

BENEVOLENCE FUND POLICY



This policy document constitutes WNTCG's approach to operating a benevolence fund – this document (will be) approved by the Church and Pastors Council (CPC) and this will be reviewed periodically – i.e. at least annually

1.0 Background & context

- 1.1 During harsh economic times, most of our churches in Britain are facing an increased demand for help and benevolence. Even though benevolence and reaching out to the poor has been an active part of the church, some are facing the dilemma of whether to continue such benevolence or to focus upon their own set of needs.
- 1.2 In the area that we operate in – the Borough of Brent is seen to be a deprived Borough. **One in every three children in the borough is living in poverty, and this increases to 50 per cent in our most deprived wards. Poverty, unemployment and adult skills levels are key challenges for Brent.**
- 1.3 **Brent has the fifth highest private rent levels in London, making even two bedroom properties unaffordable for many on average earnings. There is a greater reliance in Brent than many other places on benefits and social housing. For families affected by the benefit cap, larger homes are not affordable. As a result, the government's changes to the welfare system will have a more widespread and more severe impact in Brent than in most other areas of the country.**
- 1.4 Given this context as a Church with significant commitments to service, we still feel that it is our Christian duty to help. This falls within our vision of the church as indicated below.
- 1.5 **Our Vision**
- 1.6 Our Vision is to be a church bringing 'change to life' where people who are lost to the Saviour, are hurt, damaged, and disillusioned in life, are changed by the Word of the Gospel, transformed by the Work of the Holy Spirit, and embraced by the welcome of a Church where Love Grows.
- 1.7 Our vision is to be a church that is relevant, having significance for our times, proclaiming a timeless message with categories of today's generation and society.

This policy document should be reviewed after a period of five (5) years.

BENEVOLENCE FUND POLICY



1.8 Our Vision is to be a church empowering people to serve and to lead by encouraging people to identify, develop, engage and use their gifts in Christ's work.

1.9 Charity Law

1.10 As a registered charity, the WNTCG church is subject to Charity Commission laws and as such is precluded from lending money to individuals especially if the recipient is a member of the charity.

1.11 NTCG churches are permitted to establish '*benevolence funds*' from which contributions can be made to people in need.

1.12 In establishing a benevolence fund WNTCG are compelled to operate within the Law and will therefore set out the defined parameters to ensure that WNTCG does not breach any laws, regulations and /or guidance. The following parameters (have been/was) agreed by the CPC and will form the procedures that will be implemented for the benevolence fund.

2.0 Parameters

2.1 Purpose of the fund - The purpose of the Benevolence Fund is to meet people's basic needs on a short-term interim basis. The Benevolence Fund is to be used as a means of last resort – therefore all other avenues have already been explored and evidence of this should be submitted with the application for funding.

2.2 "People in Need" are individuals who are deemed by the benevolent fund committee to be in a serious/critical/vulnerable financial position. The benevolent fund is designed in order to assist a range of individual needs. A criteria for areas that will be funded and not funded is identified under section 4.6 & 4.7.

2.3 A budget of £2000 for the year has been set aside to operate the benevolence fund. The benevolence fund will close once this has been exhausted.

2.4 A Benevolence Fund Committee will be established to operate the Benevolence *This policy document should be reviewed after a period of five (5) years.*

BENEVOLENCE FUND POLICY



policy. The members of the Benevolence Committee will be drawn from the CPC and the Finance Committee. Where an application poses a conflict of interest then the member should declare an interest and take no part in the decision making process.

- 2.5 There will be an application process for all requests and all applications must be kept for a minimum of three years for audit purposes.
- 2.6 While the details of the applicant(s) will come to the Committee – it is expected that all members of the Committee will be bound by confidentiality rules due to the sensitive nature of each application

3.0 Benevolence Fund Committee Membership & Rules

- 3.1 Committee membership – this will be made up of three members in total with at least two members from the CPC and a member from the Finance Committee.
- 3.2 The term of office for the benevolence committee is two years. Reselection will be made by the CPC.
- 3.3 There is no appeal from the Benevolence Fund Committee's decision. All rulings are final.
- 3.4 No member of the Benevolence Fund Committee would be entitled to receive monies from the benevolence fund. Where the application is made by a "close family member" (i.e. spouse or dependent/child) of the Benevolence Fund Committee the member should declare an interest and take no part in the decision making process.
- 3.5 The Benevolence Fund Committee will reject applications where the eligibility criteria are not met by the individual i.e. not a serious financial need.
- 3.6 Members of the committee must disclose any case, which may affect their own integrity. The names of the recipients should remain confidential to the Committee and never be disclosed in church conferences or financial reports.
- 3.7 The file records of recipients will be kept for accounting and auditing purposes.

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BENEVOLENCE FUND POLICY

4.0 Requests for funding

- 4.1 **General Guidelines** The Benevolence Fund is intended as a source of last resort, to be used when the family or individual requesting assistance has explored all other possibilities of help from family, friends, savings, or investments. It is intended to be a temporary help during a time of crisis or other hardship
- 4.2 Assistance from the benevolence fund is intended to be a one-time gift. In unusual circumstances, the Benevolence Fund Committee may decide to help more than one time. Disbursements from the Benevolence Fund may not be in the form of a loan. The Committee Members will make it clear to recipients that the Benevolent Fund is not to be treated as a loan. However, as part of overall fundraising initiatives of the church, they may wish to make a contribution to the fund if their circumstances improve.
- 4.3 Those requesting assistance must also be willing to receive financial, family, or emotional counselling. The Benevolence Fund Committee will not provide help to anyone who, in its estimation, will have negative or irresponsible behaviour reinforced by financial help.
- 4.4 Those requesting help must be willing to give the Benevolence Fund Committee permission to follow up on any of the information provided to the committee. The committee will be sensitive to confidential issues.

Recipients of Assistance

- 4.5 In order of priority, recipients of assistance from the Benevolence Funds shall be:
- Members of WNTCG.
 - Regular attenders of WNTCG.
 - Recipients of the Fund can only benefit once over a twelve (12) month-period.

Criteria

- 4.6 The stated purpose of the Benevolence Fund is to meet people's basic needs.

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BENEVOLENCE FUND POLICY

Normally, these needs are defined as, but are not limited to the following:

1. Primary lodging (mortgage or rent)
 2. Utilities (electric, natural gas, water, Council Tax)
 3. Prescription Medication
 4. Funeral expenses (limited to funeral brochures only).
- 4.7 Needs that may **not be met** by the Benevolence Fund include, but are not limited to the following:
1. School expenses, business investments, or anything that brings financial profit to the individual or family
 2. Paying off credit cards. Exceptions can be made when an individual has had to use a credit card in a crisis or emergency (e.g., hospitalization, death, etc.)
 3. Needs of individuals who are wanted by the law or for paying fines as a result of breaking the law
 4. Legal fees arising from criminal behaviour
 5. Penalties relating to late payments or irresponsible actions
 6. Private school fees or tuition
 7. Business ventures or debts
 8. Gambling debts
 9. Security deposits
 10. Adoption assistance
 11. Vehicle payments
 12. Alimony/child maintenance payments
 13. Insured losses
 14. Projected and future needs
- 4.8 The maximum allowance per person is £500 in any given year.

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BENEVOLENCE FUND POLICY



5.0 Benevolence Funding – Applications process

5.1 Individuals or families seeking assistance from the Benevolence Fund shall complete the follow steps:

- Obtain and submit an Application for Assistance from the Benevolence Fund, along with all supporting documentation.
- Complete interview(s) and/or appropriate counseling with the designated Benevolence Fund Committee member(s) as applicable.
- Provide all additional documents and information requested by the Benevolence Fund Committee.

5.2 Review and approval of the Application, as well as written communication of the amount and form of assistance, shall be done by the Benevolence Fund Committee at the earliest practicable date, but generally within a maximum period of two weeks or ten business days.

5.3 As much as possible, payments from the Benevolence Fund will be made directly to third party service providers rather than to the individual requesting assistance. In all cases, the Benevolence Fund Committee reserves the right to award an amount less than the amount requested.

5.4 All three (3) members of the committee must be involved in the decision-making process in all cases. However, if the exceptional situation occurs, where one (1) member of the committee is unavailable (due to illness, or absence from the country), then two (2) members of the committee may arrive at a decision in the absence of the third member. However, the third member of the committee should be made aware of the decisions and cases at the earliest convenient opportunity.

5.5 The possible outcomes of any application made by the benevolent fund committee are:

- **Yes** - Contribution of 100% of request is granted to the individual.
- **Yes** - Contribution of a percentage of the total request is granted to the individual.
- **No** – Rejection of the application – with reasons given.

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BENEVOLENCE FUND POLICY



- 5.6 All applications will be considered on their own merit, and cases will not be prejudiced regardless of previous decisions by the benevolent committee, or frequency.
- 5.7 To preserve the independence and impartiality of the Senior Pastor, applications or decisions should not be referred to the Senior Pastor, nor may the Senior Pastor overturn the decisions of the Benevolent Funds Committee.
- 5.8 The Benevolent Funds Committee reserves the right to reject applications.

Record Keeping

5.9 The following information will be documented for all Benevolence Fund disbursements:

- Complete description of the assistance provided
- The purpose for which the assistance was given
- The charity's objective criteria for disbursing assistance.
- How the recipients were selected
- The name, address, and amount distributed to each recipient
- Any relationship between a recipient and officers, directors, or key employees or substantial contributors to the charitable organization is declared at the earliest possible opportunity.

6.0 Benevolence Funding Pot

6.1 The General Church fundraising programme can be used to set up the Benevolence Fund. The initial target is £2k. However future funds should be raised independently from either departments or events to assist with the operation of a benevolence fund. Whatever is raised is ring-fenced only for the benevolence fund.

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BENEVOLENCE FUND POLICY



- 6.2 The Church Council will be responsible to ensure that fundraising strategies are implemented in order to ensure that the optimum level is obtained.

7.0 Conclusions

- 7.1 As discussed at the CPC in August 2017, as a governing body we wish to implement a benevolence fund in keeping our vision, mission and values on the basis outlined within this report. Should this be adopted, then a rollout of the policy will begin in the New Year.

8.0 Recommendations

- 8.1 That the policy is adopted.
- 8.2 That a Benevolence Fund Committee is established as outlined in 2.4 and section 3 of this report.
- 8.3 That a donation of £2000 is established from Corporate funds to start the policy and all future funds are raised independently from Church funds through Departments. Once the Benevolence funding pot is exhausted then the applications process is closed.

Robert Johnson

Chair of Finance Committee & CPC member

10th October 2017

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