

## **CSIS CHARITY FUND - OUR GRANT GIVING POLICY AND PROCEDURES**

*This note sets out our grant giving policies and procedures. It reflects the priorities set by our Medium Term Strategy, adopted by Trustees in 2016. It will be kept under regular review and amended as necessary in the light of experience, new proposals put to us, and continuing dialogue with our key stakeholders.*

### **POLICY**

#### **The Charity's Objects**

1. The objects of the charity as set out in the governing document are:

*“The relief of need, hardship and distress, including (but not exclusively) by the provision of financial and other assistance to serving, former and retired civil and public servants and their dependants either directly or by making grants to other organisations which can provide financial or other support to them.”*

#### **The Trustees translate this into the following aim:**

*“to put the trading surplus of the Civil Service Insurance Society to good use, helping to relieve need, hardship and distress amongst serving, former and retired civil and public servants and their families, both directly and by action in the local communities in which they live.”*

#### **Trustees' Priorities**

2. Consistent with our Medium Term Strategic Plan, our priorities for the next five years are to:

- provide continuing financial support to the widows and widowers other dependents of deceased policy holders of the Civil Service Insurance Society (CSIS), which the charity supports with annual grants.
- provide general support to the Charity for Civil Servants.
- provide support to the other civil and public service charities with which CSIS Charity Fund has had a long standing relationship, most notably the BT Benevolent Fund, the Rowland Hill Fund and the Civil Service Retirement Fellowship, smaller welfare organisations and benevolent funds that provide support to civil and public servants and their dependants, and other charities and not-for-profit organisations which have a clear and direct link with the public services.

In addition, and to the extent that resources permit,

- to continue to provide grants to any other organisations where Trustees can be satisfied that the beneficiaries will include former, serving and retired civil and public servants and their dependants and which are very clearly and directly relieving need, hardship and distress amongst those they support.

3. In pursuing these priorities and we will continue to look for ways to:

- widen the range of civil and public sector charities we support,

- find new types of projects to support, and
- improve the geographical spread of our direct grant giving.

4. Our primary focus will be on trying to help widows and widowers of deceased CSIS policyholders, serving or former or retired civil and public servants who are struggling to cope because of illness, disability or an unexpected family crisis, the very elderly, and carers. However, these groups are not exclusive and we will consider supporting any project which we can see will have a clear and direct impact on any serving or former or retired civil and public servants in need of hardship and distress, whatever the cause.

5. The Trustees will consider supporting any appropriate organisation which approaches the charity for help, providing the proposal falls within the charity's Object. The Trustees believe these Objects provide considerable scope and flexibility in the type of project we can support. Requests for funding must always be supported with realistic costings and a clear explanation of what the project is intended to achieve and how that fits with the Trustees priorities.

### **Funds available**

6. The charity's income comes almost entirely solely from the trading activities of the Civil Service Insurance Society and the investment of its reserves.

7. CSIS directors have advised that they expect to make a donation of some £500,000 per annum unless market conditions improve or deteriorate significantly, expenditure increases or reduce substantially as a result of CSIS budget strategy or an unforeseen event causes a major financial loss. If income from CSIS and investments permits, we expect to spend additional amounts on one-off grants to charities and not-for-profit organisations, consistent with our objective of bringing our reserves down to around £1 million, providing we can identify worthwhile projects to support.

8. CSIS operates in a highly competitive market and that figure cannot be guaranteed. However, CSIS are confident that any decline in the trading surplus below that figure would be foreseeable in time for us to adjust our spending plans accordingly, providing we retain reasonable flexibility and do not allow ourselves to get locked into substantial long term commitments.

### **Widows and widowers**

9. We believe it is important to continue to provide direct support for widows and widowers of deceased CSIS policyholders and to regard that as one of our key tasks. The term widow and widowers also cover individuals who were in a civil partnership or same sex marriage. Widows and widowers provide a direct link to the CSIS policyholders who provide the money for the charity as well as a key link to the origins of the charity. However, when considering helping new widows or widowers, our aim will be if at all possible to provide a single one-off grant that would help resolve their immediate problems, for example, to clear their debts, and get them into a position where they can cope without continuing annual grants.

10. The basis of the system for awards to widows is the setting of a threshold for net disposable income. This is based on the Government's Minimum Income Guarantee, plus £3,500. For widows with savings in excess of this, grants are tapered at £2 per week for every £500. The awards are paid in four quarterly payments. We will pay the cost of buildings (for owner occupiers) and contents insurance for each widow direct to CSIS. We also pay for heating repair service for owner occupiers. This will be paid direct to British Gas. All these amounts are deducted from the agreed grants. We will also consider paying additional grants to replace white goods, house repairs and other matters.

## **The charities we support**

11. The charities we support are divided roughly into four groups. The first group are the major public service charities with whom we have a close and long standing relationship: the Charity for Civil Servants, BT Benevolent Fund, the Civil Service Retirement Fellowship, the Rowland Hill Fund and Post Office Orphans Benevolent Institution. Not only are these core public service charities, but policyholders from the civil service, BT and the Post Office generate most of the money which the charity has to give away, so supporting these charities means putting the money back into the areas from which it came. This reflects the fact that together with CSIS we create a “virtuous circle” - customers of the Society benefit from good quality insurance at competitive prices and the profits benefit a wide range of charitable good causes instead of going into the pockets of shareholders.

12. The second group comprise the public service trade union welfare funds and charities like the Railway Benefit Fund, the Education Support Partnership, the Families Activity Breaks project, Civil Service Sports Council and the Northern Ireland Retired Prison Officers Fellowship Central Benevolent Fund and the NHS Retirement Fellowship, which often struggle to get funding from other sources and which are quite clearly and directly supporting serving, former, or retired civil and public servants in need, hardship and distress.

13. The third group are charities we have supported on and off for many years with small regular grants and/or ad hoc grants for specific projects, but which are not major public service charities dependant on us for core funding, such as the Canterbury Oast Trust, the Relatives and Residents Association and Tax Help for Older People. The fourth group are all the other charities we support with large and small ad hoc donations – in the case of hospices, some very large donations – which are not mainstream public service charities and where we do not have the sort of ongoing relationship that would be difficult to sever at short notice.

14. In addition to supporting the main public service charities, our general preference is to help support organisations that do not have access to other substantial sources of income, where our contribution can make a real difference. Small amounts of money can make a huge difference to such organisations, so that is in general where we aim to focus our efforts. To protect our ability to do that, we have adopted, as a rough rule of thumb, that the Charity for Civil Servants should receive no more than 50% of the yearly amount donated by CSIS to CSIS Charity Fund, although it will remain our largest beneficiary. We will also seek to widen the range of civil and public sector charities we support.

## **Type of Grants We Will Pay**

15. We will continue to make welfare grants direct to the widows we support, but otherwise grants will generally only be made to other charitable or not-for-profit organisations. Where necessary and appropriate we will consider making a grant direct to other individuals, but our strong preference will be to provide support through other organisations who are prepared to undertake the necessary casework and assessments of individual need. We will aim to provide:

- Unrestricted, core funding support for established benevolent funds, especially those providing welfare support for serving, former and retired employees of the less visible “unloved” public services;
- “Pump priming” funding for special short to medium term projects and also for collaborative projects involving two or more charities;
- One off grants to help our partner charities restructure and build up their donor base to ensure that the charities will be there to support their client groups over the long term.

- One off or short term grants to small community based charities and for special cases which our partner charities would otherwise have difficulty funding.

The above categories are not, however, exclusive and we will consider supporting any project which we can see will have a clear and direct impact on any former, serving or retired civil and public servants in need hardship and distress, whatever the cause.

16. Grants may be made for a variety reasons but must always be consistent with our charitable objects. In practice, many of our grants will enable other charities to provide funds in the form of grants to individuals in need or hardship or distress. If sound business cases are presented we will consider making grants to support the restructuring and modernisation of charities in order to secure their long term future. We will also be flexible in the type of support we offer organisations, including, for example, paying directly for equipment they need or paying for practical support or guidance on, for example, IT or marketing (eg, website design) where there will be a clear consequential benefit to their service users. In order to promote collaboration between charities, we will consider providing “pump-priming” money for projects involving two or more of the charities we support or to enable a charity to collaborate with a charity which we would not normally support directly.

### **Conditions on Grants**

17. We will try to award unrestricted grants wherever possible. However, we will wish to know what the funds we provide are to be spent on, what is expected to be achieved and how that fits with our priorities. All organisations awarded a grant will be asked to report back on how the money has been spent and the effect it has had, and to give publicity on their website and other places to the contribution we have made.

18. Where we make grants to other charities as restricted funding, we will try to ensure that the terms provide a reasonable amount of flexibility in how the aims of the grant can be achieved. Other conditions, such as a requirement for match funding, may be imposed, but only when the Trustees feel it is sensible and appropriate to do so in a particular case.

## **PROCEDURES**

### **Supporting evidence**

19. All charities applying for a grant must provide a copy of their latest Annual Report and Accounts. All charities are expected to be fully open about their sources of income, their reserves and expenditure and organisational structures and any governance issues. It is for charities to demonstrate that any requests for grants fall within our charitable objects. To aid this disclosure of all relevant information, a template form to be completed by charities, is to be attached to the letter at Annex A.

20. To improve our understanding and knowledge of the charities we support and the impact of our grants we will strive to create mutually beneficial relationships. We will do this by carrying out reviews of charities, by inviting their representatives to attend our trustee meetings, by visiting their premises and accepting invitations to participate in conferences and events. Where appropriate we will appoint Trustees to be our principal liaison with charities.

### **Our Procedures and Timetable for Considering and Authorising Grants**

21. The main decisions on the grants we will award for the year ahead will be taken at a meeting of all Trustees, convened for this purpose in February or March of each year, chaired by a Trustee

elected to be the Grants Trustee or in the absence of the Grants Trustee another Trustee. The papers for this meeting will be circulated two weeks in advance.

22. Prior to the grants meeting, normally in the preceding October/November, each widow or widower will be asked to complete an application form – see Annex A. In the same timeframe, a letter will be sent to each potential beneficiary charity inviting them to apply for a grant. The charities will be asked to submit their bids by email to [HelenHarris@csis.co.uk](mailto:HelenHarris@csis.co.uk) by 31st December together with their latest Report & Accounts and Impact Report.

23. The meeting will be presented with a brief by the Grants Trustee which will set out the proposals for grants together with recommendations. The brief will cover;

- our grant giving policy;
- a review of the previous year's grants;
- the funds which the charity currently holds;
- the forecast income expected from CSIS;
- CSIS Charity Fund's expected expenditure;
- the actual grants to be made to each of the widows (based on applications forms submitted by them);
- proposed grants to charities.

24. In deciding the level of grants to be made, the Trustees will take into account

- the funds which the charity currently holds;
- the forecast income expected from CSIS and our expected income;
- the reserves policy which the Trustees have agreed on;
- advice from the Treasurer on the level of grants;
- the grant giving policies which the Trustees have agreed;
- the purpose of each grant, how it would contribute to meeting the Trustees' objectives for CSIS Charity Fund and how it fits with the Trustees' agreed list of priorities;
- reports from the charities in question on how they have used any past donations and the impact the money has made; and
- any extenuating circumstances which would justify making an exception and going outside the previously agreed grant giving policies.

25. Trustees must be satisfied that:

- all grants will be used to relieve need, hardship and distress amongst serving, former and retired civil and public servants and their families, both directly and by action in the local communities in which they live;
- grants given in previous years have been spent for the purposes they were given;
- charities receiving grants are effective, financially sound and well managed;
- projects have outcomes which are clear and deliverable on time and to budget;
- conditions or restrictions will be respected and implemented.

26. After the grants meeting the Secretary will inform each widow or widower of the grant they have been awarded and will arrange the quarterly payments. The Grants Trustee will write to each charity to inform them of any grants made and any conditions attached to them. The Grants Trustee will also prepare a brief CSIS CF members and CSIS directors.

### **New widows and widowers**

27. Before any grants are considered and made to new widows or widowers the CfCS will be asked to arrange for caseworker to provide a full report. On receipt of the report the Grants Trustees

will make a recommendation on whether or not an annual or one-off grant should be made. This will be done at the next suitable trustee meeting or if urgent by email.

### **Ad Hoc Grants**

28. The Trustees are free to make further grants during the course of the year if they are persuaded of the merits of a case and feel it is unnecessary to wait until the annual grants meeting to take a decision. Normally such decisions will be tabled for decisions at the next convenient regular meeting of the Trustees. However, Trustees may be consulted on such proposals by e-mail, post or by telephone. In such cases, if at all possible, all Trustees must be consulted. A decision to award a grant can only be taken provided that at least three Trustees agree. However, any Trustee may ask that the issue be discussed at a meeting, and that request will be respected. All such grants must be subject to due diligence and considered against the criteria used at the annual grants meeting in February.

29. In addition, if an urgent request for help is received from, or on behalf of, a current individual beneficiary, or someone who is likely to become a beneficiary, the following delegated authorities will apply:

- The nominated Grants Trustee and CSIS Charity Fund Secretary can together agree a grant of up to £3,000
- The nominated Grants Trustee and two other Trustees, one of which must be either the Chairman or Deputy Chairman, can together agree a grant of up to £10,000.

This emergency procedure only applies to grants to widows and widowers and other dependants of former CSIS policy holders.

30. The Grants Trustee along with the Chairman or Deputy Chairman can agree minor amendments to the restrictions on a grant which has already been awarded, award a grant of up to £1,000 to any charity which requires a top up to an existing grant to complete a project which we have been supporting or award up to £500 to a small charity in urgent need of funds for a project which the Grant Trustee feels merits our support.

31. In all such cases, details of the grant and the reason for using these emergency procedures must be reported to the Treasurer and the full board at the earliest possible opportunity. If the nominated Grants Trustee expects to be unavailable for any length of time, he may, with the agreement of the Chairman, nominate one or more other Trustees to act on his behalf in such emergencies.

### **Audit trail and Payment of the Grants**

32. The Secretary is responsible for ensuring that all correspondence and decisions relating to grants which are approved or refused are filed and a clear audit trail can be followed.

33. Once grants have been authorised the actual payment, whether by cheque or electronic transfer, will be approved by the authorised bank signatories in accordance with the normal procedures and agreed delegated authorities. Payments made will be checked against the relevant authorisation as part of the in-year internal audit programme and the annual audit.

## Appendix A

### CSIS Charity Fund – Application Form for a Grant

Name and registration number of the charity submitting the bid:
Charity's address:
Contact name and job title:
Contact telephone:
Contact email:
Amount being requested:
Summary of the bid including what the grant is for, when the money is required, whether the bid is for a one off grant or funding is required for more than one year, and whether you are working with other charities on any project you would like us to help finance:
Who will be the ultimate beneficiaries of the grant and what difference will it make to them? What would be your own measures of success for the grant?
What alternative funding have you explored?

Please confirm that the ultimate beneficiaries will include serving, former or retired civil and public servants or their dependants in need, hardship or distress.

How will the impact on the ultimate beneficiaries be monitored and assessed?

Are the ultimate beneficiaries concentrated in one geographic area or spread around the country? If the former, please say which area.

Have you been awarded a grant from CSIS Charity Fund before? If so, please give details of the last grant awarded.

If you have been awarded a grant in the past, please describe the impact you believe the last grant you were awarded had on the ultimate beneficiaries and how the impact of the grant was monitored and assessed. What were your own measures of success for the grant? Were they achieved?

List of documents attached (should include your latest Annual Report and Accounts and any documents that you feel help to explain your bid.)



## Appendix B

### Guidance on Reporting

Grantees are asked to report in writing to the Fund on the progress and outcomes of the work being funded. Depending on the length and progress of your grant, you may be asked to provide interim reports in addition to an annual and/or final report. We ask that Grantees participate in periodic Evaluation and Survey activities to aid the Fund.

We encourage you to be as open as possible. We recognise that not everything always goes to plan and that you and we can learn a lot from such experiences. The Fund will treat information about your organisation as confidential.

The Fund will use your reports to:

- increase our understanding of your work. This will assist us if any changes to your plans, budgeting or targets are needed in future periods.
- assess the overall impact of the Fund's funding and the extent to which it is achieving its aims as a grant-maker.
- understand what you have learned from doing the work, so that useful knowledge can be shared with other grantees or other organisations with similar interests.

Schedule of recommended inputs for all Reports to the Fund:

#### Statement of the original objectives

Please state this clearly. A summary is likely to be found in the final grant proposal that you submitted before the grant was awarded.

#### Activities during the reporting period

The report should map activities undertaken and outputs/results achieved to the agreed objectives. If these are not the expected activities, explain the differences. Outline any setbacks sustained and any changes to plan that you have made.

#### Outcomes and Impact

Have you achieved intended outcomes in this period? Were there unintended or unforeseen consequences? Provide a summary of results on beneficiary impact, or other feedback. State how and when you have measured or assessed impact.

#### Full budget position

You must provide a breakdown of all expenditure against the agreed budget and account for differences (under-/over-spends). State relevant income and estimate expenditure for the remaining grant period, and explain any alterations to costings. Please email a PDF of your annual report and accounts at the earliest convenience.

#### Your organisation

Please give context to the grant by outlining where the work undertaken sits with other successes, challenges and transitions in your organisation. The report should outline material changes to personnel and organisational finances.

Final reports should address the organisation's next steps and the sustainability of the funded programme. Please state how you intend to treat any unspent funds.

Unless otherwise stated, the Fund is pleased to receive reporting by email in the form of attached documents.