

## **Introduction**

Forever Manchester was established in 1989. It is an independent registered charity, dedicated to strengthening local communities and creating opportunities which raises funds from a broad section of corporate, individual and statutory agencies to support local activity.

The main objectives in relation to grant making are set out in its Articles & Memorandum (1989, revised 2006) as follows:

*The promotion of any charitable purposes for the benefit of the community in the County of Greater Manchester and in particular the advancement of education, the protection of good health both mental and physical and the relief of poverty, distress and sickness, and the provision of facilities in the interests of social welfare for recreation or other leisure time occupation with the object of improving the conditions of life of the said community.*

*Such other exclusively charitable purposes as are or may be beneficial to the community in the County of Greater Manchester.*

*The undertaking of any equivalent charitable purposes for the benefit of the community outside the County of Greater Manchester that can conveniently be undertaken in combination with and without detriment to the aforesaid purposes.*

### **Vision**

Our vision is to build a £50 million Endowment for the people of Greater Manchester.

### **Mission**

Our mission is to help local people do extraordinary things together.

### **Purpose of this Document**

This document sets out relevant policy and outlines procedures. It demonstrates that our award making structures are robust, transparent and that award making is accessible to the wide range of organisations active throughout Greater Manchester and further afield.

An award is defined as a financial sum given by Forever Manchester (FM) from one of its Funds to support charitable activities, usually to charities or charitable community organisations, but sometimes to other bodies or individuals.

This document will also explain:

- The different types of funds which FM manages
- The principles underlying FM's award making decisions
- The principles governing assessment and approval of awards and
- How successful awards are monitored.

## **Types of Funds**

Forever Manchester makes awards from a variety of funds designed to give established and potential new donors the optimum opportunity to give. These are:

### **Endowment Funds**

Funds endowed to FM, the capital sum of which is invested on behalf of FM by an investment broker, to earn investment income which is then distributed by FM. This endowment fund comprises Funds that have been established by individuals, families, corporate and private sector organisations and Charitable Trusts.

### **Revenue/Flow Through Funds**

These Funds are generally intended to be distributed in their entirety in the year in which the donation is made to FM. Long term Revenue Funds can also be established within FM whereby the Fund holder agrees to contribute a regular amount of cash funding annually to be used as agreed between FM and the Fund holder.

### **Unrestricted Fund**

This is a Fund where there is no restriction on its use, allowing FM to use its expertise and knowledge to distribute income to where it's most needed.

Endowed and revenue funds may be further defined as:

### **Contracted/Managed Funds**

A Contracted Fund is a type of Revenue Fund, set up for the specific purposes of enabling FM to run an Award Programme on behalf of a corporate, statutory, or charitable body. The Award Programme will be subject to an agreement between FM and the relevant body, who will set mutually agreed criteria. The application form, assessment and monitoring processes may differ from those applicable to other awards, being tailored to the particular Award Programme the contracting body wishes to run.

### **Donor Advised Fund**

This is a fund whereby the Fund holder requires FM to present the donor with a range of award options for them to consider, in line with previously agreed criteria.

### **Donor Directed Fund**

This is a fund which FM has agreed to distribute strictly as directed by the Fund holder. FM will take steps to satisfy itself that the award is to be used for charitable purposes and will undertake such other due diligence and further steps in respect of the award as may be agreed with the Fund holder.

## **Grant Making Principles**

FM manages funds on behalf of a wide range of individuals and organisations. Funds are managed in a variety of ways depending on the service the Fund holder requires of FM. Some funds are set up to give Fund holders discretion to indicate how awards from the funds are made, either to specific charities or charitable purposes, or more generally to a particular geographical area or field of interest. Other Fund holders are happy to allow FM to distribute Fund monies in accordance with the guiding charitable aims of FM.

FM may make awards to individuals, registered charities and organisations that can demonstrate they have charitable purposes. Awards are primarily made within FM's area of benefit, although FM may make awards anywhere in the UK and internationally, in accordance with its charitable aims.

The principles set out in the following paragraphs are those which generally underpin FM's award making. Exceptions may occur in respect of awards from those funds where Fund holders have required a greater input into the award making process, such as with Donor Advised, Donor Directed and Contracted Funds. In these cases, additional or different award making principles may be applicable, or exceptions made from FM's usual award making criteria.

Generally, when FM makes awards to registered charities or organisations with charitable purposes, the charity or organisation must have:

- a management committee with at least 3 unrelated people as members
- a governing document which outlines the community/social purpose of the organisation and how this is managed
- a bank account in the name of the charity or organisation with at least two signatories to authorise cheques. Cheque signatories should not be related to each other and would normally be a senior member of staff or members of the management committee
- safeguarding policies relevant to the activities undertaken.

Full details regarding required documentation and what it should include are available on the Forever Manchester website.

Organisations set up as Community Interest Companies (CIC), or as recognised Social Enterprises must demonstrate that they have clear charitable purposes and that there is a defined social benefit. CIC's would only be considered where they are not companies limited by share capital, i.e. those with an asset lock consistent with FM's main objects.

In exceptional circumstances, awards may be made to individuals through particular Funds. The Fund holder and FM will agree the checks required to ensure that monies are distributed safely and accountably. This will be detailed in the fund agreement between FM and the Fund holder.

FM aims to ensure that its processes are accessible to all who may be eligible. Where groups face barriers and problems in completing the application form or taking part in the application process, relevant support will be either provided by a member of the awards team or signposted to a support organisation.

Awards will not normally be made to the following types of organisation or for the funding of the following types of activity:

- Animal welfare
- Organisations trading for profit (not reinvested in the community)
- Redistribution of awards (monetary or gifts)
- Monies intended to replace a shortfall of previously committed funding
- Funding withdrawn from another source
- Major capital requests, i.e. building and construction work
- Academic or medical research & equipment
- Overseas travel
- Political groups or activities promoting political beliefs
- Promotion of any religion
- Retrospective Awards (projects which have already taken place or to pay for expenditure already allocated, invoiced or spent)
- Projects that fall within statutory sector responsibility or direct replacement of statutory funding
- Sponsorship or fundraising events
- Contributions to larger/major appeals (this includes contributions to salaries where the request does not cover the full cost)
- Holidays, trips and social outings (except where there is a wider benefit to a community or group of people)

- Local branches of national charities unless locally managed, financially autonomous and not in receipt of financial support from the national body.

### **Full Cost Recovery**

Full cost recovery means the costing of a project to cover the total costs of activity to the organisation. FM supports the principle of full cost recovery and where appropriate will include in the award an element that can be apportioned to the management of the organisation. Funding may however be limited by the criteria of the individual Award Programmes. Distributions from Contracted Funds and Donor Directed Funds may have criteria that exclude any “core” funding so not all awards can contain an element of full cost recovery.

### **Equality and Diversity**

FM is committed to supporting, developing and promoting equality and diversity in all its practices and activities and aims to establish an inclusive culture free from discrimination and based upon the values of dignity, courtesy and respect. FM is committed to eliminating discrimination and advancing equality on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief (including lack of belief), sex and sexual orientation and to fostering good relations between different groups.

## **Assessment of Applications**

The following paragraphs set out the general principles behind the assessment practice of FM. It is intended as an overview of how these processes work and how FM can assist applicants through the application process.

### **Pre-application advice**

Organisations are encouraged to contact FM before making an application to discuss the most appropriate Award Programme for them. FM staff can give general guidance on the eligibility of a project for a particular Award Programme.

### **Assessment**

On receipt of an application, FM will make basic checks for eligibility, including as to the fit of the project with the criteria for the Award Programme, and the proper constitution of the charity or other organisation which is applying for the award.

In assessing an application for an award, FM will consider such matters as the purpose and management of the applicant organisation, whether the application evidences that it is driven by the community it benefits, value for money, and appropriately costed.

Applications from registered charities need not submit some supporting documentation, at the discretion of FM, provided that their Charity Commission submission is up to date. FM will

generally expect the annual accounts of an applicant organisation to show reserves maintained at a reasonable level relative to running costs of the organisation (in the order of 3- 6 months minimum).

With very small organisations FM will expect evidence of “good housekeeping” and that organisations are using their funds appropriately.

FM can request that referees are provided by the applicant and may take these up as part of the assessment process. Referees should normally know the work of the organisation in a professional capacity but not be directly involved.

### **Policies for the Protection of Children & Vulnerable Adults**

All projects working with children and young people will be required to have a safeguarding policy and applicants working with vulnerable adults will also be required to have a policy covering relevant working practices.

### **Equality and Diversity Policies**

FM does not require every group to have a formal equality and diversity policy, as this might be a barrier to some of the very small groups that apply for funding, however it is encouraged. FM will expect applicants to comply with all statutory obligations with regard to equality and diversity and may require evidence that the applicant operates in a way that addresses appropriately equality and diversity issues. Equality and diversity policies, may however, be required under externally agreed criteria for some contracted funds.

### **Health and Safety**

With regard to health and safety issues, FM will assess each application for an award in a manner appropriate to the size and scale of activity. Applicants must demonstrate awareness of and steps taken to manage their obligations with regard to health and safety under relevant legislation and common law, even where the Health and Safety Acts do not require a particular applicant to have a written policy on health and safety. The law requires applicants as a minimum to take reasonable action to ensure the health and safety of their users and members and FM will expect to see evidence of compliance with this obligation.

### **Applications from Faith Based Organisations**

Whilst promotion of any religion is not an activity which will receive funding from FM, faith based organisations may still be funded provided that the award supports benefit to the wider community and is not intended to influence people’s religious choices or to promote a particular belief system. If governing documents allow for the promotion of religion, FM will require a written statement confirming that any funds awarded will not be used for the purpose of the promotion of religion and that access to funded activity is not restricted on the basis of religious affiliation.

### **Applications for/from schools**

FM does not accept applications from schools unless a specific Fund allows it. Applications from other organisations for school-based activities will only be considered where they are above and beyond the scope of statutory provision and are open to the wider community as appropriate. This means we would not generally fund activities that take place during core school hours. Exceptions to this may apply in respect of a Contracted Programme or Donor Advised/Directed Fund with a particular educational focus at the request of a Fund holder.

### **Repeat & Multiple Applications**

In any one financial year applicants can apply to any one or more of the Award Programmes run by FM for which they are eligible. In any one year it is therefore possible that an applicant may receive an award from more than one Programme. Applicants are generally not permitted to apply more than once in any one year to the same Programme or to apply to more than one programme for the same activity.

Where an applicant is a new organisation, or does not have an evidenced track-record of managing awards from Forever Manchester, they will only be eligible to hold one award in the first instance. This will be reviewed subject to receipt of relevant feedback and fulfilment of all monitoring requirements.

Other Programmes managed by FM may have particular rules governing the availability of awards to fund activities over successive years and these rules will be set out in the criteria for the fund.

When considering an application for repeat funding, or for more than one award to be held by the same organisation in any 12-month period, FM will take into account evidence from feedback as to the impact of awards already made and may also look for evidence of sustainability and development of the applicant organisation.

### **Awards Decision making**

The way in which a decision to give an award is made will depend upon the programme to which the application was submitted. The decision to make an award maybe delegated by Trustees to senior staff, a staff panel, an external panel or, in some cases, individual Fund holders. The Trustees remain accountable to Fund holders for ensuring that awards are applied to charitable purposes, and that in making any award, FM has complied with the terms of any contract between FM and a Fund holder in respect of that award. The criteria, process and decision-making mechanism for each programme is ratified by the FM Board of Trustees.

## **Complaints**

In all FM's Award making, care is taken to assess all applications against published criteria in a consistent and equitable way. FM will explain in writing as clearly as possible why an application is not successful and there is no right of appeal. If the applicant has complaints about the application of FM's principles and procedures, the FM complaints procedure is available.

FM aims to be transparent in its governance, and to engender the trust and confidence of its Fund holders, wider stakeholders and the general public. FM aims to maintain an effective complaints procedure as a way of maintaining and building relationships.

FM's complaint procedure aims to be a fair way of dealing with feedback and complaints from Fund holders, staff, volunteers, award recipients and other members of the public.

## **Monitoring Awards**

Most awards will be monitored. The occasional exception will be in the case of awards from Donor Directed Funds, where routine monitoring will not take place unless otherwise specifically agreed with the Fund holder.

An end of year monitoring/feedback form is completed by recipient groups. FM will ask for monies to be returned if, for any reason, the group is unable to use the award for its original, defined purpose (unless alternative conditions have been agreed). Groups not returning their feedback form will not normally be considered for any future funding unless there are exceptional circumstances to the reason for the non-return.

Groups are asked to keep receipts and invoices related to any award made by FM and to provide them as part of their feedback if requested. Groups are also expected to report awards received from FM in annual reports, accounts and newsletters or any other appropriate publications.

Information from feedback forms will be used in assessments of any future applications from the same organisation and may also be used for overall evaluation purposes to demonstrate the impact of FM's Award Programmes.