

# Start-up grants - Receiving a grant

December 2013

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### 1 Introduction

This document will help you to request payment from HLF and report on the progress of your project. We are committed to being flexible in our approach, working responsively, proactively and collaboratively as circumstances require. Your case officer will remain your main contact throughout the delivery of your project.

You must comply with the HLF terms of grant and additional requirements set out in your Grant Notification letter. You must also address any issues we identify in the course of monitoring, and follow the requirements specified in the Programme Application guidance, the *How to acknowledge your grant* guidance, *Photography of HLF-funded projects: A guide for grantees*, and any other material we refer to. All guidance is available on our website.

We may prepare a contract specifically adapted for your project if we feel that this is appropriate. In certain circumstances we may also choose to vary any of the procedures set out in this document.

We will carry out checks at the end of the project to confirm that it delivered the benefits expected.

This guidance applies to all Start-up grants awards.

#### 1.1 Filling in online forms

You will need to fill in two standard forms (accessed via the [Heritage Lottery Fund website](#)) as part of our monitoring process. We will ask you to send copies of documents to accompany the forms and you can attach files (of less than 5Mb in total) online at the end of the form.

Please print off, sign and send us a hard copy of the forms that need your signature. Send the form to your case officer.

The forms you need to complete will be automatically released to the registered user area of the website when they need to be completed. The registered user area is accessed via the registered user login at the top of the HLF home page. There are two standard forms:

- Permission to start and grant payment request (comprising one form)
- End of Grant report

If you make any misleading or false statements on these forms, you will have to repay the grant.

#### 1.2 Before Starting

Before you can start your project and seek a grant payment, you will need to complete a 'Permission to start' form – further details below. This form also incorporates your grant payment request.

You should not start any work on your project until you have our written permission to do so. If you do so it is at your own risk.

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To apply for our permission complete the 'Permission to start and payment request form' online and send the signed original hard copy to your case officer. We will authorise your 'Permission to start and payment request form' and return it to you. You can then start work on your project.

Please remember that you must advertise all new staff posts, even if the cost is under £10,000. We may ask to see evidence of the recruitment procedure you go through so please keep these records safe. If the person(s) to be appointed has links with any senior members of staff at your organisation - i.e. any close friends, relatives, or ex-members of staff - you must obtain our written permission first.

The same applies to purchasing goods and services. If you intend to use any consultants, contractors, or suppliers who are linked – i.e. are close friends, relatives, ex-members of staff working at these consultants, contractors or suppliers – with any senior members of your organisation, or if there any financial link such as ownership of these suppliers you must obtain our written permission first.

Fees for any consultants or other professionals that you recruit during the project should be in line with professional guidelines and be based on a clear written specification.

### **1.3 Insurance**

You must take out insurance for the works (if any) and for any unfixed materials and goods delivered to the property. All of these must be covered for their full value against loss or damage.

If you do not meet your approved purposes we may reclaim our grant. You may therefore wish to take out insurance against any events which could prevent you from achieving your approved purposes, such as bad weather insurance for an outdoors event. If you claim insurance for this, then the money claimed must be returned to us.

### **1.4 When your project finishes**

Once your project is complete you must fill in and submit an 'End of grant report' form. When you submit this you will also need to attach images of your project and include information on how you have acknowledged our funding.

In some circumstances, your case officer may then contact you and ask you to provide copies of the receipts and invoices that you have provided information about within your form. It is therefore very important that you keep these in a safe place. Please see section 5 below for further information.

The following information offers guidance for each of the forms you will need to complete.

## **2 Permission to start and grant payment request**

You will need to complete the form online with the following attachments:

- Your bank account details
- Proof of ownership/leasehold requirements, if relevant
- Details of statutory permissions required and obtained, if applicable

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We will use the information you supply with this form to help us monitor your project's progress and performance. We will normally pay only towards costs incurred after you have obtained our Permission to Start.

Once the form is completed print a hard copy of the form only, sign and date it, and then send it to your case officer for HLF approval. The person completing this declaration must have the authority to do so. By signing the declaration, you are confirming that your organisation understands and accepts the grant award along with the Standard terms of Grant and all the associated requirements.

Once we have approved your request we will return a copy of the form to you and will authorise the payment of your grant. You can then start work on your project.

We aim to release funds within 15 working days of receiving your request provided you have sent us the information that you ask for. Payment will be made to the account agreed with HLF as set out within the 'Permission to start and grant payment request' form. We can only release funds against agreed costs that meet the approved purposes and will deliver the intended outcomes.

### **2.1 Approved purposes**

This section defines the project and displays the approved purposes against which HLF will measure the progress of your project. These are the same as those listed within your Grant Notification Letter. They will pull through automatically and you do not need to edit these.

### **2.2 Agreed costs**

This section displays the costs agreed as part of your grant award. All money spent on the project will be reported against these headings. The second table shows the agreed project income.

You cannot alter any of the values displayed so it is important for you to check that the costs listed in the Agreed Costs section are correct.

### **2.3 Summary of changes**

If you need to make any changes to the project timetable included within your application form, please use the box provided to give an explanation of the changes and why they are needed. If applicable, please also use this box to tell us about any changes to your project team since your grant was approved.

### **2.4 Proof of ownership**

If applicable, we expect you to own any property (land, buildings, heritage items or intellectual property) on which you spend the grant. See appendix B.

### **2.5 Statutory permissions and licences**

If applicable, please state which permissions you require for your project to comply with statutory requirements.

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Ideally you should get statutory approvals or permissions that you need for your project before work starts. There may be other licences involved which are not listed below but frequent examples include:

- planning permission
- listed building consent
- scheduled monument consent
- conservation area consent
- building regulations
- bat licence
- tree felling licence
- newt licence

However, we may agree a phased programme of works with you that allow you to start the project before all statutory approvals or permissions have been obtained. In these circumstances you will need to update your case officer as you receive approval for new permissions and licences.

### **2.6 Bank account details**

We will pay your grant by bank transfer (BACS). We will not make payments into personal bank accounts and the grant can only be paid to the organisation named in the grant notification letter. We suggest that you set up a separate bank account for your project so that the project's finances can be easily monitored.

We will need to see a copy of a recent bank statement (within the last three months), or a cheque or a paying-in slip for the relevant account, showing the bank's name and address. You can attach a scanned version of any of these documents to your form.

### **2.7 Permission to start checks and grant payment request**

This section includes the payment request for your grant. You will need to answer three questions about your partnership funding and permissions. Please use the drop down boxes to answer as applicable.

### **2.8 Declaration**

By submitting your application form online, you (and your partners, if any) confirmed that your organisation accepted our standard terms of grant available on our website for Start-up grants. We ask you to sign this Declaration with your Permission to Start for our records.

### **Submission**

Use the attach button to upload any attachments you wish to submit with the electronic form.

Once you have completed the form, print and sign the permission to start and payment request form and post the signed original to your case officer.

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### 3 Payment of your grant

Unless you have received a 100% grant award, we pay a proportion of the costs you have incurred based on your agreed costs. The payment percentage is based on cash contributions to your project and is the same as your grant percentage which is confirmed in your Grant Notification Letter.

#### Worked example:

Total project costs are £8,000, the grantee cash contribution is £800 and the HLF grant award is £7,200. The award percentage is therefore 90% (grant award divided by total project cost).

We aim to release funds within 15 working days of receiving your request provided you have sent us the information that we ask for. Payment will be made to the account agreed with HLF as set out within the 'Permission to Start and payment request' form. We can only release funds against agreed costs that meet the approved purposes and will deliver the intended outcomes.

### 4 Updating us on your project

Once you have received permission to start the project and your grant payment you are not required to submit any other forms until you have completed the project and are ready to submit your End of grant report.

However, you must monitor the progress of your project and contact your case officer about any problems or issues that arise during the course of your project so that we can respond and support you as appropriate. If something significant occurs which is likely to lead to changes in the costs, serious delays, or a failure to deliver the approved purposes and outcomes you agreed in the Permission to start documentation you will need to let your case officer know as soon as possible.

#### 4.1 Changes

You cannot change the Approved Purposes of your project as set out in your grant notification letter without first seeking the agreement of your case officer. If you do want to make any changes to your Approved Purposes you must send your case officer written details of your reasons for the change and explain how it will affect:

- the cost of your project
- the quality of your project
- the time you need to finish your project

Also tell your case officer about any changes or events which may prevent your project from achieving its Approved Purposes or affect its viability. We may take any action we consider necessary.

Any changes that are agreed with your case officer should also be reported in your End of Grant report.

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### **4.2 Timetable**

If you think that you will not be able to complete your project before the grant expiry date then please contact your case officer who will be able to discuss this with you.

## **5 End of Grant report**

Fill in and submit your End of grant report as soon as possible after:

- your project is completed and you have achieved your Approved Purposes
- you have acknowledged the grant in accordance with the 'How to acknowledge your grant' guidance
- you have a 'Practical Completion Certificate' (for a building project only); and
- you are able to supply all the additional information we require including images and proof of acknowledgment of our funding.

### **5.1 Completion summary**

Use the table provided to summarise how you have met the Approved Purposes of your project. Tell us about your achievements and successes, as well as things that didn't go as expected.

### **5.2 Changes**

As explained in section 3, you must have received the approval of HLF before making any change to the approved purposes.

If applicable, use the table provided in this section to tell us about any changes that you made during the course of your project and the effect this had on its approved purposes, timetable or costs.

### **5.3 Use of volunteers and non-cash contributions**

If in your application form you included information on any volunteer involvement or non-cash contributions that would be given to the project, you should use this section of the form to tell us about the support you received.

### **5.4 Recruitment of Staff**

If applicable, use the table provided to give information on any new fixed-term contracts, secondments (people who are temporarily transferred to your organisation) and the costs of freelance staff to help your project.

All staff posts must be advertised, with the following exceptions:

- If you have a suitably qualified member of staff on your payroll that you are moving into the post created by your HLF project. You will need to provide a job description for this post.
- If you have a suitably qualified member of staff on your payroll whose hours you are extending so that they can work on the project. In this case we will fund the cost of their additional hours spent on the project and you will need to tell us about the role they will undertake.

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- If you are a voluntary organisation and are including a proportion of a staff member's time in your Full Cost Recovery calculation.

If you are moving an existing member of staff into a post created by the project, then we can either pay for the cost of this member of staff, or for the cost of backfilling their post.

All salaries should be based on sector guidelines or similar posts elsewhere.

### **5.5 How the grant has been spent**

Complete the table provided to demonstrate how you have spent the grant. The table will automatically add up all invoices entered and calculate the eligible cost of each invoice based on the information you enter.

- In the first column, you should list all the individual items or activities that your grant was spent on using the HLF headings that are in Question 7a of the application form and which are confirmed in your grant notification letter. An example might be 'Recording things' or 'Community events'
- in the next three columns you should provide the invoice reference (if applicable), the date of the invoice and the name of the supplier
- use the fourth column to provide a brief description of the item
- in next column you need to enter the total amount of the invoice
- in the final column, enter the amount that relates your project. This may be the same as the previous column; however there may be a difference if your invoices include items which are not part of your eligible costs.

You do not need to submit any invoices with your report but it is very important that you keep them in a safe place.

However, your case officer may occasionally ask for copies of invoices or receipts as proof of your expenditure as part of our auditing processes. If that happens you must send these documents. All proof of costs must be dated after the grant award date and before the grant expiry date.

If any of your invoices include costs which are not part of your eligible costs, you must provide a breakdown of the invoices showing clearly which costs we have agreed to support.

If requested, for amounts of less than £250 you should submit a table of costs which specifies the date, amount and description of each item of expenditure, instead of the individual invoices. The total of your table should be shown as a single line on your project costs table. Please keep all of your invoices so that you can send them to us if we ask you to.

If applicable, please use the box provided to explain why you have spent your grant on different things from what was agreed at the start of your project and how this has allowed you to achieve your approved purposes. You should also provide details of any contact you had with us to agree those changes.

You will need to return any grant that you have not spent to HLF. Based on the information you provide in the project costs table the form will automatically calculate whether there has been an under spend.

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If during the course of your project you think that you might under spend on your project, you may wish to contact your case officer to discuss any proposals you may have to utilise this. Please do not spend any unspent funds without prior approval from your case officer.

You should also contact your case officer if you would like to move any funds between your approved cost headings. You will need to receive their written permission before you make any changes to the project budget.

### **5.6 Evaluation and records**

#### **Photographs**

The photographic record over the duration of your project should include at least five high-resolution digital images in electronic format showing different aspects of your project.

The pictures should show your project in action and its outcome. You should also provide a sample of photos that show your project before, during and after it is finished. Please also let us know if material from your project is available on the internet and where this can be found.

We may make use of your photographs in publicity material. Before you provide us with any images, you must ensure that the necessary consents are in place for that. See '*Photography of HLF-funded projects: A guide for grantees*' for more information.

Please also send us copies of any other records of events or activities that you have run.

#### **Funding Acknowledgement and Public Relations**

Please tell us the steps you have taken to acknowledge your grant in accordance with the '*How to acknowledge your grant*' guidance.

Please comment on whether this is temporary or permanent in nature, and include reference to any marketing you have done, press release produced and any other public relations activities undertaken.

Please let your grants officer and the press office know before you give an interview, make a public statement or issue a press release relating to a project or work that we have funded when you initially announce the grant and at completion of the project. At other times, please notify us of any press and media plans you have so that we can provide support where necessary, check for any potential clashes and look at broader issues or possible links with similar activities that we are planning ourselves.

If you need any help or have any questions about how to acknowledge your grant please contact your case officer.

#### **Evaluation**

In your application we asked you to think about the outcomes you thought your project would achieve. Thinking back to this, the End of Grant report asks you to comment on what you think the project *did* achieve. We'd like you to write a brief anecdote or story about the project, and tell us which outcome, or outcomes, you think it demonstrates that your project achieved.

#### **Submission**

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Use the attach button to upload any attachments you wish to submit with the electronic form.

## **Appendix A: Additional definitions**

**Approved purposes** – the purposes for which you have been offered a grant and how you plan to carry out those purposes as set out in your application and confirmed in our letter awarding you the grant and any additional information as set out in the Permission to Start and subsequent correspondence.

**Approved costs** - The costs we have agreed to contribute towards as set out in your grant award notification.

**Award percentage** –calculated by dividing the grant award value by total project cost which includes non-cash contributions and volunteer labour.

**Back-filled post** - is a job that is vacated within your organisation when that person on a new role as part of your project and where the intention is for them to return to their original work once the project is finished.

**Increases or decreases in the approved cost** – The costs of the project may increase or decrease. Where a project increases during the course of the project we will only consider increasing your grant in exceptional circumstances. In this case you will have to provide further information.

If the final cost of your project is lower than the agreed cost, we will reduce your grant in line with the agreed overall grant percentage.

## **Appendix B: Property ownership**

If you are successful with your Start-up grants application, we expect you to own any property (land, buildings, heritage items or intellectual property) on which you spend the grant.

### **Land and buildings**

For projects involving buying or carrying out capital work to land or buildings, we expect you to own the freehold or have a lease of sufficient length for you to fulfil our standard terms of grant. If you do not meet our ownership requirements, we will need you to improve your rights (for example, by changing or extending a lease) or include the owner as a partner in your application.

- For projects involving work to a building or land, if your organisation does not own the freehold, you will need a lease with five years left to run after the expected date of your project's completion. Otherwise, you will need to provide a letter from the owner, saying that you have the owner's permission to carry out the work. The owner will also need to sign a letter that we will prepare, agreeing to keep to our standard terms of grant
- If your project involves buying land or buildings, you must buy them freehold or with a lease with at least 99 years left to run
- We do not accept leases with break clauses (these give one or more of the people or organisations involved the right to end the lease in certain circumstances)
- We do not accept leases with forfeiture on insolvency clauses (these give the landlord the right to end the lease if the tenant becomes insolvent)
- You must be able to sell on, sublet and mortgage your lease but if we award you a grant, you must first have our permission to do any of these

### **Heritage items**

For projects involving buying a heritage item or carrying out conservation work to a heritage item (for example, a steam train or a painting), we expect you to buy or own the item outright.

### **Digital outputs**

If you create digital outputs we expect you either to own the copyright on all the digital material or to have a formal agreement with the copyright owner to use the material and to meet our requirements.