

Policy Document: Use of AI for Grant Applications

Last Reviewed: 1 May 2025

Next Review: 1 May 2026

Purpose:

This document outlines the policy and expectations of the Community Foundations for Lancashire and Merseyside (CFLM) regarding third-party use of Artificial Intelligence (AI) for the preparation and submission of grant applications. As an organisation committed to transparency, fairness, and ethical practice, we recognise the growing role of AI in assisting organisations. This document ensures that AI use by third parties aligns with our values and supports the integrity of our grant-making process.

Scope:

This policy applies to all third-party organisations, consultants, and individuals who use AI to assist in applying for grants from the Community Foundations for Lancashire and Merseyside. It covers AI tools used for drafting, analysing, or submitting applications, as well as AI-driven decision-making processes.

1. Ethical Use of AI in Grant Applications

- **Transparency in AI Use:** Organisations applying for grants must disclose if AI has been used to prepare or analyse their grant applications. This includes AI tools used for drafting responses, assessing eligibility, or automating any part of the application process.
- **Fairness:** CFLM expects AI tools to be used in a way that promotes fairness and equality. The use of AI should not give applicants an unfair advantage over others who do not use such technology. All applications will be reviewed equally, regardless of the use of AI.
- **No AI-only Submissions:** AI should not be used as the sole means of generating or submitting grant applications. Human oversight and intervention must be maintained to ensure that applications genuinely reflect the organisation's mission, goals, and capacity for delivery.

2. Data Privacy & Confidentiality

- **Compliance with Data Protection Laws:** Any AI systems used to process or analyse personal or organisational data for grant applications must comply with relevant data protection regulations, including the General Data Protection Regulation (GDPR). CFLM expects third-party organisations to ensure that the data used is handled securely and in accordance with these laws.
- **Confidentiality:** Data shared with AI systems for the purpose of preparing grant applications must remain confidential. CFLM expects third-party organisations to ensure that the data used is handled securely. The use of AI should not compromise the security of sensitive information related to the organisation, its beneficiaries, or the Community Foundations for Lancashire and Merseyside.

3. AI Bias and Non-Discrimination

- **Bias-Free Applications:** AI systems used in the grant application process must be designed and deployed to avoid bias. It is the responsibility of third-party applicants to ensure that AI systems do not produce discriminatory or biased outputs that could negatively impact any protected groups.
- **Inclusive Approach:** CFLM expects third parties to use AI tools that promote inclusivity and reflect the diversity of the communities we serve. Any evidence of biased or discriminatory outputs from AI tools may result in disqualification from the grant process.

4. Human Oversight and Accountability

- **Human-in-the-loop:** AI tools should complement, not replace, human judgment in the grant application process. It is essential that applications reflect a human understanding of the local community and organisational context, with AI serving only as a support tool.
- **Accountability for Submissions:** Third-party organisations are fully responsible for the content of their grant applications, regardless of AI use. If AI tools are employed, organisations must ensure the outputs are thoroughly reviewed and aligned with their mission and goals.

5. Integrity and Authenticity

- **Authentic Representation:** CFLM values the authenticity of grant applications, and AI must not be used to misrepresent an organisation's capabilities, impact, or eligibility. Applications should reflect the genuine work and aspirations of the organisation.
- **No Fabrication:** AI systems must not be used to fabricate data, results, or information within grant applications. Any discovery of false or misleading information, whether generated by AI or otherwise, will lead to the immediate disqualification of the application and potential future ineligibility for funding.

6. Compliance and Monitoring

- **Adherence to Policy:** By submitting a grant application, third-party organisations agree to adhere to this AI policy. Failure to comply may result in the rejection of the application, and future grant applications may be subject to heightened scrutiny.
- **Monitoring and Audits:** CFLM reserves the right to review applications for compliance with this policy, including monitoring for potential misuse of AI. This may involve additional queries or requests for clarification regarding the role of AI in the application process.

7. Consequences for Non-Compliance

- **Disqualification:** Organisations found to be in violation of this policy may have their applications disqualified from consideration for funding. Additionally, repeated or severe violations may result in future funding restrictions or ineligibility.
- **Rectification Process:** If an application is flagged for potential non-compliance, the organisation will be given the opportunity to clarify or amend the submission. However, failure to rectify identified issues in a timely manner will result in disqualification.

Review and Communication:

This policy is subject to annual review, ensuring it remains relevant and responsive to advancements in AI technology and changes in the grant-making landscape. CFLM will communicate any significant updates to third-party partners and applicants.

Agreement:

By submitting a grant application to the Community Foundations for Lancashire and Merseyside, third-party organisations acknowledge and agree to comply with the terms outlined in this document. CFLM remains committed to ethical and fair practices and expects the same commitment from all partners and applicants.

For any questions or clarifications about this policy, please contact the Programmes Team at applications@cflm.org.uk