Policy on Grant Making

Contents

1. Charitable purpose and objective

1.1. The trustees apply the funds of **[church name]** at their discretion and in accordance with the charitable purposes and objectives of the charity.

1.2. Any decision whether to award a grant remains solely the responsibility of the trustees. All requests are wholly dependent on the church having the resources in the general fund to fulfil these needs at that time. Grants will be paid in the current month and can be terminated without notice if funds are no longer available.

2. Priorities for support

2.1. The amount of work or number of projects that can be supported by the trustees is necessarily limited to the amount of funds that are available for distribution each year. The trustees have determined that the current priorities for funding are:

[insert priorities here]

2.2. The priorities for support will be reviewed by the trustees every two years and may be changed depending upon circumstances and the perceived effectiveness of the application of funds. Any change to these priorities must still fulfil the charitable purpose and objectives of the charity.

2.3 A proportion of the church's income will be made available for this purpose, each year through the budgeting process, although regular grants account for a significant proportion of this already.

3. Principles applied in determining support in awarding grants, the trustees will apply the following principles;

3.1. The trustees will consider any requests or known situations that are eligible for consideration. All ongoing gifts will be used to support named individuals. It will not normally be the policy to support groups on a general basis.

3.2. Each request will be considered on its merits and may be subject to prioritisation depending on the number of other requests received at the time and the nature of ongoing commitments. Where situations have been previously considered (whether successful or not) any due diligence undertaken to reach an earlier decision will be made available to the trustees.

3.3. The trustees will carry out sufficient due diligence to ensure that the request or situation meets both the charitable purposes, and the priorities for support set out in this policy.

3.4. The trustees are content to work in partnership with other grant making bodies where funding of an entire project is beyond the scope of any single organisation.

3.5 Individual support will be for a specified period and then will be reviewed. There will be as a minimum a three year review, but the trustees may consider any length of time up to this period for grant support. Grants can be terminated without notice if funds are no longer available.

4. Applicant and partner due diligence

4.1. The trustees will carry out sufficient due diligence on any potential beneficiary to ensure: The identity of the beneficiary; That funds are applied in accordance with the charity's charitable purpose; That funds are not knowingly used for:

- Money laundering in accordance with the operative Money Laundering regulations;
- Terrorist financing in accordance with the Terrorist Act 2000;
- Bribery in accordance with the 2010 Bribery Act.

4.2 In cases where the charity is not the only supporter of the work or project, and to protect its reputation, the trustees may choose to extend any due diligence beyond the proposed beneficiary and to include other partner supporting organisations.

4.3. The trustees will adopt a risk rated approach to due diligence. Risk factors will include; the size of the grant; the country of residence of the proposed recipient; the geographical location in which the grant will be applied; the nature of the relationship between the charity and the applicant.

4.4. Grant size will be an important risk factor and the larger the grant the greater will be the likely level of due diligence undertaken.

4.5. Where the proposed beneficiary is well known to the trustees and the relationship has been long standing and well established, the amount of due diligence undertaken is likely to be reduced.

4.6. The results of any due diligence will not last indefinitely. In cases where beneficiaries are supported for a significant period of time, additional due diligence will be undertaken on a change of circumstances that might impact the beneficiary, or in any case after a period of three years.

4.7 Any gift, grant or regular payment to be made to an individual or organisation that is any way connected to a trustee must be referred to the Employment committee for approval and may require the prior approval of the Charity Commission before a formal decision is taken.

4.8 The trustees must demonstrate due diligence in this procedure, and therefore there is a need to understand the full picture of any request. This is the same process that would be required by any grant awarding body.

4.9 Any trustee connected to an organisation or individual requesting a grant must be absent from any part of the meeting that discusses such a request and must not influence the trustees decision in any way.

4.10 It is recognised that on occasions people claiming to be in need come to the church looking for "help". It is impossible to determine genuine need and those who are seeking to defraud the church in some way. Whilst discouraging the provision of financial gifts the trustees recognise that occasionally some discretion is needed. The maximum amount that can be provided under such circumstances is £5 to one person in a 1 month period.

5. Administration

5.1 For smaller grants, requests may be made informally. The general policy is that amounts up to £100 should be reclaimed through the normal expenses procedure, supported by receipts, for allowable expenses.

5.2. For larger grants, trustees should be confident: Of the purpose of the proposed grant including an understanding of the work and the way in which the grant will be managed and applied; Of the person(s) responsible for the management of the grant and for overseeing the work; That all local applicable laws and working practices associated with the work are fully and properly applied; That suitable safeguarding policies are in place in cases where the applicant works with children or vulnerable adults.

5.3 Requests for funding which are not included in the budget of between £100 and £1000 must be referred in advance to the Finance committee to approve or otherwise.

5.4 Requests for funding of over £1000 must be referred first to the finance group, who will make a proposal to a full meeting of the Trustees.

5.5 All requests are wholly dependent on the church having the resources in the general fund to fulfil these needs at that time.

5.6 For ongoing support for longer periods than 1 year, the views of the church meeting must be sought and will be taken into account.

5.7 Giving to individual volunteers will usually be done by paying or claiming against allowable expenses. (for example air fares, accommodation but not food) . Any payments to individuals will take their tax position into account.

5.8. For grants of over £1000, trustees may request that the grant receiver will produce a report on their activities.

5.9 With the agreement of the charity and the beneficiary, grants will be provided by means of an electronic banking transfer. The charity's normal payment authorisation process will be applied to any payments.

5.10 Where the grant is for a specified project or purpose, and in situations where that purpose does not proceed or where any grant or part thereof remains unused, unused funds must be returned.

5.11 Where formal written applications have been received, or other records maintained, these will be stored and subsequently disposed of in accordance with the charity's policy on data protection and prevailing Data Protection legislation.

5.12 Requests for grants must be in writing, and the trustees commit to responding to these over a two meeting time cycle (one to consider, the second to decide). They will respond to each in writing.

5.13 Discretionary grants of over £1000 that were unbudgeted will be declared in full in the annual report and accounts

6. Decision making

6.1. The decision of the trustees on whether to award a grant is final.

6.2. The trustees are not obliged to provide an explanation to applicants in the event that their application is not successful.

Appendix 1

Grant Agreement

Organisation	
Purpose of Grant	
Date agreed	
Amount of grant	
Payment authorised until *Note: Grants can be terminated without notice if funds are no longer available.*	
Approved (reference to meeting minutes)	
Review due	