**Shared Definition of the Voluntary and Community Sector**

**Sandwell Council and SCVO**

**Introduction**

Sandwell’s well-established voluntary and community sector (VCS) is a vibrant and diverse collection of over 1,000 charitable and not-for-profit businesses, social enterprises, advocacy organisations, faith, community, and neighbourhood groups. Together, the many different parts of the VCS make a huge impact on the lives of Sandwell residents. It engages large numbers of volunteers who give their time freely to support others and makes a significant economic impact as a route to bringing funds into the borough and as an employer of a significant workforce.

Sandwell Council and Sandwell Council of Voluntary Organisations (SCVO) have developed a shared definition of the voluntary and community sector in order to be more consistent in our approach to partnership working and grant giving.

**Our broad definition of the Voluntary and Community Sector**

The Voluntary and Community Sector (VCS) in Sandwell is made up of collections of individuals who come together to work for the public good. It includes a very diverse range of organisations:

* Voluntary organisations
* Community groups
* Tenants and residents’ groups
* Faith organisations and groups
* Housing Associations
* Most co-operatives and social enterprises (provided all profits are retained for the benefit of the members or community served)
* Most sports clubs and organisations
* Grant making trusts

**Grant eligibility**

To be eligible for a grant or other financial support such as a rent subsidy you will need to be one of the following **types of organisations**:

* **Voluntary organisations or community groups** (an organisation run by a management body made up of volunteers who are engaged in that activity for environmental, economic or social good.)
* **Tenants and residents’ groups**
* **Faith groups and organisations**
* **Most co-operatives and social enterprises** (provided all profits are retained for the benefit of the members or community served)
* **Most sports organisations**

**Organisational structure:**

Organisations that have one of the following structures/ forms are eligible for grant aid:

* Community Interest Companies limited by guarantee
* Community Interest Companies limited by share (schedule 2 including an asset lock of 100%)
* Not for profit trade associations
* Charitable trusts
* Companies limited by guarantee
* Constituted groups (groups with a governing document which are not incorporated as companies)
* Charitable Incorporated Organisation (CIO)
* Community Benefit Societywith charitable status

Some of above may also be registered as charities with the Charity Commission.

**Values and principles:**

To receive a grant all voluntary and community sector organisations will need to be able to demonstrate that they are **all of the following**:

* are actively delivering services in Sandwell or undertaking activities for the benefit of Sandwell Communities
* have a voluntary governing body with at least 3 local people (ideally unrelated) on that body
* non-party political and non-governmental
* value driven, having objectives for the social good
* independent of funders
* principally reinvest any financial surpluses in activities or assets that bring a significant community benefit to Sandwell
* operate on the basis of being wholly not-for-profit. Any surpluses will be retained and reinvested for community benefit and not distributed for personal (individual) or private gain

**Eligibility for small grants (up to £5,000)**

Larger VCS organisations with an annual turnover of £500,000 or more will **not** be eligible for small grants up to £5,000.

**Discretionary Rate Relief**

**Please note that there are separate rules that govern eligibility for discretionary rate relief which can be found on the** [**council’s website**](https://www.sandwell.gov.uk/business-rates/charitable-relief)

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