

GRANT-MAKING POLICY STATEMENT AND CRITERIA

This document details the policy eligibility criteria for an individual currently in receipt of or applying for a grant from the Smallwood Trust.

SECTION 1. POLICY STATEMENT, ELIGIBILITY CRITERIA AND DOCUMENTATION

1. POLICY STATEMENT

The Smallwood Trust has been helping women out of poverty for more than 130 years. Our mission is to enable women on low incomes to be financially resilient. Our founding beliefs are that gender differences and inequalities between women and men are a major feature of poverty and social exclusion. The position of women in the labour market, the design of social security and women's roles within the family all contribute to women's vulnerability to poverty.

Our funding will seek to empower women to overcome financially stressful events such as unemployment, relationship breakdown, caring responsibilities, disability and/or emotional and physical health problems. Our funding will strive to relieve poverty and hardship and be centred on the key drivers of stability such as personal finances, housing, employment, health and well-being. We will also use our funding and evidence base to tackle structural inequalities. We recognise that women are, and have always been, more likely to experience poverty than men. In particular, women at the bottom end of the labour market are carrying the heavier burden of poverty in our society. Poverty is also likely to disproportionately affect female lone parents and women are more likely to work in part-time jobs that pay less. It is estimated that 1 in 4 women will retire below the poverty line. Low income in retirement is often linked to low pay earlier on in life, time out of work due to childcare responsibilities or unemployment.

We therefore believe this approach and our grant-making policy is central to delivering our charitable objectives and mission.

2. AIMS AND GENERAL ELIGIBILITY CRITERIA

We can provide grants and support for women on low incomes who have specific needs and are struggling to make ends meet or trying to overcome financial problems. We understand that a small amount of money and support can make a big difference in helping a woman's financial stability, ability to cope with adversity and to maintain their independence. That's why we can provide a little bit of extra cash and a guiding hand through a tough situation.

We run a range of programmes to support women on low incomes to be financially resilient. Financial resilience can be described as the ability to access and draw on internal capabilities and also be able to access appropriate external resources and support, including social networks, in times of financial adversity.

All grants should meet at least one of the four aims below. For a woman to be eligible for a grant from the Trust, she must meet all of the General Eligibility Criteria:

Aims of our grant funding:

- 1 The grant would support the individual's financial stability and relief of hardship/poverty
- 2 The grant would support the individual's employment pathways
- 3 The grant would support the individual's housing needs
- 4 The grant would support the individual's mental health and wellbeing

General Eligibility Criteria:

- Is aged 18 or above
- Has the right to reside and is living in the UK¹

¹ If a woman has no recourse to public funds we still may be able to help in certain circumstances

- Is in receipt of all benefits entitled to, (including migrating onto Universal Credit) **or** has an income below the Minimum Income Standard threshold as detailed below
- Has savings under £4,000 and debts under £10,000

All grants should be awarded within this framework. However we do consider individual situations where appropriate and when there are exceptional circumstances, we retain the ability to use our discretion.

3. EXCLUSION CRITERIA

Women are excluded if they:

- Are a student (studying 16 hours a week or more)²
- Are living in a residential or nursing home
- Do not meet all the eligibility criteria above
- Do not meet one of the four aims of our funding

4. DOCUMENTATION REQUIRED

Women that meet the eligibility criteria are required to submit the following information:

- Fully completed Smallwood Trust application form
- One month's recent bank statement from main current account in applicant's name
- Copy of benefits letter(s) showing all entitlements
- If working, copy of one month or three weeks wage slips or as evidenced on Universal Credit statement

To the extent that a woman is not able to supply this information but believe that they may otherwise be eligible for a grant, they are advised to contact us.

The Trust can support women living alone or with dependent children or with other dependent/non-dependent adults. The application and supporting documentation must come from the woman. If partner/other adult from their family is working, the grant assessor should calculate household income against the relevant Minimum Income Standards calculator and request information on savings and debts, but supporting documentation is only required from the applicant. If applicant is co-habiting with another adult from their family who is not working, grant assessor should gather information on if that person is also claiming all benefits that they are entitled to.

If woman is living in a HMO or other shared accommodation, bills/rent should be apportioned to applicant's share only. In these cases, only the woman's eligibility will be relevant and assessed.

We reserve the right to ask further questions and/or seek additional supporting documentation to verify applicants' eligibility for support. All grants are made at the discretion of Smallwood Trust (Trustee) Limited and through delegated authority, which has been approved by the directors of Smallwood Trust (Trustee) Limited.

If a woman requires a grant in a crisis situation and it is not possible to provide all this evidence at the time of the application, Community Grant Partners may award an individual up to £100. This exception should be recorded.

SECTION 2. DETAILED POLICY AND DEFINITIONS

DEFINITIONS

I. Supporting women with no recourse to public funds (NRPF)

If Community Grant Partners provide support services for women with no recourse to public funds (such as food, financial support, counselling and advice and – subject to the Immigration Act 2014

² If a woman meets the other eligibility criteria, we may still be able to help in certain circumstances. Community Grant Partners should contact the Trust on a case by case basis

– accommodation), they may also be eligible for an individual grant, if they meet the other eligibility criteria. In providing funds for women with NRPF we would ask the following:

- The woman has a defined need for funding on the basis of alleviating destitution or degradation of the person
- The woman is receiving support services that aim to remedy her current destitute situation rather than helping her to avoid complying with the law

(For the avoidance of doubt, providing grants to these women is within the law, including charity law)

If Community Grant Partners provide grants for women with no recourse to public funds they will need to confirm whether or not the individual woman has tax residency in another country. If the individual is tax resident in another country, Community Grant Partners should inform the individual that they will need to collect necessary information from the individual and disclose this to the Smallwood Trust. This is per requirements under the UK Government's Automatic Exchange of Information Agreement which is legislation promoting greater tax transparency, with the aim of reducing tax evasion.

II. Debts

Mortgage debts are **not** included in the £10,000 debt eligibility level.

When supporting women with debts (discounting any mortgage debt on their home) the Trust is more likely to consider awarding a grant in the following circumstances:

- **Accessing accommodation** – Rent deposits, rent in advance, admin fees, ID, or temporary accommodation costs
- **Preventing eviction** – Rent arrears, service charge arrears, Debt Relief Orders or money to pay for a hoarding clean up
- Where early intervention or making a contribution towards a specific element of debt meets the Trust's mission
- When the individual is undertaking actions to put payment plans and controls around their debt into place

We will look to signpost women with debts in excess of £10,000 (discounting any mortgage debt) to expert, impartial advice and action to clear these (e.g. to have a Debt Relief Order DRO or Individual Voluntary Agreement IVA). Any such agreements must be discharged before the Trust can consider making a grant. The Trust can signpost women to impartial advice but will not provide this advice. There are restrictions and obligations that will need to be considered and it should be noted that DRO's and IVA's are forms of insolvency that can affect an individual's financial situation in many ways.

The Trust may ask for additional information to assess debt levels.

III. Savings

The eligibility criteria states that women should have under £4,000 of savings. When demand for our funding is high, women with low to no savings should be prioritised.

SECTION 3. CALCULATION OF ELIGIBILITY

Women who are in receipt of benefits and not working will be automatically eligible to apply provided they meet the other criteria. Women that are working or working and in receipt of benefits combined will need to have an in-hand income below the Trust's income threshold. This is detailed below. We will, of course, retain our discretionary powers on awarding grants, to ensure they meet our charitable objectives and mission.

We have an income threshold for women in work so we can continue to ensure that our funding is also supporting women with in-work poverty. We use the Joseph Rowntree Foundation Minimum

Income Standard (MIS) as a basis for this calculation. For example, the MIS for 2019 is c. £16,300 net pa (£18,800 gross before tax deductions) or £313.68 per week for a single person, and this is to cover all outgoings.

It is widely accepted that measures of hardship/poverty are applied after essential housing costs and council tax are accounted for. Therefore, the average *single person* would need **£203.90** per week, according to the MIS, to live on. Any person left with less than £203.90 per week after housing could be at risk of slipping into relative poverty.

For working women with dependent children, the Trust recognises that childcare costs can also be significant. In line with our mission we will deduct any childcare costs from the income calculation, which will enable applicants with high childcare costs to also access the grant funding.

If women are co-habiting with a partner/non-dependent adult member of their family who is working, the JRF MIS amount for the household is applied.

Therefore, the following calculation is used to calculate the woman's in hand income. If the income is below the income threshold, the woman would be eligible for a grant, providing she meets the rest of the criteria.

Note that income from benefits is disregarded but earned income is used in the following calculation:

Calculation

Total net income per month	-	Direct housing costs (rent or mortgage and council tax) and childcare costs not covered by benefits per month	=	£ In hand amount per month	
£ In hand amount per month	x	12 / 52	=	£203.90 disposable income per week	✓ Woman is eligible for a grant from The Trust
		(or less than)			

Please note that Community Grant Partners will be provided with a calculation spreadsheet to work this out.

Notes:

- *Money received from friends / relatives and from other charitable sources:* This will be considered on an exceptional basis. In practice income from these sources doesn't generally act as an exclusion but in certain cases income from these sources can be material.
- *Self-Employment:* If the applicant is self-employed the Trust will accept the income used by the local authority in the calculation of Council Tax Support and Universal Credit.
- The law states that all voluntary and charitable payments (ie a grant from the Smallwood Trust) will be disregarded for the purpose of State Pension, Pension Credit, Savings Credit,

Jobseekers Allowance, Income Support, Council Tax Benefit, Housing Benefit and Universal Credit.

- In line with the rest of the policy, these are general rules, but we do consider individual situations and where there are exceptional circumstances and when these cases arise, we can use our discretion.

SECTION 4. GRANT AMOUNTS

- We can provide monthly or one off grants dependent on the individual woman's circumstances and needs.
- An example of a repeat monthly grant might be six months at £160 per month or three months at £200 per month.
- The following bandings are provided as a **guide** to appropriate one-off grant amounts. All grants should be awarded based on need and can be one-off or split over several months:
 - Debt Relief Order fee: **£90**
 - Rent Arrears/Council Tax Arrears: **£350 - £1,000**
 - Moving Costs/Essential Household items: **£350 - £1,000**
 - Back to work costs (including travel, clothing and initial childcare costs): **£350 - £1,000**
 - Essential items of smaller monetary value: **£350 - £500**
 - Daily living boost: **£350 - £1,000**
 - Emergency/ crisis situation - up to **£100**
- For Community Grant Partners, repeat monthly grants can be made over a maximum of **six months**. If a grant is needed for a longer period than six months, these cases should be referred to the Trust, where women may be awarded a grant for a maximum of up to **two years**. For repeat monthly grants the maximum award is £2,000 in any 12-month period.
- Provided it fits within the mission and criteria of the Trust, the same woman can be awarded repeat one-off grants. The same annual maximum award of £2,000 applies.
- In exceptional circumstances, one-off grants can be awarded above the £1,000 upper limit. These should be brought to an internal case conference or in the case of a Community Grant Partner, discussed with their named Smallwood contact.

SECTION 5. GRANT ASSESSOR'S ROLE

Grant Managers or other Grant Assessors (eg Support Workers within the Community Grant Partners) should confirm that the grant meets the Trust's mission, objectives, policy and criteria.

Smallwood's complaints policy, appeals process, safeguarding policy and protocols and financial procedures all apply and Grant Assessors should use these in the appropriate situation/s.

Community Grant Partners should talk with their allotted Smallwood Trust contact about applying these principles within their organisations.

Assessors should be mindful of financial abuse or that funds awarded could be sought by a woman with the objective of passing on to other family members. In order to meet The Trust's charitable objectives, funds can only go directly to the woman or services on their behalf.

SECTION 6. DELEGATED AUTHORITY

Community Grant Partners have delegated authority to:

- Proceed with, authorise and pay grants to individuals that fall within the above criteria and within audit and financial process compliance as agreed with the Trust. When signing the application form and payment form this confirms Community Grant Partners have followed the Trust's processes.
- Refuse applications for assistance which clearly fall outside the above criteria
- Refer 'borderline' or 'exceptional circumstances' applications to Smallwood Trust staff for further review

Smallwood Trust Grant Managers have delegated authority to:

- Proceed with and authorise applications for assistance that fall within the above criteria
- Refuse applications for assistance which clearly fall outside the above criteria
- Authorise or reject 'borderline' or 'exceptional circumstances' applications referred by Community Grant Partners that clearly fall within or outside our mission

The Smallwood Trust Chief Executive has been delegated authority to:

- Authorise applications for assistance which are borderline of the above criteria
- Authorise applications for assistance which are exceptional circumstances and require immediate payment to relieve hardship

SECTION 7. EXCEPTIONAL CASES

The Smallwood Trust (Trustee) Ltd Board reserves discretion to give approval to exceptional cases that are brought to their attention by the Smallwood Trust Chief Executive, including:

- Applications for assistance that fall outside of the above criteria, have exceptional circumstances and are 'test cases' that could inform future grant-making policy
- Complex applications which are refused and require confirmation from the Trustees

SECTION 8. PAYING GRANTS

The following is the policy regarding payment of grants to eligible women:

- Payments will only be made to an account in the Applicant's name - we cannot make them to a joint account or an account in the name of a friend or family member (even if co-habiting).
- Payment can be made by prepaid card if the Applicant has no bank account
- We can make payments via an intermediary organisation especially where financial abuse or coercion is suspected. Training will be provided to Smallwood staff and Community Grant Partners will be selected in part for their expertise in supporting women in such situations.