

## Dorset Community Foundation – Grant Making Policy – updated Nov 2023

### **1. Introduction**

The Foundation exists to benefit local communities throughout the county of Dorset by making grants to support voluntary and community sector groups making a positive contribution to their local communities. Our assessment process aims to identify that the groups we fund are aligned with our objectives, and deliver their services safely and effectively to their beneficiaries. The groups we support make no payment for our services and no eligible groups are excluded from our application process. We want our grants to support and reflect the diversity of our county and we welcome applications from groups supporting diverse communities including those who may be facing discrimination. We also exist to support individuals via a small number of funding programmes. The Foundation's area of benefit is the county of Dorset.

The Foundation works with individuals, families, Trusts and companies (our Fundholders) who wish to achieve their philanthropic aims via DCF grant-making. They may have a Fund Agreement with DCF or make ad hoc donations. We manage different types of Funds to support our grant-making objectives:

- Endowment Funds – invested funds providing a source of funding for grant distribution
- Flow-through Funds – funding distributed more immediately or within an agreed timescale
- Contracted Funds – funding to be distributed in a specific way on behalf of other funders or companies according to a contract

Funds are distributed via Funding Programmes with distinct criteria alongside our eligibility and exclusions (sections 2 & 3). Several Funds may be distributed via a single programme.

### **2. Eligibility**

Organisations that can apply:

- Registered Charities
- Constituted Community and Voluntary Organisations
- Community Interest Companies limited by guarantee (see additional guidance in Appendix 1)
- 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 of Trustees or Board of Directors with at least 3 unrelated people as members
- A written constitution or governing document that sets out the purpose and management of the organisation
- A bank account in the name of the organisation with at least two unrelated cheque signatories required for payments
- An appropriate Safeguarding policy and EDI policy

We will prioritise small, grassroots charities and community groups over larger local organisations that have a higher profile. We do not support national charities but 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 a grant, they are a lower priority for funding. A group cannot be in receipt of more than one grant from the same Funding Programme. This is to ensure that:

- the Foundation is reaching as many groups as possible through its funding and not only appealing to those who have previously been funded
- previously funded groups have submitted an end of grant form and the Foundation can be confident that the grant funding has been spent as required

### **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 work that has already started or been completed
- Animal welfare organisations
- Schools are not eligible but we can fund PTA groups if they meet eligibility guidelines

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

- Groups operating outside the county of Dorset
- Groups with more than 12 months' unrestricted reserves
- Groups previously funded with an overdue end of grant form
- Medical research & equipment
- Large capital projects, general large appeals, sponsored and fundraising events
- Salary or fees of professional fundraisers
- Projects duplicating an existing service

### **4. Funding Programmes**

We run open funding programmes, which are advertised on our website, mailing list and through our networks with cross-sector colleagues. We also run solicited funding programmes, to which applicants must be invited to apply. This is usually where a programme 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. DCF will select those groups who will be invited to apply based on:

- The Grants manager's knowledge and expertise as the DCF appointed member of staff with responsibility for selecting groups for solicited programmes
- Consideration of the Fundholders wishes and suggestions, and on seeking advice from relevant cross-sector contacts where appropriate

Grants are typically available for one year and the grant size varies depending on the criteria of the grant programme. The DCF Grants Manager or a grants assessor will assess all applications received to DCF funding programmes to check eligibility and suitability for funding.

\*DCF can fund churches and other faith organisations providing the funded activities are not designed to, or do not include elements that are designed to influence people's religious choices. To assess whether awarding funding will promote religion we will consider the aims and objectives of the group as stated in the governing document and promoted on websites/social media, and the proposed use of the grant as described in the application.

## **5. Grant Application Process for Groups**

- The Foundation encourages applicants to discuss their project request prior to application.
- All requests for funding must be submitted on an online application form (excluding Donor Advised grants of less than £1000 in certain circumstances, detailed further in section 8).
- Online application forms require groups to set out the details of their service/activity, how it will be delivered, a breakdown of the project budget, how they have identified the need and how they will measure and report back on project outcomes.
- In cases where groups have difficulty with the online process we are happy to support them to apply over the phone or in an alternative way, according to their needs
- On receipt of the application the Foundation carries out an assessment, including eligibility, due diligence checks based on the supporting documents supplied, and the fit of the project to the criteria for the relevant grant programme. Due diligence may not be completed if undertaken in the last 12 months, although recent accounts should still be reviewed.
- New groups or groups not funded by DCF before may be asked to provide a referee from another charitable organisation and may be asked to undertake an assessment phone call with the Grants Manager or grants assessor
- Ineligible applications do not proceed to a decision-making panel or to the Fundholder, as appropriate. Eligible applications are recommended as High, Medium or Low priority.
- If the funding programme is significantly oversubscribed, DCF reserves the right to shortlist the strongest applications for consideration by the panel or Fundholder, at the discretion of the Grants Manager or grants assessor, in liaison with DCF Chief Executive.
- A grant is only payable on receipt of signed Terms and Conditions.
- We require groups to submit an End of Grant monitoring form at the end of the grant period.
- *In all cases funding decisions are signed off by a DCF Trustee.*

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

- The Foundation encourages applicants to discuss their project request prior to application.
- The application process for individuals will vary depending on the grant programme but will typically include completing an online application form and submitting letters of support
- On receipt of the application the Foundation carries out an assessment, including eligibility and how the individual fits the criteria of the funding programme. The assessment process may involve a third party organisation verifying that an applicant has met the criteria, including proof of income; permission to share information will be requested.
- Ineligible applications do not proceed to a decision-making panel or to the Fundholder, as appropriate. Eligible applications are recommended as High, Medium or Low priority.
- If the funding programme is significantly oversubscribed, DCF reserves the right to shortlist the strongest applications for consideration by the panel or Fundholder, at the discretion of the Grants Manager
- 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 could include paying a Further Education College or other professional body directly for agreed costs, paying the applicant directly, or purchasing items online to be sent to the applicant.
- Receipts as proof of purchase may be required from applicants.
- We ask individuals to provide updates or complete feedback form following the grant
- Applicants will not be considered for further funding until they have responded to any requests for updates or feedback regarding the previous grant.
- *In all cases funding decisions are signed off by a DCF Trustee.*

## 7. 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.
- A summary sheet of all eligible or shortlisted applications, with recommendations put forward by the Foundation's Grants Manager, are considered by the panel. The recommendation by the Grants Manager is for guidance only.
- 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 one 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 withdraws their application after the panel decision has been made, the Chair, in consultation with the other panel members, can agree to award the grant to another applicant.

## 8. Donor Advised grants

Fundholders will receive a copy of the DCF Grant Making policy and are reminded that whilst we offer flexibility for Fundholders in terms of the impact they are hoping to achieve through their Fund, as a leading local funder all grants made by the Foundation should remain consistent with the policy in order to reflect the prestige and integrity of the organisation.

As such, in the case of solicited funding programmes, Fundholders may suggest groups that could be invited to apply. However, DCF cannot invite an application from a group who is ineligible according to the Grant Making policy, or where there are concerns regarding previous Due Diligence checks or grants.

Fundholders who wish to be involved in the decision-making process (as opposed to delegating decision-making to a DCF panel) can either sit as a member of the panel or request a Donor Advised arrangement, following the below process:

- A summary sheet of all eligible applications, with recommendations put forward by the Foundation's Grants Manager, are shared with the Fundholder.
- The Fundholder shares their preferred decisions with the Grants Manager.
- Grants are made in line with the Fundholders wishes unless there are concerns regarding the applicant or the application, which should be brought to the attention of the Grants & Impact Committee before the grant concerned is processed.
- DCF Trustees are responsible for all grants made by DCF and it may not always be possible to follow the wishes of Fundholders, although this is rare.

We offer a more streamlined process for Donor Advised grants of less than £3000, to groups who have been funded by DCF in the last 2 years, or where Due Diligence checks can be completed, and are satisfactory. The process for these grants is as follows:

- Donor to confirm the group/s to whom they would like to make a grant and any restrictions for expenditure.
- DCF to request a letter of request from the group, to include how they will spend funds. If Due Diligence checks have not been completed in the last 2 years, the group will also be

required to include the supporting documents required, in order for a DCF grants assessor to undertake these checks.

- Group to write a letter of request to DCF.
- Grant is payable on receipt of signed Terms and Conditions, pending satisfactory Due Diligence checks where these have been carried out.

### **9. 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 reasons why their application was not successful with any relevant signposting to other funding advice or grant programmes.
- Successful applicants are required to sign grant Terms and Conditions before payment by BACS can be made.
- Successful applicants are required to record grants awarded by DCF in their annual accounts.

### **10. Changes of grant use or extensions to grant period**

- Requests to change the use of the grant or extensions to the grant period will be considered by the Grants Manager, DCF Chief Executive and either the Donor, Panel Chair or Chair of the Grants & Impact Committee.

### **11. Top Up grants**

- There may be occasions where additional funds can be awarded to a group who recently received part funding for a particular project/service, or who need additional funding to meet increased demand during the grant period.
- In such cases, groups are invited to apply for a Top Up grant by email and the award must be approved by the DCF Chief Executive and either the Panel Chair or Chair of the Grants & Impact Committee
- Groups are advised that a Top Up grant adheres to the Grant Terms and Conditions of the original grant and that their End of Grant report must cover the total award including Top Up.

### **12. Project evaluation and monitoring**

- The Foundation has implemented the UKCF Outcomes Framework to support the Foundation to better demonstrate the impact of its funding which is vital to attract new funding.
- It is a requirement that successful applicants complete an End of Grant report.
- It is a requirement that successful applicants follow our PR and logo guidelines when promoting work supported by the grant.
- The Foundation carries out formal monitoring visits of the projects it has funded and has a target of carrying out monitoring visits with a minimum of 10% of groups 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. We require groups to be transparent about the progress of their funded project and about the organisation as a whole, including questions about Safeguarding policy, any recent Safeguarding incidents and how procedures were followed (without identifying the beneficiaries involved).
- 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.

### 13. 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 on 01202 670815.

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### 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
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.	<p>Latest accounts</p> <p>Trading profit and loss accounts for those with micro accounts</p> <p>CIC 34 reports for those operating more than 1 year</p> <p>Financial forecast for those operating less than 1 year</p> <p>We may also ask what factors the Directors consider when setting salaries</p>

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

Document	Why do we need it?
<b>Constitution/Memorandum of Articles and Association</b>	Demonstrates that the group has some form of rules about how it is governed.

<b>Annual Accounts</b>	These can be audited or independently examined accounts or an income/expenditure spreadsheet depending on the size of the group. Demonstrates the financial position of the group regarding income, expenditure, loans, liabilities, reserves etc. New groups without annual accounts may submit a financial forecast as an alternative.
<b>Bank statement</b>	Demonstrates that the group has a bank account in their name, and we can confirm bank account details. Important that it shows account name, sort code and account number clearly.
<b>Safeguarding Policy and Equality, Diversity and Inclusion Policy</b>	To demonstrate that the group has robust policies in place.