

## **GRANTS POLICY OF THE ASSOCIATION OF JERSEY CHARITIES (THE AJC)**

### **Overall Aims of AJC:**

- To improve the lives of Jersey residents and their environment by supporting and championing the charitable activities of locally based organisations and enabling the development of their expertise, governance, growth and co-operation.

### **Introduction to AJC Grants Policy**

The AJC is an independent body and it offers a range of different grants, from small grants of under £3,000 to grants presently of up to £30,000. The size and type of the grant applied for and awarded will determine what applicants will be required to demonstrate and supply as evidence in support of their application and, also, the conditions which the AJC will impose on the award.

### **AJC Grants Policy**

- **Eligibility** – in order to be eligible for a grant the organisation must be either a Jersey charity or a local organisation who has applied for registration with the Charities Commission and not been rejected and who has been operating locally for a minimum period of 6 consecutive months. (The Committee has discretion to permit certain excepted foreign charities, who are recognised as charities under the Charities (Jersey) Law 2014, to be awarded a grant but a different application process applies. Please contact the Grants Officer.)
- **Allocation of funding** – there is no strict sector allocation policy which applies; grants are awarded by the AJC on the basis of the individual merit of each application and without any political or other agenda. However, the AJC is mindful of its obligation to encourage and support Jersey's community at large, and in doing so, it strives to ensure its funds are applied across the widest range of local charities so as offer the widest public benefit.
- **Local benefit and local need** – the AJC will only award grants to fund activities, projects or purchases whose primary purpose is to benefit Jersey, its community, its wildlife, and its environment. All applicants must demonstrate that there is a local need for the service or project to be funded by the AJC and must show that they there have checked whether there are any other existing locally equivalent services or projects.
- **Financial need and financial management**– all applicants must demonstrate they properly manage the finances of their organisation and that the organisation has clear financial need. The AJC will assess this criterium by reference to:
  - **Financial accounts** – all applicants must provide proper financial accounts. For larger organisations with more complex relationships, the AJC considers it to be good practice for an organisation's accounts to be audited.
  - **Organisational financial forecasting** – for larger grants applicants they must show they have undertaken an assessment of their likely costs and expenses for the following financial period.
  - **Restricted and Unrestricted cash position** – all applicants must be able to provide details of what cash funds they hold and what funds are designated to other purposes or restricted.

- Reserves' policy - all applicants are encouraged to have in place a formal reserves policy, appropriate to the needs and legal or regulatory requirements of the charity and its activities and, which is in line with modern charity reserves policies. In the absence of such policy, the AJC will consider any reserve in excess of 6 months operational costs excessive.
- Project budgets - all applicants must be able to demonstrate that they have costed out the proposed service or project and that the budget is realistically priced and properly linked to the proposed activities they wish the AJC to fund.
- Bank balances – all applicants must provide copies of their latest bank statements for all their accounts.
- Asset position – all applicants must detail what liquid and illiquid assets they have and any restriction on the use of these assets.
- Good governance – the AJC will take into account, before awarding any grant, the extent to which the organisation has in place policies and procedures to ensure that it is meeting recognised standards of good practice and governance.
- Sustainability – all applicants must be able to demonstrate that the activities of the charity will be able to be financed by the charity itself after any initial funding made available by the AJC. The AJC have a policy that they will not fund for more than 3 consecutive years the same activities or salaries of a charity.
- Capacity to implement/track record – all applicants must be able to demonstrate they have the experience, capacity and commitment to successfully implement the service or project they wish the AJC to fund.
- Other factors the AJC will take into account include:
  - Co-operation and alignment – the AJC believe that co-operation between local charities, government and other stakeholders, who operate in the same sector or cross over sectors, is vital to the efficiency, coherence, growth and public perception of the charitable sector on the Island so it will take this factor into account when considering grant applications.
  - Voluntary activities – the AJC values and wishes to encourage the value given to the community by the work done by volunteers. It will therefore take into account, before awarding any grant, the extent to which volunteers are involved in the work of the charity.
  - Professionalism – the AJC values and supports the shift towards greater professionalism in the charitable sector. It is willing, when appropriate, to support the cost of paid staff. In doing so, the AJC will have regard to a charity's size, the nature of its activities and its proven track record. Before awarding any grant in support of a salary, certain conditions will apply [hyperlink the following] [the AJC will wish to see formal documentation to show the board has approved: the need of such an employee; a job description; that the salary offered is in accordance with market standards; that clear objectives and targets have been set for what that employee is to achieve with review dates in place; and a plan is in place for the future funding of the role].
  - Compliance with AJC conditions – the AJC will take into account an applicant's compliance with conditions imposed on previous AJC grant awards and will expect all applicants to agree to certain basic reporting and branding conditions. For larger grants, the AJC will expect applicants to be able to meet higher standards of reporting.

- **Measurement of Performance** – the AJC believes that for charities to improve their service they should have in place certain sector recognised methods for measuring their performance proportionate to their size and complexity and that they have identified what their objectives/outcomes are for any new service or project they wish the AJC to fund.

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