



Stronsay Development Trust

The Community Fund

POLICY

1. Background

1.1 During 2011 the project to build a community wind turbine was completed. A trading subsidiary, Stronsay Renewable Energy Ltd (SREL), had been set up to manage this business; it is a social enterprise and will gift aid profits to the Stronsay Development Trust (SDT).

1.2 The gift aided income will be held in a special Development Trust bank account known as **The Stronsay Community Fund**. The Community Fund is expected to become open to applications for community projects from December 2012 and SDT has set up a grants scheme that is open to any voluntary group, social enterprise or individual on Stronsay.

2. What are the grants for?

2.1 Grants may be awarded for anything that might benefit members of our community and so enhance the quality and/or sustainability of life on our island. The grants should be of direct benefit only to residents of Stronsay and Papa Stronsay.

2.2 Eligibility of applications from out with the Stronsay community will be appraised on a case by case basis.

3. Criteria

3.1 SDT has objectives which cover any projects that are to be of community benefit and for which charitable funds may be given. These objectives are the main criteria against which the application will be assessed.

3.2 The Development Trust Objectives are in the Memorandum of Association on the website – also in the **Grant Application Guidance**

4. How much money can be granted?

4.1 There is no limit to the amount that can be applied for although there will be a limit on available funds.

4.2 All decisions on grant applications will be agreed by the SDT board at their usual meetings.

4.3 Applications for grants over £50,000 will require a community mandate, the applicant(s) being responsible for presenting the proposal to the community and collecting evidence of support for the project.

4.4 Loans will not be offered at this stage.

5. Applying for a Community Fund grant

5.1 Application guidance is detailed in the document ***Grant Application Guidance***

5.2 Anyone who would like advice about applying should contact the Community Development Officer (CDO) by using an ***Expression of Interest*** form, which allows them to give an outline of the proposal. The CDO will then get in touch to help and give advice on this and other sources of funding.

5.3 The ***Grant Application Form*** must be completed by the applicant for all grants. Application forms can be obtained from the website or by contacting a Trust member of staff. The completed application form should be sent on paper to the Trust Registered office.

Applicants are required to discuss the completion of the application form and any request for further information with a member of staff. (Feb 2013 revision)

5.4 A ***Grant Acknowledgement Letter*** will be sent to the applicant giving the date of the next awards committee meeting/board meeting. Depending on the complexity of the project described in the application, a request for further more detailed information may also be requested.

6. Is the application ready to present at the next Board Meeting?

6.1 All applications for grants will go to an awards panel of SDT staff in the first instance, they will check that the project meets one or more of the Development Trust's objectives and that all the required information has been included. They may also seek advice from subject matter experts if necessary.

6.2 ***Request for further information (RFI)***

An RFI can be applied at any stage of the process but is more likely with high cost grants where detailed costs and project planning may be asked for.

A request for further information may include:

- A detailed cost analysis including information on existing funding and what proportion of the project cost the Trust grant is to provide
- Details of who will benefit and how they will benefit
- Project timescales and activities that will be undertaken to accomplish the project

Expert 'third party' advice may be requested before a decision is made.

6.3 Until the further information has been received the application will be 'pending' and will not be referred to the SDT board.

6.4 Once any additional information has been received the application will be presented to the board with the panel's report at the earliest possible time.

6.5 Any staff member with a material interest in the application should not take part in the discussion or contribute to the report. See conflict of interest.

7. All grant decisions will be made by the SDT board.

Applications ready for submission will normally be presented at the next Board meeting. Meetings are held at intervals of approximately one month. After the review the Board may

- Request further information
- Accept with standard terms and conditions
- Accept with additional conditions
- Reject the application in its present form giving reasons

8. Conflict of Interest

8.1 Declaration of Interest

Occasionally a Board member may have to declare an interest in a particular project, in which case he or she must not vote and should absent himself/herself from that part of the meeting. It is useful to recognise two levels of interest: material and immaterial.

8.2 Material interest is where the Board member or a direct family member [Under the Companies Act 2006, the people that a director is considered to be connected to includes their spouse, civil partner, parents, children or step-children of any age, a partner in an enduring family relationship and a partner's children or step-children (if under 18 years and living with the director)] of the Board member is the applicant or stands to **benefit directly** from the project (directly here means he or she will have immediate benefit from the project, such as wages, income or other material benefit; it does not mean that he or she will benefit from the project outputs, such as having access to improved services).

8.3 Immaterial interest is where the Board member is associated with the applicant, such as being a member of the applicant group. A Board member with a material interest should be asked to leave the room before discussion of the project starts. A Board member with immaterial interest may be asked to remain in the

room during discussion in order to contribute to the discussion, but should be asked to leave the room before the decision is made.

8.4 If there is any doubt about a Board member's connection to an individual project it is always best to be cautious and for the Board member concerned to leave the room before discussion starts. Declarations of interest and actions taken should always be noted in the publicised minutes.

9. Board decision

9.1 Accept

If the board accept the application a grant agreement will be sent to the applicant this will include:

Grant Offer and Acceptance Letter and Grant Terms and Conditions

9.2 Reject

The board has the authority to reject an application but they will provide a reason in writing and staff will be happy to discuss, reasons might include:

- The application may need substantial change to fit in with the aims of the Trust and this will be explained
- The application does not fit the aims of the Trust
- The project is in direct competition with an existing business/project and both would not be sustainable

10. Grant Acceptance by Applicant

10.1 If the Main Contact accepts the offer and terms and conditions presented in the Grant Offer documents, the Main Contact must sign the declaration and return to the Trust office within 28 days of receipt.

10.2 Funding will only be released on receipt of the signed acceptance of the Grant Offer and the Terms and Conditions.

10.3 Generally the applicant must not use the grant for any spending commitments before the date of the grant agreement and funds have cleared the applicant's bank account.

11. Grant Rejection by Applicant

11.1 If the Main Contact rejects the offer and the terms and conditions, the Board will send a response that will ask the applicant the reasons for the rejection

12. Payment

12.1 Once the Main Contact has returned the signed Acceptance the grant payment will be made in accordance with the grant agreement and Terms and Conditions as:-

- Delayed payment
- One off payment
- Stage payments

13. Communication

13.1 The community will be informed of successful and accepted grants via the Trust's website, the Limpet and the SDT annual report.

14. Monitoring and Evaluation

14.1 During the course of the project a nominated member of staff will monitor progress and request any documentation that may be required in accordance with the Grant Terms and Conditions until the end of the project.

14.2 Monitoring and communication

All information received through the monitoring procedure will be recorded using the monitoring and communication document. This will provide an audit trail for the life cycle of the project up until the end of project report

14.3 End of project report

At completion of the defined project the applicant will be asked to complete the End of Project Report

14.4 Post Project Evaluation

In some cases where the benefits will be realised over a longer timespan or where a community mandate has been sought, post project evaluation may be applied to ensure that the grant was used in accordance with the original application and to assess the continued benefit of the community.

14.5 General

In all cases additional information or additional monitoring may be required and this will be discussed and agreed with the Main Contact at every stage.

14.6 The Board reserve the right to withhold funds/stop a project or request return of funds already given.

15. Review of Policy and Process

15.1 A formal review of the policy and process will be held annually immediately after the AGM in order to take account of feedback from the community, SDT staff and the board in order to make amendments within the boundaries of the M&As.



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