



Northamptonshire
Community Foundation
Giving back to our county

Grant Making Policy 2025



Registered with
FUNDRAISING
REGULATOR



Northamptonshire Community Foundation is a charity registered in England and Wales No. 1094646,
and a Company Limited by Guarantee (4269030)



1. Introduction

The purpose of this policy is to set out the principles, criteria and processes that govern how Northamptonshire Community Foundation makes grants. We strive to be a transparent funder and we want to help potential and current grantees, partners and stakeholders to understand our decision making process.

2. Scope

This Policy applies to all employees, trustees, volunteers, donors and grantees.



Photo: Red Rumpus. Photographer Joe Brown



3. Policy

Background

Northamptonshire Community Foundation's core purpose is to support Voluntary, Community, Faith and Social Enterprise (VCFSE) organisations working to raise the quality of community life and thereby tackle disadvantage. Northamptonshire Community Foundation is building a permanent charitable fund to benefit the people of Northamptonshire by using the fund's income for grant-giving.

Since its inception Northamptonshire Community Foundation has taken the view that if we are to encourage donors to contribute to the fund, we must be able to prove to them that we are distributing their money wisely and well. We aim to support our grant-making policy with a dynamic business plan.

Our grant-making policy reflects the standards to which the Foundation will adhere, in an effort to ensure that the Foundation is an effective grant-maker whilst being confident that the necessary safeguards are in place to protect the interests of donors and trustees.

Many donors will already have quite specific requirements regarding the way in which applications to their funding programme should be assessed, or the information that they require at the monitoring stage. Adding these to the minimum grant-making standard will be entirely acceptable in principle, although particularly onerous requirements may be reflected in the management fee for a particular fund.

To maintain the distinction between individual funds, each will be promoted separately but materials such as application forms may be generic. Grants will be delivered according to a specific timetable agreed by the trustees of the Community Grants panel (who will in turn delegate to the Grants Manager).

Quality Accreditation

Our Quality Accreditation programme is run by our membership organisation, the UK Community Foundation. The programme is based on a set of key standards developed by members. The programme has been endorsed by the Charity Commission for England and Wales since 2006. Northamptonshire Community Foundation has successfully achieved Quality Accreditation, which shows our adherence to key standards regarding governance, finance, donor services and development, grant-making, community engagement and communications.

Grant Making Principles

We are committed to making our criteria understandable and accessible whilst supporting applicants to make the best application possible. We strive to champion equity, diversity, and inclusion in our grant-making, whilst ensuring we are transparent about our processes and, where possible, engaging local people and the fund holders in making final decisions.

We strive to make grants that are relevant to local needs and have a direct impact on our



community. We value projects that help people to help themselves. We will ensure that all applications are treated fairly and undergo an equitable assessment process. We ensure that all grants given are measurable and that successful applicants are aware of our expectations, also supporting them in line with donor expectations and criteria. We aim to help our communities survive and thrive locally, with a focus on building philanthropy and generosity.

Definitions

Definitions are detailed in Appendix A.

Funds

The Foundation manages a diverse range of funds on behalf of individuals, families, organisations, statutory bodies, trusts and companies. Funds are managed in a variety of ways depending on the service the fundholder requires. Some funds give fundholders discretion to indicate how grants are made, either to specific charities or charitable purposes, or more generally to a particular geographical area or field of interest. Other fundholders allow the Foundation to distribute fund monies in accordance with our own charitable aims.

- **Field of interest**

These are charitable funds distributed within a particular local geographical area or theme in line with specific fund criteria set and agreed with donors/fundholders. Decisions to fund are delegated to the Foundation staff team or internal panel.

Where a fund is restricted to, for example, funding projects in a specific geographic area, or for a specific purpose or theme, the Foundation may solicit applications from certain organisations to meet the requirements of the fund. In the event that this happens, the Foundation will use its networks of voluntary and community organisations, local infrastructure groups and/or use its own database to highlight potential applicants and partnerships. This may mean the geographical distribution of grants across Northamptonshire is uneven.

- **Donor Advised and Named Funds.**

As part of its professional service to donors or fundholders, the Foundation has in place a fund agreement which outlines how funds may be awarded to projects in line with pre-agreed criteria. With donor advised funds, criteria are set by the donor or fundholder (the person responsible for overseeing their organisation of family fund) who then selects from assessed applications put forward by the Foundation.

A named fund can be an alternative to setting up an independent family or company trust where the donor chooses the name of the fund.

- **Donor Directed Decisions**

Donors may at their own discretion make requests to the Foundation to award a donation from their fund to their own chosen/nominated community projects, VCFSE organisations or individuals in need.

Any such request on the donor/fundholder's behalf will be discussed during the set-up of a fund. This may include organisations being currently supported. Equally, a fundholder may also request



the Foundation to make a one-off donation to a nominated community project, VCFSE organisation or individual in need.

At the request and discretion of the donor, the Foundation may make one-off grant awards to organisations operating outside of Northamptonshire. This will be with the knowledge that certain elements of the monitoring process such as monitoring visit by the Grants team will not be feasible.

The Foundation will undertake, where appropriate, any necessary due diligence regarding an organisation's governance and finances to confirm the nomination can be supported and does not conflict with the Foundation's own grant-making policy and charitable purposes. This is usually achieved by the completion of a brief application form sent to the organisation following instruction by the donor.

Grantees will maintain a funding relationship with the Foundation and report directly to the Foundation about the grant delivery.

Nomination must be ratified by the person/committee acting with delegated authority before any donation payment may be made. In the case of a legacy fund which has been transferred to the Foundation, grant-making recommendations will be made by the CEO, Grants Manager and relevant Grants team members, and these will then be ratified by the Finance, Investment and Governance (FIG) committee.

- **Defined by theme**

Grants will be awarded under the United Nations Sustainable Development Goals. These are as follows:

THE GLOBAL GOALS

For Sustainable Development





Eligibility

The Foundation supports organisations with charitable objects including:

- Registered Charities
- Charitable Incorporated Organisations (CIO)
- Constituted Community and Voluntary Organisations
- 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 (see additional guidance in Appendix B)
- Community Interest Companies (CIC) limited by guarantee (see additional guidance in Appendix B)

The Foundation will only award grants to organisations that have all of the following:

- A management committee, Board of Trustees or Board of Directors with at least three independent and unrelated members
- A bank or building society account in the name of the organisation, with a minimum of two unrelated cheque signatories
- Appropriate governing documents i.e. governing documents, Equality and Diversity policy etc

Whilst the Foundation does not exclude large charities from consideration, priority will be given to those organisations with an income of less than £1 million per year.





The Foundation *will not* support the following:

- Retrospective funding (i.e. grants for activities which have already taken place)
- General and major fund-raising appeals
- Statutory bodies (including schools and Parish Councils), unless permitted by the fund/programme criteria and can prove the benefit of the whole community and not a statutory responsibility
- Commercial ventures, unless specifically permitted by the fund/programme criteria
- Overseas travel
- The promotion of religion or political causes
- Medical research and equipment, unless a donor requests otherwise (please see Donor Led Grant-Making Policy)
- Animal welfare, unless a donor requests otherwise (please see Donor Led Grant-Making Policy)
- Organisations subject to investigation by the Charity Commission, Police or other organisation in a legal capacity

The Foundation *will not normally* support the following:

- Projects operating outside Northamptonshire
- Large national charities (except for independent local branches working for local people)
- Grant-making bodies applying for funding to redistribute to individuals or groups
- Groups with more than 6 months' unrestricted reserves
- Groups previously funded with an overdue end of grant report
- Individuals or applications where the benefits go to one person (except funds for donors wanting to fund individuals)

Geographical Limitations

Northamptonshire Community Foundation defines a national charity as one operating in areas outside of the East Midlands and/or neighbouring counties. As a place-based funder, it is important that the community groups we fund through our open grant-making are locally governed, locally focused and have locally adopted policies.

The Foundation will only make grants for the benefit of people living or working in the area of benefit, which is the county of Northamptonshire.

Activities of those eligible occasionally occurring outside Northamptonshire may also be considered if there is a clear benefit to the people of Northamptonshire, or if the fund's awarding process is directed by the donor's decisions.

Where a percentage of the project is to benefit Northamptonshire, the Community Grants panel may recommend a percentage of the amount requested be awarded, appropriate to the overall benefit to Northamptonshire.

Faith-based Groups

Many faith-based groups are formally constituted as organisations for worship with pastoral and other charitable objectives.

They are eligible to be considered by the Foundation where the project benefits the wider community without worship or promoting religious activities.



Grants to Individuals

The Foundation currently delivers bursary schemes of up to £2,000 and under which provide awards to individuals.

The Foundation may impose additional conditions before awarding grants to individuals, such as:

- Staged payments
- Requiring the applicant to provide two references
- Requiring the applicant to demonstrate a good track record

Groups with Significant Financial Reserves

- The Foundation will not make grants towards the reserves of an organisation.
- The Foundation will not make grants to organisations it considers have significant financial reserves (i.e. whose reserves exceed half the annual running costs), except in particular circumstances, such as if the reserves have been built up for a specific purpose like a capital purchase, IT equipment, or large outlay.

Grantmaking

Definitions for the Purposes and Scope of the Funding:

The Foundation is normally able to consider the following types of funding:

- **Project Funding:** which is not capital funding, for the support of the day-to-day running of specific one-off projects.
- **Project Development:** where a grant from the Foundation is made to a project already receiving adequate funding, to enable an increase in the service provided.
- **Project Proving:** where a grant from the Foundation enables an organisation to develop areas of work, which, beyond the grant period, might be supported through sources other than the Foundation, thereby becoming self-funding, or finding other funding agencies.
- **Start-up Funding:** which is a mixture of revenue and capital funding with the explicit purpose of supporting a new project or a new initiative for a specific, initial period.

All funds and grant programmes have defined criteria areas of benefit; applications will be assessed according to the appropriate fund or programme criteria and in accordance with the Foundation's charitable aims.

Repeat and multiple applications

There is no restriction on the number of programmes that an applicant can apply to in any one financial year (1st April to 31st March). However, if applying to more than one programme, each application must be for a different project or purpose. When applicants apply to a number of programmes, the Foundation will take into consideration the ability and capacity of the organisation to manage multiple grants along with the organisation's financial situation.

Applicants who have not submitted required monitoring reports for a previous grant will not be eligible to apply for funding. In this case applicants are advised to contact the Foundation before submitting an application.

Applicants applying for repeat funding, that is, for a grant award towards activities for a very similar purpose in consecutive years should not assume that they will be successful just because an application has been successful in the past.



Discretionary and Exceptional Grant Awards

From time to time, the trustees may, at their discretion, consider making discretionary grant awards or similar in exceptional circumstances, to support urgent or unforeseen needs, including activities that contribute to community emergency response and resilience.

Application Procedures

Applicants are encouraged to contact the Foundation before making an application to discuss the most appropriate grants programme for them. The Grants team can give general guidance on the eligibility of a project for a particular grant programme, as well as advice regarding the completion of application forms.

The Foundation's website also provides information and guidance to support applicants in the Help for Groups section. We provide information on the eligibility criteria and supporting documents the Foundation requires, as well as examples of documents and links to other resources for voluntary and community sector organisations.

A full list of funds and programmes is available on the Foundation website. Guidelines for all programmes and funds are also available for download. Applicants are encouraged to read the eligibility criteria for the fund/programme they wish to apply to before starting an application. There is an online application form found under each fund/programme heading on our website.

The application form is designed to garner essential information about the applicant and their project's eligibility for funding. This will include information about the structure of the organisation, the project or activity, how the money will be used, and how a grant will benefit the local community. Only fully completed application forms which are submitted by the notified closing date will be eligible.

The following documents will also need to be uploaded by organisations along with their application:

- A current constitution or other document of association
- A copy of the organisation's recent bank statement
- Current annual report (if running for more than a year)
- Appropriately examined accounts
- Business plan or action plan (where appropriate)
- Quotations (where appropriate)
- Equal opportunities policy or statement
- Child Protection and Vulnerable People Policy (where appropriate)

In the case of small or developing groups, appropriate alternatives will be accepted.

Use of AI in Applications

See our Artificial Intelligence (AI) Guidance and our Use of AI in Funding Applications and Monitoring Reports statement.



Assessment Process

On receipt of completed applications, the Foundation's Grants team will make basic checks to ensure the applicant meets due diligence requirements and the programme criteria. The Grants team are supported by trained volunteer Grants Assessors who have knowledge of the VCFSE sector in the county and are aware of the community's needs.

In assessing an application for a grant, the Foundation will consider such matters as:

- **Local Networks** – whether the applicant is involved in partnerships, and demonstrates connection to the local community etc.
- **Need** – demonstrating an activity meets an evidenced need in the community, such as using data from the Hidden Needs report, Northamptonshire Insights and/or feedback from the local community
- **Plan** – are the plans realistic, deliverable and proportionate to the level of need and project budget
- **Impact** – demonstration of the change the project will have on individuals and the wider community
- **Evidence** – are there robust impact measurement plans in place
- **Sustainability** – what plans exist to sustain the project beyond the grant
- **Budget** – is it realistic, itemised and evidenced

Applicants may be contacted by the Foundation as part of our assessment process to discuss the project. We reserve the right to ask applicants to submit further information in support of their application.

As part of the assessment process, the Foundation will prepare a short factual report about the application which will be circulated to the relevant approval body e.g. a grants decision panel, committee or donor, who will then consider the application and make a decision.

Decision Making Procedures

The responsibility for approving a grant rests ultimately with the Foundation's Board of Trustees. They in turn may delegate authority to one or more grants panels which may be its own internal grants panel or an external panel of local representatives as agreed with a funder or to the Foundation's Chief Executive and Grants Manager.

Recommendations made by external grants panels will be ratified by the Finance, Investment and Governance committee to ensure that the Foundation meets its charitable purpose.

Decisions on lower value applications i.e. those up to £3,000 can be made by Foundation staff under delegated authority from the Foundation's Board of Trustees. Grants approved in this way will be ratified by the Finance, Investment and Governance Committee.

In some circumstances it may be necessary for grant awards over £3,000 to be agreed by the Chief Executive and Grants Manager with reference to the Chair of the Grants committee. This will be used in exceptional circumstances where:

- Delay might be detrimental to the planned project and is considered to be a good fit with the aims of the fund



- A high priority for funding
- It is considered in the interest of the Foundation to expedite a decision

While the Board of Trustees has sole responsibility for awarding all grants, it is expected that only in exceptional circumstances would the Board of Trustees reject the recommendation of a Grants Panel and only where a project is not wholly charitable or is contrary to the aims of the Foundation or the funder.

Terms and Conditions

Funding is awarded to an organisation or individual with Terms and Conditions which must be accepted by the applicant before payment is released. Terms and Conditions are standard across all funds, but the Foundation can make additions to the Terms and Conditions they require including those made at the request of an advisory panel, fund-holder or donor.

Changes to active grants

Every organisation in receipt of a grant must, as part of their Terms and Conditions, inform the Foundation immediately of any significant change to their circumstances which might affect their ability to deliver the project as outlined in their application. For example, loss of a major contract, departure or changes of senior staff member or Chair, changes to the agreed budget and or delays to project delivery should be shared with the Foundation.

Any such change must be reviewed and acknowledged by the Foundation. Where a specific change to the use of a grant is requested by an organisation or an individual applicant, authorisation from the Foundation is required. Failure to notify the Foundation of any material change may result in the grant being withdrawn and all funding being required to be returned. Funding for one project cannot be transferred to another project without prior agreement.

The Foundation is committed to being a flexible funder and is signed up to IVAR's Open and Trusting grant-making community. We will always work with grantees to explore potential changes to grants. We aim to be transparent about the circumstances in which we can or cannot authorise changes to grants.

Each year the Foundation carries out an annual VCFSE Needs Survey and gathers feedback from applicants throughout the grant-making process in order to review processes, priorities and work with donors and strategic partners.

Payment of Grants

Payment will normally be by BACS, which will be made out to an account in the name of the organisation making the application or to the nominated group which has agreed to receive the award on behalf of the group.

The grant will only be released once a copy of the agreement, signed by the Chair of the group and a committee member, has been returned. The grant will only be released once all conditions have satisfactorily been complied with.



Breach of Terms and Conditions

In the event the Foundation considers an organisation has breached the Terms and Conditions, the Foundation reserves the right to require the return of the total grant awarded. No future applications for funding will be accepted from organisations in breach until the organisation is able to provide evidence of action taken to strengthen management capacity.

Other changes to Terms and Conditions may be implemented by the Foundation at any time. All agreed changes to the Terms and Conditions will be recorded in the Foundation's database.

Appeals and Feedback

The Foundation will explain in writing why any completed application has not been successful, and the Grants team will provide further verbal feedback to any applicant who requests more information regarding the success or failure of their application.

There is no appeals process for grant awards. If an applicant feels dissatisfied with the outcome and can evidence that the Foundation's representative showed prejudice or that a decision was made using factually incorrect material, they may make a complaint. Our complaints policy details how to do this.

End of Grant Reports and Monitoring

The Foundation encourages funded groups to provide regular updates and photographs of project progress. Grants may be subject to interim reporting or other requirements consistent with contractual obligations for grants programmes. Interim reporting can be requested at the discretion of the Grants team.

Following the completion of the project the applicant is required to submit an End of Grant Report detailing spending, proof of financial expenditure, use and benefit of the grant made. Applicants are asked to keep all receipts for audit purposes. Where multi-year funding is agreed, an appropriate monitoring framework will be implemented.

The End of Grant report is checked, and outcomes/impact measured against the original application.

Failure to submit a satisfactory end of grant report is considered a breach of the Foundation's Terms and Conditions and may result in a requirement to return the funding and may adversely affect any future funding decisions.

Project Activity Visits and Project Updates

A number of Grants, selected randomly, will be subject to more detailed monitoring in addition to the End of Grant Report. This will include a visit to the project and/or a requested update.

Opportunities will be given to members of the Foundation staff and/or trustees to see the final outcome of grant-aided projects or to attend events when such projects come to fruition. Applicants are also requested to complete a short annual survey to assist the Foundation in measuring the impact of its grant-making programmes.



Impact

The Foundation is committed to demonstrating the impact of our grant making. The Foundation carries out the following to demonstrate impact:

- End of Grant reports from all grant recipients
- Annual applicant survey
- Donor/fund holder visits to organisations
- Regular e-updates
- Stories and news on website and other social media
- Press coverage on grants awarded and new funds available
- Press coverage by grant recipients
- Case studies published on website and in Annual Reviews
- Donor events

It is a condition of any grant award that the organisations receiving the funding publicly acknowledge the award. The Foundation would expect its logo to be used to support this and will supply suitable logo files and guidance.



Photo: Lumina Arts Alliance CIC



Equality and Diversity

The Foundation has a separate Equity, Diversity and Inclusion policy which contains a section relating to grant-making activities and is reviewed annually.

The grant-making of the Foundation plays a constructive role in challenging and responding to disadvantage and inequality. We expect all funded groups to be able to demonstrate a commitment to equity, diversity and inclusion through their governance, service delivery and recruitment and expect all funded groups to have their own Equal Opportunities policy.

Safeguarding Children and Vulnerable Adults

The Foundation recognises that it has a duty to put in place safeguards to protect children and vulnerable adults according to legislation with regard to beneficiaries, trustees, staff and volunteers and has a separate policy which is reviewed annually.

The Foundation is also committed to ensuring that all grant recipients understand and are aware of this duty and must, where relevant, have in place a safeguarding policy. The policy must be in line with current legislation and best practice and contain procedures for dealing with issues of concern or abuse and must aim to work towards the reduction of risk.





4. Roles and Responsibilities

- The CEO, Chair and Vice Chair of the Board are responsible for investigating any concerns brought to their attention
- Head of Finance and Operations is responsible for ensuring that all employees have read and understand the policy.
- Employees, trustees and volunteers are responsible for reading the policy and ensuring that they fully understand the contents.

5. Review

This policy is reviewed, approved, and endorsed by the Board of trustees. It is updated when required by legislation, to ensure that it reflects statutory responsibilities, government guidance and best practice for NCF, or every 36 months whichever is the soonest.



Photo: People's Theatre Collective



Appendix A – Definitions

Micro Grants up to £1000: Grants to a maximum of £1,000 regardless of which fund they may be paid from, where the staff team of Chief Executive and Grants Manager has delegated the responsibility to make decisions which meet the Foundation's current criteria.

Community Grants: Grants above £1000 to a maximum of £20,000 where the Trustees take decisions, advised by Grants Advisors who attend the Community Grants Panel.

Donor-directed Grants: There is not a minimum or maximum amount that can be awarded from a donor-directed fund, and awards will be ratified by the Finance, Investment & Governance committee at the first opportunity.

Rolling programmes: Specific programmes looking to tackle pressing needs - Grants of up to £3000 can be approved by the Chief Executive and Grants Manager based on successful assessment, these are then reviewed by Trustees.

Area of Benefit: Northamptonshire

Community Grants Panel

(Reporting to the Finance, Investment & Governance Committee.)

The following powers are delegated to the Small and Community Grants Panel:

The following powers are delegated to the Small and Community Grants Panel:

1. The Community Grants panel will consider such grant applications as may be submitted to the Foundation which are for a sum greater than £1,000 but less than £20,000 (or within such other criteria as may from time to time be set by the Board) and within such time limits as may from time to time be set by the Board, and will approve or make other recommendations within those pre-scribe limits. Applications above £20,000 will be considered by the Finance, Investment & Governance committee.
2. Applications for less than £1,000 will normally be considered by Officers, but those decisions will be reported to the panel at the first available opportunity for noting only. Officers may however, if they decide, refer any grant application less than £1,000 to this Grants panel for decision.
3. Decisions of the Community Grants panel to award grants within its set limits (including any decisions under paragraph 2 above) will be considered as final decisions, but must be reported to the Finance, Investment & Governance Committee at the first opportunity.
4. The panel may forward any grant application to the Finance, Investment & Governance committee for determination, notwithstanding the fact that the level of application is within limits that may be determined by the panel.
5. The panel may appoint Grant Advisors to assist in its deliberation of grant applications falling within its jurisdiction.



6. A list of Grant Advisors (other than trustees) must be approved by the panel before any such member attends a panel. The list, which should be updated from time to time, shall include any new persons requiring prior approval by the panel.

7. The panel will ensure that all appropriate regulatory procedures are introduced and followed.

Membership

The panel shall have its own Chair, who shall be appointed by the Board and a membership consisting of all trustees. Trustee members of the committee shall hold office from Annual General Meeting to Annual General Meeting (subject to remaining a trustee during that period) and be eligible for reappointment during their tenure of office as trustees.

All trustees and volunteers must declare any conflict of interest that they have annually and inform Northamptonshire Community Foundation staff if this changes throughout the year.

Prior to or at the beginning of every meeting, trustees and volunteers must declare any interest in a grant application to be discussed or assessed. (See Conflict of Interest Policy)

Quorum

Meetings of the committee shall be quorate only while two trustees are in attendance.

Grants Advisors

A Grants Advisor is a member of the community who helps us make our grants by sitting on the Community Grants panel. We value them highly as they bring useful local knowledge to the table, which helps us make better decisions. We recruit Grants Advisors by promoting this opportunity through publicity. Interested individuals go through an induction and training process.

We recruit people who have specialist knowledge of voluntary and charitable activities and are aware of local issues.



Appendix B – Additional criteria for Companies Limited by Guarantee and Community Interest Companies

Criteria	Demonstrated by
Provide a clear public benefit and protect against private benefit	• Governing documents - have a clear not-for-profit clause • Clear charitable and social objectives
Must be registered with the Office of Regulator of CICs and must be Limited by Guarantee	• Companies House records
Have at least three and a majority of unrelated directors. By unrelated we mean by birth, marriage, being in a relationship or living at the same address	• Companies House records
No one person with overall control of the organisation; control should be equally shared between non-related Directors	• Companies House records - Persons with Significant Control
Have an asset lock (for CICs) with charitable objectives similar to those of the CIC and be based in Northamptonshire.	• Governing documents – e.g. memorandum of association or articles of association
Salaries and benefits paid to Directors must be reasonable and proportionate to the work that they do and the financial position of the organisation.	• Latest accounts • Trading profit and loss accounts for those with micro accounts • We may ask to see a financial forecast for those operating less than 1 year



Glossary

Accounts: A way of 'giving an account' of what has happened financially. They can cover any period, although most organisations have to produce annual accounts. These are usually drawn up after the end of the financial year and give a full and clear picture of the organisation's transactions during the preceding year and its financial position at the end of it.

Application: An application for a grant might also be referred to as an expression of interest, concept paper, proposal or submission.

Beneficiary: Someone who gets the benefit of an activity or a service, or who receives money from a charity or organisation.

Board of Trustees, Management Committees etc.: The people who are responsible for the overall governance of a charity or organisation are legally its trustees. A Board of Trustees is the set of people responsible in law for the running of a charity or organisation. They might be called a Management Committee or an Executive Committee or a Board of Directors or a Council.

Capital: Capital spending is spending on capital assets – buildings, vehicles, equipment, for example; whereas revenue spending is spending on things that get consumed – salaries, rent, electricity.

Due diligence: The process of assessing an organisation prior to making a grant award, which includes reviewing the organisation's governance and finances.

Evaluation: An assessment of an organisation or project, sometimes done by the people involved (in which case it is called self-evaluation), sometimes by an independent person or grant-maker. Often, evaluation is based on the results of monitoring.

Funding strategy: Thinking ahead about the money an organisation needs and how it will be raised.

Governance: The highest level of power and responsibility in an organisation – the Board of Trustees or Management Committee, for example. Governance is concerned with guarding the values and purpose of the organisation, setting direction and policy, acting as a final court of appeal for internal disputes and overseeing management, but not getting involved in day-to-day matters.

Governing document: The written rules which set out the purpose of an organisation and how it should be run. If the organisation is an unincorporated organisation, the document will probably be called a Constitution. If it is a registered company, the rules will be called the Memorandum and Articles of Association.

Impact: The broad or longer-term effects of a project or organisation's work (also referred to as the difference it makes).

Management accounts: The accounts that an organisation produces for its own purposes (for instance, quarterly figures that go to the Management Committee) rather than the accounts it produces for others.



Monitoring: Monitoring is the regular, systematic gathering of information about an activity. Monitoring is about counting and measuring, without particularly making any judgement about the results. In contrast, evaluation is about interpreting the results.

Outcomes: The specific, measurable results or changes that occur as a direct consequence of a funded project or programme.

Project: A project is usually understood as something that a group or organisation does – an activity or a service that is part, but not necessarily all of the organisation.

Stakeholder: People or organisations who have a stake in an organisation, or an interest in a service or issue. Stakeholders in a voluntary organisation include management committee members, other volunteers, staff, users of the service, funders, customers, suppliers, neighbours in the community.

Sustainable: If something is sustainable it can be kept going by its own means. Fund-holders may want evidence that a project is sustainable.

Trustees: A person, often one of a group, who controls property and/or money for the benefit of



Photo: Teamwork Trust

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