Grants Register;
- preparing Officer Assessment Reports;
- issuing correspondence.

No delegation within this section shall authorise grant approval unless specifically resolved by Council.