

## **Dorset Community Foundation – Grant Making Policy**

### **FINAL**

#### **1. Introduction**

The Foundation exists to benefit disadvantaged communities by making grants to support relevant charitable or voluntary organisations, which make a difference to their local communities. We ensure these organisations and their beneficiaries are appropriate and their aims meet our objectives. The groups we support deliver benefit to their communities in many different ways, they make no payment for our services and no relevant groups are excluded from our application process. We also exist to support individuals via a small number of Funding Programmes. The Foundation's area of benefit is Dorset, Bournemouth and Poole.

The Foundation manages different types of funds to support its grant-making objectives:

- Endowment funds – providing a sustainable source of funding in perpetuity with an grant allocation agreed every year to be distributed
- Revenue Funds – flow-through funds that are usually distributed within an agreed timescale
- Contracted Funds – grant programmes we deliver on behalf of other funders, for example, Comic Relief

Each Funding Programme. has its own set of criteria in addition to our general guidance about the types of organisations we support and our general exclusions (see below)

#### **2. Who can apply?**

The Foundation awards grants to individuals and registered charities and organisations that can demonstrate their charitable purposes.

Organisations that can apply:

- Registered Charities
- Constituted Community and Voluntary Organisations
- Community Interest Companies that are Limited by Guarantee (see additional guidance in Appendix 1)
- Charitable Incorporated Organisations
- Social Enterprises (Companies limited by guarantee that have a clear not-for-profit clause in their governing document and clear charitable or social objectives that meet the priorities of the funding programme)

To be eligible the organisation must have:

- A management committee, board or Trustees of board of Directors with at least 3 unrelated people as members
- A written constitution or set of rules that sets out our the purpose and management of the organisation
- A bank account in the name of the organisation with at least two unrelated cheque signatories

We will prioritise small, grassroots charities and community organisations over larger local organisations that have a higher profile. We do not support national charities although we can support local branches of national charities, if they are financially independent and locally managed.

Applicants can apply to more than one grant programme throughout the year however, if they are already in receipt of two grants they are a low priority for funding. An organisation cannot be in receipt of more than one grant from the same Funding Programme, or for the same project/service concurrently.

This is to ensure that:

- the Foundation is reaching as many groups as possible through its funding and not only appealing to those organisations who have previously been funded on more than one occasion.
- previously funded organisations have submitted an end of grant form and the Foundation can be confident that the grant funding has been spent as required *before* considering a grant from the same Funding Programme or for the same project/service

### **3. Exclusions**

Grants *will not* be awarded to the following types of activity or organisations:

- Public bodies to carry out their statutory obligations
- The promotion of religion or political causes
- Retrospective funding – grants for a project that has started or been already completed
- Organisations with more than 12 months' unrestricted reserves
- Animal welfare organisations

Grants *will not normally* be awarded to the following types of activity or organisations:

- Organisations operating outside Dorset, Bournemouth and Poole
- Previously funded organisations with overdue end of grant form

Due to our limited funding and the need to focus on projects that have lasting benefit we will not normally fund the following projects requests:

- Medical research & equipment
- General large appeals, sponsored and fundraising events
- Consultancy fees (including professional bid writers fees)
- Projects duplicating an existing service
- One-off events without limited longer term benefit
- Building works including access adaptations
- Capital purchases of more than £1,000

***There may be occasions where exceptions are made to the guidance in sections 2 and 3 above, in the case of Donor Directed grants.***

#### 4. Grant Application Process for Organisations

Grants are typically available for one year and the grant size varies depending on the criteria of the particular grant programme. It is a requirement of the grant award that the project should start within two months of the payment of the grant.

The application process is follows:

- The Foundation encourages applicants to discuss their project request prior to application.
- All requests for funding have to be submitted on one of the Foundation's online application forms which requires organisations to set out the details of their project, how it will be delivered, a breakdown of the project, how they have identified the need and how they will measure and report back on project outcomes.
- In cases where organisations have difficulty with the online process then we may accept hard copy versions of the application process.
- On receipt of the application the Foundation carries out due diligence checks based on the supporting documents supplied and the fit of the project to the criteria for the relevant grant programme.
- An assessment of the application is made based on an assessment template which has been subject to the regular Quality Accreditation process for Community Foundations. A recommendation is made based on a High, Medium, Low priority to the relevant Grants Panel or to the Fundholder directly.
- A grant is only payable on receipt of signed Terms and Conditions.

We work with our Fundholder's in different ways to distribute grants and these are outlined below:

- 1) An open application process with advertised criteria and deadlines on our website and decisions made by a grants panel;
- 2) An open application process with advertised criteria and deadlines on our website but the funding decisions are made by the fundholder (and their representatives)
- 3) A targeted application process as agreed with the fundholder based on their requirements. This involves the targeting of a smaller number of organisations that fit the fundholder's criteria that would be invited to submit an application. This is usually used where a Fund has limited funds to award and having an open application process would lead to the overwhelming majority of applications being unsuccessful and create a capacity issue for the Foundation.
- 4) Occasionally we award grants to specific organisations to distribute funds or deliver a project on behalf of the Foundation. In these cases the trustees of the Foundation will agree the selection process for organisations and the grant will be subject to a Grant Agreement

***In all cases funding decisions are signed off by the Chair of the Grants and Impact Committee or in the event that he/she is not available then a fellow trustee will sign on their behalf.***

#### **4. Grant Application Process for Individuals**

- The application process for individuals will vary depending on the particular grant programme and may involve a third party organisation verifying that an applicant has met the criteria (including proof of income).
- The application process for the Foundation's Bursary Scheme is an open application process that is advertised on the website, Grant Alert and through local PR.
- A grant is only payable on receipt of signed Terms and Conditions.
- We may use a variety of ways to make payment to an individual applicant. These would include paying a Further Education College directly, paying the applicant directly and requiring receipts as proof of purchase and also reimbursing an applicant when receipts have been submitted.
- With regard to the Foundation's Bursary Funds we request a mid-term update from successful applicants in addition to the end of grant form.
- We will work with the Further Education Colleges to track students on a termly basis to be able to know quickly of any students who leave the College.
- We recognise that using information about individuals for publicity purposes has to be handled sensitively and with the permission of the applicant
- Applicants will not be considered for further funding until they have submitted an end of grant form.

#### **5. Grant Panels**

Where the grant programme has its own grant panel

- Each panel comprises two Foundation trustees (one acts as the panel Chair) and other members of the community who bring their expertise and knowledge of particular communities whether geographical or communities of interest.
- An assessment summary with recommendations put forward by the Foundation's Grants Manager of all applications are considered by the panel. The recommendation by the Grants Manager is only for guidance and can be overturned.
- Decisions are made by a majority vote with the Chair of the Panel having the deciding vote in the case where there is no majority. The panel decision is final
- In the event that only 1 trustee is available, the panel decisions must be agreed by another trustee following the meeting before awards can be confirmed
- In the event that an applicant has to withdraw their application after the panel decision has been made then the Chair, in consultation with the other panel members, can agree to award the grant to another applicant
- Requests to amend an application or change the terms of the grant after the panel decision has taken place will be considered by the Grants Manager and Panel Chair, in consultation with other panel members as appropriate.

#### **6. Donor Directed grants**

- An assessment summary with recommendations put forward by the Foundation's Grants Manager of all applications, are considered by the Fundholder/donor. The recommendation by the Grants Manager is only for guidance and can be overturned.
- The Fundholder/donor makes decisions. However, if the Grants Manager has any concerns about the decision this will be brought to the attention of the Grants & Impact committee Chair before the grant concerned is processed. Trustees are responsible for grants made.

## **7. Notifying applicants of the panel decisions**

- All applicants are notified of the panel decision within one week of the panel meeting
- Unsuccessful applicants receive feedback about the main reasons why their application was not successful with any relevant signposting to other funding advice or grant programmes managed by other funders
- Successful applicants are required to sign the Foundation's Terms and Conditions before payment by BACS can be made. Applicants are also required to submit a payment receipt to ensure that the funds have been received into the correct account.
- Successful applicants are required to record any grant awarded by the Foundation in their annual accounts.

## **8. Project evaluation and monitoring**

- The Foundation has implemented the UKCF Outcomes Framework. This will support the Foundation to better demonstrate the impact of its funding which is vital to attract new funding.
- It is also a requirement that successful applicants follow our PR and logo guidelines when promoting their projects. The Foundation also requests a case study mid-way through the project to highlight the impact of the project from the view of a service user, client or beneficiary.
- The Foundation carries out evaluation visits of the projects it has funded and has a target of carrying out a minimum of 10% of projects funded per year. These visits may be carried out by Foundation staff, Trustees, Ambassadors and grant panel members and will assess the progress made against the project application and identified outcomes.
- If a project is not progressing satisfactorily or there is an under-spend at the end of the project then these monies must be returned to the Foundation unless a revised project budget and timeframe have been agreed in writing by the Foundation before the end of the grant period.
- The Foundation is keen to give active support to organisations where possible, and welcomes invitations to attend open days and Annual General Meetings.

## **9. Feedback from applicants and Complaints Policy**

- The Foundation welcomes feedback from all applicants on our application process and we are continually looking at ways to make improvements to ensure that the process is efficient and effective but also supports applicants through the process.
- There is a feedback section on all application forms and we take account of all comments from applicants
- In the event that an applicant is not satisfied with the service or advice that has been provided by the Foundation then they can make a complaint following the Complaints Procedure which is available on the homepage of the Foundation's website

For more information about submitting an application or any information contained in this policy please contact the Grants Manager Ellie Maguire at [grants@dorsetcf.org](mailto:grants@dorsetcf.org) or by calling 01202 670815.

Dorset Community Foundation, The Spire, Poole High Street, Poole, BH15 1DF

## Appendix 1 Additional criteria for Community Interest Companies

Criteria	Demonstrated by:
Must be registered with the Office of the Regulator of CICs and must be Limited by Guarantee.	Companies House records
Must have objectives that show clear community benefit.	CIC 36/37 Public Benefit Statement
Must have a sound business model where 50% or more is earned through trading, unless the CIC is less than 3 years old or is able to demonstrate why this is not achievable.	Recent accounts
Salaries and benefits paid to directors must be reasonable and proportionate to the work that they do and the financial position of the organisation, in order to prioritise the services/activities being delivered.	Recent accounts or financial forecast (for new CICs)  Note: we may ask for additional information if there is not a breakdown of salaries in the accounts/financial forecast  Note: we may ask what factors the Directors consider when setting salaries

## Appendix 2 List of Supporting Documents required by organisations submitting applications

Document	Why do we need it?
<b>Constitution/Memorandum of Articles and Association</b>	Demonstrates that an organisation has some form of rules about how it is governed – should include election of Chair, Treasurer, Secretary, when and how often meetings held and a dissolution clause.
<b>Management Committee list</b>	We require a list of names, noting who are the cheque signatories, and confirmation if any of the members are related.
<b>Annual Accounts</b>	These can be audited accounts or an income/expenditure spreadsheet depending on the size of the organisation. Demonstrates the financial position of the organisation regarding income, expenditure, loans, liabilities etc. New organisations without annual accounts may submit a financial forecast as an alternative.

<b>Bank statement</b>	Demonstrates that the organisation has a bank account in their name and we can check whether overdrawn or running up high balances. *Important that it shows account name, sort code and account number clearly
<b>Safeguarding Policies/Equal Opportunities</b>	Children and Young People or Vulnerable Adults – demonstrates that the organisation has robust policies in place.