Grant-giving policy: example

For a community endowment that gives a share of its income each year. Version 0.1.

> For information only. An example policy to adapt, not legal or tax advice. Check it with your trustees, a solicitor and your charity regulator's guidance before you use it. Replace every [bracketed] item.

1. Objectives

1. Keep 100% of the money given (the principal) for good. It is never spent.
2. Each year, add [__]% of the net income back to the principal, so the fund keeps pace with rising prices.
3. Give the remaining [__]% of the net income as grants in [area of benefit], following the priorities below.

2. Priorities, in phases

The trustees fund each phase once the one before it is properly met, and move to the next as the yearly grant pool grows.

Phase	What it covers	Examples
1. Essential necessities	Urgent, life-sustaining help for families in crisis	Emergency food, heating and utility bills, temporary shelter, urgent welfare support
2. Core needs	Essentials that keep a household stable and prevent hardship	School uniforms, books and supplies, winter clothing, vital household appliances
3. Livelihood and growth	Long-term self-sufficiency, as the fund matures	Laptops for work or study, vocational training, qualifications, employability and mentoring

3. Who can receive a grant

- People and families living in [area of benefit], assessed on need.
- Local charities and community groups working towards the same purposes.
- [Any exclusions, for example: no grants for debts to the charity, political activity or anything outside the charity's purposes.]

4. How to apply

1. Requests come through a vetted referral partner, such as a school, food bank, GP surgery or advice service, or directly using the form at [link].
2. The referral says what is needed, why, and roughly how much.
3. Urgent (phase 1) requests are decided within [3] working days.

5. How decisions are made

- Two trustees approve every grant. Anyone with a conflict of interest declares it and takes no part.
- Limit per household per year: [£__], unless the trustees agree an exception and record why.
- Where possible, pay the supplier or bill directly rather than giving cash.
- Keep a record of each decision and the reason for it.

6. Privacy and reporting

- Personal details are kept private and only as long as needed, in line with data protection law.
- Each year, publish the total given, the number of grants, and the share in each phase, with no names.

7. Review

The trustees review this policy, the payout share and the current phase every [12] months. Last reviewed: [date].