

## Eligibility Criteria for Funding 2021

Thank you for taking the time to look into whether Lloyds Bank Foundation is the right funder for your charity.

It's well worth reading this document before you start your application to us, as it explains who and what we fund, as well as how we make decisions. It comprises five sections (click the sections below to navigate):

1. [Our overall approach to grantmaking](#)
2. [Our Basic Eligibility Criteria](#)
3. [Our 'Complex Social Issues'](#)
4. [What we look for in the work we fund: 'Our Programme Fit'](#)
5. [How to contact us](#)

Hopefully it tells you everything you need to know about us, but if you still have any questions, please do send us an email ([enquiries@lloydsbankfoundation.org.uk](mailto:enquiries@lloydsbankfoundation.org.uk)) or call us on 0370 411 1223 before starting your application.

Wishing you every success with your work,



Harriet Stranks  
Director of Grants  
Lloyds Bank Foundation for England and Wales

## 1. Our overall approach to grantmaking

Even if you have had support from us in the past, you may not know about some of the changes to our funding approach, such as:

- i) Our regional funding priorities,
- ii) Our approach to safeguarding and quality standards
- iii) Our commitment to Racial Equity

### **i) Our regional funding priorities**

We recognise that there are many charities who would like and would benefit from our support but, like any funder, we have a limit to the resources we have available. This year, we will be able to make around 190 unrestricted two-year grants of £50,000 to small charities across England and Wales. We know there are many more than that who would be eligible to apply.

We want to be open and transparent with charities and make best use of your time by being clear in advance which charities and areas we are more likely to fund at any time. Therefore, we have introduced *Regional Priorities*.

*Regional Priorities* consider local need, the prevalence of eligible small and medium sized charities, the nature of the region and the level of investment the Foundation has given to each complex social issue in that area, including our portfolio of live grants. We use this information to prioritise investment in certain Complex Social Issues in certain parts of England and Wales.

This means that, when you apply to us, you first select the **Complex Social Issue** you are working to address, and then the **Local Authority you do the majority of your work in**. Based on that information, you will be able to see whether we're currently able to accept an application from you. The current *Regional Priorities* will be in place until the end of the year, but with a review point every six months.

### **ii) Our approach to safeguarding**

The Foundation is committed to promoting the safety of everyone that uses the services of the charities we fund and so will review your safeguarding arrangements and practice as part of our assessment. The Foundation recognises and takes seriously its responsibility to promote the welfare of adults at risk/children where we become aware of any safeguarding concerns.

As a charity itself, the Foundation has in place a safeguarding policy and internal processes of our own, to ensure that reported incidents are effectively managed and the Foundation's staff are kept safe. Therefore, not only **must your charity have a**

**safeguarding policy in place**, but we will also assess your understanding of this policy as well as the approach to safeguarding across your organisation.

### iii) Our commitment to Racial Equity

Last year, we made a commitment to ringfence 25% of our funding to charities led by, and which support, minoritised and racialised communities. We exceeded this target and awarded 38% of our COVID Recovery Fund grants to charities led by-and-for members of Black, Asian or Minority Ethnic communities.

We are continuing this commitment to ringfence 25% of our funding and, to ensure we achieve it, have now launched our Racial Equity funding strand.

You can apply for this funding if your charity is by-and-for members of specific Black, Asian or Minority Ethnic communities, and meets the basic eligibility criteria explained in section 2. This means having **more than half of your Trustee Board self-identify as belonging to a Black, Asian or Minority Ethnic community.**

## 2. Our Basic Eligibility Criteria

This information provides the detail behind our Online Eligibility Checker, which is the first stage of making an application to us.

### I. At a glance: Our basic eligibility checklist

To be eligible to apply for any grant from us, your charity needs to meet all of the following criteria. If you do not meet all these criteria, we recommend you do not submit an application; ineligible applications will not be considered.

Your organisation needs to have:

- A registered charity number (this can be as a CIO)
- A Board of at least three unrelated Trustees
- An annual income of between £25,000 and £1m
- Its own bank account
- Free reserves of less than 12 months' operating costs
- At least one set of annual accounts published on the Charity Commission website, having been delivering services for more than a year in England and/or Wales
- A track record of working with people aged 17 and over
- A safeguarding policy in place
- Met one of the Foundations regional priorities at the time of submitting the application
- No current, live grant with Lloyds Bank Foundation

If you already have an 'Invest,' 'Enable' or 'core funding' grant with Lloyds Bank Foundation, you can only apply to us **once that grant has come to an end and you've met your reporting obligations.**

However, if you currently hold a grant through one of **our national programmes** (such as criminal justice, infrastructure or welfare reform), you are eligible to apply to us for this funding too.

If you're not sure whether this applies to your charity, please contact us before starting your application.

### II. Your charitable status

You must be a **Charity or Charitable Incorporated Organisation (CIO)** registered with the Charity Commission, and we will ask for your Charity Registration Number at the start of your application. Pending registrations will not be accepted. You have **at least one year**

of **published accounts** covering a twelve-month operating period. The accounts must show as ‘received’ on the Charity Commission website.

### III. Your finances

Your charity must have had an **annual income of between £25,000 and £1 million** in your last set of accounts published on the Charity Commission website. This is total income and, in the case of consolidated accounts, should cover all entities within those accounts. This applies even if your income exceeds £1 million due to an unusual one-off payment such as a legacy or capital grant.

However, if your charity has received funds on behalf of a network of organisations or consortium, rather than for its own use, we may consider you eligible depending on the details of the arrangement.

You must have **free reserves equivalent to less than 12 months’ expenditure** in your last set of published accounts.<sup>1</sup> This includes reserves which you have decided to allocate but are free to reallocate as needed, but does not include the value of fixed assets such as buildings.

Each applying charity **must also have its own bank account in the charity’s name**. If the application is successful, the grant must be paid into this account.

### IV. Your work

Your charity must work with **people aged 17 and over**, who are facing at least one of the complex social issues listed in section three. The only exception to this is where you work with young parents under 17.

When assessing applications, we check that the charity has a **track record** of delivering holistic, in-depth services to people facing the complex social issue you are aiming to address of **at least one year**.

If you have recently merged, then this must apply to at least one charity pre-merger. We will ask for evidence of service delivery with people affected by complex social issues from the past year.

You must **operate mainly in England and Wales**. Most of your charity’s time and money spent on activities in England and/or Wales, and helping people living in England and/or Wales who are experiencing the complex social issues we fund.

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<sup>1</sup> Free reserves are the amount of unrestricted cash reserves your charity held at year-end.

We will look at your stated objectives to ensure that the work that you are looking to fund is in line with your organisation's purpose. If you are a faith-based charity, you are welcome to apply but we will look at your work carefully to ensure that **you have charitable objects beyond the promotion of religion.**

## V. Your governance

You need to have a Board of **at least three unrelated Trustees** in place, with their names appearing on your Charity Commission records.

Where some of your Trustees are related, we will consider the relationship, conflicts of interest, the balance of power of the related Trustees and the ways in which this is managed. For example, if two of four Trustees are related, we are likely to conclude that they hold too much influence and that there is a conflict of interest. If two out of ten Trustees are related, and there are clear procedures in place to manage any conflicts of interest, this is likely to be acceptable.

**We do not fund charities where paid staff are also members of the Board of Trustees.** This is to ensure there is a clear separation of duties and powers between the Boards and staff teams of the charities we work with.

Where members of staff and Board members are related, we would want to ensure there are **clear policies and procedures in place to manage any conflicts of interest**, and we would not expect there to be a formal line management relationship between the individuals. Cheque signatories should not be related.

We can **only fund independent charities**, so we will look closely at any formal associations you have with other organisations, parent bodies or group structures. We will check that the Board of the applicant charity has full control over its work, and any conflicts of interest or related party transactions are clearly explained and managed.

## VI. Exclusions

We do not provide funding for the following organisations:

- Community Interest Companies, or any other organisations that are not charities or CIOs registered in England and Wales
- Infrastructure or 'umbrella' organisations.
- Organisations whose primary purpose is to give funds to individuals or other organisations. This means organisations using more than 50% of their annual expenditure as grants.
- Hospitals, health authorities or hospices
- Rescue services
- Nurseries, pre-schools or playgroups

- Schools, colleges or universities
- Animal charities
- Charities working predominantly outside England and Wales
- Organisations that do not have a purpose/benefit beyond the promotion of religion

### 3. Our 'Complex Social Issues' and Racial Equity Strand

We fund organisations supporting people who are experiencing complex social issues resulting in a significant impact on their lives.

**More than half of your charity's work will need to be addressing one of the below 'Complex Social Issues' (CSIs), delivered in a way that fits the definitions provided in section 4. You may hear us refer to this as our '50% rule.'**

However, this '50% rule' does not apply to charities applying under 'Racial Equity;' they instead need only demonstrate that **a proportion of their work** meets the definitions provided in section 4.

We fund work addressing the following 11 complex social issues, and also fund work under a separate 'Racial Equity strand':

Social Issue	People the work supports
Addiction and dependency on alcohol, drugs, substances and/or gambling	<p>People whose lives are significantly affected by their dependency on, for example, alcohol, drugs, substances or gambling.</p> <p>Your work will involve working directly with the individual with the dependency and may also include working with their families.</p>
Asylum seekers and refugees	<p>People who are seeking asylum in the UK or have been granted refugee status in the last two years.</p> <p>Services for people seeking asylum or have been granted refugee status in the last two years which could include immigration advice, welfare advice, and support to integrate in their local community.</p> <p>To be funded for work which includes immigration advice you will need to hold or be able to evidence that you are working towards OISC accreditation.</p> <p><b>Questions your assessor will ask you may include:</b></p> <ul style="list-style-type: none"> <li>• Of the refugees you work with, what proportion have had their application for asylum granted in the last two years?</li> <li>• How do you support your service users beyond the decision on their application?</li> </ul>

	<ul style="list-style-type: none"> <li>• If your services include immigration advice provision, do you have, or are you working towards, OISC accreditation?</li> <li>• How do you work with other local services supporting people seeking asylum and refugees?</li> </ul>
Care leavers	People who are currently managing the transition from having spent time in care as a child (i.e. under the age of 18). Such care could be in foster care, residential care or other arrangements.
Domestic abuse	<p>Our funding supports charities with a strong track record of working with people who have experienced abuse and/or perpetrators of abuse.</p> <p><i>Domestic abuse:</i> an incident or pattern of incidents of controlling, coercive, threatening, degrading and/or violent behaviour. This abuse can encompass, but is not limited to psychological, physical, sexual, emotional or economic abuse.</p> <p>Our definition also extends to charities working with people who have experienced honour-based violence.</p> <p><i>Perpetrators:</i> People who have systematically abused another person to gain power or control in a domestic or intimate relationship. This might be a partner, family member or friend.</p>
Homelessness/ vulnerably housed	<p>People with no accommodation, living in inadequate temporary accommodation or who are vulnerably housed where there is a high risk of becoming homeless.</p> <p>Our funding supports charities with a strong track record of working to address these issues. We do not generally fund short-term emergency accommodation e.g. winter shelters.</p>
Learning disability	We recognise that the breadth of the term ‘Learning Disability’ means that much more specific guidance on this complex social issue, hence the length of this guidance.

	<p>We have adopted Mencap’s definition of learning disability:</p> <p>“A learning disability is a reduced intellectual ability and difficulty with everyday activities – for example household tasks, socialising or managing money – which affects someone for their whole life.”</p> <p>People with a learning disability tend to take longer to learn and may need support to develop new skills, understand complicated information and interact with other people.</p> <p>We believe the three greatest needs at present for individuals with a learning disability are:</p> <ul style="list-style-type: none"> <li>a) Addressing social isolation and loneliness</li> <li>b) Accessing appropriate health and social care (lack of) and the need for advocacy support to achieve this</li> <li>c) That everyone (with a learning disability) should `have an opportunity to achieve` and to `aspire to be the best that they can`. This can include employment or accommodation related achievements, but these are not exclusive goals.</li> </ul> <p>We are keen to support charities which achieve the above in an in-depth and holistic way; causes which only address social isolation (for example a regular club night) are unlikely to obtain funding.</p> <p>We receive many applications from charities established to support people with autism and ASD. We acknowledge that many individuals with a learning disability have also been diagnosed with autism. However, our primary focus is on supporting individuals with a learning disability and not autism in isolation.</p> <p>The types of work and organisations we will fund under this issue will be:</p> <ul style="list-style-type: none"> <li>a. Sustainable, in terms of building upon individual’s abilities, and have lasting impact</li> <li>b. Inclusive</li> <li>c. Coproduced and user led</li> </ul>
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	<p>d. Able to evidence working with existing infrastructure or communities to ensure long term benefits and inclusion – it should not be a silo</p> <p>e. Able to produce effective evidence such as changes in outcomes linked to activity (not end goal) or distance travelled</p>
<p>Mental health</p>	<p>People who are managing severe and enduring mental health problems resulting in significant disruption to everyday living or in recovery from an episode of such problems occurring in the last two years. This includes supporting people managing conditions such as bi-polar disorder, schizophrenia or eating disorders.</p> <p>It does not include:</p> <ul style="list-style-type: none"> <li>• neurological conditions such as dementia</li> <li>• acquired brain injuries.</li> </ul> <p>Our funding supports specialist charities filling the gaps in statutory services for people managing and recovering from mental health problems which have significantly disrupted their everyday lives.</p> <p>We are looking to fund charities that</p> <ul style="list-style-type: none"> <li>• provide a specialist mental health service, working to address a gap in statutory provision. By specialist we mean that at least 50% of the people you support are accessing primary and/or secondary mental health services. Your organisation has referral pathways between primary care and secondary care, that operate both ways.</li> <li>• includes ‘mental health’ and/or a specific mental health condition in their first or second charitable objects.</li> <li>• demonstrate a strong track record of person-centred work where the individual is assessed, their needs are identified, and a plan of long-term support put in place. Where your organisation is not able to meet all these needs, we would expect to see strong referral pathways in place. For example, outside of the home visits, companionship, and wellbeing support being offered, we would expect to see therapeutic / counselling support, helping the individual access</li> </ul>

	<p>health and social care, housing, benefits, and development of self-advocacy.</p> <p>We will not fund charities that provide the following as their sole service</p> <ul style="list-style-type: none"> <li>• counselling</li> <li>• wellbeing activities to prevent people developing mental health problems (as opposed to such activities for people who already have a severe mental health illness)</li> <li>• signposting to statutory or voluntary mental health services</li> </ul>
<p>Offending, prison or community service</p>	<p>People with a history of offending which significantly impacts on everyday life, rehabilitation of and prevention of reoffending for people with a custodial or community sentence.</p> <p><b>Questions your assessor will ask may include:</b></p> <ul style="list-style-type: none"> <li>• Where do your referrals come from?</li> <li>• How do you engage with statutory agencies (e.g. probation services) and other organisations supporting people with a history of offending?</li> <li>• What is your track record of achieving positive outcomes from people with a history of offending? How do you track/ measure this?</li> </ul>
<p>Sexual abuse and exploitation</p>	<p>People who have experienced sexual abuse and exploitation, which may include any of the following:</p> <ul style="list-style-type: none"> <li>• sexual abuse, violence or exploitation;</li> <li>• female genital mutilation;</li> <li>• adults who experience trauma from historic sexual abuse or exploitation</li> <li>• people involved in sex work where it has a significant adverse impact on their lives.</li> </ul>
<p>Trafficking and modern slavery</p>	<p>People who have been trafficked or forced against their will into labour or marriage.</p> <p>Modern Slavery is an umbrella term, which covers several human rights issues, of which human trafficking is one. It encompasses – slavery, human trafficking, servitude and forced or compulsory labour. Examples of exploitation into which people can be trafficked and held in slavery include</p>

	<p>labour exploitation, domestic servitude, forced marriage, forced criminality, organ harvesting and/or sexual exploitation</p> <p>In practice, the terms modern slavery and human trafficking are often used interchangeably.</p> <p>The charity will need to have a full understanding of National Modern Slavery policy, local partnerships and other providers and seek to complement existing services.</p> <p><b>Questions your assessor will ask may include:</b></p> <ul style="list-style-type: none"> <li>• For those individuals coming to your service via means other than the National Referral Mechanism, how do you determine whether they're a potential victim of trafficking?</li> <li>• How do you work with the relevant National Referral Mechanism organisations?</li> </ul>
<p>Young parents</p>	<p>Young people under the age of 21 who have become parents and which may have adversely affected their health, relationships and opportunities to continue their education or move into training/employment.</p> <p>Our funding supports charities with a strong track record of working with:</p> <p>Young mums or dads to improve their parenting skills, promote healthy relationships, manage a safe home for their family, manage their finances and develop their own potential (skills, qualifications and employability).</p> <p><b>Questions your assessor may ask include:</b></p> <ul style="list-style-type: none"> <li>• Are you providing targeted support for parents under 21 or is your work for all parents where a proportion are under 21?</li> <li>• Where do your referrals come from?</li> <li>• How do you work with other local services supporting young parents</li> </ul>

<p>Racial Equity</p>	<p>Under our Racial Equity funding strand, we are looking to support charities where more than half of their Trustee Board self-identify as belonging to a Black, Asian or Minority Ethnic community.</p> <p>Your charity will have a focus on supporting people from specific Black, Asian or Minority Ethnic communities to overcome any of the 11 Complex Social Issues listed here.</p> <p>This funding is right for you if you can demonstrate that some of the services you provide are in-depth, holistic, and targeted at a particular Complex Social Issue- these are the qualities we look for in the work we fund, described below in section 4. You'll also be able to tell us the needs of the community you serve, and how you've identified these- there's an additional question that will appear on the application form when you confirm the focus of your charity's work.</p> <p>Unfortunately, we are unable to support purely second-tier or infrastructure organisations, nor can we support organisations whose activities are purely campaigning.</p>
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## 4. What we look for in the work we fund: 'Our Programme Fit'

Like any other funder, we cannot support all the applications we receive. We want to focus on the charities that are most likely to have the biggest impact on the lives of people facing the Complex Social Issues identified above. We have developed criteria for the characteristics of the work and charities we are seeking to fund:

- i) In-depth
- ii) Holistic and person-centred
- iii) Targeted
- iv) Supporting a journey of change
- v) An appetite for development

As described above, if you are applying under any of our 11 Complex Social Issues, **more than half of your work must be in-depth, holistic, targeted and supporting a journey of change**- our '50% rule'.

However, if you are applying under our 'Racial Equity' funding strand, we do not apply this test- any proportion of your work can satisfy the below criteria.

### i) In-depth

We fund charities which work with people over a prolonged period. We will look at how frequent, sustained and regular your contact with your service users is, on average. We do not fund work that is primarily one-off advice, online resources or 'signposting.'

### ii) Holistic and person-centred

By holistic, we mean that we expect to see a 'person centred approach' in your work. You'll assess the people you work with to identify their specific needs, so that a comprehensive plan of support can be put in place. We appreciate that any single charity or service can't be expected to provide a one-stop-shop covering all possible client/service user needs, but we will look for evidence that you are working intensively with service users on an individual basis and not just offering generic activities.

Where your charity cannot meet all of an individual's needs, you will need to tell us how you are working in partnership with other organisations (e.g. through supported referrals) to address them.

### iii) Targeted

We fund work which is specifically, deliberately aimed at those affected by one of our complex social issues to help them overcome, address or manage that particular issue. We do not tend to support work that is purely reactive, or for the benefit of an entire geographic community. You will know who the beneficiaries are, understand their needs

and proactively seek to support them. We will ask whether you consult your service users regularly to ensure your offer is as relevant and appropriate to them as possible.

#### **iv) Supporting a journey of change**

We expect you to be able to monitor and measure positive, outcome-based changes. These may not always be ‘hard’ outcomes, (e.g. moving from homelessness to stable housing) but we need to see evidence that you are supporting your service users to develop new skills, confidence, independence, security and/or agency. You do not have to be using particular databases or evaluation frameworks for this, but we will expect you to be able to tell us about the positive changes your service users are able to make and how you know they’re being made.

#### **v) An appetite for development**

Building on our learning of supporting charities to become stronger, over the last 6 years, we have placed a lot more emphasis on supporting the charities we work with which have ambitions to develop. Therefore, we will only fund charities that demonstrate an appetite to further develop their charity. This will require commitment from the leadership and the Board, and the capacity to engage in such work.

We know this can look very different from charity to charity, and that the current operating environment for charities is very challenging, so we’ll ask you about these challenges, and about your vision for the organisation, and discuss how the development needs of your charity might be addressed. This might be anything from improving your governance, to putting in place better funding plans or getting to grips with databases and communications.

Crucially, we will only fund charities that would welcome this support and have a leadership that demonstrates an appetite to further develop their organisation. We know that such a focus won’t be for everyone, so when applying to us please do reflect on whether we are the right funder for you with this in mind.

#### **vi) An appetite for partnership**

There must be full buy-in to a relationship with us from the leadership of the charity, both on the Board and in paid positions, and leadership should be outward facing and connected to other organisations locally. We refer to this as ‘appetite for partnership.’

## **5. How to contact us**

If you have any questions at all, please do get in touch with us. The team will be happy to help.

Email: [enquiries@lloydsbankfoundation.org.uk](mailto:enquiries@lloydsbankfoundation.org.uk)

Telephone: 0370 411 1223