

1. GENERAL CONDITIONS

All organisations receiving grant aid from Brent Council must comply with these conditions in addition to any conditions set out in the signed grant agreement. Please note that Organisation means the not for profit organisation to which Grant Aid is awarded by the London Borough of Brent.

Written Undertaking and Agreement:

Organisations receiving grant aid must:

- submit a signed grant agreement which details activities and conditions they have agreed to
- confirm that the organisation will also meet the standard conditions of grant aid
- note that the Council can withdraw grant funding if the grant agreement and/or standard conditions of grant aid are not met.

Grant Aid

Grant aid funding:

- Can only be spent on the activities for Brent residents written in the grant agreement
- Can only be spent on different activities if the council department managing the grant writes a letter to agree this
- Is only for the amount and length of time written in the grant agreement and not a promise of future grant aid
- Can only be used for project costs not core costs
- Can only be paid to an organisation who keeps paperwork to show auditors how the money has been spent
- Must be returned to the council if it has not been spent
- Cannot be used for activities or equipment already paid for or begun before the letter offering grant funding
- May not be used to support any political party
- May not be used to promote any religion or for religious activity
- May not be used for the purchase of alcohol

Where the funding for a project is due to come from the council and other funders, the organisation must make every effort to get the money from the other funders.

2. FUNDED ORGANISATION'S GOVERNANCE

Grant funded organisations must:

- Provide a copy of the adopted and signed Constitution/Memorandum and Articles of Association/Trust Deed
- Write to the Council about any changes to the Constitution/Memorandum and Articles of Association/Trust Deed
- Provide their charity registration numbers and other details if registered with the charity commission
- Have a constituted management committee in line with charity commission guidelines - with at least three members for smaller organisations, and more members for larger organisations
- Have a management committee that meets regularly in line with constitutional requirements.
- Provide the minutes and annual report form the annual general meeting
- Provide the names and addresses of the members of the management committee each year
- Make sure no member of the Management Committee takes up paid employment with the organisation within one year of their resignation from the management committee.

3. FUNDED ORGANISATION'S MANAGEMENT

Grant funded organisations must:

- adhere to relevant employment law when recruiting staff and volunteers
- make a commitment to equal opportunities
- make a commitment to high quality service provision
- have appropriate health and safety policies and procedures for staff and clients
- have appropriate insurance for the activities being undertaken by the organisation
- adhere to relevant legislation and best practice in the protection of children under 16 and any vulnerable adults

Organisations are required to submit the following as evidence of good management:

- Constitution / Memorandum & Article of Association / Trust Deed
- Where constitution requires - minutes of the last annual general meeting and the annual report
- The names and addresses of the management committee members

- Latest signed accounts or equivalent as set out in section 4
- Equal opportunities policy
- Health and safety policy
- Insurance – employer’s liability, public liability (third party) and other insurance as set out in section 5
- Child protection policy
- Protection of vulnerable adults policy
- Evidence of quality standards and accreditations
- Evidence of enhanced DBS checks for staff/volunteers working with children and/or vulnerable adults as part of a grant funded project

4. FUNDED ORGANISATION’S FINANCES

All grant funded organisations must manage their finances well by:

- having a separate bank account in its own name to receive grant payment
- having a minimum of two out of three signatories for signing cheques, at least one of whom must be the treasurer and a member of the management committee, who can approve cheques of more than £500
- maintaining appropriate systems for managing their finances including - tax payments, national insurance, corporation tax and any other taxes
- having accounts which recognise the importance of a diverse range of funders, working capital and reserves

All grant funded organisations must keep good records of all income and expenditure and:

- provide a full signed set of audited/certified accounts for the previous financial year
- list grant funding in the accounts as restricted funding
- explain in the annual report and accounts how any grant funding over £2,000 has been used
- ensure that no person involved in the preparation, certification or auditing of accounts has any business or personal relationship to another person involved in the day-to-day operation of the organisation

Which accounts?

Organisations whose gross income is less than £500,000 per annum must submit a certified statement of accounts. The accounts must be certified and signed by an independent accountant (preferably the one who prepared the accounts), and also two members of the management committee, one of whom should be the treasurer.

Organisations whose gross income exceeds £500,000, must submit an externally and independently audited statement of accounts. The accounts must be certified by professional auditors, signed and counter-signed by the chair and treasurer.

New Organisations in existence for 12-18 months can apply for up to £5,000 of grant aid, and submit a ‘Cash flow forecast’, ‘Projected balance sheet’, and ‘Business plan’ instead of accounts.

What will be assessed?

All accounts submitted will be assessed to see evidence of the requirements set out in this section. Accounts of organisations applying for grants over £10,000 will be assessed for sustainability and viability on basis of working capital and levels of reserves.

5. MANAGING GRANT FUNDED ACTIVITY

Grant funded organisations must:

- only deliver activities which fall within the organisation’s constitutional aims and objectives
- manage the activities well and ensure value for money outcomes for Brent residents
- ensure the activity delivers the stated benefits
- keep proper, up to date records about what is being funded and share this information with the Council
- declare all staff and volunteers who need them have enhanced DBS checks and provide evidence of enhanced DBS checks for staff/volunteers who require them as part of the grant monitoring process
- operate within the borough’s safeguarding procedures and train staff on safeguarding (where appropriate)
- provide a responsible person’s Hygiene Certificate where the organisation is providing catering
- take out insurance policies for all risks related to the funded activity including:

- public and employer's liability
- fire and other risks to the property
- risk arising from the use of vehicles, and
- theft or damage to property and contents and produce evidence of insurance on request
- professional indemnity (where applicable)

The Council will accept no liability whatsoever to any organisation or third party for any costs, claims, damages or losses however incurred during the funding period. The organisation shall not be or be deemed to be, an agent of the Council and shall not present itself as such to any third party.

Assets: Equipment, furniture, vehicles, computers, training and premises costs

Organisations receiving grant funding towards the purchase of equipment, furniture, computers or vehicles must:

- provide receipts for the full cost before grant funding is paid (where an organisation has insufficient funds the Council may make payments directly to suppliers as its portion of the agreed cost)
- maintain an inventory of all assets purchased with grant funding and not dispose of them within the first five years of purchase without written agreement from the council
- refund the grant funding amount requested by the council following any disposal of grant funded assets with written agreement from council (The Council will not request more than what it considers to be the equivalent to the market value of items at the time of disposal)

6. MONITORING GRANT ACTIVITIES

Monitoring ensures effective and appropriate investment of public funds for community benefit.

General Information sought about funded activities:

- progress made towards achieving activities and associated outcomes set out in the signed agreement
- evidence of activities e.g. receipts, photos, leaflets, survey results
- how activities reach target client group/s
- how activities have been promoted
- equality information about people who benefit from activities
- processes for collecting feedback from clients
- an organisational health check on the organisation delivering the project

Large Grants Monitoring

Grant funded organisations will be required to:

- provide quarterly updates on progress including information requested unless otherwise directed
- provide a budget sheet with an account of projected and actual spending at beginning of year (with the signed agreement) and 6 months into the project
- provide a completed self assessment form six months into the grant funding period which will be used as the basis for the annual monitoring visit
- be subject to a scheduled annual monitoring visit and potentially some ad hoc visits during the grant funding period. Visits will include viewing activities and speaking to clients.

Small Grants Monitoring (including Edward Harvist)

Grant funded organisations will be required to:

- provide an assessment of progress
- provide a budget sheet with an account of projected spending with quotes and receipts for actual spend at the beginning of the grant period and within one month of the signed agreement
- potentially be subject to an ad hoc visit during the grant funding period where activities are viewed and clients met

Audit

Grant funded organisations need to:

- be available for site visits from officers to meet staff, clients and members of the management committee to monitor progress or complete an audit process
- authorise vetting with appropriate agencies where concern is raised about the suitability or credibility of an organization and its governance e.g. the council deems it inappropriate to fund an organisation where trustees or the organisation itself have been found to be involved in financial irregularity, fraud or other related offences

Organisations must write to the Council about any changes to the factors that formed the basis on which grant funding was approved.

Where an organisation is involved in fraud or attempted fraud, the council will make referrals to the relevant governing body, i.e. Charities Commission, Registrar of Companies. The Council will consider criminal prosecution where the evidence and a public interest test merits this.

7. GRANT PAYMENT SYSTEM

Grants for large projects over £10k

- Payment will be made on the basis of performance monitoring and other documents requested to meet the grant agreement requirements and standard terms of grant aid.
- Payment will be quarterly in arrears and usually based on the Council's financial year
- Organisations usually receive direct payments. The council may request submission of an invoice to facilitate payment on occasion and will provide specific instructions where this applies.

Grants for small projects up to £10k

- Payment will be made on the basis of submission of receipts and other documents to meet the grant agreement requirements and standard terms of grant aid.
- Grants for one off equipment or activities will be paid in arrears after equipment has been bought or activity has taken place. Payment will follow submission of receipts
- Grants for continuous activity during the year will be paid quarterly in arrears.
- Organisations generally receive direct payments. The council may request submission of an invoice to facilitate payment on occasion and will provide specific instructions where this applies.

Edward Harvist Funding

- Payment is on the basis of submission of receipts and other documents to meet the grant agreement requirements and standard terms of grant aid.
- Grants for one off equipment or activities will be paid in arrears after equipment has been bought or activity has taken place. Payment will follow submission of receipts.
- Organisations must submit an invoice including the issued purchase order number to receive grant funding.

All Grants

- Payment is made through the Council's Oracle financial system. The use of this system in no way constitutes grant funded organisations as providers of goods or services to the council.

8. ACKNOWLEDGEMENTS

Organisations that receive grant aid from the Council shall, wherever possible, publicise Council support on all public literature, buildings and vehicles. A Council logo is available from the Council for this purpose.

9. WARNING ABOUT NON-DELIVERY AND FRAUD

The Council can recover all or part of grant funding awarded if:

- the organisation has failed to comply with any grant conditions
- the funding is not being used for the agreed purpose
- the application form was completed dishonestly or included significant incorrect or misleading information
- trustees, staff or volunteers of the organisation have acted dishonestly or negligently at any time directly or indirectly to the detriment of the grant funded project during the grant funding period

10. DISSOLUTION

The chair of the management committee of any organisation that is dissolved or, being a limited liability company goes into liquidation, shall immediately notify the Council in writing. In the event that an organisation is dissolved or goes into liquidation, any of its assets that have been bought with Grant Aid monies and/or any unexpended grant aid monies shall be returned to the Council. Unless agreed otherwise such agreements shall be on terms decided by the Council. No further grant aid will be paid to the Organisation with effect from the date of the dissolution notice.