

GRANT-MAKING POLICY

Shaftesbury Charitable Trust

A registered charity in England and Wales (number 900073)

Adopted by the Charity Trustees on 2023

Last reviewed on

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1. About this policy

- 1.1. This policy applies to Shaftesbury Charitable Trust (**Charity**), a charity registered in England and Wales (number 900073).
- 1.2. The charitable objects of the Charity are to hold the Trust Fund upon trust to apply the same for charitable purposes directed wholly or mainly to the benefit of Shaftesbury (whatever its area for the time being) or the immediate neighbourhood or any part of Shaftesbury as the Trustees shall at time to time in its discretion decide (**Objects**).
- 1.3. The Charity is governed by the charity trustees of the Charity (**Charity Trustees**) who have a duty, acting at all times in the best interests of the Charity, to apply the Charity's assets to advance the Objects and have ultimate responsibility for all grant-making decisions.
- 1.4. The purpose of this policy is to set out the principles and procedures that guide the Charity Trustees when they are making grants to further the Objects. It also provides information about the Charity's grant-making process to anyone who is applying to the Charity, or would like to apply to the Charity, for a grant.
- 1.5. In this policy references to persons who are "connected" with a Charity Trustee includes:
 - (a) a child, stepchild, grandchild, parent, brothers or sister of a Charity Trustee;
 - (b) the spouse, unmarried partner or civil partner of a Charity Trustee or of any person falling within paragraph (a) above;
 - (c) any person who is in a business partnership with a Charity Trustee or any person who is in a business partnership with any person falling within paragraph (a) or (b) above; and
 - (d) any company, business, trust or organisation in which a Charity Trustee (or any other person connected to them) has an interest as a beneficiary or through ownership, control or influence.

2. Our funding priorities

- 2.1. The Charity Trustees are keen to support activities that advance the Objects in an effective way. However, they recognise that a limited amount of funds is available to distribute each year. The Charity Trustees' current funding priorities are:
 - Charities that are engaged with the Shaftesbury Community and show clear evidence of support from within it (e.g. through local giving, volunteering, and/or partnerships.)
 - Grass root and or innovative initiatives which in the opinion of the trustees will make a quantifiable difference (e.g. providing smaller charities with "corn fed funding")
 - Charities and not for profit organisation which enhance or promote the enhancement of the culture of Shaftesbury including arts & crafts, sports and recreational/social activities, and tourism.
 - Charities and not for profit organisations which help preserve and or educate on the history of Shaftesbury, its people and significant buildings and landmarks
 - Charities and not for profit organisations providing relief against poverty and the effects of poverty

- Charities and not for profit organisations providing services and support to the mental and physical health of the people of Shaftesbury including people challenged by mental and/or physical disabilities including the consequences of old age.
- Charities and not for profit organisations providing welfare support for the people of Shaftesbury
- Charities and not for profit organisations providing a quantifiable environmental benefit within Shaftesbury
- To provide financial help to individuals whose educational needs would be otherwise severely compromised

2.2 The Charity Trustees will not normally support:

- Religious groups whose work does not have a wide public benefit
- Projects with a political element
- Individuals not sponsored by a charity or not for profit organisation
- Sponsorship and general fundraising appeals
- Activities that have already taken place

2.3 The Charity Trustees will occasionally award grants that fall outside the priorities stated in this policy, provided that they are satisfied that the grant will further the Objects and is an appropriate use of the Charity's funds

2.4 The Charity Trustees will review the grant-making priorities and principles set out in this policy annually.

3. Who can apply for a grant

3.1. The Charity Trustees welcome proposals that support their funding priorities from not for profit organisations and individuals, although the Charity Trustees are particularly keen to support projects which use resources effectively and provide an identifiable long term benefit .

3.2. The Charity Trustees will only award grants:

- (a) to individuals in order to provide financial help with educational needs which would be otherwise severely compromised or
- (b) to organisations based in the United Kingdom (**UK**) that either:
 - (i) are registered as charities with the Charity Commission for England and Wales, the Office or
 - (ii) qualify as charities under the law of England and Wales, but are not required to register with the Charity Commission for England and Wales.

3.3. The Charity Trustees will not usually award grants to an applicant that has:

- (a) previously submitted a proposal where the applicant failed the Charity Trustees' due diligence checks and the issues identified at that time have not been addressed;
- (b) ample funds of its own (or otherwise made available to it) to finance the project for which the application is made; and
- (c) applications for projects which do not primarily (and not just incidentally) wholly or mainly benefit Shaftesbury.

4. What we will fund

- 4.1. The Charity Trustees usually make grants of between £100 and £10,000 but for projects offering a significant long term benefit to Shaftesbury applications for larger grants will be considered.
- 4.2. All grants awarded by the Charity must be used to cover costs that are directly connected to carrying out the charitable activities that the Charity Trustees have agreed to fund (**Funded Activities**). In the event of capital expenditure, if the Charity Trustees require, the applicant must also be able to demonstrate that any assets acquired using grant monies will be used for similar purposes after the end of the Funded Activities;
- 4.3. The Charity Trustees will award grants to fund up to 100% of the cost of a proposal. However the Charity Trustees:
 - (a) will consider funding part of the cost of a proposal where the total cost is shared with one or more other funders; and
 - (b) encourage applicants to seek additional sources of funding for their proposal.
- 4.4. If a grant covers part of the cost of a proposal, the Charity Trustees may require the applicant to provide details of the other funder(s) and the funding that they have secured or applied for (including any loans or other commercial funding).

5. How to apply for a grant

- 5.1. All grant proposals must be made in writing. Proposals must explain in detail how the grant will be used and put forward a strong case for support. In particular, a proposal must:
 - (a) demonstrate how the activities funded by the grant will benefit Shaftesbury and advance one or more of the funding priorities;
 - (b) set out how use of the grant will be managed;
 - (c) give details of the key individual(s) who will be responsible for the management of the grant and delivering the proposed activities;
 - (d) provide a budget for the proposed activities;
 - (e) give details of any other funding that has been awarded or that is being sought for the activities to be funded by the grant; and
 - (f) proposals will preferably be made on an application form that can be accessed through the Charity's website or from the Charity's Secretary.
- 5.2. If the application is made by or on behalf of an organisation, unless the Charity Trustees otherwise agree, the following must also be provided with the proposal:
 - (a) a complete, up-to-date copy of the organisation's governing document;
 - (b) if the organisation is a UK charity:
 - (i) its registered charity number(s) as issued by the Charity Commission for England and Wales,; and
 - (ii) if it is a charity under the law of England and Wales that is not required to register with the Charity Commission for England and Wales (because it is either an exempt or excepted charity, or has income below the registration threshold), evidence of its charitable status (such as an HMRC reference number);

- (c) the organisation's most recent set of accounts; and

5.3. If the applicant is a non-charitable organisation the proposal must, unless the Charity Trustees otherwise agree, also:

- (a) provide evidence that the organisation has a bank account with at least two unrelated signatories; and
- (b) demonstrate that all of the activities in the proposal will qualify as being charitable and for the benefit of Shaftesbury.

5.4. If the applicant is an individual, unless the Charity Trustees otherwise agree, the proposal must also provide the name, address and position of an appropriate independent person who will support the application to the satisfaction of the Charity Trustees.

6. How we make decisions about grants

6.1. The Charity Trustees have ultimate responsibility for all grant-making decisions and for ensuring that all funds awarded are used to advance the Objects.

6.2. The Charity Trustees must declare the nature and extent of any interest, direct or indirect, which could, or could be seen to, prevent them from making a grant decision only in the best interests of the Charity. Situations in which a conflict of interest may arise include where:

- (a) a Charity Trustee (or a person connected to them) stands to benefit from a grant from the Charity (see paragraph 7 (Grants to Charity Trustees or connected persons)); or
- (b) a Charity Trustee has a duty of loyalty to a third party that conflicts with their duty to the Charity.

Any such conflict of interest must be declared and managed by the Charity Trustees in accordance with the Charity's conflicts of interest policy.

6.3. The Charity Trustees may delegate certain decision-making responsibilities in accordance with the Charity's scheme of delegation. In particular applications for grants not exceeding £500 may be agreed by the Charity Trustees informally between meetings.

6.4. The Charity Trustees meet quarterly and subject to 6.3 will not be obliged to consider grant proposals or decide if they will award a grant or not outside these meetings but they may call a special meeting to discuss any application between quarterly meetings if the Charity Trustees in the absolute discretion deem it appropriate..

6.5. The Charity Trustees will usually inform applicants of their decision in writing but are not obliged to do so.

6.6. If an applicant is awarded a grant, the Charity Trustees will:

- (a) set out the key terms of the grant and any conditions that are attached to it in a grant letter; and
- (b) ask the applicant to sign a copy of the grant letter to indicate that they accept the terms and conditions.

6.7. If the Charity Trustees decide not to award a grant for a proposal (in whole or in part) the Charity Trustees are not obliged to give the applicant reasons for their decision but may, if requested by the applicant, give the applicant such written feedback on the reasons for their decision as they consider appropriate.

6.8. The Charity Trustees' decision whether to award a grant is final.

7. Grants to charity trustees or connected persons

7.1. Clause 25 of the Charity's 2019 trust deed authorises a Charity Trustee or any person connected to them to receive a benefit from the Charity as a beneficiary of the Charity, provided that a majority of the Charity Trustees do not benefit in this way.

7.2. If an application for a grant is made to the Charity by a Charity Trustee, or a person connected to them, the non-conflicted Charity Trustees may therefore consider making the grant in accordance with this policy.

7.3. If a Charity Trustee, or a person connected to them, applies for a grant the conflicted Charity Trustee must:

- (a) absent themselves from any discussion of the grant application by the non-conflicted Charity Trustees;
- (b) have no vote and not be counted as part of the quorum in any decision of the non-conflicted Charity Trustees on the grant[and
- (c) follow the procedures set out in clause 25 of the charity's 2019 trust deed authorising a Charity Trustee or any person connected to them to receive a benefit from the Charity as a beneficiary of the Charity.

8. Due diligence

8.1. When the Charity Trustees are considering a grant-funding proposal, they will undertake due diligence checks on the applicant. The checks that are undertaken will vary according to the Charity Trustees' assessment of any risks associated with the proposal or the applicant.

8.2. Due diligence may include requesting details of, and taking such steps as the Charity Trustees consider to be reasonable to scrutinise, any of the following:

- (a) the applicant's governing documents;
- (b) if applicable,]the applicant's status as a charity, including (where it is required to do so) evidence that the applicant has been registered with a charity regulator;
- (c) the applicant's latest accounts and financial position;
- (d) the identity of the applicant's directors, trustees, executive committee or other key personnel, in particular, to seek to establish whether they are authorised to act in that capacity;
- (e) the applicant's governance and operational structures and practices;
- (f) the applicant's internal financial controls;
- (g) relevant operational policies and procedures that the applicant has in place[, for example, in relation to safeguarding children and vulnerable adults, and on equality and diversity;
- (h) the applicant's aims and values; and

- (i) any external risk factors that might affect the proposal.

8.3. In cases where the applicant will receive support from another funder, or works with a partner, the Charity Trustees may undertake due diligence on that funder or partner.

8.4. The Charity Trustees will keep a written record of any due diligence that they undertake.

9. Reporting requirements and monitoring

9.1. The Charity Trustees will take steps to monitor the use of the grant and verify that the grant is used for the purposes that have been agreed. The arrangements for monitoring will vary according to the nature of the grant, but the Charity Trustees will always seek to ensure that the arrangements are appropriate and proportionate.

9.2. Arrangements for monitoring use of the grant may include asking the recipient to provide any of the following:

- (a) copies of formal records such as receipts, invoices, bank statements and management accounts to show that funds have been used for the purpose for which they have been awarded and in accordance with the terms of the grant;
- (b) regular written or verbal updates showing progress to date, summarising key achievements or problems encountered, indicating whether targets have been met and giving reasons for any delay in implementing work funded by the grant;
- (c) a final written report on completion of the work funded by the grant, showing how funds have been spent, evaluating where the work has been successful and identifying lessons that can be learnt; and
- (d) information about any proposed changes to the proposed activities.

9.3. If appropriate, the Charity Trustees may also visit grant-funded activities and interview individuals involved in running those activities.

9.4. Basic monitoring requirements will be set out in the grant letter. However, the Charity Trustees may take any additional steps to monitor the use of grant funds that they consider appropriate.

10. Clawback and repayment

The Charity Trustees may require repayment of all or any part of the grant if:

- (a) the project or purpose for which it was awarded does not proceed;
- (b) part of the grant remains unused when the activities that the grant was intended to fund have been completed; or
- (c) the grant is used for a purpose other than that which has been agreed.

11. Reviewing and amending this policy

11.1. This policy will be reviewed by the Charity Trustees at least annually.

11.2. The Charity Trustees may vary the terms of this policy from time to time.