



**Armagh City
Banbridge
& Craigavon**
Borough Council

FINANCIAL ASSISTANCE POLICY

OFFICER GUIDANCE MANUAL

JANUARY 2015

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1 Introduction

- 1.1.1 The purpose of this document is to provide guidance for Officers in operating the Financial Assistance Policy for Armagh City, Banbridge and Craigavon Borough Council. It is inevitable that a guidance manual cannot cover every single aspect of such work therefore Officers should take consideration of other relevant guidance, other Council policies and internal practice in relation to audit and financial governance.
- 1.1.2 Ultimately the Financial Assistance Policy seeks to maximise the impact of funds allocated by Council for this purpose. Foremost in the minds of those operating the policy should be a desire to address Council's primary purposes and objectives in the most efficient and effective manner. Typically this will involve providing financial assistance to a range of external organisations which can do things that Council may not be able to do, or in some cases, do at lower cost.
- 1.1.3 The vast majority of recipients of such funding will seek to use this in an honest and effective manner however systems must be able to address the potential for misuse of funds. The most significant change from previous policies across the three legacy councils is the move towards focusing on achieving maximum outcomes rather than focusing on how funding is utilised. It is recognised that this cannot be done at the expense of good grant governance and must work hand in hand with good financial audit and governance practice. However, work in assessing, monitoring and reviewing grants must be commensurate with the level of funding and focused on achieving maximum impact. Vouching will continue to be a feature of monitoring in some cases but must be commensurate and risk based.
- 1.1.4 The guidance document sets out the funding programmes and describes the process for considering eligibility and assessing applications. A broad generic process applies to all programmes however it is important to note that larger amounts of funding should inevitably require a more rigorous process and more input by elected members. Another new feature of this policy is the introduction of risk assessment. Coupled with good evaluation practice, risk assessment can ensure that monitoring processes are commensurate with the level of funding required and respond to the nature and level of risk. These processes will be new to many Council Officers however the effective utilisation of risk assessment and a sound monitoring process which leads to end of project evaluations and genuine feedback to future assessment processes will maximise the impact of any Council spend.
- 1.1.5 In an attempt to minimise nugatory effort by applicants and Council officers, applicants should be encouraged to self-assess, hopefully not wasting effort on ineligible or ill-conceived applications. Most evidence/documents will only be requested if an application is successful, although applicants are asked to ensure these are available when they apply.
- 1.1.6 The appendices to this document provide more detail in relation to scoring of risk and set out some standard documentation for use.

- 1.1.7 This Officer Guidance Manual is only relevant for applications for Financial Assistance in 2016-17 Call 1 (11th-29th January 2016). Do not use this document for any future calls.
- 1.1.8 Funding will consist of five individual programmes which are set out in the following section. However, programme '2 Capital Projects Grant' **is not open this call.**

2 Funding Programmes and Criteria

2.1 Grant Programmes

- 2.1.1 Council has five main grant programmes under which it will provide financial assistance. It should be noted that eligibility to any of these is subject to passing basic eligibility criteria. Individual programmes are also targeted at specific types of activity as indicated. The grant programmes are as follows:

1. Community Grants (open to **all eligible autonomous organisations working at a local level who have a clear community development focus to their project or activities**)

- **1a - Seeding Grants** up to £400, for new organisations formally constituted within one year of the application closing date. Consideration may be given to a larger (up to £1,000) seeding grant for new social enterprise organisations, subject to provision of an adequate business plan.
- **1b - Community Development Grants** – these are particularly important in facilitating small groups and enabling larger groups to attract funding from other sources. They should focus primarily on core funding but be associated with very specific outcome targets. They should operate at three levels:
 - Micro – up to £1,000 maximum
 - Small – £1,001 - £2,000
 - Medium – £2,001 - £10,000 – specifically aimed at: Forums; organisations currently employing staff; or Network Support Organisations working across the Borough.

2. Capital Projects Grant – Not Open This Call

It is unlikely that Council will ever be the primary source of capital funding for community based organisations in the area. However, there are many situations where Council may choose to bridge a modest shortfall between what other funders will provide and the total capital cost, in turn triggering major funding and the successful delivery of projects of wide benefit. Smaller amounts of capital may make an existing facility more effective, may enable groups to increase the utilisation of a facility or may attract a new or larger participant group. In some cases, where an activity requires equipment on a regular or ongoing basis, Council may conclude that it would be more cost effective to buy this rather than rent it. All these

elements need to be considered in determining whether capital funding is appropriate. Capital funding in this call will fall into a single category:

- **2 - Capital Projects Fund** – up to £25,000; maximum of 25% of overall project costs.

3. Arts, Culture and Events Grants

The fund has three main elements:

- **3a - Community Events Fund** – to provide up to £1,000 per event for local small scale community activity. This will include the part DCAL funded/Council matched existing CFF programme and events that fall outside the DCAL remit and are fully Council funded
- **3b – Large Event Fund** – this fund will support larger scale events (and will include some part DCAL funded/Council matched CFF programme) which have value and interest well beyond the local Council area. It is probable that this fund will be used in a different way in different parts of the Council area to reflect the specific priorities and characteristics of the area. Funding will typically range from £1,000 to £10,000 and will be dependent on the impact of the event.
- **3c – Arts Projects Fund** – this fund will support high quality projects up to a maximum of £2,500 per application, although smaller grants are likely to be more typical.

4. Good Relations Grants

These grants are important in facilitating all organisations working at community level to deliver on-the-ground activities and actions which impact positively on Good Relations on an intra-community or cross-community basis. Council receives annual funding from OFMDFM for the delivery of an agreed Good Relations Plan for the area. Projects funded through the Good Relations fund should be used to deliver or encourage the objectives within the Good Relations Plan in line with OFMDFM's 'Together: Building A United Community' strategy. Funded projects should focus primarily on having clear Good Relations outcomes and operate at three levels:

- **4a – Micro GR Grants** – up to a maximum of £1,000
- **4b – Small GR Grants** – £1,001 - £2,000
- **4c – Medium GR Grants** – £2,001 - £10,000 (for larger projects with substantially greater outcomes or which have clear outcomes which benefit the wider Council area). As with programme '1b – Community Development Grants', these grants are specifically aimed at: Forums; organisations currently employing staff; or Network Support Organisations working across the Borough.

5. Rural Linkages Grant

It is recognised that rural areas have very specific needs which are hard to meet within a generic financial assistance policy. From consultation these seem to largely relate to venues and transport. It is difficult to run activities unless enough people are able to access and utilise these.

Similarly, many people, particularly older people and young people do not have access to personal transport and may find it difficult to access the opportunities that are available in rural venues. The purpose of this fund will be to meet specific identified needs in relation to transport, access or venues so that the venues' viability and sustainability are maximised and rural people have better access to facilities that are on offer in these. This fund is not for taking groups on outings or trips, but rather seeks to reduce barriers to people attending projects or activities in their own rural community. Initially the fund will provide small grants (£100 - £500) to address specifically identified need. In each case the application must clearly show why the grant is needed and how it will enhance access to provision.

2.1.2 Sport Development Grants do not form part of this application process but rather are administered by the Sports Advisory Councils.

Applications related to Major Sports Events should apply under programme '3b – Large Event Fund'.

Small scale sports events can also seek funding through '3a - Community Events Fund'.

2.1.3 Transition Arrangements

Council recognises that a number of organisations may face disproportionate change as a result of the new policy. To allow organisations time to adapt to change, where an event or activity is deemed to be strategically important or for projects/programmes that do not meet with Council priorities, transition arrangements may be applied.

This will work as follows:

- For regular events or groups which are core funded on an ongoing basis and have been for a number of years, a mechanism will be put in place for 2015/16 which will ensure that funding continues at a minimum of 80% of the 2014/15 funding level (subject, of course, to normal application process and checks).
- In 2016/17 this would be reduced to a minimum of 40% of the 2014/15 funding level.
- This mechanism would expire after 2016/17

2.2 Grant Release and Frequency

2.2.1 Revenue grants (Programmes 1, 3, 4, and 5) will be released three times per year. Capital grants (Programme 2) will only be released annually. In future years Council may decide to move to 3 fixed closing dates where applications will be received all year round and assessed after the next closing date.

3 Application Process

3.1 Overarching Application Principles

3.1.1 Any process for allocating funding must meet certain principles. These are:

- Funding programmes should be strategic and relevant, based on clearly identified need and provided to organisations that can demonstrate an ability to meet this need.
- Good governance, ensuring fair and robust assessment, openness and accountability.
- Inclusive and fair – processes should ensure that all sections of the community can apply for financial assistance if they are involved in meeting needs which are Council's priorities.
- Supporting sustainability – financial assistance should encourage volunteering and the ongoing sustaining and development of community activity. Funding should not create dependency.
- Simple and straightforward – all processes should be easy to understand and only ask for information which is relevant and necessary.

3.1.2 Good Financial Assistance involves a number of key stages:

- Good communication - Promoting financial assistance programmes widely to ensure access by all sections of the community.
- Effective targeting - Ensuring that organisations applying for funding are eligible.
- Achieving best value - Carrying out a fair assessment which considers applications in terms of their ability to meet need, their cost effectiveness and the likelihood of achieving realistic and valuable outcomes.
- Monitoring – to ensure that funding is used for the purpose intended and most importantly, achieves the anticipated outcomes.
- Evaluation – ensuring that lessons are learnt from each grant made and provide feedback to enhance future decision making.
- Policy review – a mechanism for feeding information back and considering contextual changes leading to updating of the policy to ensure continued relevance.

3.2 Eligibility

3.2.1 Except where specifically stated for certain programmes, applications will only be accepted from formally constituted, community managed, and autonomous organisations. Such organisations should be not-for-personal profit, with wider community interests at heart, working at a local community level. The organisation's governing document must clearly state that:

- a. Membership is inclusive of the identified community and open to its full range of opinion;
- b. Each year the organisation holds an Annual General Meeting (AGM) at which each member has an equal vote;
- c. The organisation has a management committee or board of directors which is appointed at the AGM using a clear democratic process for the selection of members i.e. election;
- d. The committee/board presents the report for the year at the AGM; and
- e. An annual statement of accounts is presented at the AGM

It is important that the groups funded are inclusive of their identified community and open to its full range of opinion i.e. do not exclude any part of that community. Each member must have equal status and be entitled to vote at the AGM.

Decisions about the organisation and its activity must only be made by members and no other organisation can have the ability to impose a decision on the group i.e. they must be fully autonomous organisations. Groups must be managed by their community which means that the management committee/board has to come from the membership and be elected at the Annual General Meeting.

The management committee or board must be accountable to their membership for the work done and money spent during the year. The committee must present a report and financial accounts which are formally adopted by the membership at the Annual General Meeting.

Values inherent to community development include social justice, self-determination, working and learning together, sustainable communities, participation and reflective practice. These values are aligned to Council's statutory duties in tackling inequality and promoting good relations and the groups that Council fund must in no way contribute to inequality or poor relations.

3.2.2 Basic Funding Requirements

The overarching principle to be applied to all financial assistance should be that of meeting local needs which have been identified and prioritised by Council or by others but acknowledged by Council. Any use of funding that cannot be shown to meet the following basic requirements should not be provided with funding:

- Have a clearly identified need.
- Can deliver outcomes which meet this need.
- Fit with a clear corporate objective or priority of Council.
- Be delivered by a credible organisation with the capacity to deliver the project as stated.

Consistent application of this principle will ensure that all funding is used in a way which maximises local benefit. It is recognised however that in some

cases needs will be identified which are not currently within Council's priorities or objectives. Flexibility needs to be provided in such circumstances as there may be justification for a review of corporate policies and strategies to include needs which are within Council's statutory remit and may not have been identified at the time the corporate documents were produced.

3.2.3 Council will **not** consider applications from:

- Organisations that
 - discriminate against any particular racial group, political grouping or religious body;
 - are in poor financial health or cannot show effective financial control;
 - are not prepared to share learning from their project with Council and other relevant groups.
- Individuals (only constituted groups/organisations can apply for funding)
- Commercial organisations (except social enterprise). In exceptional circumstances, and on a case by case basis, Council may choose to support a commercial organisation through a sponsorship arrangement where this can kick start an important project or lever substantial additional resources
- Statutory organisations (except through a partnership arrangement with Council where key priority outcomes are delivered)
- Schools (Parent Teacher Associations) except where there is a clear need demonstrated that the project being funded will serve the community and this need is not being met by another organisation e.g inter-school activity.

3.2.4 Council will **not** consider applications for projects which:

- have no significant benefit to the Council area;
- provide no potential benefit to the public, either in the short or long term;
- could be carried out on a commercial basis;
- have already taken place or are already under way at the time of the assessment;
- duplicate what already exists;
- are fundraising events or activities;
- are of a party political nature;
- promote a particular religion; or
- are against Council policy.

3.2.5 Eligible costs

While it is recognised that there needs to be broad eligibility criteria built into the policy, the list below of costs that can and cannot be funded leaves room for some flexibility.

- Core running costs (this may include heat and light, insurance, rent or premises costs, office costs, etc.). The proportion of costs eligible for funding will vary with the programme applied to.
- Programme or activity costs which are directly relevant to the application and where need has been demonstrated.
- Travel and transport costs within the Council area where these can be shown to be fundamental to meeting the project objectives.
- Hire or purchase of equipment for meeting project needs (subject to individual approval). In some cases where funding tends to reoccur annually, purchase of small items may prove more cost effective than hire (see below). A maximum of £500 in total in respect of purchase of small items of equipment applies to all programmes except '2. – Capital Projects'. Where capital costs are funded Council will state a period for which the item will be retained. Any disposal within this period must be approved by Council and Council will retain the right to inspect such items at suitable intervals.
- Venue hire.
- Technical assistance.
- Training or facilitation costs.
- Festivals and events.
- Capital costs, where it can be demonstrated that this is the most cost effective means of delivering the required outcomes.
- Best practice or good relations visits.
- Inter-school activities.
- Publicity and marketing where directly relevant to the project's success.

Ineligible Costs

- Any costs or projects which are clearly another statutory agency's responsibility. In certain exceptional cases, where need can be clearly identified and there are compelling reasons why the statutory body concerned cannot fund an important project, Council may take a more flexible approach and fund in partnership with other statutory bodies.
- Projects or activities which are delivered outside the Council area except where it can be clearly demonstrated that a similar project or activity is not available within the Council area. This exception will only apply to projects being delivered within Northern Ireland. Projects or activities delivered outside Northern Ireland will not be considered. (Organisations which are located outside the Council area but provide

direct benefit in line with strategic priorities and identified needs within the Council area may be considered for funding.)

- Salaries and wages.
- Activities which specifically exist to raise funding.
- Costs incurred prior to a funding offer from Council (retrospective funding).
- Overheads allocated or apportioned at rates in excess of those used for any similar work you carry out.
- Costs which are not clearly linked to the project.
- Costs that are poor value for money, or that are purchased from outside of Council procurement guidelines.
- Costs that are already covered by other funding or income sources.
- Costs that can be recovered from elsewhere, e.g. VAT.
- Payments made to any members of the applicant group or organisation.
- Gifts, donations, prizes, trophies (except in exceptional circumstances), flags, bunting, bank/loan interest, musical instruments, accountancy, legal fees (except under programme 2 Capital Projects), kits/uniforms, private or unfunded pensions, alcohol, refreshments, food (except in exceptional circumstances eg sweets/selection boxes for Christmas Tree Switch-on events, Food Festival).
- Consultants Fees where the consultant would be paid for a service already being provided by local support networks. Such services include, but are not restricted to, completing funding applications and community audits.

3.3 Application Forms and Process

3.3.1 The application process and eligibility check will be carried out online. Paper alternatives will only be allowed in exceptional circumstances and with the prior consent of the Community Resources Officer.

3.3.2 Application Process

The amount of information contained on the application form and required in each case must be commensurate with the nature of the funding stream but in any case should seek to only ask for information that is directly relevant to the programme and the assessment process. In broad terms this will include:

- Group contact details and a short description of the project; how the need for the project has been identified and evidenced; the group's ability/experience in delivering such a project.
- Predicted outcomes/targets and how these will be measured; how these relate to Council and programme priorities.
- How the project meets the specific programme objectives

- Funding required – how much funding is needed, overall project cost and what other funding is in place or being sought.
- Declaration – signed by Office-bearer and other committee/board member

For large levels of funding, such as Capital Projects, additional sections may be required.

A review process exists for applicants who believe the process has not been followed correctly (See page 15 of Applicant Guidance Manual)

4 Assessment Process

4.1 Purpose of Assessment

4.1.1 Council funding cannot cover all possible projects, activities or organisations. Council wishes to support projects which fit within its overarching corporate objectives and priorities and which create greatest benefit for local people. While Council will consider an organisation's previous funding history, success in prior years will not guarantee any funding in subsequent rounds. The scale and nature of funding will depend on the potential impact and outcomes. The assessment process will score applications against set criteria. The generic application process is set out in diagram form in **Error! eference source not found..**

4.1.2 Decision Options

The assessment process will produce one of three outcomes:

- An application may be rejected as it fails to meet the criteria, has failed to reach the pass score, or has not scored a sufficiently high mark when a programme is oversubscribed. In such cases officers will complete a tick box form setting out the reasons for the rejection and the group will receive a letter detailing reasons for rejection.
- A decision will be made to review the project after more information is obtained. In this case a letter will go to the group requesting additional information and setting a time limit for this process. Failure to meet the time limit would result in an automatic rejection. Assuming the information is returned within the time limit the project will be reassessed using the standard process or, in certain circumstances simply checked by an officer to make sure that any shortfalls have been addressed. By this stage the applicant would be offered a grant (as below) or rejected.
- Offer of assistance – a successful application would be given an offer of assistance in writing setting out the amount of funding, the targets and outcomes associated with this, monitoring and evaluation requirements and any other conditions to be applied. Acceptance of

this offer would trigger the need for proof of other key documentation prior to release of grant.

4.2 Assessment Process

4.2.1 Assessment will be carried out by officers using a standard assessment process. In broad terms the assessment will consider:

- A basic eligibility check applicable to all applicants (see 3.2.2)
- An additional eligibility check specific for the programme being applied to (see 7.1.3)

Applications which pass the eligibility checks will proceed for further assessment as follows:

- For programmes offering funding up to a maximum of £1,000 (Seeding Grants, Community Development Micro Grants, Community Events Fund, Good Relations Micro Grants) applicants must meet the assessment criteria for that programme (see 7.1.3). If the application meets the criteria funding will be offered.
- For all other programmes applicants will be scored against the assessment criteria for that programme (see 7.1.3).

Applications which are scored will not be funded if they **do not score 50% or more**. Where a programme is oversubscribed, funding will be offered to the highest scoring applications in the first instance until that budget is exhausted. The amount of funding offered will depend on the score achieved as follows:

Application Score	Percentage of eligible costs funded
Under 50%	0%
50-69%	Percentage scored
70% and over	100%

The amount of funding offered will depend on the score achieved (as above) or, if applying to '3a Community Events Fund', may be determined by specific event criteria as follows:

Activity	Criteria	Maximum Awards (for eligible costs)
Christmas Tree Switch-ons	Population under 1000	£350
	Population 1,000-4,000	£750
	Population over 4,000	£1,000
Community Events (including Family Fun	One morning, afternoon or evening	£250

Days, Festivals	One day	£500
	Two days	£750
	More than two days	£1,000

Grants will also have to be considered and ratified by elected members through the Council Leisure and Community Services Committee.

4.2.2 Application Processing

The panel process may differ according to the funding programme. In the interests of simplicity and economy the following steps may be appropriate:

- Overarching Eligibility check (in future on-line eligibility check releases application section or rejects applicant)
- Application form completed online
- For exceptional paper applications, application form checked for completeness – returned to group if incomplete with deadline given for return (forms returned after the deadline will be automatically rejected)
- Assessing officers complete Conflict of Interest check
- Assessment of application form by officer panel with expertise in the relevant area (subject to no conflict of interest)
- Panel completes a simple scoring sheet for (individual programmes may have additional scored elements):
 - Demonstrated need
 - Group track record and capacity to deliver (*if previously evaluated, add evaluation score to criteria score to give total score*)
 - Cost effectiveness (grant v. anticipated outcomes)
 - Fit with Council strategy
 - Outcomes
 - Fit with programme objectives
 - Comment on any additional information needed or clarification required
 - Recommend risk category for monitoring
- Grant recommendations taken to Leisure and Community Services Committee for ratification
- Exceptional grants above £250,000 will be subject to economic appraisal
- Risk level assessed, agreed and monitoring regime put in place

- Sample of panel decisions reviewed by a senior officer to ensure consistency across programmes
- Officer responsible informs group, sets deadlines and seeks documentation/other information
- Letter of Offer issued, including monitoring and evaluation obligations
- Funding provided when all information in place (may be in stages for large grants)
- Monitoring regime started

4.2.3 Deprivation Weighting

Council recognises that deprived areas face much bigger issues and therefore often require higher levels of funding to address these. In this way Council recognises that more deprived areas require greater financial assistance. Deprivation exists in large urban areas and in smaller pockets in both rural and urban areas. Consideration will be given to weighting the level of funding by increasing the maximum a group can apply for in each programme in a manner such as:

- 0 to 10% most deprived Super Output Areas (SOAs) – maximum potential grant +50%.
- 10 to 20% most deprived SOAs - + 25%.
- 20 to 30% most deprived SOAs – + 10%.

Where the beneficiaries for a project come from a mix of areas falling within categories and from areas which are not deprived, a pro rata calculation could be used. In cases of the latter, Council may consider smaller areas which have very poor scores under 'employment deprivation' and 'income deprivation' domains. See 7.4 for details of relevant SOAs.

Applicants must indicate if they are applying for the deprivation weighting and what proportion of beneficiaries are affected.

4.3 Grant Governance

4.3.1 It is the responsibility of all Council officers involved in allocating financial assistance to ensure good governance of Council funds. **Good grant governance is ultimately about meeting the most important needs, within the constraints of Council's strategic priorities and role, in the most effective and efficient manner.** While good grant governance must ensure that funds are used effectively and the risk of fraud is minimised, it is not simply about how grant is administered, how carefully it is monitored or who is involved in the decision making process. Grant governance must be wider than this. In particular it must:

- **Have a strategic perspective** – is the funding necessary and is the need clearly identified? Does it fit with Council's objectives or perhaps does it require Council to review its objectives?

- **Be properly targeted** – grants can only be effective if they go to projects and organisations that are best placed to maximise this impact. These groups and projects may not necessarily apply to Council and some pro-activity may be required to get the best outcome.
- **Assess funding effectively** – utilising the best expertise available to Council to determine how the funds should be utilised. This inevitably means involving those who may be closer to the 'on the ground' work and care must be taken to ensure that this is done while retaining objectivity.
- **Demonstrate equity** – this is particularly important in terms of the end beneficiary. Equity in terms of the immediate funding beneficiary or group may get in the way of achieving the desired outcome and targeting those who are ultimately the purpose of the funding.
- **Be of appropriate quantity** – funding should be sufficient to achieve the desired outcome but should not exceed this. It must therefore be efficient, avoid displacement and deliver additionality.
- **Be in line with wider strategic purpose** – a cohesive financial assistance mechanism which takes into consideration the work of other public sector and funding bodies is likely to be more effective in the longer term.
- **Show balance** – organisations can only be effective if they receive funding in a timely fashion and are assisted to work well. This can at times conflict with maximising accountability. An appropriate balance must be established to achieve effectiveness.
- **Be flexible** – there may be times when a rigid grant programme fails to address clearly identified needs. The assessment process cannot be flexible or it would be open to abuse; however there must be sufficient flexibility to allow the policy to be amended to ensure greatest relevance and efficiency in the longer term, while at the same time not undermining the integrity of the process.
- **Work with other funders** – funding is likely to be more effective if there is coordination and good communication between funders.
- **Be effectively monitored** – there is little point in understanding how funding has been used if achieving outcomes is compromised in the process. The effectiveness of the funding to meet identified needs must be given priority.
- **Minimise fraud** – while relatively rare, fraud can undermine good work by others. A good risk assessment and relevant monitoring process provides the best way to balance reduction of fraud risk, minimise administration costs and maximisation of impact.

4.3.2 Risk Assessment

At the heart of good governance is the process of effectively managing risk. Eradicating risk through complex and bureaucratic systems cannot be

considered good governance as it results in ineffective use of resources. Risk is a combination of probability and impact. Something which is highly unlikely but has potentially catastrophic impact may still deserve careful monitoring. At the other end of the spectrum, something that is highly likely but of low impact may also deserve careful monitoring. In practice, most risks fall between these extremes. To effectively manage risk we must:

- Understand Council's tolerance of risk and clearly define this.
- Have in place an appropriate process to assess risk in any circumstance and ensure that any monitoring or review processes accurately reflect the level of risk.
- Balance impact and probability appropriately

Further information on risk assessment processes are set out in following sections.

4.3.2 Two other factors that need to be considered in any good governance process are fraud and conflict of interest. Under the terms of the Fraud Act 2006, fraud occurs when a person acts dishonestly with the intent of making a gain for themselves or someone else or inflicting a loss on another. Fraud may occur through false representation, failing to disclose information or abuse of position. Good financial governance must ensure that appropriate mechanisms are in place to avoid any of these circumstances arising.

Conflict of interest is rather more difficult in that individuals' view of what this represents may differ considerably. It is therefore important that an appropriate definition of conflict of interest in any particular circumstance is established and made clear to those participating. This is particularly important in the case of grant governance. Those involved in the assessment or monitoring process must be clear about what conflict of interest is and how they should act. In some cases it is adequate for someone to declare a conflict of interest and it does not necessarily require action; however recording this and enabling colleagues to ensure that the decision making process remains fair and objective is essential. For the purposes of the Financial Assistance Policy a conflict of interest can be considered to exist if any of the following are true:

- An individual in a position of trust has a competing professional or personal interest.
- A situation where an appearance of impropriety could undermine confidence in the process due to other interests of the individual concerned.
- The situation where an individual's ability to make a decision or perform his or her duties objectively is affected because of other interests.
- Any situation in which an individual is in a position to exploit their professional capacity (or role on a selection panel) for personal or collective benefit (even if they do not do so!).
- A situation in which an individual is involved in making a decision or influencing decisions which could create benefit for a close relative or friend.

It is highly likely that conflicts of interest will exist in operating the Financial Assistance Policy. It is therefore important that appropriate mechanisms exist to declare conflict of interest, record this and where necessary take appropriate action. A declaration of Conflict of Interest should become a permanent feature of agendas for any meetings or assessment panels related to grant funding and anyone involved in the assessment process should be expected to complete a declaration.

4.3.3 Those involved in any grant assessment process must therefore ensure that a number of principles are borne in mind in their work.

- **Conflict of interest** – all conflicts of interest must be declared and anyone who has a high level conflict of interest should not be involved in the selection process.
- **Equality and diversity** – these principles should relate to all actions taken by the panel.
- **Managing risk** – this should be borne in mind in any decision making process and appropriate actions planned.
- **Skills and experience** – those involved must be adequately equipped to reach decisions.
- **Prudence** – Council's assets should be protected through any decision making process.
- **Openness** – effective communication with all stakeholders minimises risks and reduces the potential for fraud or misunderstanding.
- **Review/appraisal** – regular review of the effectiveness of the process and an honest assessment leading to regular change where required is essential.
- **Feedback** – Those involved in assessment processes should have access to previous evaluation/review information. This will enable them to make better decisions. Applicants should always be given feedback on failed applications to enable growth and learning.

4.4 Risk Assessment

4.4.1 Review of grant mechanisms across a range of public and voluntary sector bodies has shown that the majority of grant beneficiaries and those delivering commissioned contracts behave honourably, seek to do what is required and manage funding in a sound and accountable manner. In practice, much of funders' time spent on vouching involves chasing information that is of relatively little importance or pursuing evidence of spend which plays little part in the successful delivery of a project or the extent to which it provides benefit in line with Council's strategy. The greatest risk might be indeed wasting public time and resources rather than loss of grant funds. To this end the set of criteria below should be used to assess groups and projects to determine the level of risk associated with each. Based on this table, groups and projects can be combined and placed

into a risk category which should determine how the project is monitored and vouched (if necessary). Underpinning this should be a requirement to seek to achieve positive outcomes in line with clearly identified need rather than to see funds spent in a slavish fashion reflecting an initial assessment which proves to be inappropriate over time.

4.4.2 Risk Assessment and Monitoring

The level and nature of monitoring relating to each project should be dependent on the level of risk and should be compliant with any current central Government guidelines and Council financial and audit requirements. In broad terms an offer of financial assistance should be rated under one of three categories:

- High risk – three monthly in depth monitoring including initial vouching work.
- Medium risk – six monthly monitoring of outcomes; vouching only if amounts are large.
- Low risk – annual monitoring return and no vouching. Sample vouching of 10% of projects to ensure broad compliance with key spend categories although some flexibility allowed.

4.4.3 The following tables set out criteria for assessing groups and projects. The total score determines the risk category.

Risk Assessment Table

		Score Range	Total	Combined
Probability	Group track record	1 – 5		
	Experience of delivering event/activity	1 – 3		
	Nature of project	1 – 5		
	Capital or recurrent	1 or 4		
Impact	Scale of funding	1 – 10		
	Reputational risk	1 – 5		
Total Score				

4.4.4 The risk associated with a particular piece of funding can therefore be given a total score and two 'combined scores', the latter reflect the score given to 'probability' and 'impact', the two core elements of risk assessment. Both are important in categorising the risk and associated monitoring regime. The risk category will therefore depend on:

- The total risk score
- The scores for probability and impact (if either of these is very high, irrespective of the total score, a 'high risk' category is indicated).

This is set out in the following table.

Categorising Projects by Risk

Risk Category	Score Range	Probability Score	Impact Score
High	>22	>14	>11
Medium	12 – 21	-	-
Low	6 - 11	-	-

- 4.4.5 Based on the above analysis, the following monitoring and/or vouching process are indicated. This should be varied depending on progress during the monitoring period, or where recommended procedures are likely to be disproportionate.

Risk Category	Monitoring	Vouching
High	3 monthly review of outcomes/progress towards outcomes End of project evaluation Officer attending event if high value	Verification of most expenditure Some flexibility on small items by discretion
Medium	6 monthly review of outcomes/progress End of project evaluation	Statement on expenditure signed by 2 office bearers 10% sampling by Council
Low	Annual review of outcomes End of project self evaluation	No verification of expenditure

5 Panel Membership and Roles

5.1 Panel Membership

- 5.1.1 Assessment panels are essential to any good grant assessment process. Panels must be able to be independent, impartial and effective allowing competing applications to be fairly assessed leading to the most appropriate allocation of financial assistance. Panels must be of adequate size and appropriately structured to ensure sound governance and good decision making while at the same time care must be taken not to waste staffing or Council resources through overly large panels or unnecessarily burdensome administrative processes.
- 5.1.2 In generic terms the key qualities of the assessment panel members should include:
- Impartiality and objectivity – ideally no connection to the grant applications and no conflicts of interest.

- Sound understanding of the Financial Assistance Policy and the overarching strategic objectives – the panel member should know what Council is trying to achieve, what the key needs are and how these can be met through this mechanism.
- A balanced view of risk taking
- Adequate authority – the ability to make decisions and request further action from applicants

5.1.3 The need for a panel to be impartial and objective rules out the involvement of any individual who has a potential conflict of interest. As elected members will inevitably have some direct or indirect connection with many applicants they clearly should not play a part in individual application assessment panels. However elected members do have a much more strategic role in developing the overarching policies and calling officers to account for good governance. With the exception of very large capital grants (>£250,000) officer panels will carry out the assessment of all applications, however elected members will have a chance to challenge or ratify these decisions through the Leisure and Community Services Committee which will retain the final right of approval. Very large capital grants would be subject to economic appraisal, and after officer assessment, the Leisure and Community Services Committee would be involved in the consideration of officer and appraisal recommendations, with final approval by full Council.

The best assessment panels are likely to be those that combine direct experience with independence. It is recognised that this may be difficult to achieve at times however Council must ensure that at least one Officer on any panel is completely unconnected to the applications or the area of funding and therefore has the capacity to remain wholly objective. All Officers should be expected to complete a Conflict of Interest form (see appendices) to ensure that appropriate action is taken to minimise favouritism or bias.

5.1.4 The Application and Assessment process should be broadly similar across all funding programmes, however the effort required and the level of rigour/analysis should be proportionate to the scale of funding involved. Officers involved in panels should also be aware of, and fully apply and accept the “Code of Conduct for Officers”. The number of people involved in the assessment process should vary depending on the scale of programme. In larger panels 4 officers, including a member of the finance or audit team would be desirable. The following panel numbers are suggested:

- 1a - Seeding Grant – 2 Officers
- 1b - Community Development Grants (Micro, Small & Medium) – 2 Officers
- 2 - Capital Project Grant – up to £25,000 – 3 Officers (including one Head of Service)
- 3a - Community Events Fund - 2 Officers

- 3b – Large Event Fund – 3 Officers (including one senior officer and possibly including external expertise)
- 3c – Arts Projects Fund – 2 Officers
- 4 - Good Relations Grants (Micro, Small & Medium) – 2 Officers
- 5 - Rural Linkages Grant – 2 Officers

6 Monitoring and Evaluation

6.1 Monitoring and Vouching

- 6.1.1 Monitoring and evaluation serve a number of purposes. In the first instance, they ensure that funding delivers the outcomes that are required. Secondly they seek to ensure that funding is used as agreed and thirdly they provide a feedback mechanism to improve decision making, funding programme design and Council process improvement. All of these should be borne in mind in any monitoring and evaluation activity.
- 6.1.2 Monitoring and vouching must be commensurate with the level of risk and the level of funding involved. It would clearly be inappropriate for Council Officers to take huge amounts of time in managing the use of very small amounts of money. Bearing this in mind all monitoring and vouching processes should be tempered by an appropriate assessment of risk.
- 6.1.3 Monitoring and review processes will be dependent on the risk category applied to each application. These take full consideration of the CIPFA recommendations made to Craigavon Borough Council. The two key elements are:
- **Monitoring** – this should seek to ensure that:
 - The anticipated outcomes are delivered
 - In some cases where outcomes are difficult to define or measure, that the expenditure of funding matches the agreed elements, costs and procurement practices
 - That any purchases above £1,500 are made in line with Council policy
 - That value for money is achieved
 - That action is taken at an early stage to address any failings
- 6.1.4 Monitoring may include any of the following elements, depending on the level of risk or nature of the project:
- Visits to the project/organisation/event by Council officers to:
 - Review progress
 - Verify activities, participant numbers or committee involvement
 - Assess the quality of activity, event or participation
 - Review of documentary evidence by a Council officer including:

- Changes to constitution/Memorandum and Articles or policies
- Financial information
- Evidence of appropriate procurement (for individual purchases above £1,500 each)
- Project returns
- Checking receipts, tender/procurement information, etc.
- Checking the existence and specification of capital items/builds
- Checking the condition/maintenance of equipment/buildings

Review may include:

- Meetings with groups/organisations to set and agree outcome targets
- Meetings with groups/organisations to review projects
- Meetings with committees/boards to consider governance and management issues
- Review of evaluation information
- Scoring evaluations for future panel use

6.1.5 Use of Grant Assistance – While a move towards outcome based monitoring is proposed, Council is likely to retain some responsibility for how any grants are used. With the overriding intention of achieving best value, best meeting priority needs and delivering the greatest outcomes, measuring outcomes through review and evaluation must be paramount. However, where larger amounts of funding are involved care must be taken to ensure that grant recipients utilise funding in a way which is consistent with good Council practice. Funded organisations should be made aware of Council's Procurement Policy and instructed to operate procurement mechanisms which are consistent with this. In practice this constraint will only affect a very small proportion of financial assistance as the thresholds are higher than most expenditure of funding by recipients. Specifically, the following conditions should apply:

- Any purchases above £1,500 should require 4 tenders or quotations (purchases below this figure should simply “demonstrate value for money” and do not need to be monitored as closely by officers).
- More rigorous standards apply to single purchases above £10,000 but would represent good practice in any case.)
- All purchases of goods or services should seek to be undertaken in line with the 12 guiding principles of public procurement

It is highly unlikely that this process will prove onerous for funded organisations and in most cases no specific procurement will be necessary. However, this should be noted in any provisional letters of offer.

6.2 Evaluation

6.2.1 The term evaluation does not necessarily mean time consuming in depth analysis of all aspects of a project. As for monitoring, evaluation should be commensurate with the level of grant and adjusted for the likely risk. Good practice suggests that all Council funding should be evaluated in some form although for very small amounts of money this may simply involve groups returning a one page evaluation feedback form. Ideally, Council Officers should spend more time on evaluation and less on vouching to ensure that outcomes are achieved. Better outcomes and value for money are likely to be achieved if officers take time to visit and observe a funded project rather than spending time on vouching very small purchases. This improved contact with groups is also likely to better inform Council policy and practice and ensure the most appropriate use of Council funds.

6.2.2 Review or Evaluation aims to:

- Ensure that any learning points from a project or activity are captured
- Avoid the same mistakes being repeated
- Inform future decision making processes
- Enable a community group/voluntary organisation to build a 'credibility profile'
- Facilitate future risk assessment
- Improve the overall outcomes from future Council funding

6.2.3 For evaluations to be most effective they must be used to:

- Influence future Council policy and programmes
- Assist groups to perform better
- Inform future funding decisions

In practice, officers are unlikely to have time to read evaluation reports in detail for each future application process. It is therefore recommended that all funding applications should require an evaluation of commensurate size to the funding offered. This may range from a single page tick box form to an externally conducted in-depth review. The results should be presented as a simple score which can be used by future assessment panels. The officer responsible for the project should determine this score from any evaluation returns. A moderation process involving a senior Council officer should ensure consistent marking across the Council. The scores should be as follows:

- **A – Funding under £1,000**
 - A1 – Project fully delivered as planned
 - A2 – Project largely delivered; some limitations in group's performance.
 - A3 – Project failure but strong mitigating reasons and effective engagement with Council

- A4 – Project failure or major failures by group/organisation
- **B – Funding £1,000 - £5,000**
 - B1 – Project fully delivered as planned
 - B2 – Project largely delivered; some limitations in group's performance.
 - B3 – Project failure but strong mitigating reasons and effective engagement with Council
 - B4 – Project failure or major failures by group/organisation
- **C – Recurrent funding from £5,000 - £10,000 (or £20,000 if all capital)**
 - C1 – Project fully delivered as planned
 - C2 – Project largely delivered; some limitations in group's performance.
 - C3 – Project failure but strong mitigating reasons and effective engagement with Council
 - C4 – Project failure or major failures by group/organisation
- **D – Capital Funding £20,000 - £50,000**
 - D1 – Project fully delivered as planned
 - D2 – Project largely delivered; some limitations in group's performance.
 - D3 – Project failure but strong mitigating reasons and effective engagement with Council
 - D4 – Project failure or major failures by group/organisation
- **E – Capital Funding £50,000 - £100,000**
 - E1 – Project fully delivered as planned
 - E2 – Project largely delivered; some limitations in group's performance.
 - E3 – Project failure but strong mitigating reasons and effective engagement with Council
 - E4 – Project failure or major failures by group/organisation
- **F – Capital funding over £100,000**
 - F1 – Project fully delivered as planned
 - F2 – Project largely delivered; some limitations in group's performance.
 - F3 – Project failure but strong mitigating reasons and effective engagement with Council
 - F4 – Project failure or major failures by group/organisation

- 6.2.4 Appropriate records of funding recipients and their organisations should be kept to facilitate future funding decisions and risk assessment. Key grant documentation should be kept and a 'lead officer' should be responsible for ensuring the completeness and accuracy of this information.
- 6.2.5 An evaluation score can be added to the scoring of criteria for each programme application as follows:

Evaluation Grade	Score	Evaluation Grade	Score
A1	4	D1	15
A2	3	D2	10
A3	2	D3	4
A4	1	D4	1
B1	5	E1	25
B2	4	E2	15
B3	2	E3	6
B4	1	E4	1
C1	10	F1	30
C2	7	F2	20
C3	3	F3	8
C4	1	F4	1
No track record <£1,000	3	No track record £10 - 20,000	15
No track record £1 - 5,000	5	No track record £20 - 50,000	25
No track record £5 - 10,000	10	No track record >£50,000	30
If funding is in a higher category than at evaluation the risk factor should be increased by:			
1 group higher	1.5 times	4 groups higher	6 times
2 groups higher	2 times	5 groups higher	8 times
3 groups higher	4 times		

For example a group which has largely achieved the project objectives in the previous year and was funded at £3,500, a score of B2 is indicated. For the current year they apply for £8,000. Their Track Record score is therefore 4 (B2) x 1.5 (one funding group higher) = 6.

7 Appendices

7.1 Programme Selection Criteria

7.1.1 The programme selection criteria for each funding programme are set out below. It is impossible to provide specific detail in relation to each criterion as this would be restrictive and inflexible, potentially ruling out valuable projects or activities. However, it is essential that consistency is shown across the Council area in assessing applications from different organisations. To this end a moderation process involving a small group of Senior Officers should accompany the selection process at an early stage. The use of a review mechanism such as this is recommended on an ongoing basis however the extent of sampling and the frequency of this process should reduce as Officers become more familiar with the utilisation of the new criteria and the new funding programmes. In the first instance this should work as follows:

- Officers from different panels should meet to discuss the application selection criteria in the first instance to agree some consistency of approach.
- After each selection panel, the Senior Officers should consider a sample of application assessments to ensure consistency. Where significant variations are discovered in scoring, all of the assessment panels' conclusions should be adjusted to allow for this to provide consistency across individual panels.
- Officers should be given feedback on this process to allow them to realign their marking.
- The process should be repeated after each selection panel however random sampling should be sufficient once the process is established.

7.1.2 All funding applications must meet basic eligibility criteria (see 3.2.1) before they will be considered for funding. If an application progresses it will then have to meet programme eligibility criteria and subsequently assessment criteria. Assessment criteria will vary from programme to programme but the following is a description of the most common:

- Level of need demonstrated – a high score should only be achieved if there is a clear analysis of need for the proposed work and an understanding of how this will be addressed.
- Ability of group to deliver – high scores should be given where the group has a proven track record of delivering a similar project well. For new organisations, they must be able to demonstrate that individuals involved have the necessary skills and experience.
- Value for Money (Cost per significant beneficiary impact) – high scores should only be given where the number of beneficiaries and the level of contact/impact on them, is significant. For instance, a high number of people attending a single short event should achieve a relatively low score while high scores should only be given where there are a large

number of individuals involved and where their involvement is extended or of great value.

- Council funding – % of total
 - Small Grants: where Council is fully funding the activity a score of 0 should be given. At the other end of the spectrum a score of 5 should only be given where Council funding is less than 10% of the total.
 - Medium Grants: Grant <50% of total project costs – a score of 0 should be given for 50% with a score of 5 where the grant is 5% or less of the total.
- Wider community benefit – a project should only achieve a score on this criterion if there is significant impact beyond the immediately targeted beneficiaries. The geographical and numerical extent of this should reflect the score.
- Fit with Council's objectives – this should range from a zero score where there is no direct connection (although in such circumstances Council may question providing funding at all) to a maximum score where there is a clear alignment with Council's primary function.
- Clear measurable outcomes/targets – a maximum score should only be achieved if all of the work is being clearly measured and monitored on a regular basis.
- Additional beneficiary impact – this should only be awarded where there is evidence of exceptional work with individuals which is likely to create wider community benefit in the longer term, for instance through training of volunteers, skills development etc.
- Number of member organisations (Network Support Organisations) – this should range from a score of 0 for 50 or less to a score of 10 for 400 or more member organisations.
- Range of support offered (Network Support Organisations) – it is unlikely that a network organisation would be supported unless it offers a number of support services. The quality and nature of these should reflect the score. An organisation achieving a high score would be expected to be working closely with its member organisations, providing regular updates on policy or best practice, offering training on a consistent basis and providing a number of physical support services.
- Specific programme objectives – each programme has a set of objectives relevant only to that programme. Groups should score highly where they have been able to demonstrate well that their project will deliver on more than the minimum number of programme objectives. Groups should obtain low scores where there is a lack of detail or evidence that they will meet the minimum number of programme objectives. This will be scored 0-5 but then weighted by a factor of 6 to represent the importance of meeting the programme objectives.

7.1.3 Details of the programme eligibility criteria and assessment criteria for each programme are as follows:

1a – Seeding Grant

In this case it is not recommended that applications are scored, rather that they seek to meet basic programme eligibility and a series of yes/no programme criteria. Groups that meet all of the requirements should receive a seeding grant of £400. Groups that are moving on to develop a social enterprise should have access to a grant up to £1,000 as long as they have a rudimentary business plan. The provision of a more in depth business plan and a series of other requirements should be imposed as conditions of grant.

Grant Programme: 1a – Seeding Grant		
Summary	Seed funding for new community groups	
Award	Up to £400 - Consideration may be given to a larger (up to £1,000) seeding grant for new social enterprises, subject to provision of an adequate business plan.	
Programme Eligibility	For new community organisations whose main focus is community development which have been formed within the 12 months prior to submitting an application (per date of adoption of constitution)	
How will applications be assessed?		
Programme Eligibility (see also Basic Eligibility Criteria, pg 6)	No previous applications?	Y/N
	Formed in last 12 months?	Y/N
	Community development focus?	Y/N
Assessment Criteria	Evidence of group membership?	Y/N
	Not for personal profit/ for community benefit?	Y/N
	Rudimentary business plan (social enterprise only)?	Y/N

1b – Community Development Grants

There are three tiers to this grant, with each requiring a higher level of scrutiny and greater expectations due to the higher levels of funding. For Micro Grants it is not recommended that applications are scored, rather that they seek to meet basic programme eligibility and a series of yes/no programme criteria. Groups that meet all of the requirements should receive a grant up to £1,000. In the case of Medium grants, care must be taken to ensure value for money, measured in terms of the impact on beneficiaries and in the case of Network Support organisations also the number of member organisations supported. In the case of Medium grants it is assumed that funding will be accompanied by a detailed set of targets which will be a requirement before funding is delivered. The initial criteria will apply to all applications under this programme with additional criteria included for Micro, Small, and Medium grants. For instance, it is assumed that Medium grants will only be available to Forums, organisations employing staff, or Network Support Organisations.

Grant Programme: 1b – Community Development Grants		
Summary	To facilitate the work of small groups and enable larger groups to attract funding from other sources. Grants will focus primarily on core funding but be associated with very specific outcome targets where there is a clear community development focus	
Award	Micro Grants: up to £1,000 Small Grants: £1,001 - £2,000 Medium Grants: £2,001 - £10,000 (max 50% of eligible costs)	
Programme Eligibility	<p>Groups/projects must:</p> <ul style="list-style-type: none"> • Be community based/not for personal profit • Not have already successfully applied to '1. Community Grants' in this year • Have 90% of beneficiaries in Council area • Have a clear community development focus <p>In addition, groups applying for a Medium Grant must:</p> <ul style="list-style-type: none"> • either be a Forum, an organisation currently employing staff, or a Network Support Organisation working across the Borough • only request a maximum of 50% of eligible project costs 	
Programme Objectives	<p>Your project should deliver at least three of the following objectives:</p> <ul style="list-style-type: none"> • Increased social inclusion (tackling marginalisation) • Reduced social isolation • Improved/increased skills within communities • Better quality of life • Better services for those in need • Stronger (or better run) groups • Better networks (within communities, between communities, or with decision-makers) • Improved community cohesion • Increased community involvement (volunteering or active citizenship) • Enhanced collective self-confidence (empowerment) • Increased collaboration or partnership working • Increased involvement in decision-making 	
How will applications be assessed?		
Programme Eligibility (see also Basic Eligibility Criteria, pg 6)	Community based/not for personal profit	Y/N
	Not have successfully applied to '1. Community Grants' this year	Y/N
	90% of beneficiaries in Council area	Y/N
	Clear community development focus to group/project	Y/N
	Group is a Forum or currently employs staff or is a Networking support organisation (Medium Grants only)	Y/N
	Only requesting maximum 50% of eligible costs (Medium grants only)	Y/N

Assessment Criteria (Micro Grants)	Need demonstrated	Y/N
	Group able to deliver	Y/N
	Value for money	Y/N
	Fits with Council objectives	Y/N
	Appropriate outcomes	Y/N
	Meets specific programme objectives	Y/N
Assessment Criteria (Small Grants)	Level of need demonstrated	0-5
	Ability of group to deliver	0-5
	Value for money (cost per significant beneficiary impact)	0-5
	Council funding % of total	0-5
	Wider community benefit	0-5
	Fit with Council objectives	0-5
	Clear measurable outcomes/targets	0-5
	Specific programme objectives	0-30
Assessment Criteria (Medium Grants)	Level of need demonstrated	0-5
	Ability of group to deliver	0-5
	Value for money (cost per significant beneficiary impact)	0-5
	Council funding % of total	0-5
	Wider community benefit	0-5
	Fit with Council objectives	0-5
	Clear measurable outcomes/targets	0-5
	Additional beneficiary impact	0-5
	Range of support offered (Networks only)	0-10
	Number of member organisations (Networks only)	0-10
	Specific programme objectives	0-30

2 – Capital Projects Grant

Grant Programme: 2 – Capital Projects Grant	
Summary	For capital projects or the purchase of equipment where a relatively small amount of match funding from Council is required
Award	up to £25,000 – representing a maximum of 25% of overall project costs
Programme Eligibility	Groups/projects must: <ul style="list-style-type: none"> • Be community based/not for personal profit • Have 90% of beneficiaries in Council area • Only be requesting a maximum of 25% of eligible project costs • Have provided evidence of security of tenure (for capital works)
Programme Objectives	Your project should deliver at least three of the following objectives: <ul style="list-style-type: none"> • Build capacity and skills

	<ul style="list-style-type: none"> • Increase opportunities for volunteering • Improve facilities, access or services • Increase community involvement regarding the sustainability of a facility • Increase the utilisation of a facility • Attract a new or larger participant group • Reduce the running costs for a programme or facility (eg purchase equipment where normally hired, or improve energy efficiency of a venue) 	
How will applications be assessed?		
Programme Eligibility (see also Basic Eligibility Criteria, pg 5)	Community based/not for personal profit	Y/N
	90% of beneficiaries in Council area	Y/N
	Only requesting maximum 25% of eligible project costs	Y/N
	Evidence of security of tenure (for capital works)	Y/N
Assessment Criteria	Level of need demonstrated	0-5
	Ability of group to deliver	0-5
	Value for money (cost per significant beneficiary impact)	0-5
	Council funding % of total	0-5
	Wider community benefit	0-5
	Fit with Council objectives	0-5
	Clear measurable outcomes/targets	0-5
	Potential long term impact	0-5
	Strategic Impact	0-5
	Specific programme objectives	0-30

a) Applications for capital works must provide evidence of security of tenure at the application stage which must be one of the following:

- Proof of ownership of the property
- A lease of at least 10 years duration and written permission from the landlord for the project to proceed

If a group is unable to provide one of the above but wish to propose another option as evidence of security of tenure, they should seek approval from a Council officer before applying.

Groups must also provide a copy of two quotations received (if you are applying for a grant for land purchase you must have used the Council's independent valuer).

Failure to provide evidence of security of tenure or two quotations will result in the application being rejected.

b) In the event that an offer of funding is made for capital works, groups must provide the following within 6 months of the date of the Letter of Offer:

- Evidence in writing that all required statutory approvals are in place i.e. planning permission, building control approval, **or** evidence in writing

from the statutory agency that statutory approvals are not required for the works being proposed in the application

- Evidence that the funding shortfall is in place (ie the finance is secured to pay the balance of project costs)

Failure to provide these within the specific timeframe will result in the offer of funding being withdrawn.

c) Eligible Costs

- New facilities eg community venues, pitches
- Professional & legal fees associated with capital spend on the planned project (NB excludes fees for land purchase)
- Land purchase (NB you will be required to utilise a Valuer nominated by Council and meet all associated costs including legal costs)
- Renovation works (e.g. extension, refurbishment, modernisation, conversion, flooring, ground improvement works, lighting, electrical rewiring, plumbing and heating works) required for the delivery of the project
- Non recoverable VAT
- Purchase of fixtures & fittings related to the project
- Renovations or provision to promote enhanced Child Protection and/or Disability Access to enable greater participation in community life.
- Capital expenditure to facilitate the provision of mobile services in rural areas
- Cost incurred in complying with any related Health & Safety Regulations
- Energy efficiency measures
- Measures to reduce maintenance costs (e.g. bore well)
- Development of a business plan or feasibility study related to a future project directly linked to the group's core activity.
- Programme equipment

d) Multiple applications are not eligible for projects relating to one venue even if submitted by different groups.

e) Applications for maintenance equipment (e.g. line painting, grass cutting, floor polisher) or office equipment (eg laptop/desktop, photocopier where the main purposes are administrative) will be viewed as low priority.

f) The other criteria should be applied as follows:

- Potential long term impact – small scale capital funding should have a longer term benefit. If the item is only needed for a short period and will not be used in subsequent years it should achieve a low score.

- Strategic Impact – low score will be achieved if the project will only have a local impact, with a high score awarded for an impact across the Borough or beyond.
- Council funding % of total - a minimum score of 0 should be given where Council's contribution is 25% of the total. The maximum score should only be given where Council is contributing less than 5% to the total cost, suggesting a higher level of fund raising from other sources.

3a – Community Events Fund

In this case it is not recommended that applications are scored, rather that they seek to meet basic programme eligibility and a series of yes/no programme criteria. Groups that meet all of the requirements should receive a grant up to £1,000.

Grant Programme: 3a – Community Events Fund		
Summary	For local small scale community festivals or events	
Award	up to £1,000	
Programme Eligibility	Groups/projects must: <ul style="list-style-type: none"> • Be community based/not for personal profit • Not have already successfully applied to '3b. – Large Event Fund' in this year 	
Programme Objectives	Your project should deliver at least three of the following objectives: <ul style="list-style-type: none"> • Improving community spirit • Increasing community involvement • Increasing social inclusion • Building skills and capacity • Exploring heritage, culture or art • Widening understanding and appreciation of communities of interest 	
How will applications be assessed?		
Programme Eligibility (see also Basic Eligibility Criteria, pg 6)	Be community based/not for personal profit	Y/N
	Not have already successfully applied to '3b. – Large Event Fund' in this year	Y/N
Assessment Criteria	Need demonstrated	Y/N
	Group able to deliver	Y/N
	Value for money (cost per significant beneficiary impact)	Y/N
	Fits with Council priorities	Y/N
	Clear, measurable outcomes	Y/N
	Meets specific programme objectives	Y/N

3b – Large Event Fund

Such events should not be funded unless they are of significance across and beyond the Borough - therefore this is an eligibility issue rather than a scoring criteria. Scored criteria should be weighted as follows:

- Economic impact – events should only achieve a maximum score where they have a very significant economic impact. This is likely to involve a large number of visitors from outside the area staying within the area for sufficient time to generate hotel, catering and retail income at a significant level. The scale of this should be dependent on the scale of funding required. It is suggested that a scale of 10 should reflect a multiplier effect of four times Council's contribution.
- PR value for Council area/NI – where the event has a positive impact on the perception of Northern Ireland as a whole it should achieve a maximum score. A near maximum score should be given where the event is promoted widely and promotes the Council area in a positive light.
- Social inclusion/GR impacts – events that bring together a wide cross section of the community from across the Council area should achieve a maximum score. Smaller scores should be provided where events are less inclusive, of less interest to a wide group or focused on a narrower geographic area.
- Strategic importance/track record – where an event has been important for the Council area for many years and has been run effectively, additional points should be provided up to a maximum as indicated.

Grant Programme: 3b – Large Event Fund		
Summary	For larger scale events which have value and interest well beyond the local Council area	
Award	£1,001 - £10,000	
Programme Eligibility	Groups/projects must: <ul style="list-style-type: none"> • Be community based/not for personal profit • Not have already successfully applied to '3 – Arts, Culture and Events Grants' in this year • Be of significance across and beyond the Borough 	
Programme Objectives	Your project should deliver at least two of the following objectives: <ul style="list-style-type: none"> • Create significant economic impact • Generate significant positive PR value for the Borough and/or NI • Impact positively in relation to social inclusion/Good Relations 	
How will applications be assessed?		
Programme Eligibility (see also Basic Eligibility Criteria, pg 6)	Be community based/not for personal profit	Y/N
	Not have already successfully applied to '3 – Arts, Culture and Events Grants' in this year	Y/N
	Be of significance across and beyond the Borough	Y/N

Assessment Criteria	Level of need demonstrated	0-5
	Ability of group to deliver	0-5
	Value for money (cost per significant beneficiary impact)	0-5
	Council funding % of total	0-5
	Wider community benefit	0-5
	Fit with Council priorities	0-5
	Clear measurable outcomes/targets	0-5
	Strategic importance/track record	0-5
	Meet specific programme objectives	0-30

3c – Arts Projects Fund

This programme is intended to support and encourage arts activity at a local level.

Grant Programme: 3c – Arts Projects Fund		
Summary	For high quality arts projects	
Award	Up to £2,500	
Programme Eligibility	Groups/projects must: <ul style="list-style-type: none"> • Be community based/not for personal profit • Not have already successfully applied to '3b. – Large Event Fund' or '3c – Arts Project Fund' in this year • Demonstrate partnership match funding 	
Programme Objectives	Your project should deliver at least three of the following objectives: <ul style="list-style-type: none"> • Improve access to the arts • Contribute to the economic, social or cultural development of the Borough • Promote and increase awareness of, appreciation of, and participation in the arts throughout the community • Support and encourage best practice in the arts • Enhance the image of the Borough 	
How will applications be assessed?		
Programme Eligibility (see also Basic Eligibility Criteria, pg 6)	Be community based/not for personal profit	Y/N
	Not have already successfully applied to '3b. – Large Event Fund' or '3c – Arts Project Fund' in this year	Y/N
	Demonstrate partnership match funding	Y/N
Assessment Criteria	Level of need demonstrated	0-5
	Ability of group to deliver	0-5
	Value for money (cost per significant beneficiary impact)	0-5
	Council funding % of total	0-5
	Wider community benefit	0-5

Fit with Council priorities	0-5
Clear measurable outcomes/targets	0-5
Meet specific programme objectives	0-30

4 – Good Relations Grants

Groups applying to this programme must be able to demonstrate they are contributing to the objectives contained within OFMDFM's Good Relations Strategy 'Together: Building a United Community'. There are three tiers to this grant, with each requiring a higher level of scrutiny and greater expectations due to the higher levels of funding. In the case of Medium grants, care must be taken to ensure value for money, measured in terms of the impact on beneficiaries.

Grant Programme: 4. - Good Relations Grants	
Summary	To facilitate all organisations working at community level to deliver on-the-ground activities and actions which impact positively on Good Relations on an intra-community or cross-community basis.
Award	Micro Grants: up to £1,000 Small Grants: £1,001 - £2,000 Medium Grants: £2,001 - £10,000, max 50% of eligible costs (for larger projects with substantially greater outcomes or which have clear outcomes which benefit the wider Council area)
Programme Eligibility	Groups/projects must: <ul style="list-style-type: none"> • Be community based/not for personal profit • Not have already successfully applied to '4. – Good Relations Grants' in this year • Have 90% of beneficiaries in Council area <p>In addition, groups applying for a Medium grant must:</p> <ul style="list-style-type: none"> • either be a Forum, an organisation currently employing staff, or a Network Support Organisation working across the Borough • only be requesting a maximum of 50% of eligible project costs
Programme Objectives	Projects must contribute to at least one of the themes of OFMDFM's Good Relations strategy 'Together: Building a United Community' ie: <ul style="list-style-type: none"> • Our Children & Young People • Our Shared Community • Our Safe Community • Our Cultural Expression
How will applications be assessed?	
Programme Eligibility (see also Basic)	Community based/not for personal profit Y/N
	No other successfully application to '4. – Good Relations Grants' in this year Y/N

Eligibility Criteria, pg 6)	90% of beneficiaries in Council area	Y/N
	Group is a Forum or currently employs staff or is a Network Support Organisation (Medium Grants only)	Y/N
	Only requesting maximum 50% of eligible costs (Medium grants only)	Y/N
Assessment Criteria (Micro Grants)		
	Need demonstrated	Y/N
	Group able to deliver	Y/N
	Value for money	Y/N
	Fits with Council objectives	Y/N
	Appropriate outcomes	Y/N
	Meets specific programme objectives	Y/N
Assessment Criteria (Small Grants)		
	Level of need demonstrated	0-5
	Ability of group to deliver	0-5
	Value for money (cost per significant beneficiary impact)	0-5
	Council funding % of total	0-5
	Wider community benefit	0-5
	Fit with Council objectives	0-5
	Clear measurable outcomes/targets	0-5
	Specific programme objectives	0-30
Assessment Criteria (Medium Grants)		
	Level of need demonstrated	0-5
	Ability of group to deliver	0-5
	Value for money (cost per significant beneficiary impact)	0-5
	Council funding % of total	0-5
	Wider community benefit	0-5
	Fit with Council objectives	0-5
	Clear measurable outcomes/targets	0-5
	Additional beneficiary impact	0-5
	Specific programme objectives	0-30

5 – Rural Linkages Grant

Grant Programme: 5 – Rural Linkages Grant	
Summary	The purpose of this fund will be to meet specific identified needs in relation to transport, access or venues so that the venues' viability and sustainability are maximised and rural people have better access to facilities that are on offer in these. This fund is not for taking groups on outings or trips, but rather seeks to reduce barriers to people attending projects or activities in their own rural community. Such barriers must be rural specific.
Award	Up to £500

Programme Eligibility	Groups/projects must: <ul style="list-style-type: none"> • Be community based/not for personal profit • Not have already successfully applied to '5. – Rural Linkages Grant' in this year • Have 90% of beneficiaries in Council area • Delivering a service to a rural community 	
Programme Objectives	Your project should deliver at least one of the following objectives: <ul style="list-style-type: none"> • Reduce rural isolation • Improve sustainability of rural community venues 	
How will applications be assessed?		
Programme Eligibility (see also Basic Eligibility Criteria, pg 6)	Be community based/not for personal profit	Y/N
	Not have already successfully applied to '5. – Rural Linkages Grant' in this year	Y/N
	Have 90% of beneficiaries in Council area	Y/N
	Delivering a service to a rural community	Y/N
Assessment Criteria	Need demonstrated	Y/N
	Group able to deliver	Y/N
	Value for money (cost per significant beneficiary impact)	Y/N
	Fits with Council objectives	Y/N
	Appropriate outcomes	Y/N
	Meets specific programme objectives	Y/N

7.2 List of Required Policies and other documents

7.2.1 Essential Policies and Documents

Any significant organisation receiving funding from Council should be expected to have the following as a minimum (this is in addition to the Funders Passport documents eg constitution, accounts). Discretion will be used to determine how necessary each of these depending on the size of the organisation and the nature of their work.

- Appropriate insurance cover. This may include:
 - Employer's liability insurance (if staff are employed).
 - Public liability insurance (including cover for volunteers).
 - Specific event insurance if an event is being organised.
 - Directors and Officers liability insurance if the organisation is a limited company.
- A basic Child Protection Policy and Vulnerable Adults policy (In certain circumstances Council may judge this to be unnecessary. A more comprehensive policy should be expected if the organisation is working specifically with children or vulnerable adults.).

- A basic volunteering policy.
- A basic equal opportunities policy.
- A basic disability and age discrimination policy.
- Simple financial procedures policy.

7.2.2 Additional Policies Required if Staff are Employed

The following policies must be in place if the organisation employs staff:

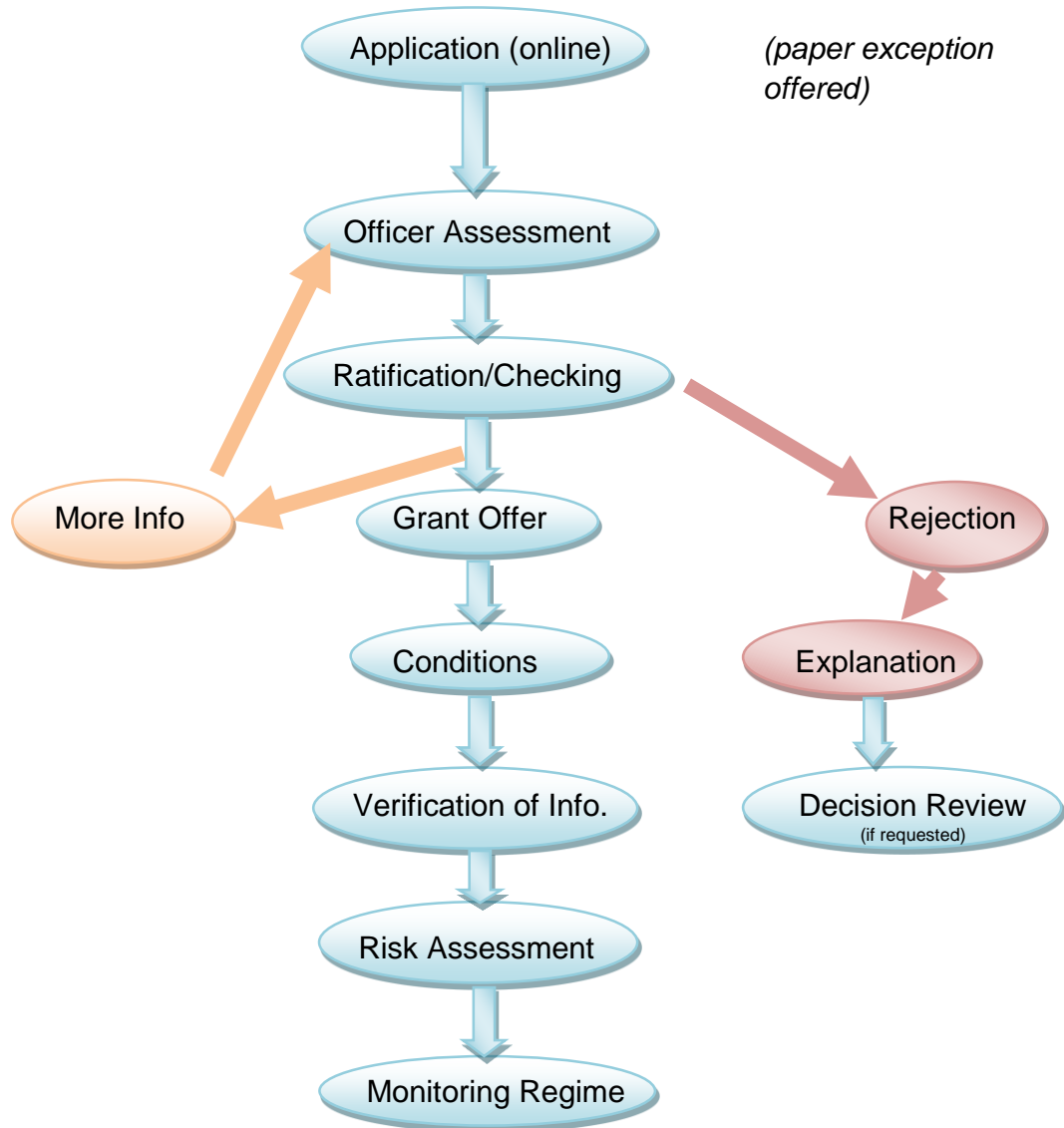
- Fair employment policy.
- More comprehensive health and safety policy.
- Recruitment policy.
- Staff induction policy (this may be rudimentary if there is only one member of staff).
- Staff appraisal system (ideally).

7.2.3 Other Policies

Ideally a larger organisation will have many of the following. These may be considered essential for larger organisations and would represent best practice for small organisations. In order of importance these are likely to include:

- A strategic or operational plan.
- Data protection policy (particularly if the organisation is managing and maintaining data about individuals, members, staff or the public).
- Conflict of interest register/policy.
- A financial reserves policy.
- More comprehensive financial management policies.
- An assets register or inventory.
- Fraud policy.
- Document retention policy.
- Travel policy.
- Internet policy.
- Information asset policy.
- Procurement or tendering procedure policies.

7.3 Application and Assessment Process

Generic Application and Assessment Process

7.4 Deprivation Weighting – Top 30% Super Output Areas (SOAs) in the Armagh City, Banbridge & Craigavon Borough Council area

Table 1: Top 30% Multiple Deprivation

SOA	MDM Rank
Drumnamoe 1	31
Drumgask 2	34
Drumgor 2	55
Woodville 1	92
Court 1	99
Callan Bridge	106
Corcrain 1	119
Drumgask 1	129
Court 2	144
Corcrain 2	152
The Cut	155
Ballybay	163
Taghnevan	173
Tavanagh	174
Keady	191
Church	194
Edenderry	203
Annagh 2	213
Mourneview	228
Drumnamoe 2	255
Gilford	265

Table 2: Top 30% Income Domain

SOA	Income Domain Rank
Drumnamoe 1	34
Drumgask 2	41
Drumgor 2	65
Callan Bridge	90
Corcrain 1	115
Court 1	126
Drumgask 1	130
Court 2	133
Church	139
Keady	142
Woodville 1	161
Taghnevan	178
Corcrain 2	180
Downs	183
Ballybay	192
Tavanagh	205
The Cut	210
Drumnamoe 2	219
Mourneview	242
Edenderry	260

Table 3: Top 30% Employment Domain

SOA	Employment Domain Rank
Drumnamoe 1	23
Drumgask 2	50
Drumgor 2	71
Court 1	91
Court 2	100
Woodville 1	114
Corcrain 1	115
Taghnevan	128
Drumnamoe 2	151
The Cut	153
Mourneview	154
Tavanagh	159
Ballybay	170
Callan Bridge	195
Drumgask 1	196
Edenderry	200
Gilford	206
Church	208
Keady	222
Lawrencetown	236
Corcrain 2	250
Abbey Park	253
Ballyoran	257
Downs	267

Key:  =Top 10%

 =Top 20%

 =Top 30%