



FUNDING Code of Practice

1.0 Aim

- 1.1 To improve communication, understanding and trust between all partners on matters of funding.
- 1.2 To increase satisfaction with funding relationships including where possible increasing the amounts of funding available, value for money, streamlining application and monitoring processes and promoting good practice in funding relationships and administration.
- 1.3 To maximise funding opportunities through joint bidding initiatives/commissioning and complementary not competitive programmes.
- 1.4 To work to the Government's own framework for good regulation with regard to voluntary and community sector funding including the five key principles of:
 - transparency
 - accountability
 - targeting
 - consistency
 - proportionality

2.0 Shared Values

- 2.1 All partners recognise the link between the statutory sector and Central Government and the constraints and responsibilities placed on the sector when determining funding arrangements.
- 2.2 All partners recognise the value of funding the voluntary and community sector:
 - a) To foster community based activity and promote social inclusion;
 - b) To identify community needs and explore new ways of meeting existing needs;
 - c) To encourage innovation;

- d) To contribute to an understanding of “what works” in programme delivery and to sustain and support existing projects which fit this criteria;
- e) To provide additional, complementary services to those of the statutory sector which the State has a duty or responsibility to provide;
- f) To provide services for which the statutory sector has a duty or responsibility to provide, but which can better be provided by voluntary and community organisations;
- g) To promote sustainable development by funding core costs and long term investment.

3.0 **Voluntary and community sector undertakings**

- a) To develop and implement effective employment and management standards and systems;
- b) To develop and implement appropriate financial systems;
- c) To encourage attendance and participation in appropriate financial training courses;
- d) To apply for funding only where appropriate eligibility criteria is met;
- e) To adopt policies to ensure quality and diversity in all activities and the appropriate involvement of service users;
- f) To make best use of opportunities provided by local infrastructure organisations in order to gain training, advice, support or to promote fundraising;
- g) To use local infrastructure organisations to facilitate applications to new or existing funding streams;
- h) To contribute to an annual review of funding structures through the Annual Compact Review Meeting;
- i) To implement appropriate systems for monitoring and evaluating work programmes;
- j) To develop contingency funds to cover unforeseen liabilities.

4.0 **Statutory sector undertakings**

- a) To develop funding strategies which demonstrate commitment to the principles of transparency, accountability, targeting, consistency and proportionality;
- b) To set out clear terms, eligibility criteria, objectives and appropriate points

of contact for programmes;

- c) To set out clear arrangements for voluntary and community organisations including local infrastructure organisations and service providing organisations;
- d) To contribute to long term sustainability of voluntary and community organisations through developing three year rolling funding programmes where possible;
- e) To ensure clarity and consistency in funding arrangements within organisations;
- f) To promote fair access to funding – taking account of the needs of smaller and user led voluntary and community organisations;
- g) To take into account the need for effective management infrastructures within voluntary and community organisations, including providing or contributing by financial or in-kind payments to the full management costs of projects;
- h) To encourage voluntary and community organisations to build up a contingency reserve to meet unforeseen liabilities but not allowing the absence of such reserves to be the deciding factor in determining funding applications;
- i) To support innovation through funding programmes;
- j) To support the “what works” agenda – acknowledged strategies and initiatives, working practices etc gathered from across the world that are acknowledged to produce results;
- k) To recognise the different ways in which core costs can be met;
- l) To strive to introduce flexibility in financial arrangements such as provision for the carry-over of underspend and monitoring and reporting procedures proportionate to the financial award and/or resources of the organisation;
- m) To demonstrate respect for voluntary and community organisations independence regardless of funding arrangements;
- n) To use Plain English or other jargon free, simple, clear language;
- o) To provide timely, constructive feedback to applicants – especially where applications have been unsuccessful;
- p) To co-ordinate information between funding bodies;
- q) To give as much notice as possible (not less than six months) of changes

- to levels or terms of funding in contractual agreements;
- r) To utilise internal complaints procedures for decisions which voluntary and community organisations consider to be unfair;
 - s) To provide service level agreements and contracts that include:
 - i. Clear information on the purpose of funding
 - ii. Information on accountability
 - iii. Payment timetables
 - iv. Appropriate performance monitoring and evaluation requirements
 - v. Negotiation arrangements for each party should changes occur or become necessary
 - t) To seek to develop, as far as is practicable, a single booklet on funding at least six weeks before the earliest known* application deadline. Widely published and distributed, the booklet should include:
 - i. details of financial support available to voluntary and community organisations
 - ii. an outline of the different types of funding available. clear criteria, clear guidelines of costs which may be included in estimated expenditure
 - iii. details of application and decision making timetables
 - iv. details of the application process.

*There is a recognition on behalf of all signatories and sectors allied to this process that in some instances funding streams may not be notified within the six-week deadline. Where this is the case every effort will be made to notify organisations as soon as practicably possible.

This document can be made available in alternative formats (such as large type or audio) and other languages – please contact North Yorkshire County Council on 0845 872 73 74

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