LHC
PROCUREMENT GROUP

Community Benefit Fund Client Guide



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As an associate partner of LHC Procurement Group, and its regional businesses, you may have been allocated Community Benefit Funding, earned through your involvement as a regional Committee Partner, an LHC Procurement Group Board member, or through the use of our procurement solutions.



At LHC Procurement Group, we are committed to driving social value through our public sector procurement activities, and as a not-for-profit organisation this commitment is reflected in our Community Benefit Fund, supported by a proportion of the financial surplus generated through our business operations. Together, this funding will help to enhance lives and places in the communities we serve, creating positive outcomes across key impact areas including individual wellbeing, social mobility, and a healthy planet and environment.

Since April 2025, associate partners have qualified for Rebate CBF, by using qualifying frameworks. As a regional Committee Partner, or LHCPG Board member, you may already have been allocated Community Benefit Funding through your place on these groups. Between 2017 and 2024 we worked together to distribute **£1,695,892** to community groups and enterprises across Great Britain, locally in your areas.

This guide explains how the CBF allocation works, the different CBF funding routes, and how you can access and use your allocation.

George Stevens

George Stevens
Director of Communities at LHC Procurement Group

LHC NPA SPA SWPA WPA



Our community benefit priorities

The aim of LHCPG's Community Benefit Fund is to work with our associate partners to support volunteer groups, charities, and social enterprises in local communities.

The fund prioritises grassroots initiatives and opportunities that are closely aligned to the following impact areas:

Social Mobility

We believe in a fair and equal society where individuals, from all backgrounds, have fair opportunities to succeed.

Our focus on employment and skills will result in greater opportunities for the communities we and our partners support and will strengthen social cohesion by reducing disparities and fostering a sense of belonging.

Ultimately, prioritising social mobility and inclusion not only benefits individuals by empowering them to reach their full potential, but also enriches the fabric of British society as a whole, creating a more just and prosperous nation.

Individual Wellbeing

When individuals are mentally and physically healthy, they are more able to contribute positively, driving the local economy and delivering better connected and inclusive communities.

Moreover, prioritising wellbeing fosters a compassionate and supportive society, where individuals feel valued and supported in times of need. Promoting wellbeing helps to alleviate the burden on healthcare and social services, leading to more efficient resource allocation and improved outcomes.

By placing a premium on individual wellbeing, we help enable more resilient and happy people who are better equipped to tackle the challenges of the modern world, leading to a more flourishing and sustainable society for all.

Planet & Environment

A healthy environment directly impacts the quality of life for everyone, providing clean air, water, and green spaces for recreation and social engagement.

In addition, a thriving environment can be designed to support biodiversity, which is essential for ecosystem stability and resilience against environmental threats such as climate change and natural disasters.

A clean and sustainable environment attracts investment and businesses, fostering economic growth and prosperity within local communities. Thus, prioritising the health of the planet and local environment is essential for ensuring the well-being, resilience, and prosperity of local communities now and for future generations.

Our Community Benefit Fund will help deliver these priorities directly into areas where community led groups and projects are based.

1. Charity led impact

LHC Procurement Group is proud to be part of a mission-based group of organisations. As well as being not-for-profit, LHCPG has close ties with two registered, independent, charity organisations – Lifting Lives and Lintel Trust - through its respective constitutions and governance arrangements.

By partnering with these charities, we ensure that CBF donations are reviewed and awarded in line with Charity Commission regulations in England, Wales, and Northern Ireland, and the Office of the Scottish Charity Regulator (OSCR) requirements in Scotland. This partnership provides transparency, accountability, and public assurance in how funding is governed and spent, and the measurable, lasting impact it delivers for communities.

Lifting Lives
Working to improve communities across the UK

Lintel Trust

2. How CBF allocation works

Every associate partner has the opportunity to qualify for Community Benefit Fund allocation on an annual basis*. This is based on framework usage and positions on a Regional Committee or LHC Procurement Group Board.

*Approval of community benefit fund donation is subject to approval by LHC Procurement Group. Board of Directors who are responsible for signing off the annual accounts, but not individual allocations.

Community Benefit Fund allocations must be used to deliver the community project you proposed and that has been approved by our charity partner, ensuring measurable social value is achieved.

All funds must be distributed by 31 March each year. Outstanding allocations will be transferred to the Small Benefits Fund for the following year.

Community Benefit Funding will be distributed in grant sizes shown in the table below:

To the closest £ (Grant cannot exceed total allocation)			
Associate partner total Community Benefit allocation bracket	Minimum grant per proposal	Maximum grant per proposal	Max number of proposals allowed
£1,000 - £5,000	£1,000	£5,000	2
£5,000 - £20,000	£2,500	£20,000	4
£20,000 - £50,000	£5,000	£50,000	4
£50,000 and above	£10,000	No max	5

All CBF proposals are assessed and awarded through our charity partners, Lifting Lives and Lintel Trust, on behalf of LHC Procurement Group.

2.1 Rebate CBF

Rebate CBF can be earned by any associate partner organisation, and is calculated based on the criteria shown in the table below:

Annual Transaction Value	Rebate rate (% of transaction value), frameworks with levy of 5%	Rebate rate (% of transaction value), frameworks with levy between 2.5% and <5%
Above £250k – £1.3m	0.50%	0.25%
Above £1.3m – £1.8m	1.00%	0.50%
Above £1.8m – £2.3m	1.50%	0.75%
Above £2.3m	2.00%	1.00%

Rebates are payable for projects with a levy rate of 2.5% or above, based on cumulative project spend in the same financial year, calculated from spend above £250,000.

Any remaining balance of £999.99 or less will be reassigned to the Small Benefits Fund, which associate partners who have delivered a project in the previous year can apply to access on a first-come, first-served basis.

2.2 Committee Allocation Fund

Committee Partners are associate partners who have a seat on a Committee within one of LHC Procurement Group's Business Units; LHC, NPA, SPA, SWPA, or WPA. They work closely with our local teams to help inform and shape regional priorities and strategy.

CBF allocations for Committee Partners are determined by attendance at Regional Committee meetings, in accordance with the Regional Committee Working Arrangements, which are available on request.

Any CBF allocation not used by an individual Committee Partner will be reallocated by agreement of the Regional Committee. The appropriate Regional Committee will collectively identify a community project within their region to receive the surplus funds.

LHC Midlands London South East
NPA Northern Procurement Alliance
SPA Scottish Procurement Alliance
SWPA South West Procurement Alliance
WPA Cynghrair Caffael Cymreig | Welsh Procurement Alliance

2.3 Board Allocation Fund

As per Regional Committee allocations, this is based on attendance at LHC Procurement Group Board Meetings.

Any CBF allocation not used by an individual Board Member organisation will be reallocated by agreement of the full Board. Board members will collectively identify a community project to receive the funding.

3. Accessing your Community Benefit Fund allocation

Step 1: Notification

Each year, you will receive an email confirming any Community Benefit Fund allocation received. Your organisation's account in our customer portal, will show the total allocation earned from the previous financial year.

Step 2: Log in to the LHC Procurement Group customer portal

Click the link provided in the CBF notification email, register, and log in to the portal.

If you have any problems accessing the portal, please email **socialvalue@lhcprocure.org.uk** or call **01895 274 800** and ask for the Social Value team or IT Service Desk.

Step 3: Identifying what to fund

If you require support identifying a community project you would like to fund, you may request assistance via the LHC Procurement Group customer portal or wait to be contacted by your Regional Client Support Manager.

Every associate partner allocated CBF will be contacted by a member of the regional team to ensure they are fully supported throughout the process.

Step 4: Submit a project proposal

On the customer portal, follow the navigation prompts and click on the button 'Submit New Proposal'. This opens a new CBF proposal form to complete. A proposal can be completed in one go or across sessions, and by different members of staff from the associate partner organisation.

It is also possible to draft multiple proposals or have several pending approval at the same time. Your proposals cannot exceed the total allocation you have received. Please see **section 2.0** for max number of proposals by grant sizes.

Step 5: Review and approval

Your proposal is reviewed in two stages:

Stage 1 - Eligibility check

Stage 2 - Formal Charity Trustee approval

The CBF nominated main contact and nominated finance person will be notified by email when any status updates are made to your proposal(s).

Step 6: Payment

Funds can be transferred either direct to the grantee organisation or direct to the associate partner's pre-verified bank accounts. When the latter is selected for payment, the associate partner is responsible for distributing the funds to the grantee organisation's bank account.

The associate partner's nominated Financial Controller must confirm that payment has been made via the customer portal. Failure to confirm payment within 30 days of the charity payment, may result in future CBF allocations being withheld.

Step 7: Impact reporting

In return for your CBF allocation, you are agreeing to provide post-project impact information so we can understand the outcomes achieved.

In your CBF proposal you answered questions on what type of outcomes and community groups the funding will support, the post-project impact reporting aligns with the responses you gave at this stage. The results entered are downloadable as an Impact Statement for your own social value reporting.

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4. For all associate partners: Small Benefits Fund (SBF)

Any associate partner who has delivered a project through a framework or Dynamic Purchasing System (DPS) in the last financial year, can apply for a grant from the Small Benefits Fund.

LHC Procurement Group contributes

£50,000

annually to the Small Benefits Fund and is further topped up by any Rebate CBF funding that falls under £1,000. **See section 2.1**.

Grant request of £1,000–£5,000 can be submitted, with proposals approved in the same way as CBF allocations, via our charity partners. Small Benefits grants are allocated on a first come, first served basis.

5. Community Benefit Funding proposals: Qualifying criteria and information required

Our Community Benefit Funding is aligned with our partner charities objectives and missions.
A copy of the grants policies are available on the Customer Portal, CBF proposal form.

6. Unused Rebate CBF allocations

Any Community Benefit Fund allocation that remains unspent within the financial year will be treated as follows:

Rebate CBF allocations

- Carried forward into the Small Benefits Fund for the following financial year; or
- Donated to a charitable cause operating in England, Wales or Scotland that aligns with the charitable objects of Lifting Lives or Lintel Trust.*

Committee partner or Board member allocations

- Any unspent allocation will be distributed, within the same financial year, to a community group agreed by the members of the relevant committee or Board.

* This decision will be made by the respective trustees.

Information required for your proposal

This is the information you'll need to complete your form:

- Associate partner main contact and nominated Financial Controller
- Key information regarding the volunteer, charity, or social enterprise that your funding will support, including:
  - Contact details
  - Registered legal name of organisation
  - Registered address
  - Address of the location of the project or initiative being funded
  - Confirmation that you have validated the existence of the grantees:
  - Bank account
  - EDI Policy
  - Vulnerable Person Policy
- Amount of funding
- Which Social Value priority area the project aligns with
- Confirmation that impact data can be collected post project completion



Types of organisations that qualify to receive the Community Benefit Funding

Organisation type	Legal structure	Examples
Charitable Incorporated Organisation (CIO)	Incorporated structure unique to charities; separate legal personality; limited liability for trustees/members	Local community food bank CIO, Wildlife Trust CIO
Charitable Company Limited by Guarantee	Registered both as a charity and a company; separate legal personality; limited liability	Oxfam GB, Shelter
Charitable Trust	Unincorporated; governed by a trust deed; no separate legal personality; trustees hold assets on behalf of the charity	Small grant-making family trusts
Community Interest Company (CIC) Limited by Guarantee	Incorporated; not a charity but set up for community benefit; regulated by CIC Regulator	Social enterprise café, local arts centre CIC
Community Benefit Society (BenCom)	Incorporated under Co-operative and Community Benefit Societies Act; can be charitable; community ownership focus	Community-owned shop, renewable energy co-op
Exempt Charity	Operates as a charity but exempt from Charity Commission or OSCR registration; regulated by another body	Certain Housing Associations, universities
Charitable Project (Hosted within another body)	Not a separate legal entity; operates under governance/ insurance of a host organisation	Community gardening project run under a local CVS
Trust-based Grant Programme	Usually part of a foundation or charitable trust; unincorporated or incorporated depending on host	Local heritage restoration grant fund
NHS Organisations	Statutory corporations created under health legislation	NHS England, NHS trusts, foundation trusts

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Improving lives and places through quality procurement solutions

For more information about the LHC Community Benefit Fund and its future plans, please visit:
lse.lhcprocure.org.uk/who-we-work-with/community-benefits/

or contact our Group Social Value Manager at
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