



# **Local Compact**

## **Code of Practice on Funding**

**March 2008**



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## 1. Introduction

### **What is the funding code of practice?**

- 1.1 This code of practice is one of a number of codes of practice that support Dudley Community Partnership's (DCP) Local Compact. It aims to make a positive impact on the funding relationship between public sector agencies and the voluntary and community sector (VCS) in the Dudley Borough and will underpin the principles laid down in the Compact. This code is intended to be of advantage to both the public sector agencies and the VCS. It is based on a shared vision of the role of the public sector agencies' funding.

### **The Dudley Compact**

- 1.2 The Dudley Compact was published in 2002 and is an important building block in improving and strengthening relationships between the local sectors. It recognises the unique role and added value of the work of the voluntary and community organisations (VCOs) and has been endorsed by the DCP as well as a wide range of organisations in both sectors.

### **Aims and context**

- 1.3 This code has been drawn up using the Government's Compact Code on Funding and other sources by a sub-group of the Compact (now the Stronger Communities) Steering Group. It applies to the public sector agencies (and their individual directorates) and the VCS in the Borough.

- 1.4 This code of practice aims to:

- improve the funding relationships between the public sector agencies and VCS in Dudley Borough
- recognise that by working together the sectors can achieve more for people and communities in Dudley Borough
- recognise that the sectors have common interests
- recognise the diversity of the sectors
- provide clear and realistic expectations for all involved parties
- recognise the specific challenges faced by the sectors within Dudley Borough

- 1.5 This code will help to develop and maintain effective procedures, resulting in sound funding decisions that support well delivered services and programmes.

- 1.6 It is important to recognise issues of proportionality. Some of the areas within this code will appear overly bureaucratic, particularly for smaller community groups which are entirely run by volunteers, or where the amount of funding is small. It is important to have a balanced approach to these, which will allow such groups time to develop and work towards achieving the areas of good practice.

- 1.7 This code covers all the funding given in grants to the VCS by the public sector agencies, including partnership-based programmes where a statutory

agency is the lead agency or accountable body. Public sector agencies also fund VCOs to deliver their objectives under contract, usually in competition with other service providers from the statutory and private sectors. This would be through the procurement/tendering process. This code *does not* apply to those contracting arrangements that are governed by their own set of rules. However, under their financial regulations, the public sector agencies will make sure the VCOs have fair and equal access in competitive tendering situations.

- 1.8 Public sector agencies retain the right to decide what is provided through grant aid and what is provided through contracting. They will make sure this is clear in each case. Definitions of grant aid and contracting are given below. Further information about the status and application of the Compact and this code is given throughout this document. Individual public sector agencies will also have their own rules or regulations governing funding for VCOs, for example covering approval processes, which the agencies will need to ensure that they follow alongside this code.

### **Grant aid and contracting definitions**

#### **Grant aid**

- 1.9 Grant aid refers to those situations where a local funding body, e.g. Metropolitan Borough Council or Primary Care Trust makes funding available to VCOs to provide services which it does not undertake itself or to meet identified gaps. The organisations applying for funding describe the service they are going to provide and the needs they will meet.
- 1.10 The funding body will make its assessment against the criteria for the funding programme. This also applies to funding from the Government through partnership programmes that local funders manage. Organisations receiving grant aid will agree to certain terms and conditions that set out how the funding is managed and used. Traditionally, the local funding body has done this through annual grant aid rounds.
- 1.11 Increasingly local funders are entering into service level agreements (SLAs) with organisations that they have funded for a number of years. These differ from traditional grant aid in that there is some negotiation between the funding body and the organisation about the service they will provide. This becomes the subject of a written agreement. Under the Local Compact, a standard SLA was drawn up for this purpose. Because the VCO still plays a lead role in specifying the service and the way it will be delivered, SLAs fall within the area of grant aid, not contracting.
- 1.12 Small grants will not usually require a SLA and will instead continue to have less exacting and detailed conditions and monitoring requirements due to the small sums involved. As a guide, small grants are considered to be of £5,000 or less.

## **Contracting**

- 1.13 Contracting covers the situations where the funding body invites bids from external organisations to provide a service that the partner either has to provide by law, or which it has made a local decision to provide, within its legal powers.
- 1.14 The funding partner writes a specification for this service and invites bids (or tenders) within the procedures laid down in their financial regulations. The specification says what the service is and how it will be delivered. The organisations bidding say how they will provide the service the funding partner has specified. The financial regulations state how this process of tendering for services is carried out, including making sure there are fair opportunities for external organisations to bid in order to run the specified service.
- 1.15 Contracting and commissioning processes are constantly developing and evolving, and VCOs are advised to consult with the appropriate commissioning officer regarding the process. This may vary across public sector agencies and between their directorates.

## **Scope and application of the code**

- 1.16 This code of practice is not a legally binding document. Recognising the diversity of the VCOs and their activities, it should be seen as an enabling mechanism to enhance the relationship between DCP partners and the VCS. Its authority is derived from its endorsement by the DCP and by the VCS itself through its consultation process. The code covers the member organisations of the DCP and applies to the range of organisations in the VCS.
- 1.17 The development of action plans to implement the good practice guidance in this code will be the responsibility of DCP partners and the range of organisations in the VCS. Where they do not follow this good practice, they must satisfy themselves that, if asked, they have good reasons for not doing so.
- 1.18 The DCP will encourage all partners to adopt the Local Compact and its associated codes of practice. This is particularly important given that most voluntary and community activity takes place at the local level and local organisations benefit from funding programmes that are passed down from central Government and administered by local public spending bodies. For this reason, funders should look to this code of practice when considering their own rules, regulations or guidance covering the administration of such funding.
- 1.19 The operation of this code will be reviewed alongside the Local Compact.

## **2. Statutory funding and the voluntary sector**

2.1 The public sector agencies provide a substantial amount of the VCS's income annually. This includes Government grants such as the Neighbourhood Renewal Fund and the Carer's Grant that the public sector agencies administer. In doing this the public sector agencies enable VCOs to add to the original value of this funding by:

- using their expertise to inform and implement policy
- promoting equality, social inclusion and alleviating poverty
- fostering, supporting and empowering service users, volunteers and active communities
- building bridges between the public sector and communities
- providing high quality services which are complementary, or additional to, public services
- identifying new needs and better ways of meeting existing needs
- bringing other resources into Dudley Borough

### **Specific areas for funding**

#### **Voluntary and community sector infrastructure**

2.2 The DCP recognises the need to support the development of the VCS's infrastructure. Infrastructure organisations have a role to develop the effectiveness of other VCOs which operate within a specific geographical or specific subject area. Some provide general help and services about a wide range of activities such as fundraising, management issues or constitutional advice. Others concentrate on specific areas of interest such as volunteering.

2.3 Infrastructure organisations, both generalist and specialist:

- are important in promoting partnership between VCOs and the public sector agencies
- are a channel for communication with their members
- provide capacity building support for organisations delivering services to communities

#### **Meeting the needs of small community organisations**

2.4 In Dudley Borough, the majority of organisations are small and community based. The DCP will take steps to make sure small community organisations can access relevant funding programmes. These will include:

- offering small grant programmes which look to streamline procedures as far as possible, that are consistent with the need for the effective protection of, and proper accountability for, public money
- considering how funding policies, procedures and practices will impact on community organisations
- promoting the active involvement of community organisations in the design and evaluation of programmes

## **Principles of funding**

### **Public sector agencies' undertakings**

2.5 Public sector agencies within DCP are committed to establishing and maintaining good practice in the way in which they fund the VCS. The public sector agencies will implement an effective funding framework that:

- ensures funding supports the achievement of the objectives of the partnership
- helps to ensure value for money is obtained
- provides effective protection of, and proper accountability for, public money
- respects the independence of the VCS and their right to campaign, irrespective of any funding relationship that might exist
- responds to the VCS's need for greater financial stability to enable it to fulfil its strategic role, and improves the sustainability of and longer term planning for organisations, for example, by providing three-year funding where possible
- ensures consultation with relevant VCOs on the development of new funding programmes and the evaluation of existing programmes
- communicates information on new funding streams to maximise external funding
- recognises the importance of funding core costs
- supports investment in the capacity of the VCS's infrastructure
- promotes fair access to all types of funding, and provides clarity in the objectives of funding programmes and their eligibility criteria
- takes into account the particular needs of socially and economically excluded communities, disabled people, black and minority ethnic communities, and small or other organisations that may in the past have had more limited access to public funds
- ensures effective co-operation and co-ordination between different agencies, or different departments of the same agency, when funding activities that cover more than one agency's or department's responsibilities or interests
- promotes openness, fairness and consistency, in the application and assessment processes
- ensures clarity and greater consistency in funding conditions
- ensures a consistent and proportionate approach to monitoring and evaluation
- provides effective arrangements where public funding is matched with funding from other agencies
- encourages feedback and responds to any concerns/complaints effectively through agreed complaints protocols

### **Voluntary and community sector undertakings**

2.6 The VCS recognises that the receipt of public sector agencies' funds carries with it responsibilities, both to the funding body and to the people who benefit from the services provided. The VCS is committed to pursuing good practice

in the administration and use of public funds, appropriate to the scale of the funding and the organisation, covering:

- effective systems for the management, control, accountability, propriety and audit of finances
- compliance (by groups that hold charitable status) under the accounting framework for charities, guidance from the Charity Commission and other accounting frameworks where appropriate
- clear, fair and effective employment policies, management arrangements and procedures
- policies for ensuring equality of opportunity in both employment and service provision
- the involvement of volunteers (see the DCP's 'Local Compact - Code of Practice on Volunteering')
- compliance with relevant legislation
- appropriate insurance cover
- systems for planning and implementing work programmes
- systems for monitoring and evaluating activities against agreed objectives/outcomes
- systems for quality assurance and accountability to service users, and the involvement of users, wherever possible, in the development and management of activities and services
- public acknowledgement of the agency's funding
- appropriate customer feedback procedures.

### **3. Types of funding and core costs**

#### **Types of funding**

- 3.1 Public sector agencies currently operate within financial constraints that inevitably affect the level of funds available to support voluntary sector activity. Public sector agencies recognise that VCOs have a variety of funding needs, including core management and administration costs (see Appendix 1) which must be met if they are to operate efficiently.
- 3.2 An over-reliance on public sector core funding (or any other single source of funding) is, however, both unsafe from an organisation's viewpoint and unfair to other groups if it prevents them from gaining access to the funding. VCOs should therefore seek to develop packages of funding from various sources, including public bodies, charities and self-generated/earned income. The aim is to strike a balance between supporting an organisation's core activities, providing the bedrock for attracting added investment from other funders, and encouraging new enterprise and initiatives in response to changing needs and priorities.
- 3.3 It is recognised that there are other ways of providing core support, for instance by providing accommodation, expertise, and IT support.
- 3.4 Public sector agencies and VCS partners have identified that by coming together to share and develop funding expertise and information, they are able to make better use of other funding opportunities such as Lottery, Government and charitable funding sources.
- 3.5 Funding bodies should recognise that all organisations can expect to hold reserves and the Charity Commission provides guidance for charities in its leaflet CC19 (available on the Commission's website at [www.charity-commission.gov.uk](http://www.charity-commission.gov.uk)). In practice, many charities hold reserves well below these levels.

#### **Multi-year strategic funding**

- 3.6 The public sector agencies recognise the importance of sustainability of funding, enabling VCOs to meet longer term aims to:
  - ensure capacity exists
  - promote longer term planning and stability
- 3.7 This funding will be subject to considerations of quality and value for money (see the standard SLA for more details).
- 3.8 Multi-year strategic funding is used to support the core operational activities of a group. Examples of when it can be applied include:
  - where the funder wants to assist a particular target group

- where the funder recognises the particular value of a group (its track record or strategic position) and its role in the wider voluntary sector, and wants to support that role
- where an organisation is able to deliver services that meet the objectives of the funding in a more effective way than if the funder provided the services itself

3.9 Where there is a commitment to strategic funding it will form part of an ongoing relationship between the partner and the funded group. Funding of this type will usually be considered over longer periods, and be based on a number of factors including:

- the availability of funding
- value for money
- a mutually agreed framework for monitoring and evaluation
- formal review processes

3.10 The likely duration of a funding arrangement will be made clear at the beginning. Strategic funding tends to be granted for three-year periods, during which a funded group may submit an application for renewal of funding. The value of strategic funding, in terms of improving the stability of VCOs and their ability to plan for the longer term, can be enhanced further if funders adopt a rolling programme of funding. Funded organisations could be granted funding for three years which, subject to a satisfactory annual review of progress against mutually agreed objectives and the availability of resources, could be eligible for rollover as detailed in the recent Government White Paper, “Strong and Prosperous Communities”. In this way funded organisations would have reasonable certainty of funding for the next three years. The annual review process reflects the fact that strategic funding is, however, not an open-ended commitment to a VCO, and that the partner must retain the ability to exit from the relationship. The funder will make clear the circumstances under which the funding arrangement may be ended.

#### **Development funding**

3.11 Development funding may be given to help VCOs grow or develop their capacity, particularly new or emerging organisations.

#### **Match funding**

3.12 Where match funding is appropriate, it can:

- help secure a broader base of support for funded work
- enable funding programmes to support many more applications than would otherwise be the case
- avoid an over-reliance on partner funding

3.13 The partner and the funded group will agree exactly what is eligible for match funding. Consideration will be given not only to financial contributions but also to volunteer time and “in-kind” contributions such as donations of equipment, premises, materials etc. Any claims for contributions will be based on fact and values placed on them. Care should be taken with how records of

volunteer time are to be kept to avoid imposing unrealistic requirements on volunteers and the groups they help, while remaining a credible system of recording the time.

### **Partnership-based initiatives**

- 3.14 The DCP, or its member agencies, may not be fully in control of all aspects of every funding regime. This may be particularly the case where the partnership, or a member agency, is the lead and the accountable body for funds received through a government programme such as the Neighbourhood Renewal Fund. Whilst this code applies to such government programmes, there may be rules, criteria or timetables, required by the programme set nationally or regionally which may vary with what is set out in this code. The DCP and its member agencies will, in these cases, apply the code as far as it is able to do so.
- 3.15 Where a programme's objectives include securing involvement from across different sectors, individual agencies will consider what action is needed to facilitate such involvement, for example, consulting relevant VCOs prior to the introduction of a programme.

### **Cross-council or agency funding of voluntary and community organisations**

- 3.16 Where partnership-based funding is granted, it makes sense for a funding relationship to develop with a single agency or Council Directorate with whom the organisation shares most of its objectives. This allows agency officers to get to know the organisation and allows there to be a single source of advice and expertise to each group and for accountability processes to be clear.
- 3.17 There are, however, some organisations which may be funded for activities that relate to the interests or responsibilities of two or more agencies or Council directorates and have no obvious lead. In these cases, the agencies involved will agree one agency or, if this is within the Council, one directorate, that will take the lead responsibility and ensure co-ordination and co-operation between all the agencies/directorates involved.

## **4. The application and assessment process**

### **The application process**

- 4.1 Access to funding will be via a clear application process. Prior to the commencement of this, the partners in DCP and the public sector agencies will:
- make details of the funding programmes as widely available as possible through, for example, the press, umbrella and intermediary organisations, voluntary sector networks, directories, newsletters and the internet
  - give appropriate advance notice of new funding programmes before the application process starts
- 4.2 In order to make the management of funding programmes more consistent and create a standard approach, the public sector agencies will use a funding application form. Models of forms for large grants/SLAs and for small grants are given at Appendices 2a and 2b. Whilst all organisations must use the appropriate form as the basis of an application for funding, in some cases there may be a requirement for additional information to that set out in the model form. The need for such additional requirements will be set against the principles of good regulation (transparency, accountability, targeting, consistency and proportionality).
- 4.3 The public sector agencies will not only provide funding application forms and accompanying guidance electronically, but will also, when circumstances permit, move towards providing a facility for the electronic completion of grant applications via the internet.
- 4.4 Application packs for individual grant programmes will be prepared and cover:
- general information about the funding organisation
  - background information on the policy aims and overall objectives of the programme
  - the statutory authority under which the programme operates
  - where, and to whom, the programme has been publicised
  - the expected lifespan
  - eligibility criteria
  - the actual or likely amount of funding available under the programme
  - the type of grants available (e.g. capital, revenue, etc)
  - the minimum and maximum size of grants
  - any match funding requirements
  - a timetable
  - information about how successful applications will be chosen
  - details of any outside organisations to be consulted on applications, e.g. other directorates
  - the arrangements for notifying and publicising the grants awarded and giving feedback on unsuccessful applications

- an explanation of how monitoring and evaluation will be carried out and how performance targets and indicators will be agreed
- an application form and guidance notes for its completion
- a contact point for further information and advice
- how a list of successful applicants will be publicised

4.5 The DCP partners and public sector agencies will also:

- where necessary, provide information in other formats
- give positive encouragement to applications from those types of organisations that tend to have limited access to funds, including those from socially and economically excluded communities, disabled people, and black and minority ethnic communities, and small or emerging organisations
- recognise the potential of faith organisations to contribute to social inclusion as being distinct from the promotion of religion (a failure to understand this distinction could lead to faith organisations being incorrectly assessed as ineligible for funding)
- provide a timetable for applications that is mutually realistic (for example, not less than three months and ideally longer) and allows membership organisations to assist in the dissemination of information about the grant programme and to offer guidance and support
- offer an opportunity, where practical, to discuss potential applications with applicants
- where possible provide detailed briefings for advice givers in umbrella or support organisations and direct training with potential applicants about the funding programme and application process
- review adherence to the above arrangements

### **Joint bids**

4.6 Organisations may want to make a joint application. This will be encouraged where there is a clear advantage in doing so because they:

- help achieve value for money
- make sense in terms of the viability of the project and the individual partners
- bring benefit to the organisations and service users through sharing expertise and resources (for example, where the savings generated could be used to add value to the service)

4.7 The joint bid will identify the partner that will be responsible for the grant and there will be a clear procedure for operating it. This approach can also be an effective way for larger VCOs to assist smaller community organisations to access resources. Terms and conditions for joint bids will be negotiated with the relevant commissioners. There is a requirement for all partners with mutual responsibility to meet the criteria for funding.

- 4.8 The public sector agencies undertake to give positive consideration to the opportunities that exist for greater partnership working between VCOs.

**The assessment process**

- 4.9 The DCP recognises that assessment processes should be open and objective and, where appropriate, any conflicts of interest declared. A good practice guide that provides help for funding organisations on assessing funding applications can be found at Appendix 3.

## 5. Notifying decisions and providing funding

### **Funding with service level agreements (SLAs)**

- 5.1 The funding body will give a provisional decision on funding at least two months before the grant is due to start or be renewed. Final decisions will be given once the funder's annual budget is confirmed. Applicants will be kept informed of any delays in the process resulting in the published timetable not being adhered to.
- 5.2 The funder will give applicants clear information about how to respond if they feel they are being unfairly treated and what options they have for challenging final decisions.
- 5.3 The process will be completed by negotiation and signing of an SLA using the agreed standard SLA format.
- 5.4 Where an application is not funded to the full amount requested, the implications for the funded organisation will, where possible, be discussed with them in advance of any final recommendation.
- 5.5 Where an application is rejected, the applicant will be advised when and how they can receive feedback on the reasons for the refusal and this will be within a time limited period.

### **Small grants (generally £5,000 or less)**

- 5.6 The funding body will give a final decision to an applicant at least one month before the grant is due to start. The applicant will be kept informed of any delays.
- 5.7 The funder will give applicants clear information about how to respond if they feel they are being unfairly treated and what options they have for challenging final decisions.
- 5.8 Where an application is not funded to the full amount requested, the implications for the funded organisation will be considered and, where possible, discussed with them in advance of any final recommendation.
- 5.9 Notification documentation will include:
  - the amount and period of grant
  - the purpose for which the grant is made, listing any specific exclusions
  - standard terms and conditions
- 5.10 Where an application is rejected, the applicant will be advised when and how they can receive feedback on the reasons for the refusal within a time limited period. The applicant will be given a contact point to raise any query they may have in respect of whether their application was assessed in accordance with the grant programme's published process.

### **Publicising grants awarded**

- 5.11 The funding programmes will include clear arrangements for publicising a list of grants awarded. The arrangements will be specified in the guidance notes for each programme unless there is a clear reason why this is detrimental to particular vulnerable service user groups.

### **Providing feedback on grant applications**

- 5.12 The funder recognises the importance of providing feedback to grant applicants. However, the provision of feedback on an individual basis can take up a lot of resources and might not always be possible. Individual feedback might, for example, be included in notification letters by using a 'tick box' format. Funding organisations can also provide information on a collective basis, setting out the main reasons for success or failure. A proactive approach is also very helpful, for example, through workshops to share best practice from successful applications. Membership and infrastructure organisations also have an important role in developing and sharing best practice to assist the capacity of VCOs to make high quality applications for funding.

### **Standard funding conditions**

- 5.13 Although funding conditions inevitably refer to the activities that have been specified in an agreed work plan, it should be recognised that circumstances can arise where it will be in the interest of both the funder and the funded organisation to agree revisions to the work plan. The funding organisation and the funded organisation should sign and record an agreement to any revisions.

### **Specific conditions**

- 5.14 The funder will make clear any requirements about the sale or other disposal of any assets or equipment brought with its funding, before any grant is made for such items.
- 5.15 An appropriate condition will also be applied to any copyright or intellectual property issues that might arise as a result of the grant or contract.

### **Payment procedure**

- 5.16 All payments will be processed in line with the funder's financial procedures. No payments will begin until a letter of acceptance has been returned signed by the named contact and either the chair or other designated officer of the group. The inclusion of a specified date for the return of the acceptance letter will help to ensure that payments can begin on time.
- 5.17 The funder recognises that many VCOs do not have the resources to undertake work and receive payments afterwards, therefore payments will usually be made quarterly in advance.
- 5.18 A decision on the frequency of payments should relate directly to the size and type of the grant and the group. A simple form of certification will be sufficient to allow the release of funds. The funded group would make a statement that any previous grant has been spent or allocated for the purposes for which it

was given at the end of the financial year. The group will be able to back this certification up with proper records.

- 5.19 The funding body will decide what controls might be necessary to monitor the continuing viability of a funded group. No further grant payments will be made if doubts about a group's financial viability arise. In such circumstances the funder, in consultation with its lawyers and auditors, will review the situation in line with section 6 of this code.

#### **Using underspends**

- 5.20 Under the terms and conditions of the grant, the funded group will notify the funding body of any anticipated underspend as soon as possible. Should underspends occur within an individual grant and the funding body is able to allow the funding to remain with the funded group, mutual agreement will be reached on how the funding can be used.

- 5.21 If an underspend occurs within overall funding programmes and the funding body allows the underspends to remain:

- its availability will be publicised and bids invited as soon as possible, or
- the funding body will revisit any 'reserve list' containing applications which were unable to be supported the first time due to lack of funds, or
- the funding body will revisit any reductions in grant to funded organisations to see whether previous levels of grant could be reinstated or be carried forward to the next financial year.

#### **End of year flexibility**

- 5.22 Organisations in receipt of funding for more than one year and who are correctly meeting the terms and conditions of their funding, will be allowed to carry over a reasonable fund from one financial year to the next, proportionate to the size of grant. Under these circumstances, organisations must seek the prior agreement from their funding body for this.

## **6. Monitoring and evaluation**

### **Financial reporting**

- 6.1 Public sector agencies will not demand more stringent accounting and auditing requirements of charities than required by the Charities Act, nor of companies by the Companies Act, and these will be related to the size of the organisation and of the grant.
- 6.2 The document “Accounting by Charities. Statement of Recommended Practice” sets out best practice and follows a similar format to the accounting requirements for limited companies, with the main exception being the production of a statement of financial activities instead of a profit and loss account. These requirements are felt to be proportional and there is a reduced burden for smaller charities.
- 6.3 The Charity Commission has produced a leaflet, “Charity Accounts: The Framework (2005) (CC61(a))”, available on the Commission’s website at [www.charity-commission.gov.uk](http://www.charity-commission.gov.uk). In order to qualify to prepare its annual accounts under the reduced charity requirements, a charity must be unincorporated and have gross recorded annual income from all sources of £10,000 or less.

### **Monitoring and evaluation**

- 6.4 All partners agree that monitoring and evaluation are essential elements of any contract/funding arrangement and acknowledge the importance of monitoring outcomes.
- For SLAs and major grants, monitoring will be in accordance with the agreed, standard SLA.
  - For small grants, the standard SLA will be useful in helping to identify what proportionate monitoring requirements might be put in place - at a minimum these should include examination of annual reports and accounts and checking of invoices.
  - Funders will be clear about what monitoring information is required and for what purpose. In all cases a minimum level of monitoring and evaluation requirements and processes will be jointly agreed by the funder and funded organisation.
  - The cost of agreed monitoring and evaluation procedures should be included in funding.
  - Monitoring and evaluation requirements will take account of procedures already in place as well as any quality assurance system used.
  - Funded organisations will have the opportunity to comment on any evaluation report or review of their work.
  - Within partnerships, funders will work towards monitoring arrangements which are co-ordinated and standardised to reduce cost and bureaucracy.

### **Intervention when an organisation is in financial or other difficulty**

- 6.5 If a funded organisation is in financial or other difficulty that may impact on achievement of the objectives of the funding provided by a public sector

agency, the organisation must inform the funding body of the situation and what remedial action, if any, is being taken.

- 6.6 If a public sector agency becomes aware of problems, it will formally notify its concerns to the organisation at an early stage. The primary concern of the public sector agency will be to protect public funds. The funding agency will consider with its lawyers and auditors what action needs to be taken, observing the spirit of the Compact during any negotiations. The terms and conditions of funding will specify the circumstances in which investigations may be made and funding suspended, withdrawn or recovered. These may include:
- giving misleading, dishonest or inaccurate information during the application process or the term of the funding agreement
  - using the funding for a purpose that the funding agency has not agreed
  - failing to carry out the activities the public agency agreed to fund
  - being at risk of closing down, becoming insolvent, going into liquidation or becoming unable to pay debts as they fall due
  - a member of the organisation's governing body, an employee or a volunteer, acting dishonestly or negligently during the term of the agreement
- 6.7 Following negotiations, if problems still exist, the funder will involve lawyers and auditors as appropriate.
- 6.8 The funder may agree to a recovery plan, keeping in mind the overriding need to protect public funds. Where a withdrawal of funding is warranted, it will be noted that this may result in the winding up of the funded organisation.
- 6.9 The independence and discretion of trustees in organisations with charitable status needs to be respected. Whilst the public sector agency will be able to discuss with the trustees what the difficulties are and what is being done to rectify the situation, it will be for the trustees to decide on what action to take. The trustees will also consider whether they need advice from the Charity Commission. This does not affect the public sector agency's discretion to carry out investigations and make decisions about suspending or withdrawing funding.

## **7. Implementing the code of practice**

- 7.1 The Compact and its associated codes of practice are not intended to be documents that are never changed. All parties involved in the Compact will have much to learn and experience will undoubtedly show the need to revise some aspects of the documents. Therefore there will be regular opportunities to revise and update this document in light of experience.
- 7.2 Responsibility for overseeing the implementation and development of the Dudley Borough Compact and its associated codes of practice lies with Dudley Community Partnership's Stronger Communities Steering Group. This group is made up of key partners from the public and voluntary and community sectors.
- 7.3 The steering group meets at least quarterly to review implementation, monitor targets and timescales and further develop the Compact and its codes of practice.
- 7.4 Partners will work together to encourage all public sector agencies and VCOs to adopt this code.
- 7.5 Feedback from public sector agencies and VCOs on their experience of using this document is very welcome.
- 7.6 Each of the agencies, and within Dudley MBC each directorate, has a Compact 'champion' to oversee the implementation of the Compact within their area of work. Their role is to:
- oversee the agency's or directorate's contact with VCOs
  - review the effectiveness of the service in adhering to the Compact ; and
  - provide a point of liaison and referral for the sector if there are felt to be issues arising from that service's contact with the sector.
- 7.7 It should be emphasised this does not mean that contact with partners is limited to, or should be exclusively directed towards these Champions. The Compact champion will, however, try to help you with any queries under the Compact. Issues can also be raised with the chief officer of Dudley CVS (chair of Dudley Community Partnership's Stronger Communities Steering Group) and any questions of principle will be referred to Steering Group.

### Typical core costs

The costs incurred by all organisations for the activities that support their core activities, including management and administration are recognised as costs that must be met if an organisation is to operate efficiently. Typical core costs are shown below:

**Management and administrative staff** - the Chief Executive, financial manager, administrators

**All associated staff costs** - insurance, pension, and any other costs associated with employing staff including all personnel functions

**Travel and subsistence**

**Staff training**

**Volunteer training** (where relevant)

**Governance** - support of the management structure, whether this is trustees, board or management committee members

**Membership** - support of the membership structure if relevant

**Premises** - rent or mortgage, rates

**Associated premises costs** - heat, light, water

**Premises management** - security, cleaning and maintenance

**Insurance** - buildings, contents, and any other necessary insurance such as professional indemnity

**General running costs** - telephone, postage, stationery

**Equipment** - IT, printing, photocopying

**Corporate costs** involved in business planning, fundraising, income generation, quality assurance, monitoring and evaluation

**Accountancy and audit costs**



## GRANT AID APPLICATION

### Section 1 Your organisation

#### 1. Please tell us about your organisation

Name and address of organisation:

Name of Organisation as on Bank Account (if different):

Telephone:

Fax:

Email:

How many members does your organisation have?

Within the Dudley Borough

Outside the Dudley Borough

What is the name of your project?

#### 2. Please name the contact person for this application

Contact Person:

Address:

Position held in organisation:

Telephone:

Fax:

Email:

If you have any specific communication needs, tell us what they are

Textphone

Sign Language

Other language  
(please specify)

Other

**3. Briefly state the aims and objectives of your organisation**

**4. Bank/Building Society account details**

Name in which account is held .....  
*(give details only of the account into which this grant will be paid)*

Account Number .....

Sort Number .....

Bank Name .....

Branch Address .....

Bank Telephone Number .....

**5. Please provide the following details from your most recent accounts**

Account year ending: Day/Month/Year	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 30px; height: 20px;"></td><td style="width: 30px; height: 20px;"></td><td style="width: 30px; height: 20px;"></td></tr></table>			
Total (gross) income	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; text-align: center;">£</td><td style="width: 100px;"></td></tr></table>	£		
£				
Total expenditure	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; text-align: center;">£</td><td style="width: 100px;"></td></tr></table>	£		
£				
Balance at year end	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; text-align: center;">£</td><td style="width: 100px;"></td></tr></table>	£		
£				

## 6. Your current service

How many people currently benefit from your service?

How would you describe those people?

Children Under 5  5-15  16+

Women Under 60  Over 60

Men Under 65  Over 65

People on low income  Disabled

Unemployed  Other

Refugees and asylum seekers

Number of volunteers (unpaid workers)

Number of paid staff

What is their ethnic group?

### White

- British
- Irish
- any other White background \_\_\_\_\_

### Mixed

- White and Black Caribbean
- White and Black African
- White and Asian
- any other Mixed background \_\_\_\_\_

### Asian or Asian British

- Indian
- Pakistani
- Bangladeshi
- any other Asian background \_\_\_\_\_

### Black or Black British

- Caribbean
- African
- any other Black background \_\_\_\_\_

### Chinese or other ethnic group

- Chinese
- any Other \_\_\_\_\_

**7. How many people are involved in running your group?**

Management committee	<input type="text"/>	Volunteers	<input type="text"/>	Other	<input type="text"/>
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**8. What is the status of your organisation?**

*(please tick the appropriate box and include registration number where appropriate)*

A company limited by guarantee	<input type="checkbox"/>
A registered charity	<input type="checkbox"/>
A voluntary organisation (unregistered, with constitution/rules)	<input type="checkbox"/>
Local branch of national organisation	<input type="checkbox"/>
Other (please specify) .....	
Registration number: .....	

**9. Which category below best describes (a) the work of your organisation and (b) the client group you serve? (please tick no more than 3 boxes under each heading below)**

(a) Services provided		(b) Client group	
Accommodation with support		Black and minority ethnic	
Advice, counselling & information		Children and young people	
Arts therapy		Families	
Children and young people's activities		Gay/lesbian/bisexual/ transgender people	
Community activities		Homeless people	
Community development		Non specific group	
Community safety		Older people	
Community support		People with a learning disability	
Education, skills and training		People with mental health issues	
Environmental activities		People with a physical disability	
Health		People with a sensory impairment	
Sports & recreation		People on low incomes	
Other (please specify):		Single parents	
		Single sex	
	Other (please specify):		

## Section 2 Reason for funding

1. What project or activities will take place if you receive a grant?

2. Please list the key tasks related to this work for which you are seeking funding?

3. When are you planning your project to take place?

Start date (month/year)	<input type="text"/>	<input type="text"/>	End date (month/year)	<input type="text"/>	<input type="text"/>
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**4. What group(s) of people does your proposed project target?**

Children	Under 5	<input type="checkbox"/>	5-15	<input type="checkbox"/>	16+	<input type="checkbox"/>
Women	Under 60	<input type="checkbox"/>	Over 60	<input type="checkbox"/>		
Men	Under 65	<input type="checkbox"/>	Over 65	<input type="checkbox"/>		
People on low income		<input type="checkbox"/>	Disabled	<input type="checkbox"/>		
Unemployed		<input type="checkbox"/>	Other	<input type="checkbox"/>		
Refugees and asylum seekers		<input type="checkbox"/>				

**White**

- British
- Irish
- any other White background \_\_\_\_\_

**Mixed**

- White and Black Caribbean
- White and Black African
- White and Asian
- any other Mixed background \_\_\_\_\_

**Asian or Asian British**

- Indian
- Pakistani
- Bangladeshi
- any other Asian background \_\_\_\_\_

**Black or Black British**

- Caribbean
- African
- any other Black background \_\_\_\_\_

**Chinese or other ethnic group**

- Chinese
- any Other \_\_\_\_\_

**5. Please explain how the work relates to the grant aid assessment criteria**

**6. How do you know there is a need for this work?**

**7. How will you publicise this work so that people know about it and how will you ensure that it is accessible to as many people as possible?**

**8. How do you propose to monitor and evaluate this work?**

**9. Is the service for which you are seeking grant aid being provided for residents of Dudley on a borough-wide basis, or is it targeted at a specific part of the borough?**

Borough Wide

Targeted

If your activities are not borough-wide and are targeted at specific parts of the borough, please describe the area(s) you will be delivering your service in.

**10. If it is ongoing work, how will it be financed in the future?**

### Section 3 Financial information

1. Please detail below the grant aid contribution needed to support the costs of the work that you want to carry out.

Description (e.g. running costs, equipment, transport)	Amount requested £
<b>Total</b>	

If the grant aid requested does not cover the total cost of the work you want to carry out, what financial/voluntary contribution are you making towards this project?

**Senior contact and signatory to contract**

Title  First name  Surname

Position in group

Date of birth

Email

Address if different from question 2

Postcode

Telephone - daytime

## Declaration

To the best of my knowledge, the information contained in this form is correct.

I agree to provide any additional information which the funding organisation may require.

If a grant is approved, I agree to comply with the funding organisation's conditions and to use it for the purpose stated on this form.

The funding organisation's auditors have the right to inspect any relevant documentation.

Enclosed	-	Balance sheet / accounts	<input type="checkbox"/>
		Constitution / club rules	<input type="checkbox"/>
		Quotations	<input type="checkbox"/>

Signature: \_\_\_\_\_

Position in organisation: \_\_\_\_\_

Date: \_\_\_\_\_

**Criteria for grant aid**

The criteria are intended to help organisations determine whether to submit an application for grant aid. Some community organisations may not possess a constitution, mission statement or policy statement so they will be required to provide evidence to support their ability to perform the function for which the grant is given. **At a minimum, the organisation must demonstrate that it meets all the following criteria:**

(insert relevant criteria dependent on funding programme ...)



## SMALL GRANT AID APPLICATION

### Part 1 Your contact details

Name of organisation

Name of the main contact (the person we should write to regarding your proposal)

Title

First name

Surname

Position held in organisation

Contact address, **including full postcode**

Telephone - daytime

Telephone - evening

E-mail

What is your organisations address - if different from above?

Please detail any communication needs you have

## Part 2. Your organisation

a) Does your organisation have a constitution or set of rules? Yes  No

b) When was your organisation set up? Month  Year

c) If your organisation is a branch of a larger organisation, or part of an umbrella body or another group, please tell us their name and address and any support (if any) they are giving you for this work.

d) Tell us about the management of your organisation (e.g. is there a committee, a board or a steering group?)

e) How many people are involved in your organisation?

Volunteers (including Committee Members)

Paid Staff

f) In which geographical area(s) (District, Borough, Ward, and Estate) does your group operate?

g) Briefly describe the purpose of your organisation, and key activities/services it provides.

h) How does your organisation demonstrate a commitment to equal opportunities in its everyday activities?

i) Please tell us details of your organisation's bank account

Name in which account is held <i>(give details only of the account into which this grant will be paid)</i>
Account Number .....
Sort Number .....
Bank Name .....
Branch Address .....
Bank Telephone Number .....

### Part 3. Your project

a) What project or activity will take place if you receive a grant?

b) Who is your project or activity aimed at? Tell us the types of people and the areas they live in.

c) Approximately how many people will benefit from your proposed activity?

d) How will the people you have told us about benefit from the activity?

e) How do you know this activity is needed? (Don't give us statistics, tell us in your words)

f) When will your activity take place?

g) When will the activity finish?

## Part 4. The funding you need

a) Tell us how much money you need for your activity and give us a breakdown of what the money is for (please include VAT where it applies). Please also provide quotes for capital items. Use a separate sheet if needed.

	Amount
	£
	£
	£
	£
	£
<b>Total amount requested</b>	£

b) If this is not the total cost of the project tell us about any financial/voluntary contribution you are making towards this project.

## Declaration

We agree to abide by the terms and conditions of the grant as they are set out in this application form and in the funding organisation's conditions, and that any offer of a grant will be subject to the proposed work remaining within the grant criteria. We agree to participate in monitoring, auditing and evaluation related to this fund.

Enclosed:	Balance Sheet/Accounts	<input type="checkbox"/>
	Constitution/Club Rules	<input type="checkbox"/>
	Quotations	<input type="checkbox"/>

Signature: .....

Position in Organisation: .....

Date: .....

## **Where to post your application**

Please return your completed application form to:

### Guidance for assessing funding applications

#### Assessment panel

The assessment panel should ensure any declarations of interest are made prior to the commencement of the assessment process and appropriate measures taken dependent on the individual circumstances.

It is good practice to involve members of the local community in the assessment process.

#### Assessing eligibility

Officers should base the initial assessment of the application on:

- the general eligibility of the organisation itself
- whether or not it meets the specific criteria set out in the funding programme

If the application does not meet the general and programme criteria, there is no need to go any further. All eligibility criteria must be clear and available to any potential applicant.

General eligibility criteria should cover the structure and legal status of the applicant organisation. How far they are relevant depends on the funding programme and the size and type of the VCO. For example, a new group may not be able to demonstrate that it meets all the criteria if it has not yet begun its work. However, general eligibility criteria will usually require that applicants:

- are a recognisable VCO, meaning they do not operate to make a private profit and they are clearly independent of the statutory and private sectors
- have a document that describes how they are governed
- are legally able to undertake the proposed activities
- are financially viable
- have aims and objectives in keeping with the activities which can be funded under the objectives of the funding programme and the funding organisation as a whole
- have a clear management structure
- have clear financial controls (Charity Commission leaflet CC8 'Internal Financial Controls for Charities' provides details)
- have practices and procedures for any paid employees and volunteers which accord with legislation on employment, health and safety, and equalities
- can demonstrate an understanding of and commitment to equal opportunities

There may need to be other specific eligibility criteria covering the aims and objectives of the funding programme.

#### Risk assessment

To avoid problems later, officers should carry out a risk assessment before giving any funding. There are two levels of risk assessment.

The first level of risk assessment is to carry out routine checks as part of good practice. These may include:

- checking the financial viability of the organisation by examining their financial procedures and the financial information they include with their application
- examining the governing document and management systems of the organisation to make sure they are sufficient for carrying out the proposed activities
- checking whether previous grants have been managed effectively
- talking to the applicant
- talking to any given referees
- talking to any other funders named on the application.

The second level of risk assessment involves looking at whether there are any 'new risks', such as a previously untried, unusual or innovative activities, or if the organisation itself is new or developing. Officers should make sure that applications from those types of organisations that have traditionally had limited access to Government funding, are assessed on their merits and are not considered to be inherently high risk. To assess these risks, officers need to consider the following questions:

- do the proposed activities clearly meet the criteria of the funding programme?
- can the funding programme afford to invest in an unproven activity?
- is the proposal based on a pilot project, feasibility study or research?
- should there be a meeting with the organisation to discuss the proposals?
- should there be a discussion with anyone with expertise in the field of activity?
- are there any legal implications, e.g. will the organisation need planning permission for building works?

### **Initial assessment**

When an application is received it should be acknowledged promptly, where possible telling the applicant when a decision is expected.

There should be an initial check of the form and attachments and any missing documents requested.

If the application meets the eligibility criteria, officers should seek any further information they need to assess whether the application should be recommended for funding.

### **Applications that fail the initial assessment**

If an application fails the initial assessment and it is clear that there is no point in going any further, the applicant should be informed in writing as quickly as possible. The letter should explain the reasons for the rejection and, if practical, there should be an offer to discuss particular points by telephone.

The reasons given should be clear and logical, for example:

- the application was received after the deadline
- the application was incomplete or improperly completed

- the funding programme is not accepting new applications in the current financial year
- the applicant fails to meet basic organisational eligibility criteria
- the application does not fit the funding programme's aims and objectives

These should be the only reasons necessary for rejection at this stage.

### **Consultation on applications**

Other partners may need to be consulted about applications, for example, if they have specialist knowledge of the subject area. If this is the case, it should be made clear to applicants. Whatever form the information takes, or means by which it is shared or stored, it will always be appropriately protected. Care should be taken to avoid any actual or perceived conflicts of interest. Consultation can help to:

- assess the suitability of the application (if there may be a more suitable programme)
- assess any specialist elements
- establish or confirm the credibility of the applicant
- establish or confirm the need for the work to be undertaken
- check for any double funding

### **Detailed assessment of applications**

There should be a clear and fair methodology for allocating funding. This process should be in keeping with the nature and size of the funding sought. For example, a grant under £1,000 may require less assessment than one for over £100,000.

At this stage the main factors in the decision making process are:

- **Duplication**

Officers must satisfy themselves that an application does not unnecessarily duplicate another funded activity. However, there may be good reasons to support more than one organisation undertaking similar activities, for example, if the activities reach different beneficiary groups.

- **Oversubscribed funding programmes**

Funding programmes often have more applications than they can fund. Officers must be able to show that the final decisions offer maximum value for money and meet the most important criteria for the funding programme.

- **The quality of the application**

The proposed service or activity should have well defined aims and objectives so that it is possible to assess the likely outcomes. The application should also be of good quality in presentation and content. However, a poor quality application may be due to an applicant's misunderstanding or inexperience. Officers may wish to give the applicant help, if time permits. Poor quality of presentation may also result from a lack of access to equipment, the use of English as a second language or a disability.

- **Internal priorities**

Officers may have an internal set of priorities for achieving a balance within a programme. These could be based on:

- geographical distribution of activities
- project type or size
- type and size of organisation
- different approaches to develop examples of best practice to share

- **Past performance**

Looking at the track record of an applicant organisation is an important part of assessing an application. This can include:

- how well funding has been managed in the past
- evidence of achievement - progress reports, annual reports, media coverage
- views of referees, other funders, beneficiaries and supporters

However, officers should make sure that new organisations do not receive unfair treatment because they do not have a track record. Also, although poor past performance should not automatically mean that an organisation is not worthy of funding, officers should satisfy themselves that the organisation has addressed any previous problems.

- **Sustainability**

Officers should consider whether the proposed activities will bring sustainable or lasting benefits. The proposed activities should have a positive impact on the wider social economic and environmental well being of the beneficiary group and the borough as a whole. Sustainability is not only about how an organisation proposes to keep its activities going after a particular funding stream has ended. A well thought out short project to address an immediate gap or need may be just as effective at bringing about lasting change as one that will last for years to come.

- **Funding renewals to honour previous commitments**

Renewal requests may be for long term strategic funding or for fixed term projects. They will usually have previously agreed aims, objectives, performance indicators and targets, against which the renewal application can be measured. The applicant's previous funding history will also play an important part in the recommendation process. Officers need to check that the details about the organisation's governing body and documents in addition to its financial procedures have not changed.

Officers should be satisfied that previous funding has been spent in accordance with the original application, that targets have been met, any variations properly explained and that the activities being funded are still within the priorities of the programme. If the renewal application meets all these requirements then the previous commitment should be met.

It is important to work out the proportion of the total annual budget that will be needed to meet any continuing commitments. They may take up the whole of the funding programme's annual budget. When this happens, consideration should be given to the allocation of funding and the impact this may have on the applicant organisation's activities. Officers need to keep in mind the accessibility of the funding programme and, where possible, strike a balance between longer term strategic funding and the ability to have some funding to support new activities and developments.

### **Recommendation process**

Once officers have removed all the ineligible applications, they can divide the remaining applications into those asking for renewal of funding to meet a previous commitment and new applications. Whether new or for renewal, each application should be treated on its merits. Officers can then make a list of recommendations for final decision.

### **The consequences of not funding**

Officers should consider the effects on a VCO of any decision not to fund, or to withdraw funding, before any final decision is taken. This is particularly important when considering withdrawing funding that has been provided over a long period of time. In these circumstances officers should give the organisation concerned as much warning as possible.

In a competitive funding environment, many VCOs experience difficulty in securing funding towards their core management and administrative costs. Organisations submitting applications for funding are responsible for costing and planning their work realistically, including taking account of any cost increases over time.

Typical core costs include those of the chief officer, premises, staff costs and project management. A list of these typical core costs is presented at Appendix 1 to the 'Local Compact code of practice on funding'.

Whenever possible, VCOs will be expected to access other resources and will be obliged to notify public sector commissioners of any funding bids applied for and received during each year. VCOs should not treat public sector funding as an exclusive or necessarily long-term source of support.

Over-reliance on public sector core funding (or any other single source of funding) is unsafe from an organisation's point of view and may be deemed as unfair to other VCOs if it prevents them from access to funding.

VCOs should seek to develop packages of funding from various sources, including public bodies, charities and self-generated and earned income. The aim is to ensure a balance between supporting an organisation's core activities, attracting added investment from other funders and encouraging new initiatives in response to changing needs and priorities.

VCOs should develop a contingency exit strategy in the event of changes in commissioning priorities.

Continuation of funding is dependent on adherence to service level agreement terms and conditions.

VCOs have a responsibility to separate their funding in respect of restricted and unrestricted funds.

- **Restricted funds**

Under 'trust law' VCOs have a fiduciary duty to funders to use the funds for the purposes for which they are given. Accordingly, before accepting restricted funds, VCOs must have in place mechanisms for tracking the receipt of such funding and the expenditure that can be offset against it.

By accepting restricted funding the Trustees of the VCOs have accepted the responsibility of ensuring that the restrictions are met.

- **Unrestricted funds**

Funds raised, for example, as a consequence of public appeals and bequests, are termed as unrestricted funds and may therefore be used to address general rather than specific objectives of VCOs. There is a need, however, for the sector not to unintentionally create restricted funds by the way in which they advertise.

## Charity Commission accounting and audit requirements

## Appendix 4

Thresholds	Excluding charitable companies				Including charitable companies		
	Retention of accounts and accounting records	Receipts and payments accounts	Accruals accounts	External scrutiny of accounts	Registered charities: annual returns to Charity Commission	Registered charities: annual report and accounts to Charity Commission	Accounts to public on written request
1. Income not over £1000 (if not registered)	Yes, at least six years	If preferred	If preferred	None	Not applicable	Not applicable	yes
2. Neither income nor expenditure over £10,000 *	Yes, at least six years	If preferred	If preferred, must conform to SORP 2005	Only required in certain circumstances	No, but may be asked for information to keep register up to date	Simplified version must be prepared but only sent if requested	Yes
3. Income not over £100,000*	Yes, at least six years	If preferred	If preferred, must conform to SORP 2005	Audit or independent examination	Yes	Yes, though may be simplified version	Yes
4. Neither income nor expenditure over £250,000*	Yes, at least six years	No	Yes, must conform to SORP 2005	Audit or independent examination	Yes	Yes, though may be simplified version	Yes
5. Income or expenditure over £250,000*	Yes, at least six years	No	Yes, must conform to SORP 2005	Audit	Yes	Yes	Yes

1. Taken from the Better Task Force report, "Access to Government Funding for the Voluntary Sector" - published July 1998.

2. Under companies' legislation, a charitable company need only retain its accounting records and annual records for three years and must prepare accruals accounts. If its balance sheet total is £1.4m or less it may not need an audit. Such companies can opt for a report by a 'reporting accountant', if gross income does not exceed £250,000, or no report at all, if gross income does not exceed £90,000 (unless the company is a parent or subsidiary or at least 10% of its membership votes for an audit).


\* Charities crossing the threshold 5 must have their accounts audited not only in the year in question but also in the following two financial years. This would lead to the general scrutiny requirements of threshold 2, 3 and 4 being overruled.

**The Dudley Community Partnership would like to express its thanks to the following people who worked on this code:**

- Jayne Emery, Dudley Council for Voluntary Service
- Andy Gray, Dudley Council for Voluntary Service
- Beverley Hart, Cancer Support Dudley
- Martin Homer, Stambermill Scout Group
- Doreen Hughes, Directorate of Adult, Community & Housing Services, Dudley MBC
- Scott Jennens, Dudley PCT
- Simon Manson, Chief Executive's Directorate, Dudley MBC
- Mike Marshall, Directorate of Adult, Community & Housing Services, Dudley MBC
- Joanne Wood, Directorate of Adult, Community & Housing Services, Dudley MBC

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**or visit the Dudley CVS website:**

[www.dudleycvs.org.uk](http://www.dudleycvs.org.uk)