

Grant Terms & Conditions

Lankelly Chase

Context

Whenever we issue a grant, we need to write accompanying terms and conditions (Ts&Cs).

Lankelly Chase's standard grant Ts&Cs were last reviewed by the team and lawyers in 2016. Our practice has changed enormously since then.

In the last 5 years, team members have tweaked the Ts&Cs to bring them up to date. This has led to lots of different versions being used and a confusing set of documents.

Where we are now

In 2020, Mary and Joe worked with our lawyers, Bates Wells to rewrite the terms and conditions.

The principles behind this rewrite were to create:

- a) Something fit for purpose for how we work now
- b) The lightest possible set of Ts&Cs for partners and us to embed flexibility and minimise bureaucracy for all.

We now have one new template grant Ts&Cs: [Template - COMBINED Char & Non-Char Terms 2021 Version.DOCX](#)

Please delete all other versions you have.

Ts&Cs and Working Together: separating legalities and relationships

- **Our grant Ts&Cs are now light. They are the legal minimum for us to grant charitable money and meet our obligations to the Charity Commission and HMRC.**
- **Sometimes we may want to have broader foundational agreements with partners beyond just grant terms and conditions. These might include how we will work together and how we will communicate.**
- **Because of this we have also created a non-legally binding Working Together template to work through with some partners.**
- **It is at your discretion when to use Working Together as well as Ts&Cs. We recommend using it if the partnership feels “significant” (however you define that).**
- **You only need completed Ts&Cs to get money out of the door.**

Which Ts&Cs do we need to use and when?

Lankelly Chase can make grants to a range of legal entities. We need to use different terms and conditions for these. Broadly:

Grant to a charity



Charitable Ts&Cs

**Grant to a community
interest company (CIC)**



Non-charitable Ts&Cs

**Grant to another non-
charitable entity**



Non-charitable Ts&Cs

We cannot currently give grants to individuals. They need a host entity. In this instance, the Ts&Cs agreement must be with the host entity. See below for further details of how to do this.

More on legal entities

Types of charities	<ul style="list-style-type: none">• Charitable company limited by guarantee• Charitable company limited by shares (very rare!)• Charitable unincorporated organisation (CIO)• Unincorporated charitable association• Charitable trust	Charitable Ts&Cs
Types of non-charitable entities	<ul style="list-style-type: none">• Company limited by shares• Company limited by guarantee• Community Interest Company (CIC)• Community Benefit Society• Cooperative Society• Unincorporated association	Non-charitable Ts&Cs

If you aren't sure on what a group's legal entity is, check their website. Or ask them!

How to use the Terms and Conditions

Lankelly Chase

Bates Wells have produced a simple template Ts&Cs for us to complete.

To do this you will need:

- 1. All details of the grantee (legal entity, address, contact details)**
- 2. All details of the grant purpose and decision (when was it agreed?)**
- 3. All details of the grant amount (total amount, instalments)**
- 4. All details of the grant duration**
- 5. To have decided if you intend to accompany the Ts&Cs with a broader Working Together document or not**

What you do:

1. **Save a copy on your own drive / the T drive. Do not overwrite the original template.**
2. **Fill in all the text in red with details of the grant or grantee and turn it black.**
3. **Remove comments in margins. They are there for your info.**
4. **If NOT using Working Together, delete all the sections highlighted in yellow, including the whole of section 9.**
5. **If using Working Together, keep the yellow sections but remove the highlight.**
6. **Get a colleague to proof and check your document.**
7. **Sign and share with the partner.**
8. **Once they have signed, save a final version of the file in the T drive [here](#).**

Using Third Party/Fiscal Hosts:

1. If a partner is unable (for whatever reason) to hold the money themselves, we can use a host organisation/fiscal host to help facilitate the distribution of the grant.
2. In the case of a fiscal host (eg Social Change Nest), the fiscal host will 'host' the grant on behalf of the partner. As we will be giving the money to the fiscal host, the grant agreement should be made with them, but should mention that the purpose of the grant is to fund the work of the (CLEARLY NAMED) partner under a fiscal hosting agreement. It also helps to have the partner co-sign the agreement, so all parties are clear.
3. As part of due diligence we should check the partner (the person/collective ultimately receiving the money) has an agreement in place with the fiscal host, and we should be clear what rights we have to ask for evidence regarding spend.
4. If you are unsure about using fiscal hosts, please ask a member of the Resourcing PT.

NAME OF PARTNER CONTACT
LEGAL NAME OF PARTNER ORGANISATION
ADDRESS

DATE

Dear NAME,

I am pleased to confirm that we have agreed funding of £ xxx to your organisation.

We attach the following to this letter:

1. Two copies of our funding agreement with you, which sets out the general terms of our funding relationship with you. Please also make sure to read this carefully, sign two copies, return one to me and keep one for your own records.
2. A "Bank Account Details" form for you to complete and return to us. Please could you make sure that this is accompanied by a scan or copy of a bank statement for your organisation, which is dated within six months of the date of your completed form. If you cannot provide a bank statement for any reason, we can accept a letter from your bank or a letter on headed paper signed by a senior member of staff or finance staff for your organisation.

3. [Two copies of our co-written "Working Together" document, which sets out the key values and principles by which we commit to working together. Please sign two copies of the Working Together document, return one to me and keep one for your own records.]¹

Once we have received each of the above and certain other information set out in our funding agreement, we will be able to process your first payment.

We're really pleased to be working with you.

Yours sincerely,

NAME
TITLE

The LankellyChase Foundation

(Enclosed: Funding Agreement, [Working Together document,] Bank Account Details form)

¹ Drafting Note for LankellyChase team: all yellow highlighted optional language throughout this funding agreement is to be inserted (and square brackets removed) only where LCF is entering into a Working Together document with the relevant partner. Otherwise, please delete the yellow highlighted optional language throughout.

Likewise, all blue highlighted optional language throughout this funding agreement is to be inserted (and square brackets removed) only where LCF is **not** entering into a Working Together document with the relevant partner. Otherwise, please delete the blue highlighted optional language throughout.

The LankellyChase Foundation and [name of partner]

Funding Agreement



1.	Full legal name of your organisation:	[] (being "you" or "your" in this funding agreement)
2.	Type of legal entity:	[E.g. charitable company / CIO / CIC limited by guarantee / other]
3.	Charity and/or company number(s):	[]
4.	Registered office address:	[]
5.	LankellyChase Foundation Key Contact:	Name: [] Email address: [] Phone number: [] (LankellyChase being "we", "us", or "our" in this funding agreement)
6.	Key Contact for your organisation:	Name: [] Email address: [] Phone number: []
7.	Funding amount and instalments:	Subject to our funds being available, £XXXX, in instalments of [amounts and timing] (the "funding"). All amounts in this funding agreement are inclusive of VAT, expenses and disbursements. We will pay each funding instalment to you once we have received the following: a) you have asked us to pay the relevant funding instalment to you; b) your fully signed copy of this funding agreement [and our Working Together document]; c) a copy of your completed bank details form; and d) a copy of your bank statement dated no earlier than six months (or, if this cannot be provided for any reason, a letter from your account bank or from a senior member of your finance team).
8.	Funding purpose:	[Details of funding purpose] (the "Project"). Please note that any changes to the structure, aims or delivery of the Project - from what we have both agreed - will need to be discussed and agreed with us in advance. You acknowledge and agree that the funding must be used to fund work that is exclusively charitable under English law.

**What do I need to do
differently to use these
Ts&Cs correctly?**

Lankelly Chase

Separate the legal from the relational

- Our old Ts&Cs included lots of non-legal elements around how we worked together.
- We had feedback from grantees that including these in a legal document confused boundaries. It felt like we made receiving money from us conditional in behaving in certain ways and having a certain relationship.
- By separating out our legal duties as a charitable grant funder we can stand confidently in that role and provide clarity around our power and our intentions.
- Then we can co-design how we would like to work together aside from / as well as the grant relationship.
- The working together template is here: [Template - Working Together document.docx](#)
- This also allows us to have an agreement with a fiscal host – the Ts&Cs - and have a working together document with the ultimate partner.

Have all of the details up to date

- **Previously grant Ts&Cs did not include all grantee details such as phone numbers and emails.**
- **This has led to information being lost when LC staff members move on. And caused general faffs.**
- **Do not leave any section of the Ts&Cs blank. Any detail missing may make the document void.**

Be consistent on monitoring

- **Our new Ts&Cs are clearer about our monitoring requirements. We state that we have to meet our charitable and legal responsibilities but we do not want to be extractive or to waste a grantee's time.**
- **We therefore state we will do monitoring mainly through conversation, with options regarding how regularly this happens throughout the funding relationship.**
- **At the end of the funding period (either whole grant or instalment) we also need to collect AND SAVE a written report of some kind. This can be in any format and does not need to be produced especially for us. It could be, eg a standard annual report, an email capturing key events or a coproduced reflection board.**
- **We have to store this information as part of our obligations.**