

GRANT MAKING POLICY (DRAFT as of 25/1/2023)

1. About this policy

1.1. This policy applies to SAVE THE PERMAFROST (Charity), a charity registered in England and Wales (number _____)

1.2. The charitable objects of the Charity are, in accordance with the Charity constitution:

(a) to research causes and/or effects and ways to prevent and/or mitigate the impacts of climate change on thawing of the permafrost, and/or study specifically how and where the thawing permafrost releases dangerous levels of methane and/or other GHGs;

(b) to take actions to prevent and/or mitigate the causes and effects of climate change on thawing of the permafrost; prevent and/or mitigate releases of dangerous levels of methane and/or other GHGs into the atmosphere by the thawing permafrost that further accelerate global warming;

(c) to educate, to raise awareness, disseminate knowledge about the actions urgently needed to mitigate the effects of climate change on thawing of the permafrost that releases dangerous levels of methane and/or other GHGs into the atmosphere that further accelerate global warming and ways to adapt life on the permafrost to the environmental changes;

(d) to support local indigenous communities living in the areas of the permafrost to survive, get relief and/or adapt to the detrimental effects caused by the physical damages into the landscape as a result of the thawing permafrost and/or releases of dangerous GHGs. (Objects).

1.3. The Charity is governed by the charity trustees of the Charity (Charity Trustees) who have a duty, acting at all times in the best interests of the Charity, to apply the Charity's assets to advance the Objects and have ultimate responsibility for all grant-making decisions.

1.4. The purpose of this policy is to set out the principles and procedures that guide the Charity Trustees when they are making grants to further the Objects. It also provides information about the Charity's grant-making process to anyone who is applying to the Charity, or would like to apply to the Charity, for a grant.

1.5. In this policy references to persons who are "connected" with a Charity Trustee mean:

(a) a child, stepchild, grandchild, parent, brothers or sister of a Charity Trustee;

(b) the spouse, unmarried partner or civil partner of a Charity Trustee or of any person falling within paragraph (a) above;

(c) any person who is in a business partnership with a Charity Trustee or any person who is in a business partnership with any person falling within paragraph (a) or (b) above; and

(d) any company, business, trust or organisation in which a Charity Trustee (or any other person connected to them) has an interest as a beneficiary or through ownership, control or influence;

(e) any other person as described in the clause 30 of the CIO constitution under 'connected persons'.

2. Our funding priorities

2.1. The Charity Trustees are keen to support activities that advance the Objects in an effective way. However, they recognise that a limited amount of funds is available to distribute each year. The Charity Trustees' current funding priorities are:

- (a) increasing understanding and awareness of the problems with the permafrost thawing.
- (b) making a positive impact on a group or community towards sustainability.
- (c) projects with longevity and comprehensive scope.
- (d) working with individuals/organisations who can demonstrate clear strategy.
- (e) projects which will be enabled by receiving the full grant applied for.
- (f) rapidly delivering contributions to knowledge base and/or direct benefits.

2.2. The Charity Trustees will not normally support:

- (a) projects situated outside the designated area of concern (non-permafrost related).
- (b) funding for overheads.
- (c) projects which benefit a sole individual.

2.3. The Charity Trustees will occasionally award grants that fall outside the priorities stated in this policy, provided that they are satisfied that the grant will further the Objects and is an appropriate use of the Charity's funds.

2.4. The Charity Trustees will review the grant-making priorities and principles set out in this policy annually.

3. Who can apply for a grant

3.1. The Charity Trustees welcome proposals that support their funding priorities from organisations and individuals, although the Charity Trustees are particularly keen to support smaller causes for which the sum awarded will make a large impact.

3.2. The Charity Trustees will award grants to applicants globally provided they:

- (a) are registered as charities with the Charity Commission or equivalent national regulators of the countries of operations; and/or
- (b) qualify as charities under the laws of the country of registration; and/or
- (c) have a charitable focus and can evidence that the charitable cause has a dedicated bank account. The Charity Trustees will also consider proposals from non-charitable organisations for funding a charitable purpose, provided the trustees are satisfied with the due diligence process according to clause 8 of the Policy.

3.3. The Charity Trustees will not award grants to an applicant that has:

- (a) previously submitted a proposal where the applicant failed the Charity Trustees' due diligence checks and the issues identified at that time have not been addressed;

(b) received a grant from the Charity at any time during the immediately preceding financial year of the Charity.

4. What we will fund

4.1. The Charity Trustees have full discretion in grant making unless donated funds have specific aims as conditions of donation. These requests should always align with the objects of the Charity.

4.2. All grants awarded by the Charity must be used to cover costs that are directly connected to carrying out the charitable activities that the Charity Trustees have agreed to fund (Funded Activities). Unless the applicant is able to demonstrate that the expenditure is essential for, and directly linked to, the Funded Activities, grants must not be used to fund any of the following types of expenditure:

- (a) salary costs;
- (b) contributions to the cost of overheads; and
- (c) contributions to the cost of financing the organisation. (e.g. loan repayment.)

4.3. The Charity Trustees will award grants to fund up to 100% of the cost of a proposal. However, the Charity Trustees will consider funding part of the cost of a proposal where the total cost is shared with one or more other funders.

4.4. If a grant covers part of the cost of a proposal, the Charity Trustees will require the applicant to provide details of the other funder(s) and the funding that they have secured or applied for (including any loans or other commercial funding). The Charity reserves the right to perform due diligence on the other funding partners in accordance to the clause 8, Due Diligence.

4.5. If the grant covers only part of the cost of the proposal and additional funding is not yet in place the grant will be withheld until the additional funding required has been secured by the applicant.

5. How to apply for a grant

All proposals must be made in the form that can be accessed through the Charity's website or email.

5.1. If the application is made by or on behalf of an organisation, the following must also be provided with the proposal:

- (a) if the organisation is a charity or limited company:
 - (b) its registered charity number(s) as issued by the Charity Commission or similar regulator in the country of registration; and/or
 - (c) if it is a charity that is not required to register with the Charity Commission or similar regulator (because it is either an exempt or excepted charity, or has income below the registration threshold), evidence of its charitable status;
 - (d) if it is a limited company, its Companies House company number in the UK or similar registrations in the country of registration.
- (e) confirmation that the organisation has a dedicated bank account.

5.2. If the applicant is a non-charitable organisation the proposal must also:

- (a) provide evidence that the organisation has a bank account; and
- (b) demonstrate that all the activities in the proposal will qualify as being charitable and for the public benefit.

6. How we make decisions about grants

6.1. The Charity Trustees have ultimate responsibility for all grant-making decisions and for ensuring that all funds awarded are used to advance the Objects.

6.2. The Charity Trustees must declare the nature and extent of any interest, direct or indirect, which could, or could be seen to, prevent them from making a grant decision only in the best interests of the Charity. Situations in which a conflict of interest may arise include where:

(a) a Charity Trustee (or a person connected to them) stands to benefit from a grant from the Charity [(see paragraph 7 (Grants to Charity Trustees or connected persons))]; or

(b) a Charity Trustee has a duty of loyalty to a third party that conflicts with their duty to the Charity. Any such conflict of interest must be declared and managed by the Charity Trustees in accordance with the Charity's conflicts of interest policy.

6.3. Applications will be assessed against the criteria of a scorecard, which is as at the date hereof as follows but will be subject to annual review:

- a) *Impact: How many people will benefit from the grant?*
 - a. 1-5 people
 - b. 5-20 people
 - c. 20+
- b) *Longevity: For what length of time will the grant be impacting the community?*
 - a. Single event
 - b. A programme of events
 - c. Ongoing impact
- c) *Feasibility: Applicant demonstrated feasible plan with clear cost breakdown and planned timescales, analysis of potential impact of a grant, a strategy to raise additional funds if required and clearly defining the group that will be impacted by the project.*
 - a. Further fundraising needed to enable the project
 - b. Grant, if awarded, will be sufficient to enable project
- d) *Time frame: Can the project be completed in a timely fashion to deliver benefits to the community of the public?*
 - a. Project can be completed withing 12 months or receiving the grant.
 - b. Project can be completed withing 6 months or receiving the grant.
 - c. Project can be completed withing 3 months or receiving the grant.
- e) *Aims: How many of the Save the Permafrost's objects will be addressed by the project? A project is ineligible if it does not.*
 - a. One
 - b. Two
 - c. Three
 - d. Four.

6.4. The Charity Trustees may delegate certain decision-making responsibilities In particular:

(a) the Charity Trustees have appointed an individual to review grant proposals and complete a score card for each application.

(b) before making a decision to award a grant, the Charity Trustees may ask anyone they consider has relevant expertise or experience to provide them with information and to join in their discussions, but not to take any part in the final decision.

6.5. The Charity Trustees will make their grant-making decisions by reviewing the scorecards and applications for each proposal. A meeting to assess the applications must be attended by all trustees.

6.6. In all cases where a recommendation is made to them to award a grant, the Charity Trustees may (in their absolute discretion) refuse to approve that recommendation, particularly if they consider that a grant would not be an effective way to further the Objects, or would conflict with the Charity's policies or interests.

6.7. The Charity Trustees may take up to 3 months to consider grant proposals and decide if they will award a grant or not.

6.8. The Charity Trustees will inform applicants of their decision in writing.

6.9. If an applicant is awarded a grant, the Charity Trustees will:

(a) set out the key terms of the grant and any conditions that are attached to it in a grant letter; and

(b) ask the applicant to sign the grant letter to indicate that they accept the terms and conditions.

6.10. If the Charity Trustees decide not to award a grant for a proposal the Charity Trustees may, if requested by the applicant, give the applicant such written feedback on the reasons for their decision as they consider appropriate.

6.11. The Charity Trustees' decision whether to award a grant is final.

7. Grants to charity trustees or connected persons

7.1. Nothing in the Charity's articles of association authorises a Charity Trustee or any person connected to them to receive a benefit from the Charity as a beneficiary of the Charity.

7.2. If an application for a grant is made to the Charity by a Charity Trustee, or a person connected to them, the non-conflicted Charity Trustees may therefore consider making the grant in accordance with this policy.

7.3. If a Charity Trustee, or a person connected to them, applies for a grant the conflicted Charity Trustee must:

(a) absent themselves from any discussion of the grant application by the non-conflicted Charity Trustees; and

(b) have no vote and not be counted as part of the quorum in any decision of the non-conflicted Charity Trustees on the grant.

8. Due diligence

8.1. When the Charity Trustees are considering a grant-funding proposal, they will undertake due diligence checks on the applicant. The checks that are undertaken will vary according to the Charity Trustees' assessment of any risks associated with the proposal or the applicant.

8.2. Due diligence may include requesting details of, and taking such steps as the Charity Trustees consider to be reasonable to scrutinise, any of the following:

- (a) the applicant's governing documents;
- (b) if applicable, the applicant's status as a charity, including (where it is required to do so) evidence that the applicant has been registered with a charity regulator;
- (c) the applicant's latest accounts and financial position;
- (d) the identity of the applicant's directors, trustees, executive committee or other key personnel, in particular, to seek to establish whether they are authorised to act in that capacity;
- (e) the applicant's governance and operational structures and practices;
- (f) the applicant's internal financial controls;
- (g) relevant operational policies and procedures that the applicant has in place, for example, in relation to safeguarding children and vulnerable adults, and on equality and diversity;
- (h) the applicant's aims and values; and
- (i) any external risk factors that might affect the proposal.

8.3. In cases where the applicant will receive support from another funder, or works with a partner, the Charity Trustees may undertake due diligence on that funder or partner.

8.4. The Charity Trustees will keep a written record of any due diligence that they undertake.

9. Reporting requirements and monitoring

9.1. The Charity Trustees will take steps to monitor the use of the grant and verify that the grant is used for the purposes that have been agreed. The arrangements for monitoring will vary according to the nature of the grant, but the Charity Trustees will always seek to ensure that the arrangements are appropriate and proportionate.

9.2. Arrangements for monitoring use of the grant may include asking the recipient to provide any of the following:

- (a) copies of formal records such as receipts, invoices, bank statements and management accounts to show that funds have been used for the purpose for which they have been awarded and in accordance with the terms of the grant;
- (b) regular written or verbal updates showing progress to date, summarising key achievements or problems encountered, indicating whether targets have been met and giving reasons for any delay in implementing work funded by the grant;

(c) a final written report on completion of the work funded by the grant, showing how funds have been spent, evaluating where the work has been successful and identifying lessons that can be learnt; and

(d) information about any proposed changes to the proposed activities.

9.3. If appropriate, the Charity Trustees may also visit grant-funded activities and interview individuals involved in running those activities. The charity may wish to produce a case study on the funded cause for its website or promote cause in the local media.

9.4. Basic monitoring requirements will be set out in the grant letter. However, the Charity Trustees may take any additional steps to monitor the use of grant funds that they consider appropriate.

10. Clawback and repayment

The Charity Trustees may require repayment of all or any part of the grant if:

(a) the project or purpose for which it was awarded does not proceed;

(b) part of the grant remains unused when the activities that the grant was intended to fund have been completed; or

(c) the grant is used for a purpose other than that which has been agreed.

11. Reviewing and amending this policy

11.1. This policy will be reviewed by the Charity Trustees at least annually.

11.2. The Charity Trustees may vary the terms of this policy from time to time.

Signed:
