



## STITHIANS PARISH COUNCIL

### DONATIONS TO EXTERNAL ORGANISATIONS POLICY

**Adopted:** 15<sup>th</sup> September 2026

**Minute Number:** 09/09/26

**Review Date:** September 2029

**Policy Owner:** Stithians Parish Council

#### 1. Purpose

Stithians Parish Council recognises that external organisations, charities and community organisations can provide valuable services and support to residents of Stithians Parish. The Council may, where appropriate, make a financial donation to an external organisation where the Council is satisfied that the organisation's work provides a direct benefit to the Parish or to some or all of its inhabitants.

This policy establishes a clear and consistent approach to considering requests for donations and ensures that decisions are made transparently, fairly and in accordance with the Council's legal powers and financial responsibilities.

This policy is separate from the Council's Community Grants Policy, which applies primarily to applications for financial assistance towards specific local projects, activities or initiatives.

#### 2. Definition of a Donation

For the purposes of this policy, a donation is a discretionary financial contribution made by the Parish Council to an external organisation where the contribution is not being made towards a specific community project under the Council's Community Grants Policy.

Examples may include requests from:

- registered charities;
- charitable organisations;
- voluntary and community organisations;
- organisations providing advice or support services;
- other not-for-profit organisations whose activities provide a benefit to residents of Stithians.

A donation may be made towards the organisation's general activities or towards a particular appeal where the Council considers that there is a sufficient connection and benefit to the Parish

#### 3. Legal Authority

The Council will only donate when it has a lawful power to do so. Where no specific statutory power is available, the Council may consider using **Section 137 of the Local Government Act 1972**, subject to all statutory requirements and limitations.

Section 137 allows a parish council to incur expenditure where, in the Council's opinion:

- the expenditure is in the interests of the Parish or part of it, or all or some of its inhabitants;
- the expenditure will bring a direct benefit to the Parish or its inhabitants; and
- the benefit obtained is commensurate with the expenditure incurred.

Section 137 is a power of last resort and must not be used where another statutory power is available for the proposed expenditure. The Council will ensure that its total expenditure under Section 137 does not exceed the statutory annual limit. The Section 137 expenditure limit is set annually by Government. The limit applicable to the relevant financial year will be used when considering donations under this power.

(For 2026/27 the Section 137 limit is £11.60 per local elector)

#### **4. Eligibility**

The Council may consider requests from organisations operating:

- within Stithians Parish;
- across a wider geographical area where their services are available to or used by Stithians residents; or
- outside the Parish where there is a clear and demonstrable direct benefit to residents of Stithians.

An organisation does not therefore need to be based within Stithians Parish to be eligible for consideration. For example, a county-wide organisation such as an emergency or advice service may be considered where the Council is satisfied that its services are available to and provide a benefit to residents of Stithians.

The Council will normally expect an organisation to be non-profit-making or charitable in nature.

#### **5. Assessment Criteria**

Each request will be considered on its individual merits.

The Council will take account of:

1. **Benefit to Stithians residents**  
The extent to which the organisation's work directly benefits, or is available to, residents of the Parish.
2. **Nature of the service provided**  
The importance and relevance of the service or activity to the local community.
3. **Geographical coverage**  
Where the organisation operates across a wider area, the Council will consider the extent to which its services are relevant to Stithians.
4. **Proportionality**  
The Council will consider whether the proposed donation is proportionate to the benefit that may be received by the Parish or its inhabitants.
5. **Financial position of the organisation**  
Where appropriate, the Council may consider the organisation's financial circumstances and whether it has other sources of income or funding.
6. **Previous donations**  
The Council may take into account any previous donations made to the organisation and the frequency and level of such donations.
7. **Available Council budget**  
Donations will be considered within the Council's approved budget and overall financial position.
8. **Value for money**  
The Council will consider whether the proposed expenditure represents an appropriate use of public funds.

The Council is not obliged to make a donation simply because an organisation meets the above criteria.

## **6. Organisations and Requests Normally Excluded**

The Council will not make donations:

- to individuals;
- for the personal benefit of an individual;
- to political parties or organisations for political purposes;
- to organisations whose activities are primarily commercial or profit-making;
- where the Council cannot identify a direct benefit to Stithians residents;
- where the request is contrary to legislation or the Council's statutory powers;
- where the proposed expenditure would circumvent a restriction or limitation imposed by another statutory provision; or
- where the Council considers that the request is more appropriately dealt with under its Community Grants Policy.

The Council may decline any request where insufficient information has been provided to enable Members to make a properly informed decision.

## **7. Requests for Donations**

Requests should normally be made in writing to the Parish Clerk. The request should provide sufficient information for the Council to understand:

- the name and nature of the organisation;
- the service or activities provided;
- the reason for the request;
- the amount requested;
- the geographical area served by the organisation;
- how the organisation's work benefits, or is available to, Stithians residents; and
- any other relevant information that demonstrates the local benefit.

The Council may request additional information where it considers this necessary.

The Council will not normally require a full grant application form for a straightforward donation request.

## **8. Requests from National or County-wide Charities and Organisations**

The Council recognises that some organisations providing important services to Stithians residents operate across Cornwall or nationally. Requests from such organisations will not automatically be rejected because the organisation is not locally based.

However, the Council must be satisfied that there is a clear and demonstrable direct benefit to Stithians residents before approving a donation.

Examples may include organisations providing:

- emergency medical or rescue services;
- advice and welfare services;
- health and support services;
- assistance to vulnerable residents; or
- other services which are reasonably available to residents of Stithians.

## **9. Frequency of Donations**

The Council will normally consider a maximum of one donation to an organisation in any financial year.

An organisation may submit a further request in a subsequent financial year, but this does not create any expectation or entitlement to continued funding.

The Council may, in exceptional circumstances, consider more than one donation in a financial year where there is a clear and significant benefit to the Parish.

## **10. Amount of Donation**

There will be no fixed standard donation amount. The amount awarded will be determined by the Council having regard to:

- the benefit to Stithians residents;
- the nature and scale of the organisation's activities;
- the amount requested;
- previous donations;
- the Council's available budget; and
- the legal restrictions applicable to the expenditure.

The Council may award a lower amount than that requested. Approval of a donation in one year does not establish a precedent or entitlement to the same amount in future years.

## **11. Decision-Making**

All donations must be approved by resolution of the Parish Council.

The Clerk may place requests on the agenda for consideration by Members and may seek further information from the applicant where necessary. The Council will consider each request on its individual merits and will record its decision in the minutes.

## **12. Councillor Interests**

Councillors must declare any disclosable pecuniary interest or other relevant interest in accordance with the Council's Standing Orders, Code of Conduct and applicable legislation. A Councillor who has an interest in an organisation requesting a donation must not seek to influence the Council's decision improperly. Where appropriate, the Councillor will withdraw from the discussion and decision in accordance with the Council's Code of Conduct and legal requirements.

## **13. Budget and Financial Controls**

The Council will determine an appropriate annual budget for donations as part of its normal budget-setting process. The existence of a donations budget does not remove the requirement for each individual donation to have a lawful basis and to be properly approved.

The Council will monitor expenditure on donations throughout the financial year to ensure that it remains within the approved budget and any relevant statutory limits. Where Section 137 is used, expenditure will be separately identifiable in the Council's accounting records.

## **14. Evidence of Benefit**

The Council is entitled to request evidence that an organisation's activities provide a direct benefit to residents of Stithians.

The Council will take a proportionate approach and will not normally require extensive evidence for a small donation where the benefit is readily apparent.

## **15. Payment**

Once a donation has been approved, payment will be made in accordance with the Council's Financial Regulations.

The Clerk will ensure that the payment is made to the organisation named in the Council's resolution and that appropriate financial records are retained.

## **16. Relationship with the Community Grants Policy**

This policy should be read alongside the Council's Community Grants Policy. The two policies are intended to operate separately:

Community Grants generally apply where an organisation seeks financial assistance towards a specific local project, activity, event, facility or initiative.

Donations generally apply where an external organisation seeks a discretionary contribution towards its charitable, community, welfare, emergency or other activities, where those activities provide a direct benefit to Stithians residents.

Where there is uncertainty about which policy applies, the Clerk will determine the appropriate route in consultation with the Chair, subject to the final decision resting with the Parish Council.

## **17. No Automatic Entitlement**

A donation from the Parish Council is discretionary. Receipt of a donation in a previous year does not:

- create an entitlement to future funding;
- establish a guaranteed annual contribution; or
- require the Council to continue supporting the organisation.

All requests will be considered afresh in accordance with the policy and the circumstances applying at the time.

## **18. Review of Policy**

This policy will be reviewed at least every three years, or earlier where there are changes to legislation, Government guidance, the Council's financial arrangements or other circumstances that make an earlier review appropriate.

The Section 137 expenditure limit will be checked annually as part of the Council's financial review and budget-setting process.