

Name of policy:	Grant Making Policy
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1.0 Purpose of this Policy

The purpose of this policy is to set out the principles, criteria and processes that govern how The Shears Foundation makes grants.

A grant is defined as a financial award the Shears Foundation makes from its funds to support charitable activities. Grants will only be made to organisations in the UK that have charitable purposes. This includes Registered Charities, Community Interest Companies (CICs), Community Benefit Societies and Exempt Charities. Grants will not be made to any other type of organisation, unless under exceptional circumstances and this must be agreed unanimously by The Trustees. Grants are not made to individuals.

2.0 Introduction

The Shears Foundation is a registered charity number 1202285 benefiting communities particularly, though not exclusively, in Tyne & Wear and Northumberland. It is governed by The Trustees. The Shears Foundation is managed on a daily basis by The Foundation Manager (Bruce Warnes).

The Objects of the Shears Foundation, as identified on the Charity Commission website are:

THE OBJECT OF THE CIO IS, FOR THE PUBLIC BENEFIT, TO FURTHER SUCH EXCLUSIVELY CHARITABLE PURPOSES ACCORDING TO THE LAWS OF ENGLAND AND WALES AS THE CHARITY TRUSTEES IN THEIR ABSOLUTE DISCRETION FROM TIME TO TIME DETERMINE.

The Trustees ensure proper governance of the Foundation's grant-making in three ways:

- Through grant-making principles which ensure that decisions are ultimately made by the Foundation's Trustees.
- Through published grant-making criteria which set out the activities The Trustees wish to support in furtherance of the Foundation's charitable objectives. The criteria also exclude activities which The Trustees do not wish to support because they do not consider them to be in line with the

Foundation's purpose. The Trustees accept that they will on some occasions make grants outside published criteria but that in all such cases the activity supported will be charitable in law.

- Through grant-making processes which set out how decisions are reached for awarding grants.

3.0 Grant-making principles

The principles which underpin The Trustees' governance of the Foundation's grant-making consider the scale and range of its grants and strike a balance between proper oversight of decision-making and responsive & timely communication with applicants.

The principles are as follows.

- The Trustees have ultimate collective responsibility for all grant making decisions in line with the Foundation's charitable purposes.
- The Trustees may assign certain decision-making responsibilities to the individual Trustees, consultants or staff members who have responsibility for the day-to-day running of the Foundation. Such delegated decisions are subject to scrutiny and review from time to time.
- The Trustees reserve the right to apply conditions to any grant.
- The Trustees also reserve the right not to approve any recommendation or nomination if they (or those acting with their delegated authority) determine that the resulting grant would not be charitable or would conflict with the Foundation's stated policies or damage its reputation.
- Trustees must not take part in any grant making decisions in which they are deemed to have a conflict of interests. This is clearly laid out in policy SFP04 Shears Foundation Conflict of Interests.

4.0 Grant-making criteria

The Foundation's published guidance on criteria for applications is set out on its website. These criteria may vary from time to time, as determined by The Trustees. Copies of this Policy are also available to download from the website. The goal is to make grants to a range of organisations whose work falls into The Trustees grant making priorities.

In addition, The Trustees have a budget each year for Disaster and Emergency Relief Grants which are dealt with outside the normal grant making process. The Shears Foundation works with The British Red Cross and Disaster and Emergency Grants will normally be made to this charity.

Geographically, The Trustees place a great deal of emphasis in supporting organisations whose work is in the **Tyne & Wear and Northumberland** regions. Trustees will also consider applications from organisations in **Harrogate District; The City of York; The City of Bradford** and **Greater Manchester**. Occasionally The Trustees will also consider applications from UK based organisations, working overseas, that fit with the ethos and objectives of The Trustees.

National organisations undertaking specific work / projects in the above geographical areas will normally be considered by The Trustees.

Trustees will not generally consider applications from organisations registered outside the UK, unless there are special circumstances.

As a registered charity, The Foundation can only make grants to support activity which is charitable in law. Whether a grant is made on a restricted or unrestricted basis is at The Trustees' discretion. At the current time, unrestricted grants are only made to organisations where we have a long term relationship. We call these groups our *Core Groups*.

The Foundation will make grants for core revenue funding, including for staff wages and general running costs.

Other factors that will be taken into account when considering grant applications are:

- The available quarterly grant making budget.
- The similarity of the application to other organisations that are already being supported.
- The geographical spread of current grant making.
- The spread of current grant making across our priority areas.
- Whether or not an organisation / project is being funded from a range of sources / funders.
- Whether or not an organisation shows collaborative working with other groups, organisations, and charities.
- Whether or not an organisation has followed the application procedures.
- The levels of free reserves that the organisation has.
- The quality of any feedback and outcomes achieved from any previous grants.
- The size of the organisation in terms of its income.
- Filing history and compliance.
- Whether the work that the organisation does is considered good value for money.
- How well the organisation's work fits with The Trustees' priorities.
- Other factors that are determined from time to time by The Trustees.

All applications for grants must be made using the Shears Foundation's on- line application process which can be accessed via our website: www.shearsfoundation.org

Grant requests which The Trustees will not normally support are:

- Grants for Capital Projects.*
- Grant applications from Individuals.
- Grants to religious organisations to promote religion in any form.
- Grants to organisations whose Objects / Purposes are exclusively religious in their nature.
- Single identity groups where there is no evidence of integration.
- Domestic pets – but we may support charities involved in using animals for medical / care support purposes.
- Where, in the course of carrying out due diligence checks about an applicant, anomalies or legal issues become apparent.

**Funding for the purchase, refurbishment, or renovation (including fixtures and fittings) of buildings or land or the purchase of vehicles, computers and computer systems, other equipment or items such as marketing or accounting software or web development, collections and acquisitions (but not project funding for salaries and running costs).*

5.0 Grant-making processes

The budget for grant making will be determined by The Trustees on an annual basis.

All grants, with the exception of CORE GROUP grants are for a fixed amount of £5,500.

All applications to the Shears Foundation must come through the website, unless in exceptional circumstances where The Trustees will accept an application in another form.

The Shears Foundation requires a grant application, via the website, from all groups, including those that it has had an ongoing relationship with. The only exception to this is our Disaster and Emergency grants which are applied for, by email, by The British Red Cross.

Grant applications are considered according to the following time table:

Quarter	From	To	Application cut off
Q1	1 April	30 June	31 May
Q2	1 July	30 Sept	31 August
Q3	1 October	31 December	30 November
Q4	1 January	31 March	28 February

As well as our £5,500 small grants programme, The Shears Foundation has a number of long-term partner charities that we call our CORE GROUPS. The grant process for core groups is exactly the same as for any other grant applicant. This is to ensure fairness, allow due diligence to be carried out and to ensure there is always a proper audit trail for all grants. Applications from Core groups are dealt with immediately and not at the end of the quarter in which they are received. Core groups can also benefit from unrestricted funding and three year grant pledges.

The Trustees aim for the Foundation's grant-making processes to be transparent and to address the interests of applicants to this end, all grant requests (except for grants from our Disaster and Emergency Relief budget) go through the following process shown in appendix one.

6.0 Due Diligence

The Foundation Manager and Foundation Administrator responsible for running The Shears Foundation on a day-to-day basis will undertake due diligence checks on all applicants. These will include, but are not limited to:

- Checking the organisation's registration number is valid.
- Checking the bank statement that applicants provide for anomalies.
- Checking the Charity Commission website for any anomalies, filing irregularities etc.
- Checking filed accounts.
- Doing an internet search of the charity to flag up any issues, negative news stories etc.
- Drawing on the local knowledge of The Trustees and others.

APPENDIX ONE GRANT MAKING FLOW CHART FOR NON-CORE GROUP & NON-EMERGENCY FUND APPLICATIONS

