



# Pots of Possibility: Your Pots Information & Guidance

## Context

### What is Closing Loops?

Closing Loops is a five-year £1.5 million project led by FoodFutures, North Lancashire's sustainable food partnership. The scheme is delivered by six local organisations (LESS, Lancaster District CVS, Eggcup, Global Link, Shared Future CIC and Scientists For Global Responsibility), and is funded by The National Lottery Community Fund.

The Closing Loops project supports community-led action and local initiatives to create a zero-waste, circular and regenerative local economy in Lancaster District. £300,000 in small grants will be available through the Pots of Possibility fund for community groups, organisations and social enterprises to develop creative ideas that enable people and the environment to thrive.

Find out more about Closing Loops, and what it aims to achieve at

<https://foodfutures.org.uk/closing-loops/>

### What is a Regenerative Economy?

The Closing Loops project aims to create a regenerative economy in North Lancashire. A regenerative economy is a network of local people, organisations and businesses who live and work in a way that protects and restores the environment, builds healthier communities and improves people's wellbeing.

A regenerative economy is made up of different regenerative enterprises. These could be community initiatives or groups, charities, social entrepreneurs and other types of not-for-profit business.

Some examples might include:

- A market garden that grows and distributes seasonal, organic veg locally and trains new growers who want to produce local food
- A village stall for swapping surplus veg, plants and seeds
- A community enterprise that makes use of a material currently going to waste (food, textiles, plastic, etc)
- Workshops to learn about refurbishing, fixing and repairing
- Using an empty building for a pop-up repair café

These ideas are explored in the [Spring 2023 edition of THRIVE](#). For inspiration, have a look at some of the ideas [shared by local residents at the Closing Loops World Cafes](#).

## The 'Pots of Possibility' Fund

The 'Pots of Possibility' fund will distribute up to £300,000 over the next four years to enable community groups, organisations and social enterprises in North Lancashire develop creative ideas that help communities and the environment to flourish.

The fund will offer two different granting opportunities.

- 'Community Pots' with grants of up to £5,000 to support pilots, test the feasibility of new ideas and support community projects
- 'Your Pots' are grants of between £5,000 and £10,000, awarded to grow ideas and scale up pilots that contribute to an ecosystem of regenerative initiatives and community enterprises locally.

## Your Pots

This guidance document relates to the 'Your Pots' participatory grant making which will distribute £200,000 over four rounds. There will be £50,000 available to distribute in Autumn 2023.

'Your Pots' uses an innovative 'participatory budgeting' approach where everyone who lives, works or plays in Lancaster District can, if they choose, be involved in making recommendations about who receives funding. This process is sometimes called participatory budgeting, or sometimes it is called participatory grant making.

The process happens in two rounds.

### **Stage 1: First you make an expression of interest.**

Application forms for an expression of interest in applying to 'Your Pots' will be available from 9am on 4th September 2023, and must be returned by 11:59pm on 6th October 2023, using the online application form. Applications submitted after this may be recorded but cannot go forward to the next stage. To access the form, create an account and log in at [morecambebay.grantplatform.com](https://morecambebay.grantplatform.com)

Applications received by the 6th October will be checked by a small independent panel composed of representatives of community organisations, our local authorities and other stakeholders, who will verify each application is ok to proceed.

The role of the panel will NOT be to decide who will get funding, but instead to ensure your application is eligible, based on criteria discussed and agreed at a community co-design day held on the 18th of July 2023, and as stipulated by the National Lottery Community Fund (who have provided the money for the 'Your Pots' fund). Over 15 local people attended the design day, where they considered in depth how our innovative 'Your Pots' process would be run.

## **Stage 2: Invitation to present your project**

If your application passes the verification process you will be notified and invited to make an in-person presentation of your project at an open, public event, on the 18th November 2023. That will also be attended by everyone else who is asking for 'Your Pots' funding, and anyone interested in taking part in making recommendations about who gets funded.

**If you (or another representative of your organisation or project) cannot attend on the 18th November, you cannot apply for this round of 'Your Pots'.**

## **'Your Pots' is using 'participatory budgeting'. What is that?**

Participatory budgeting (or PB for short) is a democratic process, where local people decide together about where local funding goes. It has been used extensively across the UK to give out grants like these.

If you would like to find out more about the participatory approach used for 'Your Pots' you can [watch a 25-minute online presentation about 'participatory budgeting' on the Shared Future's YouTube channel](#). The first 14 minutes is a general explanation of participatory budgeting and the last 10 minutes more specifically about the process we are piloting in Lancaster District.

You can also find out more about this democratic model of grant making in the Summer 2023 issue of Thrive, North Lancashire's community food magazine. The article, *You could be a community dragon too!*, is on pages 38 and 39. You can pick the magazine up in paper form from a number of locations ([full list here](#)), or [read the article on the FoodFutures website](#).

## **Why did Closing Loops decide to use this PB approach?**

Closing Loops is about doing things differently. Whilst planning the Closing Loops programme we decided it was valuable to test out PB, as it enabled everyone to connect, collaborate and meet together. We understand it might seem over complicated or risky at first sight, but we are confident that it works, and we have great experience to draw upon.

Another nearby programme, similar to ours, has also recently used this approach for their climate themed grant funding, also using Lottery money. We have received positive feedback from them on how well it went. Overall people felt it fairer than other approaches, more democratic, and more likely to get local organisations working together.

We know we are learning as we go, hence holding our co-design day. As there will be 4 years of 'Your Pots' funding we have plenty of opportunity to learn and improve the process. Every year we will hold another co-design to keep improving the model.

## What should we do if we want help or advice?

Contact LDCVS by email at [hello@lancastercvs.org.uk](mailto:hello@lancastercvs.org.uk) or by telephone on 01524 555900 for support on questions about the online application process, eligibility, documentation, and timescales. LDCVS will also provide advice to grant holders about their grant agreement, payments, and the monitoring and evaluation process.

Contact Jo Stocking, Closing Loops REconomy Coordinator, by email at [jo\\_cl@lessuk.org](mailto:jo_cl@lessuk.org) to get advice about Closing Loops themes, discuss project ideas, and find out more about the fund's approach to zero-waste and regenerative enterprises.

If you have questions about 'participatory budgeting' generally, you can contact Jez Hall, of Shared Future CIC, who is advising on how this process will run. Jez has supported many similar PB initiatives over many years. Contact Jez at [jez.hall@sharedfuturecic.org.uk](mailto:jez.hall@sharedfuturecic.org.uk)

## Eligibility

### What kind of projects can receive 'Your Pots' funding?

The 'Your Pots' fund provides grants of between £5,000 to £10,000 for social enterprises, charities and other not-for-profit groups or organisations to scale up and expand regenerative projects and enterprising ideas that will help our community and environment to flourish. Projects funded by 'Your Pots' must support the Closing Loops aim of creating a thriving, regenerative economy here in North Lancashire.

These include ideas in any of the following themes:

- Reusing, repurposing and repairing materials currently going to waste (e.g. textiles, electronics, packaging, surplus food, etc)
- Sharing resources (e.g. tools, materials, skills, etc) or repurposing unused space for community benefit
- Inspiring people to use and buy things more sustainably and to produce less waste
- Growing, cooking and eating food that's local, seasonal and sustainably produced.

**Organisations may only submit one application per round of 'Your Pots', and organisations that received a grant from the Pots of Possibility 'Community Pots' fund in 2023 cannot apply to 'Your Pots' in this round.**

We can fund a wide range of activities within your project, including:

- Putting on events or taking part in other people's events
- Publishing content like websites, videos, podcasts or books
- Providing training or education
- Reusing or repurposing equipment or resources (we recommend avoiding using funds to buy new equipment unless it has not been possible to source second-hand or shared community resources)
- Improving land or buildings
- Paying staff or consultants
- Working with volunteers and paying their expenses

There are some things we can't fund, which are:

- Activities which have already taken place or you have already spent money on
- Alcohol
- Contingency costs, loans, endowments or interest
- Payment to some else to write your application
- Profit-making or fundraising activity
- VAT that the organisation can reclaim
- Religious activities (religious organisations can be funded for projects that benefit the wider community)
- Statutory activities (activities that statutory organisations are required to deliver)
- Activities that improve educational attainment
- Overseas travel
- Projects that take place outside the Lancaster District (defined by the Lancaster City Council area)
- Political activities

We are looking to support organisations that are serious about taking action to reduce their, and our District's carbon footprint whilst building local ability to cope with and respond to climate change. As such, money awarded will not be channelled towards work that undermines this core aim of this work.

We will not fund organisations or projects involved in destructive environmental and social practices. Although organisations farming animals will not be excluded, priority will be given to organisations which encourage alternatives to animal consumption.

### Who can apply for 'Your Pots' funding?

Voluntary, community, faith and social enterprise organisations are all eligible to apply. Applicants must be at least one of the below:

- Unregistered voluntary or community organisation
- Constituted group or sports club
- Registered charity
- Charitable incorporated organisation
- Not-for-profit company
- Community interest company
- School, College or University (as long as the project provides wider community benefits)
- Faith-based groups

### What about funding for individuals or private business, or an unconstituted organisation?

In general, we can't fund applications from individuals, or from businesses or limited companies that are not also charities or social enterprises. To meet the rules of the National Lottery Community Fund, who have provided this funding to Closing Loops, we will need to see and check your group or organisation's constitution or set of rules.

If you're an individual, business or community group without any kind of acceptable governing document, we might be able to work with you to find an organisation that is eligible to apply and willing to work in partnership with you to deliver your project.

The partner organisation will need to pass all our normal due diligence checks and will sign our grant agreement - so they will be legally responsible for the project and its finance.

The funded organisation also needs:

- To have at least two unconnected people on the board or committee, that is not a relation by blood, marriage, civil partnership, in a long-term relationship or people living together at the same address.
- To have a UK bank or building society account, in the legal name of your organisation, with at least two unrelated people able to manage it.
- To produce annual accounts, or plan to if less than 15 months old. Accounts should be produced by a method and in a format relevant to the size of your organisation.

When you make your initial application or expression of interest we will also ask you to tell us about you and your organisation. The information you provide will inform the decision about if you are eligible to proceed to the public event on the 18th November 2023. The more information you can provide about your idea and your organisation the better.

**It is very important if unsure you are eligible to ask for our advice before the 6th October 2023 deadline for expressions of interest.**

## Applying

### How do we make an expression of interest for 'Your Pots'?

Apply by creating an account at [morecambabay.grantplatform.com](https://morecambabay.grantplatform.com)

This secure service allows you to work on your application, saving and returning to it as many times as you like before submitting. It is also where we will record information we create regarding your application and anything else you send us while you are delivering your project.

If you need a reference copy of the application form to use offline while planning your application, [it's available to download and print](#). Ensure you complete the 'Your Pots' application form after registering. You cannot apply using the paper reference copy.

In the application form, you will answer a few brief eligibility questions and then ask you to tell us about your project, answering these sorts of questions:

- Why is your project needed?
- What would you like to do?
- Who will be involved?
- When and where will your project take place?
- How will your idea help create a more regenerative economy in Lancaster District?
- How much will your project cost?

Most questions are limited to 100 or 200 words. You don't have to use all the words available or be certain about costs to make an expression of interest.

### What happens with our expression of interest?

After you have made your expression of interest to apply for 'Your Pots' funding, your project will be verified, using a simple 'traffic light' system:

- **Green** = you are good to go, and will be invited to the decision day event on the 18th November 2023. We will send you information on the next steps. We may ask for additional information through the online portal.
- **Amber** = you passed, but we want to give you feedback on where your application could be strengthened. Perhaps there is some missing information, or the project, and its benefits are not clear in some way. We will contact you with those concerns and you can decide if you wish to proceed to the decision day event. We will support you and let you know the next steps. You could still be successful, so don't pull out without speaking with us. We may also ask for additional information through the online portal.
- **Red** = we found a significant problem with your application. Either it was not eligible for this fund, or there were other major issues. We will let you know why this decision has been taken. You will be able to apply to future rounds.

### What happens if too many people send in an expression of interest?

The only other reason a project might not progress to the next stage is if we receive so many applications that it is impossible to hold the public event safely or fairly to all the applicants.

This is the first time that this approach has been done in the Lancaster District at this scale and in this way, so we need to ensure the Closing Loops project partners can deliver it properly.

In the unlikely case we feel there are too many applicants then, additional to the traffic light rating, we will undertake a more detailed scoring of each application that is either amber or green.

Ultimately LDCVS is the accountable body and is responsible for the process, supported by the Closing Loops project partners, and there are rules it must follow.

## Decision Event

### What happens between getting our go ahead and decision day?

If you pass through the first stage successfully you will be invited to make your presentation on the 18th November 2023. We will explain the format of the day and everything you might need to do in order to prepare.

We know that making a public presentation could be a scary prospect, and something you might never have done before. We will invite at least two people to come along from each

project to be part of your 'Your Pots' presenting group, but you can bring more if you like, up to a maximum of five. You'll need to confirm their names before the day.

You can also invite friends or supporters to come along on the day.

We may also ask you to provide some additional information through the online portal. We can help you with completing that if needed. There's more information below about what we will need.

## How does the decision event work?

We are still making final plans for the decision event. But we will ensure you have a full picture of what will happen when we invite you to the event.

In brief:

- The decision event will last about 3 hours.
- Each applicant will have the opportunity to present its idea to everybody attending the event.
- There will be opportunities to meet, question, deliberate and discuss the projects.
- Everybody will receive voting tokens, which they will use to support projects they think will have the most impact.
- Everybody will have to support at least 3 different projects.
- If there are lots of projects participants may get 5 or 7 votes.
- Bidders won't be able to vote for themselves.
- The votes will be counted and projects recommended for funding in order of votes received.
- Once the budget available has been allocated among the recommended projects we will announce the provisional results on the day.
- Those who don't get funded will be offered support to find it elsewhere.

## Grants

### What happens if we are successful at the decision event?

If you haven't already done so, this is the point at which you'll need to complete all the optional questions on the expression of interest form and upload all your supporting documents. You will have one month to do this.

We will examine all this information and if it passes our due diligence checks we will issue a grant agreement, which you should sign and return to LDCVS within a month of the date it was issued. The final decision about whether a project can and should be funded rests with LDCVS, as they are legally accountable to the National Lottery Community Fund for the distribution of these grants.

If you are unable to provide the information required, or fail to return your signed grant agreement in time, we may have to reject your provisional offer of funding and give it to another group lower down the list.



Providing all of the information we need at the time of application will speed up the process of receiving your money and we encourage you to do it as early as possible. The documents we require are:

a) A bank statement, showing the following:

- Your organisation's legal name
- The address the statements are sent to
- The bank name and/or logo
- Account number
- Sort code
- Date (must be within last 3 months)

For bank accounts opened within the last three months, we can accept a bank welcome letter. This must confirm the date your account was opened, account name, account number and sort code.

If you're a school using a local authority bank account, we'll need a letter from the local authority dated within the last 3 months. It should show:

- Your school name
- The bank account name
- Account number
- Sort code

b) Your most recent accounts

c) Your organisation's memorandum and articles of association, certificate of incorporation, constitution, or rules.

d) If your project works with children, young people or adults at risk of harm, provide your safeguarding policy which explains how they'll be safe.

e) If your project includes activities which require public liability insurance and you already have this, provide the certificate of insurance.

f) If your project requires people in your organisation who are running activities to have special qualifications, memberships or affiliations, and these are already in place, please provide evidence.

g) If your project benefits the public through changes to land or buildings, such as starting a farm or garden or conducting a refurbishment, you will need to provide one of the following:

- proof that your organisation owns the property;
- proof that your organisation has a lease on the property that cannot be ended for at least five years;
- or a letter from the owner of the property showing they intend to provide such a lease.

## What happens after all our paperwork is complete?

After you've submitted all your paperwork successfully, your nominated contacts will receive a final email confirming your grant. You will be given a grant agreement to sign, and a named contact point.

You will also be given information on how you will need to report activity funded by your grant. We will ask you for a midway review, and a final evaluation, and will work with you to set appropriate deadlines.

As part of your agreement you will be asked to agree our terms and conditions for the Pots of Possibility Fund (which are also at the end of this document), and confirm that you are authorised to accept the grant, that all the information you've provided is accurate, and that you understand how we will use your data.

**Check before you complete your expression of interest that you will be able to fulfil all these obligations.**

## Getting help

Contact LDCVS by email at [hello@lancastercvs.org.uk](mailto:hello@lancastercvs.org.uk) or by telephone on 01524 555900 for support on questions about the online application process, eligibility, documentation, and timescales. LDCVS will also provide advice to grant holders about their grant agreement, payments, and the monitoring and evaluation process.

Contact Jo Stocking, Closing Loops REconomy Coordinator, by email at [jo\\_cl@lessuk.org](mailto:jo_cl@lessuk.org) to get advice about Closing Loops themes, discuss project ideas, and find out more about the fund's approach to zero-waste and regenerative enterprises.

## Terms & Conditions

**1. By submitting an application to Lancaster District Community and Voluntary Solutions (LDCVS), the organisation named in the application (referred to as "you" in these Terms and Conditions) agrees, if awarded a grant, to:**

- 1.1. hold the grant on trust for LDCVS (referred to as 'we' or 'us') and use it only for your project as described in your application or otherwise agreed with us, and only for expenditure incurred after the date of your grant award;
- 1.2. provide us promptly with any information and reports we require about the project and its impact, both during and after the end of the project. These include, but are not limited to the following: at the beginning of your project, a basic equality and diversity monitoring form; half-way through your project, a monitoring report and/or interview; at the end of your project, a final report due within one month;
- 1.3. act lawfully in carrying out your project in accordance with best practice and guidance from your regulators, and follow any guidelines issued by us about the project or use of the grant and let us know promptly about any fraud, other impropriety, mismanagement or misuse in relation to the grant;

- 1.4. acknowledge Closing Loops and National Lottery funding using our logos in accordance with the relevant guidelines for recognising your grant, which will be supplied to you by email;
- 1.5. hold the grant in a UK based bank account or building society account, which is in the legal name of the organisation that is applying for funding;
- 1.6. adhere to our guidance on financial controls and banking arrangements, ensuring that no single individual has sole responsibility for any single transaction from authorisation to review and completion and that the account is managed by at least two unrelated and authorised individuals in your organisation;
- 1.7 maintain a register of assets purchased using the funding and share it with us during monitoring and evaluation meetings, maintain insurance covering these assets, depreciate these assets correctly according to your accounting practices, and tell us if you intend to sell an asset within five years of the end of the project. For the purpose of this clause 1.7, an asset is any piece of equipment or machinery costing over £500, or the purchase or refurbishment of any land or building costing over £500.
- 1.8 immediately return any part of the grant that is not used for your project or which constitutes an unlawful subsidy;
- 1.9. comply with The National Lottery Community Fund's safeguarding policy for grant holders, which will be supplied to you by email;
- 1.10 co-operate with any research or evaluation-related activities which we carry out and further confirm that we may use any part of your application and/or project information for research or evaluation purposes.
- 1.11 comply with data protection laws and obtain the consent of your beneficiaries for us and you to receive and process their personal information and contact them;
- 1.12. keep accurate and comprehensive records about your project both during the project and for seven years afterwards and provide us on request with copies of those records and evidence of expenditure of the grant, such as original paper or electronic receipts, invoices, and bank statements;
- 1.13 allow us, representatives of The National Lottery Community Fund and/or the Comptroller and Auditor General reasonable access to your premises and systems to inspect project and grant records; and
- 1.14 LDCVS, FoodFutures, the Closing Loops project partners and/or The National Lottery Community Fund publicising and sharing information about you and your project including your name and images of project activities. You hereby grant us a royalty free licence to reproduce and publish any project information you give us. You will let us know when you provide the information if you don't have permission for us to use it in this way.

**2. You acknowledge that we are entitled to suspend or terminate the grant and/or require you to repay all or any of the grant in any of the following situations. You must let us know if any of these situations have occurred or are likely to occur.**

- 2.1. You use the grant in any way other than as approved by us or fail to comply with any of these Terms and Conditions.
- 2.2. You fail to make good progress with your project or are unlikely in our view to complete the project or achieve the objectives agreed with us.
- 2.3. You have match funding for the project withdrawn or receive or fail to declare any duplicate funding for the same project costs as funded by the grant.
- 2.4. You provide us with false or misleading information either on application or after award of the grant, act dishonestly or are under investigation by us, a regulatory body or the police, or if we consider for any other reason that public funds are at risk or you do anything to bring us or the organisations we work with and receive funding from into disrepute.
- 2.5. You enter into, or in our view are likely to enter into, administration, liquidation, receivership, or dissolution.
- 2.6. You receive any grant money incorrectly either as a result of an administrative error or otherwise. This includes where You are paid in error before You have complied with your obligations under these terms and conditions and Offer Letter. Any sum, which falls due under this paragraph 2.6, shall fall due immediately. If you fail to repay the due sum immediately, or as otherwise agreed with us, the sum will be recoverable summarily as a civil debt.

**3. You acknowledge that:**

- 3.1. the grant is for your use only and we may require you to pay us a share of any proceeds from disposal of assets purchased or enhanced with the grant;
- 3.2. we will not increase the grant if you spend more than the agreed budget and we can only guarantee the grant as long as The National Lottery continues to operate and we receive sufficient funds from it;
- 3.3. the grant is not consideration for any taxable supply for VAT purposes;
- 3.4. we have no liability for any costs or consequences incurred by you or third parties that arise directly or indirectly from the project, nor from non-payment or withdrawal of the grant, save to the extent required by law;
- 3.5. these Terms and Conditions will continue to apply for one year after the grant is paid or until the project has been completed, whichever is later. Clauses 1.2, 1.4, 1.6, 1.7, 1.9, 1.10, 1.11, 1.12, 1.13, 1.14, 3.4 and 3.5 shall survive expiry of these Terms and Conditions; and
- 3.6. if the application and grant award are made electronically, the agreement between us shall be deemed to be in writing and your online acceptance of these

Terms and Conditions shall be deemed to be the equivalent of your signature on that agreement.