1. **General powers:** When spending any council funding you must ensure that you have the Power to do so.  There are several Powers granted to a local council, and I [have attached a link here](https://devonalc.org.uk/knowledge-bank/powers-and-duties/) to our website which lists them (Log in required).  The first step is establishing if the spending (or grant) comes under one of these Powers.  If it does, then Members can progress and give a grant if they decide to. For example, if a local sports club wanted some funding towards some sports equipment, you would have the Power to grant funding under “recreation” [under Local Government (Miscellaneous Provisions) Act 1976, s.19](https://www.legislation.gov.uk/ukpga/1976/57)

1. **Section 137:** s137 of the Local Government Act 1972 enables a council to incur expenditure where there is no other power available, when the community would benefit. It is known as the power of last resort; the power you can use when you cannot find any other power to use, as above.

**What limitations are there?**

Expenditure under this power must be “in the interests of and will directly benefit its area or any part of it and some or all of its inhabitants” and the ‘benefit’ must be commensurate with the expenditure incurred.

While councils may use s137 to give some grants to community organisations, many of the other powers available to the council might be used for giving grants. For example, the council has the power to provide and furnish community buildings, which could be used to give a grant to a community building.

Section 137 can be used to give money to a commercial operation provided that the whole community will benefit. A grant under s137 should not be given when the benefit is solely to one person, but one person can benefit financially where the community also benefits. The power should not be used as a long-term prop to a commercial venture so councils should be cautious of giving regular grants.

How much can we spend using section 137? Expenditure using the power is limited to a specified amount each year, which is multiplied by the number of electors in the parish.  The amount is set annually by the government.

Any expenditure incurred under s137 must be listed separately in the council’s accounts to enable the council to track how much it is spending using s137.

The amount for the 2024/25 year is £10.81.

1. **The General Power of Competence** was introduced in the Localism Act 2011 and is a power of first resort, enabling an eligible local council to do anything an individual might do.

Where does the power come from?

The Localism Act 2011 introduced the General Power of Competence (GPoC) to allow eligible local councils to have more freedom in their actions. It is often referred to as the power of first resort so when a council is looking for a power to act, their first question can be whether they can use the GPoC.

What is an eligible council?

An eligible council is one which meets the following criteria:

* At least two thirds elected members. This means at least two thirds of your councillors must have been elected, not co-opted. Elected can include councillors elected at contested election, or at an uncontested election.
* A qualified clerk. This means that the clerk of the council must hold the Certificate in Local Council Administration\* (a level 3 qualification) and/or one of the higher education qualifications (level 4 or above) such as the Certificate of Higher Education in Local Council administration.