

**REVIEW OF COUNCIL EXPENDITURE INCURRED UNDER THE
GENERAL POWER OF COMPETENCE 2025/26**

AGENDA ITEM No. 23

MEETING: ANNUAL COUNCIL MEETING

DATE: 13TH MAY 2026

REPORTED BY: TOWN CLERK

1.0 Purpose of the Report

1.1 The purpose of the report is to provide a breakdown of expenditure incurred by the Council under the General Power of Competence during the 2025/26 financial year as required by the Council's Constitution and best practice requirements.

2.0 Background Information

2.1 The General Power of Competence gives the Council, "*the power to do anything that individuals generally may do*" rather than relying on specific powers.

2.2 This power applies as long as the action is not specifically prohibited by other legislation. It is important to note however that the power does *not* raise money.

2.3 It is intended as a power of first, not last, resort. The test is for the Council to ask itself if an individual is allowed to do it, and, if the answer is yes, then the Council is normally permitted to act in the same way, as long as it is not specifically forbidden by other legislation.

2.4 Town and parish councils qualify for the General Power of Competence if they meet the criteria set out in the Parish Councils (General Power of Competence) Prescribed Conditions) Order 2012. There are two criteria:-

- Elected Councillors
- Qualified Clerk

2.5 The eligibility process requires that at the first meeting of the Full Council following an election, the Council decides that it meets the criteria.

2.6 The Council adopted this power at the Annual General Meeting following the last elections in 2025.

2.7 The Council must then revisit that decision and make a new resolution at every 'relevant' annual meeting of the Council to confirm that it still meets the criteria (if it does). This means that eligibility remains in place until the first Annual Meeting of the Council after the ordinary election even if the condition of the eligibility criteria has changed.

3.0 Current Situation

- 3.1 The vast majority of the Council's services and facilities are provided under specific powers and duties, provided for under other legislation such as the Local Government Act and Allotments Act.
- 3.2 The only expenditure currently incurred by the Council under the General Power of Competence is the payment of grants and donations to local organisations and individuals.

4.0 Impact on Great Aycliffe Town Council

- 4.1 A list of grants and donations made by the Town Council during the 2025/26 financial year is attached at Appendix 1.
- 4.2 Please note that if the Council had not adopted the General Power of Competence, it would still be able to make grants and donations under Section 137 of the Local Government Act.

5.0 Policy Implications

- 5.1 This report complies with the Council's Strategic Aim No. 2:-
"To manage the Council's finances and assets in a responsible manner."

6.0 Staffing Implications

- 6.1 None.

7.0 Financial Implications

- 7.1 Grants and donations are currently funded from a variety of sources including the Donations Budget, Community Benefit Fund and Large Community Events Budget.
- 7.2 The main Grants and Donations Budget was £15,000 last year and this included a one-off additional £10,000 for the 2025/26 financial year from the Community Support Fund. The standard Grants and Donations Budget is £5,000 per year and is provided for in the Revenue Budget every year.
- 7.3 The £25,000 Large Community Events Budget also includes £4,000 provision for grants to external organisations arranging events in the parish.
- 7.4 Finally, there is £8,510 currently set aside in the Community Benefit Fund made up of monies from the solar farm at School Aycliffe. This fund must be used for 'green' initiatives.

8.0 Crime and Disorder Implications

- 8.1 None.

9.0 Equal Opportunity Implications

- 9.1 None

10.0 Environment, Biodiversity and Climate Change Implications

10.1 None.

11.0 Risk Assessment

11.1 It is not considered that the matter contained in this report poses a risk to health and safety of staff or to the financial or public standing of the Council to a degree that a risk assessment should be appended to this report.

12.0 General Data Protection Regulations (GDPR)

12.1 Is any personal or sensitive data required for this proposal which may have any implications for GDPR? **NO**

13.0 Recommendations

13.1 It is recommended that Members:

- a) Receive the report and the attached list of grants and donations awarded during 2025/26 under the General Power of Competence.