

International strategic programme

Guidance notes



Thank you for your interest in the International strategic programme.

This guide is for organisations that want to apply for funding from the International strategic programme.

The guide will help you understand the application process and provide key information about the programme. Please read this guidance carefully and make sure that your proposals meet with the requirements set out in it, before you fill in the application form.

If you have any queries about the application form or process, please contact us on the Big Advice Line on 0845 4 10 20 30 (textphone 0845 602 1659 for those with a hearing impairment), or email us at general.enquiries@biglotteryfund.org.uk

International Strategic programme

Stock code BIG-IntStratProgramme

Further copies available from:

Email general.enquiries@biglotteryfund.org.uk
Phone 0845 4 10 20 30
Textphone 0845 6 02 16 59
Our website www.biglotteryfund.org.uk

Accessibility

Also available upon request in other formats including large print.

Our equality principles

Promoting accessibility; valuing cultural diversity; promoting participation; promoting equality of opportunity; promoting inclusive communities; reducing disadvantage and exclusion. Please visit our website for more information.

We care about the environment

The Big Lottery Fund seeks to minimise its negative environmental impact and only uses proper sustainable resources

Our mission

We are committed to bringing real improvements to communities and the lives of people most in need.

Our values

We have identified seven values that underpin our work: fairness; accessibility; strategic focus; involving people; innovation; enabling; additional to government.

The Big Lottery Fund is committed to valuing diversity and promoting equality of opportunity, both as a grantmaker and employer. The Big Lottery Fund will aim to adopt an inclusive approach to ensure grant applicants and recipients, stakeholders, job applicants and employees are treated fairly.

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The application process

Round 2

October 2007

Programme launch.



October 2007

Briefing events for potential applicants.



12pm on 15 February 2008

Deadline for return of completed stage one application forms to us.



June 2008

Big Lottery Fund decision on which applications we will invite to stage two and development grants.



31 October 2008

Deadline for using development grant.



31 October 2008

Deadline for return of completed stage two application forms to us.



February 2009

Big Lottery Fund decision on applications.

If you are awarded a grant, start your portfolio within four months of our grant offer.

This is the final funding round for this programme.

About the Big Lottery Fund

The Big Lottery Fund is responsible for distributing half of the money that the National Lottery raises for good causes. We want to use Lottery money to make big, positive changes for communities, through the fair and open funding of people, projects and programmes, with a particular emphasis on tackling need. For more information on this, please refer to our website.

The International strategic programme is just one of our grants programmes. You can find out about our other programmes by visiting www.biglotteryfund.org.uk or you can phone the **BIG advice line on 0845 4 10 20 30 (textphone for those with a hearing impairment 0845 602 1659)**.

Other organisations give Lottery grants as well as the Big Lottery Fund. You can find out about these by visiting www.lotteryfunding.org.uk or you can phone the Lottery funding hotline on 0845 275 0000 (textphone for those with a hearing impairment 0845 275 0022). Please note that where we include links to external websites we are not responsible for the content.

Part one

About the International strategic programme

The International initiative is the Big Lottery Fund's way of helping disadvantaged communities overseas. It comprises three programmes: International communities, International small grants and International strategic. Through the International strategic programme we want to fund a number of organisations to deliver portfolios of projects.

Programme aim

This programme aims to fund effective portfolios of projects that tackle the causes of poverty and deprivation and bring about a long term difference to the lives of the most disadvantaged people.

Geographical focus

We will fund portfolios in sub-Saharan Africa (all countries), Bangladesh, Nepal, Pakistan and the following states in India: Assam, Rajasthan, Bihar, Maharashtra, Madhya Pradesh, Orissa, Uttar Pradesh, Chhattisgarh, Jharkhand and West Bengal.

What is a portfolio?

Portfolios are made up of a number of individual projects, usually delivered at a number of locations, which together form a cohesive strategy to deliver the programme outcomes. You may deliver the individual projects yourself or work in partnership with other organisations to deliver some or all of them.

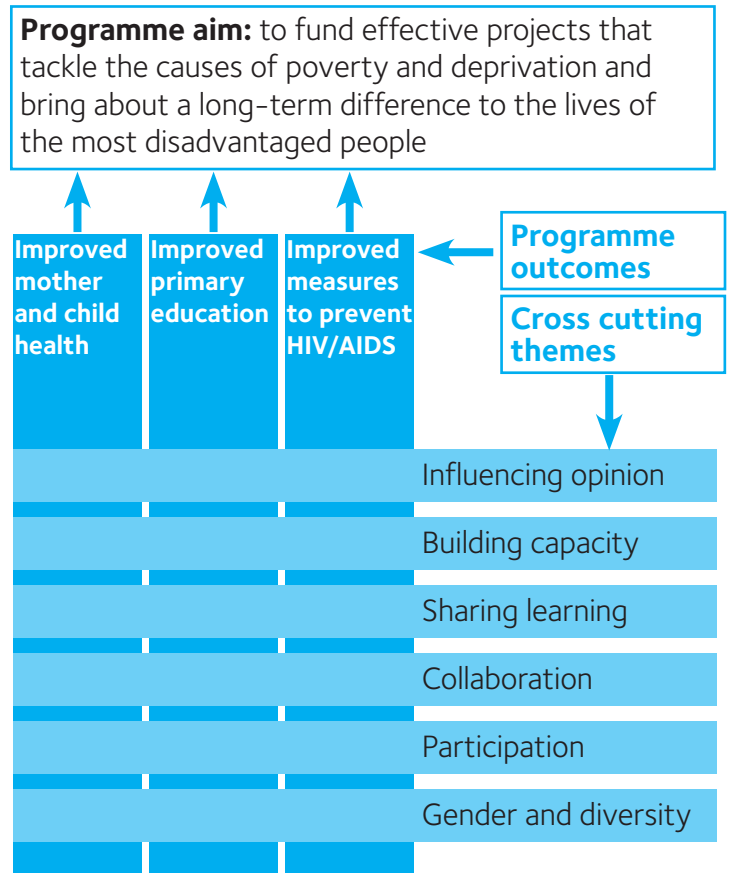
We expect portfolios to be delivered in partnership with a range of partners within the UK and overseas. This may include academic institutions, policy think tanks and non-governmental organisations, among others.

International Strategic programme outcomes

We will fund portfolios of projects that aim to deliver one or more of the following outcomes in these areas:

1. Improved mother and child health
2. Improved primary education, with a specific focus on girls
3. Improved measures to prevent HIV/AIDS and mitigate its impact.

We want to fund holistic approaches that will lead to measurable changes at the end of our period of funding, although we recognise many effects will be felt only in the longer term. Below we explain our programme outcomes, aims and cross-cutting themes.



1. Improved mother and child health

We want to fund projects that will directly benefit the health of women through pregnancy, childbirth and the early years of caring for their children, and of children up to the age of five. We recognise the importance of joined-up approaches and will fund activities beyond mainstream healthcare and health promotion so long as their link with direct health benefits can be demonstrated. We accept that changes in health are not easily measurable in the short term, but encourage projects to set aims and interim outcomes for the funding period which can be measured even if a longer-term impact is the ultimate aim. For example, a project might have as an outcome

'20 per cent increase in rates of breastfeeding', which would be appropriate because of known strong evidence to show the longer-term health benefits for children of being breastfed.

2. Improved primary education, with a specific focus on girls.

The two areas that we are interested in supporting are improved access to, and improved quality of, primary education. We will not fund secondary education projects, although we do understand that primary education may be attended by pupils up to the age of 18 in some countries. Proposals need to show that they will bring about improved attendance at school or improved attainment. We have specified a focus on girls, as in most of the countries where the International programme operates, girls are more disadvantaged than boys. We would not, however, support proposals which promoted girls' education to the detriment of boys'. We will fund portfolios that have thoroughly analysed the barriers and provide a clear strategy to address them. We would expect projects working under this outcome to have considered how they would work collaboratively with Ministries of Education and regional or local education authorities to ensure that improvements are sustained in the long term.

3. Improved measures to prevent HIV/AIDS and mitigate its impact.

We want to fund projects which will prevent HIV/AIDS and alleviate its impact. We will consider funding preventative approaches that can have demonstrable effects on people's knowledge and behaviour and which take into account the particular risks to vulnerable groups. The kind of projects that we will fund that will mitigate the impact of HIV/AIDS include health and social care and rights-based work to remove the stigma so as to improve access to treatment and acceptance within the community. We will consider portfolios that help people to earn a livelihood as long as it focuses directly on prevention of HIV/AIDS or ameliorating the lives of those living with HIV/AIDS, their carers, children orphaned through AIDS or their foster parents. We will not fund projects to alleviate poverty in general under this outcome. We will consider funding activities in countries

where the prevalence of HIV/AIDS is low if it can be demonstrated that HIV/AIDS is an emerging concern.

We encourage applicants to use holistic approaches in developing plans to achieve these outcomes. While we look to see strategic gains in the outcome areas, we encourage creative solutions to these complex problems and recognise the need for joined-up and wide-ranging responses which together make a difference to disadvantaged people. We expect you therefore to show how your portfolio, taken as a whole, will work towards achieving one or more of the three programme outcomes we have specified. So for example, we might expect gains in the health of mothers and children to be achieved not simply by health promotion activities or disease control, but also by improving access to water or by small-scale agricultural projects that allow women to improve their livelihoods or family nutrition. You will need to show how your combined portfolio will deliver direct results of one or more of the programme outcomes through the holistic approach you have taken.

To maximise the strategic impact of our funding, we have identified a number of cross-cutting approaches which we expect to be reflected in the way projects are run and portfolios managed. Your proposals under these cross-cutting themes will help us assess the lasting change your portfolio will achieve.

- 1) Influencing opinion: There should be a specific focus on advocacy, ideally at several levels from the community up to high-level public policy influencing. This recognises that changes in people's lives and life chances are influenced by the way in which society is organised and the role played by the state. Influencing opinion can involve raising awareness of rights and equality at all levels. It may also involve influencing attitudes and policies among decision-makers. Effective communication channels between grass roots and policy makers are, therefore, fundamental to influencing sustainable changes to the lives of the most disadvantaged.
- 2) Building capacity: Proposals must consider the opportunities for building the capacity of people and organisations, so that good practice and

effective ways of working are sustained. The degree to which the capacity of local communities and the organisations working with them is developed over the life of the project is key to determining whether the benefits of a project will be long lasting.

- 3) **Sharing learning:** Proposals should demonstrate ways of sharing learning beyond where the project takes place, both in the country where it is working and in the UK, through workshops, events, publications, development education, evaluation, networking and other forms of dissemination. Value will be added to our funding through the wider sharing of lessons learned. We hope others will benefit from learning about what has worked effectively and not so well in the projects we fund and this in turn will lead to a wider take-up of good practice.
- 4) **Collaboration:** Proposals should demonstrate collaboration with partners and stakeholders so that expertise among different UK and overseas organisations can be shared in order to develop a holistic approach. Greater impact in the long term can be achieved when organisations work together to deliver services, share information or influence decision-makers and we wish to support joint working where it will contribute to achieving portfolio outcomes.
- 5) **Participation:** Proposals must show how communities have actively participated in identifying need and designing responses to it, and show how participation throughout the project will give communities a voice in how it develops. Local involvement will increase the chance of making a long term difference, and ensure that the benefits of the project are shared fairly. Participatory approaches must involve disadvantaged groups and decision-makers at a variety of levels.

- 6) **Gender and diversity:** Proposals must demonstrate that gender and diversity have been taken in to account in planning, designing and implementing projects. We want to make sure that all the portfolios that we fund will help to achieve greater equality for the poorest and most marginalised women and men, girls and boys. Where applicants identify that gender inequality is a problem, we will seek to fund those projects which will work with both men and women to bring about changes in attitudes, roles and behaviour that are essential to achieve gender equality.

How much will we fund?

Funding will be awarded through two application rounds. This is the second and final round. The total funding available for round two of this programme is £15 million.

We expect to award grants of between £1 million and £5 million for portfolios.

We may also award development grants of up to £10,000 to applicants who are invited to stage two. These are intended to help meet the cost of preparing a detailed stage two application.

The portfolio approach

This application process has been designed for programmes where we want to make grants for strategic portfolios consisting of more than one project. In this way we can make sure our funding is used most effectively to tackle needs strategically.

This approach is intended to enable you to use your expertise, contacts and local knowledge to compile a portfolio of projects that are complementary and account for existing provision and overall needs. Portfolios must always contain more than one individual project. Individual projects may be delivered in a number of different places.

You may deliver some or all of the projects yourselves and you can also sub-contract some to other organisations with relevant expertise. In this way a broad range of organisations that are best placed to deliver individual projects are involved. This could include groups with less experience of managing a project who will benefit from your support and experience, and those who would be unable to apply for a grant themselves.

What we expect from applicants

We expect organisations applying for funding for a portfolio to:

- identify needs and develop a strategy to address them, and
- submit a stage one application.

If we invite you to apply to stage two:

- compile a portfolio of individual projects, and
- submit a stage two application.

If we award you a development grant you must:

- spend the grant within four months to develop your portfolio and stage two application.

If you are awarded a grant, you will be accountable for:

- the grant and the delivery of the portfolio for the period of the grant agreement
- meeting our terms and conditions of grant
- managing the delivery of the individual projects (sub-contracting individual projects to other organisations if necessary)
- ensuring that the individual projects are implemented, and
- evaluating the success of the portfolio.

Portfolio outcomes

We want our grants to make a difference, so we will ask you to describe the difference your portfolio will make. We call these changes 'outcomes'. Your proposed outcomes should relate to the portfolio as a whole (not the individual projects) and the overall changes you hope to see as a result.

When we assess your application we will look at how your proposed outcomes help to achieve the programme outcomes. Your portfolio should help to achieve one or more programme outcomes outlined on page 6.

Your outcomes should be SMART – specific, measurable, achievable, realistic and time-based. The following are examples of SMART portfolio outcomes. These are just for information. Your portfolio may have different outcomes that we want to support. Please read our guide on drafting and tracking outcomes “Explaining the Difference your Project Makes”.

Example 1

Portfolio description

The portfolio, led by a UK health consortium, consists of 10 linked projects in villages in Ethiopia and Eritrea. Over five years the projects will train traditional birth attendants through peer education; provide equipment and supplies so that ante-natal, post-natal healthcare and vaccinations can be offered; and trial a 'Looking after yourself and your baby' programme of advice, materials, training and support for mothers.

Overall aim

The aim of the portfolio is to improve health outcomes for mothers and babies during pregnancy and the first year of the child's life.

SMART outcomes

- 10 per cent decrease in stillbirths among target beneficiaries by the end of the portfolio.
- By the end of the grant, improved health among children under five years of age by ensuring that 60 per cent of children from 12–23 months old are fully immunised.
- By the end of the grant, 60 per cent of new mothers in the target area receive mother and child support services and report improved mother and child health.
- By the end of the grant, at least 30 trained peer health educators are providing quality support on mother and child health for peers in their community.
- By the end of the grant, the 'Looking after yourself and your baby' programme has been rolled out in partnership with the Ministry of Health to three more regions.

Example 2

Portfolio description

This portfolio brings together three partner organisations from the UK, two NGOs in Guinea-Bissau and three NGOs from Angola. Over three years, 10 projects will deliver a range of HIV/AIDS prevention interventions through work with small groups of vulnerable children and young people in urban areas. Advocacy work will be carried out at different levels to maximise the chances of successful interventions being taken up and funded by the Government.

Overall aim

The aim of the portfolio is to reduce the spread of sexually transmitted diseases (STDs) and HIV/AIDS through improved knowledge and a reduction of high-risk sexual behaviour.

SMART outcomes

- By the end of the grant a 10 per cent reduction in pregnancy among under-15s in target areas.
- By the end of the grant a 15 per cent reduction in incidence of STDs in target beneficiary group.
- By the end of the grant 30 per cent of target group report increased knowledge of STDs and greater confidence to negotiate safer sex.
- By the end of the grant the Government has committed to fund at least two project initiatives.

Example 3

Portfolio description

This portfolio brings together a UK educational organisation, two NGOs in Bangladesh working with rural communities and an NGO which works across the subcontinent to promote girls' education. Co-educational schools will be set up in nine villages, using community-based premises, in isolated rural areas of Khulna, Barisal and Chittagong. A student-centred, interactive curriculum will be delivered, using books and materials of relevance to children's lives. Outreach workers will work in the local community to promote the benefits of education, with a particular focus on countering objections based on the gender of the child. Mentoring schemes to build the self-esteem and support the attainment of female pupils will be offered.

Advocacy work with the Ministry of Education will be carried out to increase the chances of this approach being adopted by the government in other rural areas.

Overall aim

The aim of the portfolio is to increase the attendance and level of attainment at primary school of girls from isolated rural areas of Bangladesh.

SMART outcomes

- By the end of the grant, 95 per cent of girls in nine villages will be enrolled in primary education.
- By the end of the grant, attendance rates at school have increased to 85 per cent for girls in the target communities.
- By the end of the grant, drop out rates for girls and boys has been reduced to 5 per cent in the target communities.
- By the end of the grant, 80 per cent of enrolled girls in the target communities have passed the leaving examination on completing primary education.
- By the end of the grant the Ministry of Education has committed to funding at least five projects.

Eligibility requirements

Who can apply for funding?

Under this programme we will make grants to organisations in the voluntary and community sector (including social enterprises) and statutory sector. You must act as a lead organisation working in partnership to offer all aspects of a coherent portfolio and to maximise learning, both in the UK and in the countries where the projects are based. Lead organisations may involve partner organisations from the voluntary, statutory or private sectors in delivering their portfolio. We will also consider applications from larger organisations which are able to deliver a strategically focused portfolio without making partnership arrangements with other UK organisations. We seek to encourage smaller non-government organisations with distinctive areas of expertise to work in partnership with larger organisations.

We will not normally make grants to organisations that are applying on behalf of other organisations. The organisation applying for the grant must be the same organisation that will receive and be responsible for the funding.

How many applications can be submitted?

Lead organisations can submit only one application to this programme.

What will we fund?

- Portfolios must last between three and five years.
- This programme is mainly intended to support the revenue costs of projects.
- While we can support some capital costs for small-scale building and refurbishment, these costs must not exceed £50,000.
- We may also award you funding of up to £10,000 towards developing your portfolio if you are invited to stage two.
- Portfolios must deliver at least one of the three programme outcomes (listed on page 6).
- While we welcome applications from religious organisations we do not fund religious activities. We also do not fund political activities.

Big Lottery Fund funding must be distinct from government funding and add value.

We will not fund projects purely associated with increasing disability access, but if your project includes these costs as a small part of a wider project, these costs will be considered.

Partnership funding

Partnership funding (funding from other donors) is welcomed but not essential. If you plan to get money from other sources, we will consider how likely it is that you will be able to raise it within the timeframe for delivering the portfolio.

What will we pay for?

We can fund all the eligible costs of your portfolio. These can include revenue and capital costs and overheads. We can pay for the costs of delivering the individual projects that make up your portfolio (project costs) and the costs you as the applicant need to coordinate, support, monitor and manage the individual projects (management costs).

We will ask you for a summary of all the individual project costs and management costs if you are invited to stage two.

If you are invited to stage two we may award you a development grant towards the cost of compiling your portfolio of projects and preparing a detailed stage two application. If you want a development grant we will need a summary of the development costs you want us to pay for in the first stage application. You must be able to provide a breakdown of development costs and explain how they have been calculated.

For details of eligible and ineligible costs please see Appendix one. The examples of eligible costs are meant as a guide only and when we assess your application we may need to discuss some items.

Part two

Applying for funding from the International strategic programme

This section gives details of the application process including the key dates for the International strategic programme. Detailed notes about completing the first stage application form are in Part three.

Key dates

Please see page 8 for our key dates for the International strategic programme. Dates may change due to unforeseen circumstances. If the changes affect your application we will let you know the revised dates.

Before you fill in your application form

Before you fill in your application form you must have:

- clearly identified a need for your project having consulted fully with your potential beneficiaries and stakeholders
- carried out an options appraisal about the best way to meet this need
- fully costed the budget and have an outline plan of the portfolio activities, and
- planned how you will manage your portfolio.

You need to explain how you will tackle the identified needs strategically. You should also have developed your strategy. Think about the kinds of projects that will help you address the needs and how these might be delivered. Think also about how much delivering your portfolio is likely to cost and estimate how much money you will want from us. We will not ask you to compile and finalise your portfolio of projects and identify who will deliver them at this stage. You will also need to think about how you will manage the portfolio if you are awarded a grant and how much this might cost.

Developing your strategy

Your application must include a strategy paper. Before you apply you must have identified needs and be able to provide evidence of them. You should have developed a strategic approach to tackling these needs. You may wish to draw on external research, evidence and identified needs to do this. You will need to have thought about the type of individual projects that together will address the identified needs and help to meet the programme outcomes. You must have carried out appropriate and inclusive consultation with beneficiaries or stakeholders as part of developing your strategy. You will need to include a copy of your strategy with your stage one application. Your strategy should be no longer than five sides of A4 in 12 point font.

Sending us your application

Once you have developed your strategy, complete and return an application form. You can:

- download a form from our website www.biglotteryfund.org.uk
- ask us to send you a printed application form
- ask for a copy on disk from our Big Advice Line on 0845 4 10 20 30.

If we invite you to stage two, we will send you a second stage application form at that time.

What do we do with applications once we receive them?

When we receive your application, we will check you have sent everything we asked for. If not we will give you 10 working days from the date of the letter to send us any missing information. If you cannot meet this date, please contact us immediately. If we do not hear from you, we will reject your application.

We may call or visit you to discuss your portfolio. You will need to nominate a contact person we can talk to.

Stage one of the application process focuses on assessing your ability to deliver a portfolio and how well the proposed portfolio meets the International strategic programme requirements.

We will assess your application against the criteria below. You need to show us how you meet these points in your application.

1. The proposed portfolio outcomes meet an identified need and help to achieve the programme outcomes.
2. The organisation can deliver the portfolio well and achieve the proposed outcomes.

If we judge that your portfolio meets our criteria, your application will be considered by a committee. It will usually take us up to four months to tell you the outcome of your application. If it will take longer we will tell you why, and will give you revised timescales.

If we decide not to invite you to stage two we will tell you why.

If we decide to invite you to stage two we will send you a stage two application form and helpnotes. We may give you feedback on developing your portfolio in detail. We may also award you a development grant to help you develop your portfolio and complete the stage two application.

If you are invited to stage two

If we invite you to stage two you will need to develop your portfolio in detail. This will mean identifying and planning the individual projects and firming up your plans and budget for managing the portfolio. You will need to complete and send us your stage two application by the 31 October 2008.

Compiling your portfolio of projects

You will need to identify the individual projects that will make up your portfolio. These projects should complement each other and wider existing provision. You must be able to tell us what each individual project will contribute to the achievement of your overall strategy. You will need clear plans for delivering the individual projects, an accurate budget and to have identified the most appropriate organisation to do the work.

You may be best placed to deliver some of the projects in your portfolio. However, projects may be sub-contracted to, and delivered by, other

organisations (you will need to have formal contracts with any other organisations you engage to deliver projects.)

You should make sure all organisations that will deliver projects (your own organisation or others) are the most appropriate. Think about:

- Their experience in this area of work and whether they have previously successfully run similar projects before.
- What value they will add to the overall portfolio. For example, they may be a grass roots group with strong links to target or hard to reach beneficiaries or they may have specialist knowledge or skills that are not available elsewhere.
- Their commitment to equality and diversity. We expect applicants and organisations delivering projects to meet our equality principles, listed at the front of these guidance notes.
- Their ability to deliver the project to a high standard. Key considerations could include: whether the project is within the organisation's remit and fits with their existing work and whether they have appropriate project planning, budgeting and management skills. If they do not you may still want to work with them, for example because they are working in locations that you particularly want to target. You may therefore want to provide help and support with some aspects of project management. Make sure you take into account the cost of this support when working out your portfolio management budget.

We will ask you why you have included projects in your portfolio and why the organisations that will do the work are the most appropriate.

Development grants

If your project is successful at stage one, you may be offered development funding of up to £10,000. This money will contribute towards the cost of developing your portfolio to meet the stage two application requirements. We expect that development funding will be used to support the costs of developing your detailed portfolio plans including sustainability planning or further community consultation and

stakeholder involvement. We do not expect to award development grants for early portfolio planning or needs analysis as these are pre-requisites for a stage one application.

We will use the information you give us on the application form to decide whether or not to give you development funding. However, before you receive this funding, we will need to discuss what you will do with this funding in more detail and agree what you will achieve. To receive this funding you will have to enter into a formal grant contract agreement with us. We have enclosed a copy of the standard development grant terms and conditions with this guidance. Please read them to make sure you will be able to accept them. You will have four months to complete the development work and send the stage two application form back to us.

If we award you a development grant this does not guarantee that we will fund your stage two application for a portfolio.

For details of eligible and ineligible expenditure for development grants please refer to Appendix one of the helpnotes.

Completing the stage two application

If we invite you to stage two we will send you an application form and helpnotes. The application form asks for:

- a list of all individual projects
- key milestones for your portfolio
- total portfolio costs
- a breakdown of management costs
- a cash flow showing how much grant (capital and revenue) you need for each year of the portfolio, and
- details of funding from other sources.

We will also ask you to submit a short separate form for each of the individual projects in your portfolio to tell us:

- the project name, description and location
- beneficiary details, including numbers

- how the project fits with your strategy and helps to meet identified needs and the programme outcomes
- the project budget and how it was calculated
- who will deliver the project and why.

What do we do with stage two applications?

At stage two we will assess your portfolio of projects to see how well the individual projects chosen fit together and contribute to achieving your outcomes, your strategy and the programme outcomes. We will consider if the individual project budgets are appropriate and offer value for money and if they will be delivered by the most appropriate organisations.

We may call or visit you to discuss your portfolio. Your contact person must be able to talk about all the individual projects in your portfolio and provide extra information if necessary, for example, more detailed budget breakdowns. You should have a contact for each of the individual projects so you can get extra information quickly if required.

All stage two applications will be presented to the committee for a decision in February 2009. We will inform you of our decision in writing.

If we decide not to fund your application we will tell you why.

If you are awarded a grant

Terms and conditions

If we award you a grant you will have to accept our terms and conditions. You will be accountable for the grant. This means that even though you may sub-contract some of the work you are responsible for ensuring the individual projects are delivered. You are responsible for ensuring that the portfolio outcomes are met within agreed timescales and budget and in line with the grant terms and conditions. We have enclosed a copy of the standard terms and conditions with this guidance (Appendix two). Please read them to make sure you will be able to accept them.

Registering with the Charity Commission

If you are based in England or Wales receiving a grant may make it necessary to register with the Charity Commission, or if in Scotland with the Office of the Scottish Charity Regulator. This is because any grants you may receive could change your charitable status.

Contracts between you and other organisations

You need to have formal contracts with any other organisations that you engage to deliver individual projects. This is so you can make sure projects are delivered as agreed and in line with our terms and conditions.

Your contracts must cover the following issues:

- parties to the agreement (who the contract is between)
- key deliverables (what projects and pieces of work the contract covers)
- timescale (over what period the project will be carried out and when it will start)
- payments/consideration (who gets paid, for what, by what means)
- liability (who assumes liability and for what)
- ownership of property – intellectual and otherwise
- roles, responsibility and accountability (who is doing what)
- disputes (what will happen if parties can't agree)
- progress reporting and evaluation
- assignment (passing on work to another party. This can only be done with Big Lottery Fund consent and the contract should make this clear)
- exclusion of third party rights (the contract can only be between the two of you)
- termination (under what circumstances the contract can be ended, including what happens when the Big Lottery Fund grant comes to an end)
- acknowledgement that Big Lottery Fund standard terms and conditions take precedence over points raised in this contract, and
- signatories and authorisations (appropriate representatives of the participating organisations).

You must make sure organisations that will deliver individual projects are aware of the conditions set out in our standard terms and conditions. A copy of the terms and conditions should be attached to the contract.

We will ask to see draft contracts to make sure they are acceptable to us and they will need to be signed before we release funds for individual projects.

Starting work on your portfolio

If we award you a grant you will have to start at least some of the individual projects and draw down funding within four months from the date of the award letter. Decisions are due to be made in February 2009. You need to be sure that you are able to start projects within this timeframe and this should be clear on your application form.

Paying you the grant

We will pay your grant in stages when you confirm that each individual project is going ahead and when an acceptable formal contract is in place if the project is being delivered by another organisation. However, we can release some of the grant for managing your portfolio as a lead-in payment for necessary preparation such as drawing up and agreeing contracts. Details of lead-in payments will be provided if you are awarded a grant.

Monitoring progress

We will expect you to monitor the progress of all the individual projects in your portfolio. We will ask you for information at various points so that we can find out what difference our funding has made, and make sure that the money is well spent and that the portfolio is on track. We will make sure that you know what information you will need to give us before the projects begin, so that you can plan what aspects to monitor. You must monitor and report on individual project and portfolio management expenditure and be able to show us evidence of this if we ask to see it.

We will also expect you to complete equality monitoring. We will ask you to tell us about the types of people that are benefiting from your portfolio. We will use this information to see whether our grant programmes are promoting equal access.

Evaluating the success of your portfolio

If we award you a grant, we want to make sure that your portfolio makes a difference. We will therefore ask you on a regular basis about your portfolio's progress and at the end, we will ask you about how far you have achieved your aims. We may also evaluate the programme or parts of it and may ask you to take part in this wider evaluation.

Self-evaluation

You will also want to know how your portfolio is doing and how far it is achieving what it set out to. We recommend you adopt a robust self-evaluation process. This will allow you to do the following.

- ▶ You can identify what is working well and what is not working so well for your projects and reasons why. You can then make changes to the way that you run your projects so that the portfolio achieves even more.
- ▶ You can gather information that will help you report to us, and to others, about how your portfolio is doing and what it is achieving.
- ▶ You can identify good practice and help other projects to improve the way that they work.
- ▶ Later in the life of your grant, you can provide more convincing evidence to potential funders about the success of your projects, and how you have adapted them to changing circumstances.
- ▶ Setting up a system of self-evaluation is part of good project planning and management.

You may want to do your evaluation within your portfolio, or you may want to get support and advice from other agencies, or even to appoint a consultant. We are happy for you to budget for this within your grant application, as long as your plans are in proportion to the size of your portfolio. You are in charge of self-evaluation. You can work with people involved in your projects to identify the main issues, how to investigate them, and what to do with the findings.

Good planning will help you to ensure that your portfolio is more likely to achieve what it sets out to and to provide you with evidence to seek further funding in future. But you are in charge of the process and we would not normally ask to see any reports.

For more information about approaches to self-evaluation, visit our website www.biglotteryfund.org.uk

Wider learning

We see evaluation as integral to the International strategic programme and expect that organisations will have well-developed plans in place to monitor and evaluate the success of the portfolio. We are keen to encourage sharing of good practice and wider learning of lessons from projects funded under our strategic programme. We encourage applicants to consider how they can promote this both overseas and in the UK, and to budget accordingly.

Public announcement and acknowledgement

We are required by law to tell the wider public about the grants that we make and, as part of this process, we may want to publicise your portfolio.

Assets

If we award you a grant you will be responsible for making sure any assets that are bought, improved or created with the grant (land, buildings, equipment, vehicles etc) continue to be used as originally agreed when the grant was awarded. It is your responsibility to keep track of who owns assets (if it is another organisation), where they are located and how they are used. If you want to sell or give away assets or change how they are used you must get our permission first.

Part three:

Application form help notes – stage one

This section gives detailed advice about the questions on the stage one application form. Please read these notes carefully before completing the application form and refer to them as you go along.

The application consists of five main sections and a declaration, which must be signed. Most of the application form is in a format where you answer the questions in the boxes provided. Section three is 'free format' and you should complete this section as a separate word-processed or handwritten document with a minimum font size of 12 point. Your answer to this section should be no longer than 15 sides of A4. If it is longer than this we may not assess it. Please make sure that all pages are clearly numbered and marked with the name of both your portfolio and organisation.

If your portfolio involves small scale building and refurbishment you will need to complete a property declaration (see Appendix four).

Please keep a copy of your completed application for your records.

The following sections advise how to complete the application form.

Section 1 Organisation details

1.1 Organisation name

Give the name shown in your governing document, for example your constitution, rather than any brand or operating name. This is the organisation that will receive the grant and sign the terms and conditions if the application is successful. It must therefore have the powers set out in its governing documents to deliver the portfolio and accept our terms and conditions.

If your organisation is also known by another title please put this in brackets. For example "The East African Children's Trust (known as 'EACT')"

1.2 Organisation address

This should be your registered address. It is important that you provide the correct postcode, phone number and, if you have them, applicable fax number, textphone, email and website address.

1.3 Related organisation

If you are a branch of or related to, a larger organisation that may have some legal responsibility if we award you a grant, you need to make sure they are aware of your portfolio and the funding that you are applying for.

1.4 Main contact details for the application

This should be the key person involved in your portfolio. They should be able to talk about your portfolio in detail and supply contact details for someone who has expertise on specific areas. It is important that you provide the correct postcode, phone number and, if you have them, fax number, textphone and email address.

Please let us know if the main contact has any particular communication needs. We have listed some of the most common, but please add to this if you need to.

1.5 Organisation type

We need to know both what type of organisation you are and if you are legally constituted in some way (for example, registered charity, private sector, public sector).

We need to report how much money we award to each sector. Tell us which sector your organisation is part of. If you describe your organisation as a social enterprise, then tick the voluntary and community sector box. If you are not sure, please tick 'Other' and we will review this when we receive your application.

We need to confirm that your organisation is eligible to apply to this programme. If you are an unincorporated association and not registered with the Charity Commission or the Office of the Scottish Charity Regulator send us a copy of your governing document (for example, your constitution, set of rules or trust deed) or if your organisation is based in Northern Ireland, your governing document or confirmation that you are registered with HMRC as exempt for tax purposes. By "an unincorporated organisation" we mean an organisation that is not a statutory body, a limited company, or Industrial and Provident, Friendly or Mutual Society or any organisation that is not a legal entity.

We need to know if your organisation has the legal power to set up and run the project described in your application form and to receive funding from the Big Lottery Fund. You should note that we may require you, through your solicitor, to provide us with a legal opinion which confirms that under your governing document your organisation has the legal power to deliver the grant purpose. We have provided a standard form for this purpose in appendix two. If we request a legal opinion we will pay your solicitor's fees, up to a maximum of £500 including VAT.

1.6 Reference or registration numbers

If your organisation has a company or charity registration number, enter it in the relevant box. If your organisation has any other registration number, please specify the number and what it refers to in the box marked 'Other'. You may have more than one, in which case you should include them all. We will check your charitable status and your company registration with the relevant authorities.

1.7 Your organisation's bank account

All organisations that receive a grant from us must have a bank account in the name of the organisation as shown on their governing document. Cheques must be signed by at least two people who are not related. Tick the 'Yes' box if this applies or the 'No' box if it does not.

Any bank or building society statement submitted by an applicant must:

- be original or authenticated by the bank or building society (with a stamp and signature) as a "Certified True Copy of the Original"
- be at least three consecutively numbered pages long*
- be no more than three months old.

*In most cases, three consecutive pages will record enough transactions for us to analyse it.

1.8 Your organisation's accounts

● Statutory bodies

If you are a statutory body, we may ask to see your financial records when we assess your application. Please do not send anything now.

● Non-statutory bodies

You must provide a copy of your most recent approved accounts, signed and dated by your chair, secretary or treasurer and by your auditor or independent examiner where appropriate.

The accounts you send us should not be more than 12 months old. However, we realise that this can be difficult if your organisation's financial year-end coincides with the period in which you are sending us your application.

If this is the case send us your previous accounts and a copy of your most recent management accounts.

● New organisations

If you are a new organisation you must send us signed and dated estimates of your income and spending for the first year of the grant.

There is more information on our website www.biglotteryfund.org.uk about what format your accounts should be in.

1.9 Child Protection and the protection of young people and vulnerable adults. Does your policy meet our requirement?

If you are applying for a portfolio that works with children, young people or vulnerable adults we will need to be sure they will be safe. As a minimum you must have a policy that explains how you make sure of this and that the policy is put into practice. It is your responsibility to have acceptable child protection and vulnerable adult policies and procedures in place, which we may ask to inspect at any time.

You must demonstrate that any other organisations you engage to deliver projects working with children, young people or vulnerable adults also have procedures in place for their protection.

If your portfolio is aimed at the wider community, where children and young people or vulnerable adults might potentially be involved, we still expect protection policies to be in place.

If you are awarded a grant and have made a false declaration you will be in breach of our terms and conditions.

Childhope UK have produced a toolkit of child protection policies and procedures, which has been published by the Consortium for Street Children. It can be downloaded from www.streetchildren.org.uk or purchased from Childhope on 020 7065 0950. We suggest you read this advice to help you develop your child protection policies and procedures.

Section 2 About your portfolio

2.1 Name of your portfolio

We need a short relevant name (no more than 10 words) for your portfolio. We will use this title for any correspondence and if you are awarded a grant, for any press releases that we send out about your portfolio.

2.2 Portfolio description

Briefly describe your portfolio, telling us the main purpose and what it will achieve. Summarise the main services, activities or facilities the portfolio will provide and locations where activities will take place.

2.3 Portfolio beneficiaries

Tell us about the people who will benefit most from your portfolio and the needs they have. We want to know how they are disadvantaged, for example, street children disadvantaged through lack of access to primary education and primary health care.

Tell us how many people you estimate will benefit directly from your portfolio throughout the life of your grant.

Section 3 Your portfolio

This section is your opportunity to tell us about your portfolio. This part of the application is in a free format. Your document should be no longer than 15 sides of A4 at 12-point font size plus relevant diagrams.

You use this section to show us how your portfolio meets our programme outcomes. The information in this section will also enable us to decide whether your organisation has the capacity and ability to deliver the portfolio.

We will assess your application against the criteria below. You need to show us how you meet these points in your application.

1. The proposed portfolio outcomes meet an identified need and help to achieve the programme outcomes.
2. The organisation can deliver the portfolio well achieve the intended outcomes.

We will assess your application from the information you provide. We have provided guidance below on some key issues that you should consider when giving your answers.

Need and outcomes

3.1 What is the need for your portfolio and how have you identified that need?

Please define the need your portfolio aims to address and how you identified this need. Tell us:

- what consultation you have done with your beneficiaries and stakeholders and how you made sure the consultation was inclusive
- what needs you have identified and how your consultation findings demonstrate this need
- about any existing provision and how your portfolio will add to it, and
- how the portfolio complements international, national or regional development strategies.

3.2 What are the proposed outcomes of your portfolio?

Briefly describe what difference your portfolio will make by listing up to four desired outcomes. See pages 9 and 10 of these guidance notes for more information about outcomes.

3.3 How will your portfolio address the needs you have identified and bring about your proposed outcomes? Include a brief outline of the projects that will make up your portfolio.

Tell us how your portfolio will address the needs you have identified and will achieve your proposed outcomes. You will need to provide an overview of the expected portfolio structure, showing the types of projects and how each of the projects will contribute to achieving the overall portfolio outcomes.

3.4 How will your portfolio achieve the International strategic programme outcomes?

Tell us how your proposed outcomes will help achieve one or more of the programme outcomes.

3.5 How will you know whether your portfolio is achieving its proposed outcomes?

Tell us your plans for monitoring and self-evaluation, including:

- what are the main issues your self-evaluation will focus on
- what indicators you could use to monitor progress towards outcomes
- how you could gather information against those indicators
- how you will involve all stakeholders in the evaluation
- your plans for sharing findings and lessons, and
- any budget implications.

See page 17 of the guidance notes for more information on evaluation.

3.6 How will you demonstrate you have considered the six cross-cutting themes in the way your portfolio is designed, managed and implemented?

See pages 7 and 8 of the guidance notes for more information on the six cross-cutting themes.

Portfolio management

3.7 Who will manage your portfolio? Include details of your proposed partners and what their roles will be.

Who will have overall responsibility for managing the delivery of your portfolio? Tell us:

- if this is an existing post or a new one you want us to fund
- their role and responsibilities
- what skills, experience and knowledge they will have
- how much time they will dedicate to managing the portfolio, and
- who will they report to and how they will be managed.

Alternatively you may want to send us a copy of the relevant job description and person specification.

Tell us about other people who will be involved in managing and running the portfolio. Tell us about their skills, experience and knowledge and how they will work with the portfolio manager.

3.8 How will you manage your portfolio?

Summarise the project management strategy, procedures and controls you will put in place to make sure that the portfolio is delivered within the timescales and budget and our grant terms and conditions. Include details of:

- progress reporting and review processes
- cost management strategy, with your plans for monitoring income and expenditure budgets regularly
- plans for communicating with everyone involved in delivering the portfolio, including any other organisations delivering individual projects
- procedures for managing and controlling changes to the individual projects (you will need to get our agreement before making certain changes).

Managing risk

3.9 What are the main risks to your portfolio and how will you manage them?

Draw up a table that lists the main risks that may affect the success of your portfolio. This will help you to plan ahead and be better prepared.

Example

Description	describe the risk
Impact	Say what the impact would be – high, medium or low
Probability	Say how likely it is that the risk will happen – high, medium or low
Existing Controls	Explain what controls you already have in place to manage this risk
Action required	Explain what you will need to do to put controls in place to enhance existing controls
Lead Responsibility	Say who is responsible for managing the risk

About your organisation

3.10 How is your organisation managed?

Describe the management controls and procedures in place for your organisation including:

- the composition, structure and role of your management committee or equivalent
- procedures for recruiting, developing and managing staff and volunteers
- how you meet legal and good practice requirements, for example health and safety, child protection.

3.11 Why is your organisation the best one to deliver this portfolio?

Describe how the portfolio will fit with your current work and the added value you will bring. Tell us about:

- your organisation's aims and objectives and how the portfolio fits with these
- the activities and services your organisation currently provides and what effect the portfolio will have on your work
- any specialist knowledge, skills or experience relating to the portfolio that you have
- your contacts and networks that will help you make sure everyone is involved.

3.12 How will you take account of equal opportunities in your portfolio?

Tell us how your organisation meets our equality principles listed at the start of the programme guidance notes.

Tell us how you will make sure that all the organisations you work with have a similar commitment to equality and diversity.

Please confirm that all new posts will be recruited through an open process.

Tell us how you make sure that the people or organisations that you are targeting have access to the individual projects and can use the facilities and services provided by your portfolio.

Please see our Equality Matters guidance on our website:

www.biglotteryfund.org.uk/equality_matters.htm

Section 4 Your portfolio budget

This section will show us how much you estimate your portfolio will cost.

4.1 Total portfolio costs

Please estimate the likely cost of delivering your portfolio and achieving your outcomes. If we invite you to stage two, we will expect you to provide a more detailed breakdown of individual project and management costs. We recognise that the portfolio cost is likely to change once you have planned your individual projects in detail. However, we would not expect your budget to increase by more than 10 per cent. If the cost of your portfolios changes significantly at stage two we will ask you why.

- ▶ The budget should show the estimated cash cost for the portfolio, ignoring any in kind contributions that you believe you will receive. This means that your budget is based on what you intend to raise and spend.
- ▶ Use our guidance in Appendix one on eligible and ineligible costs to help you estimate how much grant you will need from us.
- ▶ Only include costs that relate to the portfolio described in this application.
- ▶ You must keep detailed notes of how you arrived at the figures as we may ask you to explain the figures in more detail.
- ▶ Check your figures and additions carefully to ensure they add up.

Fill in the table with total estimated costs of delivering individual projects (project costs) and the total estimated cost of managing your portfolio (management costs). If you are applying for a development grant (question 4.4) do not include the development costs you are asking us to fund here.

4.2 How have you calculated your portfolio costs?

Tell us on what basis the portfolio costs have been estimated and any assumptions you have made.

4.3 Funding from other sources

Tell us about any other cash income that you expect to receive towards the costs of the portfolio. For each source, please say if you have secured the money or when you expect to find out the decision on your funding application. We will ask you for an update on this if you are invited to stage two.

In kind contributions

In kind contributions are non-monetary contributions such as volunteer labour, gifts of materials, use of facilities and equipment. To estimate a value for this type of contribution, you may need to come up with some reasonable way of assessing them. For example, the value of the equipment could be calculated using one of the following methods:

- identifying the cost of an item of comparable age and condition
- obtaining a valuation from an appropriately qualified source
- using a recognised information source such as a pricing guide for vehicles
- taking the original purchase price and applying normal depreciation rates.

4.4 Development grant

If you are invited to stage two and would like a development grant tell us here how much you will need to develop your portfolio in detail. Check the eligibility of the items you want us to pay for against our guidance in Appendix one. Be realistic about the costs you believe you will incur in developing your portfolio and stage two application; getting cost estimates is a good way of doing this. Please note we cannot increase a development grant after it has been made to cover costs that you did not identify in your application or to cover inaccurate cost estimates, for example, wage increases.

Section 5 Finishing your application form

Independent referee

If you are not a statutory authority your application form must be signed by an independent referee. This must be someone who is completely independent of your organisation but know its work well and knows about the project for which you are requesting funds. They must be willing to comment on your application in writing or verbally to an assessor if requested, and should be easily contactable.

Your referee must be a UK-based person with a professional or public position whose status we can check, a full list is detailed below. If your proposed referee is not on our suggested list, please contact us before submitting your application.

Your referee must be a person in a professional or public position whose status we can check, for example:

- Member of Parliament
- local councillor
- Justice of the Peace
- solicitor
- senior bank official
- chartered accountant
- local authority arts development, sport development, museums or lottery officer
- senior officer from a development agency, for example a rural community council, or a council for voluntary service.
- healthcare professional*
- school teacher*
- social worker*
- youth worker*
- police officer*.

If your portfolio is working with children, young people under the age of 18 or with vulnerable adults, your referee must be someone appropriately qualified, for example from the options above marked with an asterisk (*). We may ask for evidence that your referee is appropriately qualified to work with children, young people under the age of 18 or with vulnerable adults themselves. If we are not satisfied with the evidence you provide we may ask you to change your referee, or reject your application.

Your referee must not be:

- someone who will directly benefit if you get grant
- a current member of your organisation
- a trustee or a member of your organisation's staff
- related to someone in one of these positions
- formerly (that is, within the last two years) in one of these positions.

Advice and support

You may have questions about how to apply or about planning your portfolio. Call or email us with any questions you have.

Phone the BIG Advice line on: 0845 4 10 20 30

Email: general.enquiries@biglotteryfund.org.uk

Useful contact details

British Overseas NGOs for Development BOND
Regent's Wharf
8 All Saints Street
London N1 9RL

Phone: 020 7837 8344

Fax: 020 7837 4220

Email:

For all general enquiries: bond@bond.org.uk

For information about BOND publications:

Information@bond.org.uk

You should send you application to:

International strategic programme

Big Lottery Fund

Apex House

3 Embassy Drive

Edgbaston

Birmingham

B15 1TR

You can email your application to:

enquiries.international@biglotteryfund.org.uk

Appendix one

Eligible and ineligible costs

We asked you for an estimate of your portfolio and management costs at stage one. However, the following lists of eligible and ineligible costs should help you to estimate how much grant you are likely to need from us. If you are invited to stage two we will expect you to provide a more detailed breakdown of individual project and portfolio management costs.

We would expect all new posts to be openly recruited – you should include any necessary costs to do this.

You will need to consider VAT in all project budgets. Please note if you or your portfolio partners are VAT registered, the Big Lottery Fund can only fund non-recoverable VAT.

For help in completing your budget and in working out your overheads please refer to “Applying for your project overheads: Guidance for Big Lottery Fund applicants”. There is also information and a calculator on our website which may help you.

The following lists give you an idea of the type of expenditure that we can and cannot fund. They are not exhaustive and when we assess your application we may find other items we cannot fund.

Development grants

If you are invited to stage two we may award you a development grant towards the cost of compiling your portfolio of projects and preparing a detailed stage two application.

Eligible development costs include:

- costs associated with identifying suitable individual projects and appropriate organisations to deliver them
- consultancy and professional support for developing individual projects to an appropriate level for a stage two application
- costs of consultation with beneficiaries and stakeholders, including costs of overseas travel
- costs associated with business planning and budget preparation.

Ineligible development costs include:

- costs incurred or spending committed, before you send us your stage one application
- spending that is not directly relevant to compiling your portfolio of projects
- any costs which someone else is paying for, whether in cash or in kind.

You must be able to provide a breakdown of all development costs and explain how they have been calculated if we ask.

Management costs

You can ask us for all of the direct costs of managing the portfolio of projects.

Eligible management costs include:

Revenue

- salaries of staff associated with the management of the portfolio, including any extra costs, such as pensions and National Insurance
- recruitment of staff who will manage the portfolio
- expenses of staff who will manage the portfolio, including travel, accommodation, phone bills and stationery
- rent, heating, lighting, maintenance and insurance for office space and buildings only used for managing the portfolio
- training of staff managing the portfolio
- monitoring and evaluation of the portfolio
- marketing and publicity for the portfolio
- professional and legal fees for the portfolio incurred associated with revenue expenditure on the portfolio.

If you are an unincorporated association, not registered with the Charity Commission, the Office of the Scottish Charity Regulator or, in Northern Ireland HMRC, and if you are awarded a revenue grant of more than £50,000, we may require your solicitor to provide us with a legal opinion which confirms your organisation has the legal power for delivering the grant purpose. A standard form of legal opinion is attached in Appendix three of these guidance notes

You should budget for the costs of getting a legal opinion.

As an indication only: we would suggest that it would be reasonable to include an estimate of up to £500 plus VAT for such a legal opinion. You must however take your own advice as to the estimated costs for a legal opinion from your own solicitors.

Capital

- office equipment necessary for managing the portfolio.

Ineligible management costs include:

Revenue

- costs incurred or expenditure committed, before we award you a grant
- any costs which someone else is paying for, whether in cash or in kind
- items that only benefit an individual and are not needed to manage the portfolio
- funds to build up a reserve or surplus, whether distributable or not
- loan repayments
- contributions to general appeals.

Capital

- purchase of land or buildings
- building and engineering works (new build, extension, refurbishment, modernisation or conversion)
- transport
- routine repairs and maintenance
- personal equipment not essential to the management of the portfolio
- maintenance equipment, fixed or loose equipment or office equipment which is not essential to management of the portfolio.

Overheads

We may also make a contribution towards your overheads. By overheads we mean the costs of employees, volunteers, equipment, space and activity that partly support the portfolio you want us to fund, but also support your other work.

Eligible overheads include:

- salaries of human resources, finance, IT and other staff supporting the portfolio (for example, running payroll and servicing computers used by the portfolio)
- salaries of staff, including managers, working on the portfolio, but not exclusively
- salaries of senior management overseeing the portfolio
- meetings of the trustees or management committee
- audit and other legal fees associated with running your organisation
- rent, heating, lighting, maintenance and insurance for office space your portfolio requires or shares with other projects
- rent, heating, lighting, maintenance and insurance for office space used by staff who run your portfolio
- fundraising for the organisation
- training staff
- networking and attendance at conferences or partnership work that benefits the portfolio you want us to fund
- depreciation on equipment used by the organisation.

Ineligible overheads include:

- costs incurred or expenditure committed, before we award you a grant
- any costs which someone else is paying for, whether in cash or in kind.

You must be able to provide a breakdown of management costs (both direct costs and overheads) and an explanation of how they have been calculated if we ask.

Individual project costs

By a project we mean a piece of work that is new or a discrete part of the everyday work of the organisation delivering the individual project.

We will pay for the direct costs of all individual projects. By "direct costs" we mean the cost of

employees, volunteers, equipment, space or activity used only in the individual projects you want us to fund.

Eligible individual project costs include:

Revenue

- salaries of project workers, including any extra costs, such as pensions and National Insurance for the individual projects
- salaries of management staff who only supervise project staff, including any extra costs, such as pensions and National Insurance for the individual project
- recruitment of staff who will work on the individual projects
- expenses of project staff and volunteers, including travel, accommodation, phone bills and stationery
- rent, heating, lighting, maintenance and insurance for office space and buildings only used for the individual project
- training of staff and volunteers working on the individual projects
- monitoring and evaluation of the individual projects
- fundraising for continuing the individual projects after our grant is over
- marketing and publicity for the individual projects
- professional and legal fees for the individual projects incurred associated with revenue expenditure on the project.

Capital

- small-scale building and engineering works (new build, extension, refurbishment, modernisation or conversion) required for the delivery of the individual projects
- plant and equipment necessary for running the individual projects
- purchase of land, buildings, equipment or fixtures and fittings that are linked to the land or building
- transport that is necessary for delivering the individual projects
- professional and legal fees associated with capital spending on the project.

Ineligible individual project costs include:

Revenue

- costs incurred or spending committed, before we make you a grant
- any costs which someone else is paying for, whether in cash or in kind
- items that only benefit an individual and are not needed to deliver the individual project
- funds to build up a reserve or surplus, whether distributable or not
- loan repayments
- contributions to general appeals.

Capital

- routine repairs and maintenance
- any costs which someone else is paying for, whether in cash or in kind
- general improvements to public areas unless they are essential to the individual project
- personal equipment not essential to delivering the individual project
- maintenance equipment, fixed or loose equipment or office equipment which is not essential to the individual project
- for capital projects of less than £50,000, the purchase of a leasehold of less than five years.

We may also make a contribution towards the overheads of running each of the organisations involved in delivering the individual projects. See the section above for eligible and ineligible overhead costs.

You must be able to provide a breakdown of individual project costs (both direct costs and overheads) and an explanation of how they have been calculated if we ask.

Appendix two

Standard terms and conditions for revenue grants

Definitions

“We” and “our” refer to the organisation receiving the grant bound by these terms and conditions. “You” and “your” means the Big Lottery Fund and includes your employees and those acting for you.

The “project delivery partner” means the locally based organisation(s) named in the application form and in the project delivery agreement(s).

The “project” means the project that you are giving us the grant for as set out in our application form and any supporting documents, and/or as varied by the grant agreement.

The “grant agreement”, which we have accepted and signed, includes and incorporates these standard terms and conditions and the grant offer letter together with any other conditions we have agreed.

The “ project delivery agreement” means the agreement between us and a project delivery partner.

1. In general

- 1.1 We will use the grant exclusively for the project. We will hold any unused part of the grant on trust for you at all times, and we will repay any grant (including any unused grant) to you immediately upon demand.
- 1.2 During the period of the grant we will act in a fair and open manner without distinction as to race, religion, age or disability, and in compliance with relevant legislation.
- 1.3 We will make sure that all current and future members of our governing body or our executive team, if we are a statutory organisation, receive a copy of these terms and conditions while the grant agreement remains in force.
- 1.4 We will ensure that at all times while the grant agreement is in force we are correctly constituted and regulated and that the receipt of the grant and the delivery of the project are within the scope of our governing documents, and if asked by you we will provide a legal opinion from our solicitors confirming this.

2. The project

- 2.1 We will get your written agreement before making any change to the project or to its aims, structure, delivery, outcomes, duration or ownership.
- 2.2 We will start the project within four months of the date of the grant agreement, or if it is delayed, write to you giving reasons for the delay and asking for an extension.
- 2.3 We agree to make satisfactory progress with the project and complete it on time or within a reasonable period if you have not set a time limit.
- 2.4 We will not use the grant to pay for any spending commitments we have made before the date of the grant agreement.
- 2.5 We will tell you of any offer of funding for the project from anyone else at any time during the project.
- 2.6 If we spend less than the whole grant on the project, we will return the unspent amount to you promptly. If the grant part-funds the project, we will return the appropriate share of the unspent amount to you.
- 2.7 We will acknowledge the grant publicly as appropriate and as practical. We will follow your branding and publicity guidelines at all times. We will acknowledge your support in any published documents that refer to the project, including job advertisements, accounts and public annual reports, or in written or spoken public presentations about the project.
- 2.8 We hereby consent to any publicity about the grant and the project as you may from time to time require. You can carry out any forms of publicity and marketing to promote the award of the grant as you see fit. We agree to do whatever you reasonably require in order to assist with any form of publicity and marketing, including any press or media related activities.
- 2.9 We will tell you promptly about any changes to information we have provided and will make sure that the information you hold is always true and up to date.

- 2.10 In our management of all personal information we will meet the requirements of the Data Protection Act 1998. We will tell you immediately if any of our key contacts or people whose salaries are funded by the grant change.
- 2.11 We agree to meet all laws regulating the way we operate, the work we carry out, the staff we employ or the goods we buy. We will ensure that we have an equal opportunities policy in place at all times to help us comply with all relevant laws and good practice throughout the period of the grant agreement. We will obtain all approvals and licences required by law or by you.
- 2.12 If our project involves work with children, young people or vulnerable adults (“vulnerable people”), we will take all reasonable steps to ensure their safety. We will obtain the written agreement from the legal carer or guardian before having any direct contact with any vulnerable person. We will have and carry out an appropriate written policy and set of procedures in place at all times to safeguard vulnerable people, which will include procedures to check backgrounds and disclosures of all employees, volunteers, trustees or contractors who will supervise, care for or otherwise have significant direct contact with vulnerable people with the Criminal Records Bureau.
- 2.13 If we are a charity, we will register with the Charity Commission or the Office of the Scottish Charity Regulator if our income goes over their minimum exemption figure.
- 2.14 We will maintain adequate insurance at all times and if asked, will supply copies of confirmation to you. This includes employee and public liability insurance and insurance that covers the full replacement value of any assets you have funded.
- 2.15 You have the right to reproduce any of our application or subsequent information supplied by us to you for any purpose as you see fit without any right of a claim by us in respect of copyright.

3. Our organisation

- 3.1 We will get your written agreement before:
- Changing our governing document, (unless we are a statutory organisation) concerning our aims, payments to members and members of our governing body, the sharing out of our assets (whether our organisation is dissolved or not), or the admission of any new members; or
 - Transferring our assets to, or merging or amalgamating with, any other body, including a company set up by us.
- 3.2 We will write to you as soon as possible if any legal claims are made or threatened against us and/or which would adversely affect the project during the period of the grant (including any claims made against members of our governing body or staff concerning the organisation).
- 3.3 We will tell you in writing as soon as possible of any investigation concerning our organisation, trustees, directors, employees or volunteers carried out by the Police, Charity Commission, the Office of the Scottish Charity Regulator, HM Revenue and Customs or any other regulatory body.
- 3.4 We will be available for meetings with you and allow full and free access to our records however and wherever held and to any of our offices or buildings to you, or those acting for you or to the National Audit Office.
- 3.5 We will let you know if our governing body falls below three members and will increase it to at least three as soon as possible.

4. VAT

- 4.1 We acknowledge that the grant is not consideration for any taxable supply for VAT purposes by us to you. We understand your obligation does not extend to paying us any amounts in respect of VAT in addition to the grant and that the grant made by you is inclusive of VAT.

- 4.2 We agree to repay you immediately any VAT we recover whether by set-off, credit or repayment to the extent that any such VAT cost is included in the grant.
- 4.3 We will notify you immediately if any irrecoverable VAT claimed under the grant becomes recoverable.
- 4.4 We will keep proper and up to date records relating to VAT, and we will make such records available for you to look at and give you copies when requested.
- 4.5 If you have funded all of the VAT costs for our project, we agree to refund immediately all of the VAT we recover to you.
- 4.6 If you have funded a proportion of the VAT costs for the project, we agree to refund immediately the same proportion of the VAT recovered to you.

5. Our annual report and accounts

- 5.1 We will acknowledge your grant in our annual reports and accounts covering the period of the project.
- 5.2 We will show your grant and related expenditure as a restricted fund under the description "Big Lottery Fund Grant" in our organisations annual accounts. If we have more than one restricted fund, or, as a statutory authority, cannot show restricted funds in our accounts, we will include a note to the accounts identifying each restricted fund separately. If we have more than one grant from you, we will record each grant separately in the notes to the accounts. We will identify unspent funds and assets in respect of the grant separately in our accounting records.
- 5.3 We will send you a copy of our annual accounts as soon as they have been approved in accordance with our governing document and in any event within ten months of the end of the financial year for each year in which grant payments are made. The accounts will be signed by a member of our management committee and externally audited or independently evaluated as appropriate for our organisation.

If a statutory authority, we will send you our accounts, signed and audited as required by the appropriate regulations.

- 5.4 We will keep proper and up to date accounts and records for at least seven years after the termination of our grant, including summary profit and loss accounts and management accounts, personnel and payroll records and invoices, which show how the grant has been used. We will make these financial records available to you to look at and give you copies.
- 5.5 We will report regularly and fully to all members of our governing body on the financial position of our organisation and will put in place procedures to avoid any conflict of interest in the provision of goods and services required to deliver the project.

6. Monitoring

- 6.1 We will monitor the progress of the project and complete regular reports as you require using the forms you send us.
- 6.2 We will send you any further information you may ask for about the project or about our organisation, and its activities, the number of jobs created by the project, the number of users and other beneficiaries and such other information as you may require from time to time. You may use this information to monitor the project and evaluate your grants programmes.
- 6.3 We will fill in a final report on the project using the form you send us. We understand that the grant is finished only after we have completed this report to your satisfaction and you have received annual accounts for the full period.
- 6.4 We will tell you immediately in writing of anything that significantly delays, threatens or makes unlikely the project's completion.
- 6.5 We will tell you immediately if there is to be any variation to or decrease in the project outcomes.

7. Project partners

- 7.1 We will enter into a signed project delivery agreement, in a form satisfactory to you, with any project delivery partner which we have named in the application form. Even though we may enter into such a project delivery agreement, we understand we remain accountable for delivering the project and for keeping all of the grant terms and conditions.
- 7.2 We will arrange visits for your staff to the project or to any project delivery partner on request.
- 7.3 A project delivery agreement will be signed before we pay any grant funds to any project delivery partner and it will include all reasonable and adequate terms and conditions to safeguard the grant and all relevant obligations from this grant agreement. These terms and conditions must include provisions for project delivery partners to repay grant funds if any of the events listed in clauses 12.5 or 12.6 occurs.
- 7.4 We will ensure that project delivery partners are bound by the requirements covering assets set out in clause 9 'Grants for Assets and Services'.
- 7.5 We will ensure that project delivery partners maintain adequate insurance cover in line with clause 2.14.
- 7.6 We will ensure that project delivery partners follow your branding and publicity guidelines at all times.
- 7.7 You have the right to have any project delivery agreement novated to you (or a new organisation) if any of the events listed under clauses 12.5 or 12.6 occurs.
- 7.8 You also have the right (under the Contracts (Rights of Third Parties) Act 1999) to enforce any of our rights under the project delivery agreement. The project delivery agreement must contain a provision that these rights may not be altered or extinguished without your written consent.

- 7.9 If we recover money from a project delivery partner, we will repay this money immediately to you, unless you agree otherwise in writing.

8. Grants for salaries

- 8.1 We will ensure that we have proper employment policies and procedures in place at all times. We will pay attention to equalities in the recruitment and selection process and the need to ensure an appropriate balance of staff in our organisation.
- 8.2 If the grant is for a salary of a new post, we will advertise the vacancy externally, using appropriate media (including media that could attract disadvantaged groups). We must send you a copy of the text of every advertisement within a reasonable time before such advertising, which will be in accordance with all current best practice and will acknowledge that you are the funder of the post. This applies to any re advertisement. We must keep the job description, a list of the publications where we placed the advertisements and a copy of the letter of appointment and send them to you if you ask for them.
- 8.3 You will not pay grants for salaries until we have supplied you with the names of the staff to be employed, their salaries and their start, and, if appropriate, end dates.
- 8.4 We will maintain all main financial records including personnel and payroll records for staff funded by you for seven years after the grant has ended. We will complete all statutory returns for employees and make all relevant payments to cover their pensions and salary deductions, such as income tax and National Insurance contributions.

9. Grants for assets and services

- 9.1 If any part of the grant is to buy or build, refurbish, extend or alter buildings or land then we will comply with the terms of the standard capital grant conditions attached to the grant offer letter or any other conditions which you have required of us.

- 9.2 If any part of the grant is used to buy any other capital items or a series of related capital items or services or a series of services costing more than £10,000, we will put out the order to competitive tender. If there are good reasons why we cannot tender, we will get your agreement beforehand. We understand that public bodies must meet the relevant UK and European procurement legislation together with the provisions of the World Trade Organisation General Procurement Agreement.
- 9.3 If any part of the grant is to buy a capital item or series of capital items, such as equipment or other items which have an economic life of five years or more and vehicles, costing up to and including £10,000 we will keep all receipts and invoices for you to look at. If we buy a vehicle we will send you a copy of the registration documents no later than three months after you have sent us the money for the vehicle.
- 9.4 If any part of the grant is used directly or indirectly to purchase or develop any intellectual property rights then we will take all necessary steps to protect such rights and we agree that we will not exploit such rights without your prior written consent. Exploitation includes use for any commercial purpose or any licence, sale, assignment, materials transfer or other transfer rights. We understand and accept that if you provide the consent it may be subject to conditions requiring us to repay or to share any money we receive.
- 9.5 We will keep all assets funded by the grant safely and in good repair and will make sure we have adequate insurance cover for all of them. Any loss resulting from payments made for assets before delivery will be our responsibility. If the asset is damaged, destroyed or stolen, we must tell you in writing and we must repair or replace it.
- 9.6 We understand that you will monitor assets bought with the grant for a period of up to ten years after the grant has ended for assets bought for over £50,000 unless varied by any capital conditions, which for the avoidance of doubt, will take precedence. If the assets were bought for less than £50,000 the period will be five years or the length of the grant agreement, whichever is the shorter. We will supply you with information that you ask for and will allow you to inspect the assets for that period.
- 9.7 During this period, we will provide an annual statement that the assets are still held and insured by us. We will not sell, give away or borrow against the assets without first receiving your written consent. As our grant has come from public funds, we understand and accept that if you provide the consent it may require that the sale is at full market value and/or subject to conditions requiring us to repay all or part of the money we receive.
- 10. Payment of grant**
- 10.1 You will pay the grant by bank transfer (BACS) into a UK-based bank account or building society account in our name, which requires the signatures of at least two authorised people for every withdrawal. We will not use ATM's or debit cards to make cash withdrawals or payments from this account.
- 10.2 Before any payments of grant funds can be made to us we will provide to your satisfaction details of the way in which grant funds will be transferred to any project delivery partner and/or to the country in which the project is to be undertaken, arrangements for the safe custody of grant funds and the manner and by whom project expenditure will be authorised. We will notify you immediately of any changes to these arrangements.
- 10.3 You will not be liable for any losses or costs (including, but not only, bank charges) if you do not make grant payments on the agreed date. We must take up the first instalment of the grant within four months of the date of the grant award or offer letter; otherwise it will automatically lapse, unless you agree in writing to an extension.

10.4 If you pay the grant in instalments over two or more years, payment for the second and following years will depend on your approval of an end of year report on the previous year, which we will complete on a form provided by you within three months of the end of the grant year. If we do not do this, grant payments may be suspended.

10.5 You will normally make payments for up to three months spending in advance as long as we complete a satisfactory payment plan before the project starts and we have given written notice of the project start date.

10.6 If you are not satisfied that we have met all the terms of our grant agreement, or you need extra information or documents, you may ask for this and may postpone payment of the grant until you feel that the terms are met or until you receive the material you want.

11. Length of grant agreement

11.1 These terms and conditions and the grant agreement remain in force for whichever of these is the longest time:

- For one year following the payment of the last instalment of the grant.
- As long as any part of the grant remains unspent.
- The expiry of the maximum period required under the grant for asset monitoring.
- As long as we do not carry out any of the terms and conditions of the grant agreement or any breach of them continues (this includes any outstanding reporting on grant expenditure or project delivery).

12. We understand that:

12.1 You can only guarantee future instalments of the grant as long as funds from the National Lottery are available and you continue to operate.

12.2 We accept that you may share information about our grant with any parties of your choice as well as with members of the public who make a request for information under the Freedom of Information Act 2000. Details of the project may be broadcast on television, on your website, in newspapers and through other media.

12.3 You will not increase the grant if we spend more than the agreed budget.

12.4 You may suspend payment of the grant if you want to investigate any matters concerning the grant (or any other grants you have given to us). We understand that you accept no liability for any consequences, whether direct or indirect, that comes about from a suspension even if the investigation finds no cause for concern.

12.5 You may withhold or demand repayment of all or part of the grant at your absolute discretion, in any of the following circumstances if:

- We fail to meet any of these terms and conditions, or the terms and conditions attached to any other grants from you for which a grant agreement is still in force.
- We completed the application form dishonestly or significantly incorrectly or misleadingly.
- We or any other person or organisation operating for us gave you any significantly misleading or inaccurate information, whether deliberate or accidental, during the application process, or during the period of the grant agreement.
- Members of our governing body, volunteers or staff act at any time during the project dishonestly or negligently or in any way, directly or indirectly, to our detriment or to the detriment of our organisation or the project or to the detriment of your reputation.

- Our organisation, members of our governing body, employees or volunteers are subject to an investigation or formal enquiry by the Police, Charity Commission, the Office of the Scottish Charity Regulator, HM Revenue and Customs or other regulatory body.
- We receive duplicate funding from any other source for the same or any part of the project.
- We do not take positive steps to ensure equal opportunities in our own employment practices and the delivery of and access to our services.
- There is a significant change of purpose, ownership or recipient, either during the project or within a reasonable period after its completion, so that you judge that the grant is unlikely to fulfil the purpose for which you made it.
- At any stage of the application process or during the period of the grant agreement we do not let you have information that would affect your decision to award, continue or withdraw all or part of the grant.
- We are or become legally ineligible to hold the grant.
- If you have reasonable grounds to believe that it is necessary to protect public money.

12.6 You may withhold or demand repayment of all or any of the grant if it is likely that our organisation will have to stop operating, may be dissolved or become insolvent, or is likely to be put into administration or receivership or liquidation, or we are about to make an arrangement with, or guarantee a Trust Deed to our creditors, or, in Scotland, our organisation's estate is sequestrated.

12.7 We acknowledge that the grant comes from public funds and we will not use the grant in a way that constitutes unapprovable State aid. In the event that it is deemed to be unapprovable State aid, then we will repay the entire grant immediately.

12.8 You may assign any of your rights under the grant agreement to any other or successor body.

13. Additional conditions

13.1 You have the right to impose additional terms and conditions on the grant either in the offer letter and/or if:

- We are in breach of the grant agreement.
- You withdraw any part of the funding for the project.
- You judge that members of our governing body, volunteers or staff or any person or organisation closely involved in carrying out the project act in a way that may have a detrimental effect on the project or on your reputation as a distributor of public money or as a Government sponsored body.
- If you have reasonable grounds to believe that it is necessary to protect public money.
- You believe such conditions are necessary or desirable to make sure that the project is delivered as set out in our application or following any agreed changes.

Project development grants

Standard terms and conditions of grant – International strategic portfolio grants

Definitions

“We” and “our” refer to the organisation receiving the grant bound by these terms and conditions. “You” and “your” means the Big Lottery Fund and includes your employees and those acting for you.

The “project” means the project that you are giving us the grant for as set out in our application form and any supporting documents, and as varied by the Grant Agreement.

The “Grant Agreement”, which we have accepted and signed, includes and incorporates these standard terms and conditions and the grant offer letter (with any special conditions we have agreed).

1. In general

- 1.1 We will use the grant [to develop the business case for our project/ for the project purpose]. We will hold any unused part of the grant on trust for you at all times, and we will repay any grant (including any unused grant) to you immediately upon demand.
- 1.2 During the period of the grant we will act in a manner without distinction as to race, religion, age or disability, and in compliance with all laws.
- 1.3 We will, make sure that all current and future members of our governing body receive a copy of these terms and conditions while the Grant Agreement remains in force.
- 1.4 We will ensure that at all times while the Grant Agreement is in force we are correctly constituted and regulated and that the receipt of the grant and the delivery of the project are within the scope of our governing documents, and if asked by you we will provide a legal opinion from our solicitors confirming this.

2. The project

- 2.1 We will get your written agreement before making any change to the project or to its aims, structure, delivery, duration or ownership.
- 2.2 We will start the project within three months of the date of the grant offer letter or if it is delayed, write to you giving reasons for the delay and ask for an extension.
- 2.3 We agree to make satisfactory progress with the project and complete it on time or within a reasonable period if you have not set a time limit.
- 2.4 We will not use the grant to pay for any spending commitments we have made before the date of the grant offer letter.
- 2.5 We will tell you of any offer of funding for the project from anyone else, which duplicates your grant.
- 2.6 If any part of a grant is to buy goods and services or a series of related services costing more than £10,000, we will put out the order to competitive tender. If there are good reasons why we cannot tender, we will get your agreement beforehand. We understand that public bodies must meet the relevant UK, European and World Trade Organisation legislation on procurement.
- 2.7 We will acknowledge your support in any published documents that refer to the project, including job advertisements, accounts and public annual reports, or in written or spoke public presentations about the project.
- 2.8 You can carry out any forms of publicity and marketing to promote the award of the grant as you see fit. We agree to do whatever you reasonably require in order to assist with any form of publicity and marketing, including any press or media related activities.
- 2.9 We hereby consent to any publicity about the grant and the project as you or any television company may from time to time require.

- 2.10 We will tell you about any changes to information we have provided and will make sure that the information you hold is always true and up to date.
- 2.11 In our management of all personal information we will meet the requirements of the Data Protection Act 1998.
- 2.12 We agree to meet all laws regulating the way we operate, the work we carry out, the staff we employ or the goods we buy. We will ensure that we have an equal opportunities policy, to help us comply with all relevant laws and good practice (that is put into practice and regularly reviewed).
- 2.13 If our project involves work with children, young people or vulnerable adults (“vulnerable people”), we will take all reasonable steps to ensure their safety. We will obtain the written agreement from the legal carer or guardian before having any direct contact with any vulnerable person. We will have and carry out an appropriate written policy and set of procedures in place at all times to safeguard vulnerable people, which will include procedures to check backgrounds and disclosures of all employees, volunteers, trustees or contractors who will supervise, care for or otherwise have significant direct contact with vulnerable people with the Criminal Records Bureau.
- 2.14 We will maintain adequate insurance at all times. This includes employee and public liability insurance and insurance that covers the full replacement value of any assets you have funded.
- 2.15 You have the right to reproduce any of our application or subsequent information supplied by us to you for any purpose as you see fit without any right of a claim by us in respect of copyright. Any sum received from any invention, copyright or moral rights will either be paid to you or we will obtain your prior written consent for any commercial exploitation.

3. Our organisation

- 3.1 We will get your written agreement before:
- Changing our constitutional document concerning our aims, payments to members and members of our governing body, the sharing out of our assets (whether our organisation is dissolved or not), or the admission of any new members; or
 - Transferring our assets to, or merging or amalgamating with, any other body, including a company set up by us.
- 3.2 We will write to you as soon as possible if any legal claims are made or threatened against us during the period of the grant, including any claims made against members of our governing body or staff concerning the organisation.
- 3.3 We will tell you in writing as soon as possible of any investigation concerning our organisation, trustees, directors, employees or volunteers carried out by the Police, Charity Commission, the Office of the Scottish Charity Regulator, HM Revenue and Customs or any other regulatory body.
- 3.4 We will be available for meetings with you and allow access to our records and to any of our offices or buildings to you, or those acting for you or to the National Audit Office.
- 3.5 We will let you know if our governing body falls below three members and will increase it to at least three as soon as possible.

4. VAT

- 4.1 We acknowledge that the grant is not consideration for any taxable supply for VAT purposes by us to you. We understand your obligation does not extend to paying us any amounts in respect of VAT in addition to the grant and that the grant made by you is inclusive of VAT.
- 4.2 We agree to repay you immediately any VAT we recover whether by set-off, credit or repayment to the extent that any such VAT cost is included in the grant.

- 4.3 We will notify you immediately if any irrecoverable VAT claimed under the grant becomes recoverable.
- 4.4 We will keep proper and up to date records relating to VAT, and we will make such records available for you to look at and give you copies when requested.
- 4.5 If you have funded all of the VAT costs for our project, we agree to refund immediately all of the VAT we recover to you.

If you have funded a proportion of the VAT costs for our project, we agree to refund immediately the same proportion of the VAT recovered to you.

5. Our annual report and accounts

- 5.1 We will acknowledge your grant in our annual reports and accounts covering the period of the project.
- 5.2 We will show your grant and related expenditure as a restricted fund under the description "Big Lottery Fund Grant" in our organisation's annual accounts. If we have more than one restricted fund, we will include a note to the accounts identifying each restricted fund separately. If we have more than one grant from you, we will record each grant separately in the notes to the accounts. We will identify unspent funds and assets in respect of the grant separately in our accounting records. A member of our management committee will sign the accounts.
- 5.3 We will keep proper and up to date accounts and records, including summary profit and loss accounts and management accounts, personnel and payroll records and invoices, which show how the grant has been used. We will make these financial records available to you to look at and give you copies.
- 5.4 We will report regularly and fully to all members of our governing body on the financial position of our organisation and will put in place procedures to avoid any conflict of interest arising in the provision of goods and services required to deliver the project.

6. Monitoring

- 6.1 We will monitor the progress of the project and complete regular reports as you require using the form in the Grant offer pack.
- 6.2 We will send you any further information you may ask for about the project or about our organisation, and its activities, the number of jobs created by the project, the number of users and other beneficiaries and such other information as you may require from time to time. You may use this information to monitor the project and evaluate your grants programmes.
- 6.3 We will fill in a final report on the project using the form you send us.
- 6.4 We will tell you immediately in writing of anything that significantly delays, threatens or makes unlikely the project's completion.
- 6.5 We will tell you immediately if there is to be any variation to or decrease in the project outcomes.

7. Payment of grant

- 7.1 You will pay the grant by bank transfer (BACS) into a bank account or building society account in our name, which requires the signatures of at least two authorised people for every withdrawal. We will not use ATMs or debit cards to make cash withdrawals or payments from this account.
- 7.2 You will not be liable for any losses or costs (including, but not only, bank charges) if you do not make grant payments on the agreed date.
- 7.3 If you are not satisfied that we have met all the terms of our Grant Agreement, or you need extra information or documents, you may ask for this and may postpone payment of the grant until you feel that the terms are met or until you receive the material you want.

8. Length of grant agreement

8.1 These terms and conditions and the grant agreement remain in force for whichever of these is the longest time:

- For one year following payment of the grant.
- As long as any part of the grant remains unspent.
- As long as we do not carry out any of the terms and conditions of the grant agreement or any breach of them continues (this includes any outstanding reporting on grant expenditure or project delivery).

9. We understand that:

9.1 You can only guarantee future instalments of the grant as long as funds from the National Lottery are available and you continue to operate.

9.2 We accept that you may share information about our grant with any parties of your choice as well as with members of the public who make a request for information under the Freedom of Information Act 2000. Details of the project may be broadcast on television, in newspapers and through other media.

9.3 You will not increase the grant if we spend more than the agreed budget.

9.4 You may suspend payment of the grant if you want to investigate any matters concerning the grant (or any other grants you have given to us). We understand that you accept no liability for any consequences, whether direct or indirect, that comes about from a suspension even if the investigation finds no cause for concern.

9.5 You may withhold or demand repayment of all or part of the grant at your absolute discretion, in any of the following circumstances if:

- we fail to meet any of these terms and conditions, or the terms and conditions attached to any other grants from you for which a grant agreement is still in force
- we completed the application form dishonestly or significantly incorrectly or misleading

- we or any other person or organisation operating for us gave you any significantly misleading or inaccurate information, whether deliberate or accidental, during the application process, or during the period of the grant agreement
- if at any time while the grant agreement is in force, in the opinion of the Fund acting reasonably, any event occurs in relation to the project or to our organisation which is likely to have a material adverse effect on the Fund's reputation as a custodian and distributor of publicly generated funds and/or as a Government sponsored body
- members of our governing body, volunteers or staff act at any time during the project dishonestly or negligently or in any way, directly or indirectly, to our detriment or to the detriment of our organisation or the project or to the detriment of your reputation
- our organisation, members of our governing body, employees or volunteers are subject to an investigation or formal enquiry by the Police, Charity Commission, the Office of the Scottish Charity Regulator, HM Revenue and Customs or other regulatory body
- we receive duplicate funding from any other source for the same or any part of the project
- we do not take positive steps to ensure equal opportunities in our own employment practices and the delivery of and access to our services
- there is a significant change of purpose, ownership or recipient, either during the project or within a reasonable period after its completion, so that you judge that the grant is unlikely to fulfil the purpose for which you made it
- at any stage of the application process or during the period of the grant agreement we do not let you have information that would affect your decision to award, continue or withdraw all or part of the grant, and/or
- we are or become legally ineligible to hold the grant.

- 9.6 You may withhold or demand repayment of all or any of the grant if it is likely that our organisation will have to stop operating, may be dissolved or become insolvent, or is likely to be put into administration or receivership or liquidation, or we are about to make an arrangement with, or guarantee a Trust Deed to our creditors.
- 9.7 We acknowledge that although the grant provided to us constitutes State resources, the purpose for which the grant is to be applied will not lead the grant to be considered as unapprovable State aid. In the event that it is deemed to be unapprovable State aid, then we will repay the entire grant immediately.
- 9.8 You may assign any of your rights under the grant agreement to any successor or other body.
- 9.9 We may not transfer any part of the grant or this grant agreement or any rights under it to another organisation or individual.

10. Additional conditions

10.1 You have the right to impose further terms and conditions on the grant either in the letter offering us the grant and/ or if:

- we are in breach of the grant agreement
- you withdraw any part of the funding for the project
- you judge that members of our governing body, volunteers or staff or any person or organisation closely involved in carrying out the project act in a way that may have a detrimental effect on it, and/ or
- you believe such conditions are necessary or desirable to make sure that the project is delivered as set out in our application or following agreed changes.

Appendix three

Standard legal opinion

On grant recipient's solicitors headed writing paper

Date: []

To: The Big Lottery Fund ("the Fund")

[Grant Recipient name]

We act as the solicitors to [] and have been asked by it to render this opinion to you.

1. Basis of opinion

For the purpose of giving this opinion, we have examined the following documents:

- (i) a copy of the grant application containing details of a project which, subject to the award of a grant from the Fund, [] intends to carry out, the "project purpose", and
- (ii) a certified copy of the [constitution, set of rules or trust deed] "constitutional documents" of [].

2. Opinion

We are of the opinion that [] has all requisite power under its constitutional documents and as a matter of law to perform and deliver the project purpose.

3. Practising certificate

We are solicitors holding professional indemnity insurance cover of £x.

4. Duty of care

We acknowledge a duty of care in respect of this opinion to the Fund and its successors.

5. Qualifications

The foregoing opinion is subject to the following qualifications:

[Include if appropriate].

Yours faithfully

Appendix four

Property declaration

Construction and refurbishment less than £50,000

Name of applicant:

Country in which land or property is based:

Declaration of tenure:

We confirm that we/our (delete which does not apply) overseas partner has tenure of the land and buildings, satisfactory to the Fund, required for the delivery of this project. We/they own the freehold **or** have a leasehold interest with at least five years to run from the project start date and which the landlord cannot bring to an end before five years from the project start date.

Please provide:

- A description of the building work and your users' accommodation requirements.
- A description of the options you considered for delivering the land and buildings part of the project and the reasons you chose this option.
- Details of how the building will accommodate people with disabilities
- Evidence that you have received more than one quote for the work.

Please tick the following:

- I have investigated whether our organisation will be liable for taxes/VAT for this building project and confirm that we are not liable.

OR

- I have investigated whether our organisation will be liable. We are liable for taxes/VAT and they are included in our budget.

- I have investigated whether we are required to comply with any local building regulations/planning permission and we are able to do so.

- Any building professionals we have employed have appropriate qualifications.

- Where the land and buildings are held on lease the landlord has given permission for the work.

Please provide below any details of other relevant issues you would like to raise relating to your property project (for example, country specific issues).

I certify that the information on this form is correct.

Signature of chair or chief executive

Date