

The Well-being Programme
England only
Guidance notes



The Well-being programme

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Photography Gail Blackwood, Peter Devlin,
Ged Murray

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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.

Big Lottery Fund is the joint operating name of the New Opportunities Fund and the National Lottery Charities Board (which made grants under the name of Community Fund).

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This guide is for organisations that want to apply for funding from the Well-being 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. For further information on the programme please read the Well-being brochure.

If you have any queries about the application form or process, please contact us on The Big Advice Line 0845 410 20 30 or at generalenquiries@biglotteryfund.org.uk

Contents

	Page
The application process	5,6
About the Big Lottery Fund	7
Part one	
About the Well-being programme	8
How much will we fund?	9
The portfolio approach	9
Portfolio outcomes	10
Eligibility requirements	10
Part two	
Applying for funding to the Well-being programme	14
If you are invited to stage two	16
If you are awarded a grant	18
Part three: Application help notes	21
Organisation details	21
About your portfolio	23
Assessment questions	23
Your portfolio budget	26
Finishing your application	27
Appendix one: Eligible and ineligible costs	28
Appendix two: Standard terms and conditions of grant	32
Appendix three: Standard legal opinion	42
Appendix four: Useful contact details	43

For standard applications

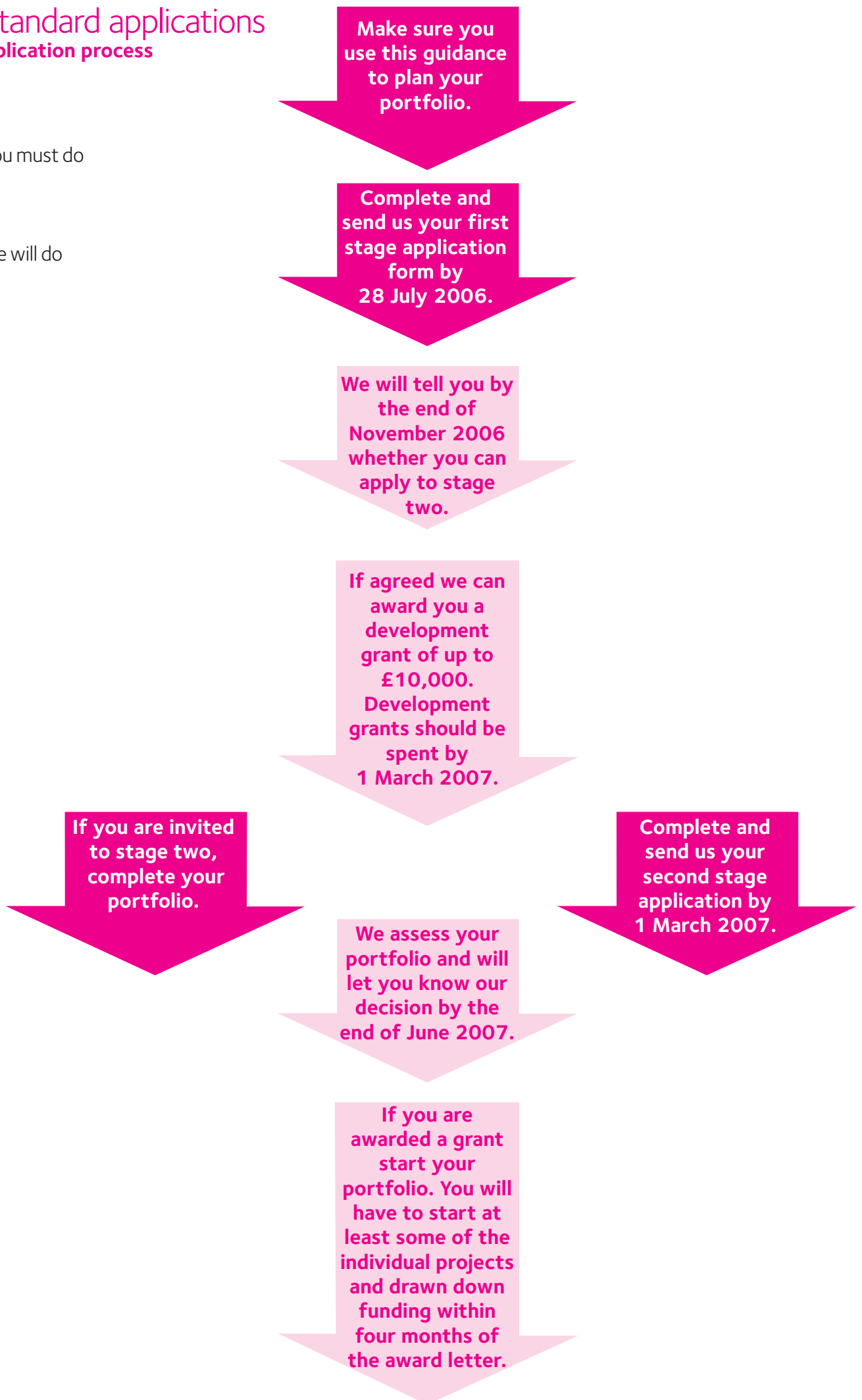
The application process



What you must do



What we will do



For the early application route

The application process



What you must do



What we will do

Make sure you use this guidance to plan your portfolio.

Complete and send us your first stage application form by 10 June 2006.

We will tell you by the end of August 2006 whether you can apply to stage two.

If you are invited to stage two, compile your portfolio.

Complete and send us your second stage application by 13 October 2006.

We will assess your portfolio and let you know our decision by December 2006.

If you are awarded a grant, start your portfolio. You will have to start at least some of the individual projects and draw down funding within four months of the award letter.

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 read our 'Missions and Values' booklet available on our website.

The Well-being 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) .

There are other organisations that give Lottery grants as well as the Big Lottery Fund. You can find out about these by visiting www.lotterygoodcauses.org.uk , or you can phone the funding hotline on 0845 275 0000 (textphone for those with a hearing impairment 0845 275 0022).

Please note that the Big Lottery Fund is not responsible for the content of external websites listed in the guidance notes.

Part one

About the Well-being programme

Portfolios are made up of a number of individual projects, usually delivered at a number of locations, which together form a cohesive plan to deliver the programme outcomes. You might deliver the individual projects yourself or sub-contract some or all of them to other organisations. We expect to fund a number of organisations to deliver portfolios under our Well-being programme.

This programme aims to give money to communities in need to create healthier lifestyles and improve their well-being. Because well-being is a diverse concept, and the potential range of issues covered is large, we have focused on three main areas for this programme – mental health, physical activity and healthy eating. Lead organisations will be asked to submit a portfolio of projects that ideally cross at least two of these areas. Individual projects within the portfolio can cover one, two or all three of the strands.

The programme aims to support recent government initiatives promoting public health, so we expect portfolios to operate at a national or regional level. We define regional as covering one of the nine government regions. National portfolios should ideally contain at least one project per region but could have projects in the majority of regions. Regional portfolios should cover a reasonable geographic area of a region. When assessing bids, we will try to ensure a balance of coverage for the programme across geographic, beneficiary and activity areas.

We expect to make no more than 20 awards through this programme with the majority being significantly more than £1 million. We are expecting the Well-being programme to be heavily over-subscribed. Applicants with similar national or regional strategies should therefore consider joining together to submit one strategic bid which meets our priorities.

Well-being programme outcomes

We will fund portfolios that achieve one or more of the following programme outcomes:

- people and communities having improved mental well-being
- people being more physically active
- children, parents and the wider community eating more healthily.

Funding priorities

Mental health – people and communities having improved mental well-being.

We want to support projects that:

- increase user involvement in the design, development and running of projects
- improve mental well-being by developing preventative approaches to common mental health problems (including stress, depression and anxiety disorders)
- contribute towards changing perspectives on mental health by tackling stigma within communities and positively promoting mental health.

Physical activity – People being more physically active.

We want to support projects that:

- encourage those who have the most sedentary lifestyles to increase their activity levels
- promote increased physical activity in daily life and encourage individuals to incorporate more activity into their daily lives and routines
- improve the ability of communities to organise and run projects that provide opportunities for local people to become more active.

Healthy eating – children, parents and the wider community eating more healthily.

We want to support projects that:

- promote healthy eating for children, parents and the wider community
- build greater access to healthy foods to encourage increased consumption and healthier choices for everyone
- increase children's knowledge of healthy foods, food skills and improve their eating habits.

How much will we fund?

The total funding available for this programme is £165 million. £45 million of this is ring-fenced for healthy eating projects for children, parents and the wider community.

The minimum grant size for this programme is £1 million for each portfolio. Our funding will largely focus on revenue based projects. However, contributions may be considered towards capital equipment or materials and minor refurbishment to facilitate their installation, up to a maximum of £50,000 per item and not more than 15 per cent of the total project cost.

We may also award development grants of up to £10,000 to applicants who are invited to stage two. Development grants are intended to help applicants meet the cost of preparing a detailed stage two application and are not available to support stage one applications. (Early applications will not receive a development grant.)

Early applications

We expect the majority of lead organisations to apply using the standard route as they will require development funding to develop their portfolios.



However, we recognise that some lead organisations will have developed portfolios when the programme launches and will wish to bid for earlier funding. We have therefore developed an early application route (the timetable for which is set out on page 6). If lead organisations wish to consider this route, they should note that we are unable to provide development funding to develop stage two applications through this route.

The portfolio approach

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

It is intended to allow you to use your expertise, contacts and local knowledge to compile a portfolio of projects that complement one another and take into account existing provision and overall needs. Portfolios must always contain more than one individual project. Individual projects may be delivered on a number of different sites.

You can 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
- complete a first stage application.

If we invite you to apply to stage two, you must:

- compile a portfolio of individual projects
- send in a second stage application.

If we award you a development grant, you must:

- spend the grant within four months to develop your portfolio and second stage application
- complete a report telling us how the grant was used.

If you are awarded a grant, you will:

- be the accountable body for the grant and the delivery of the portfolio for the period of the

grant agreement

- meet our terms and conditions of grant
- manage the delivery of the individual projects (sub-contracting individual projects to other organisations if necessary)
- make sure that the individual projects are implemented
- evaluate the success of the portfolio.

Portfolio outcomes

We want our grants to make a difference. 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 achieve the programme outcomes. Your portfolio should help achieve one or more programme outcomes outlined on page 8.

The following are examples of portfolio outcomes. These are just for information. Your portfolio may have different outcomes that we want to support.

Example 1

One strand example

The portfolio managed by the lead organisation consists of 100 projects costing between £100,000 and £150,000 located throughout England. The aim of the portfolio is to ensure that children, parents and the wider community eat more healthily. Projects range from out of school activities that educate children, parents and the community to cook more healthily and older people to grow their own food.

Each project within the portfolio will take account of local, regional and national strategies to support education in healthy eating.

Example 2

Two strand example

In this example, the portfolio addresses two of the three programme strands, physical activity and mental health. The portfolio managed by the lead organisation consists of 20 projects costing between £500,000 and £600,000 throughout England. The aim of the portfolio is to encourage people to be more physically active in their daily lives and in their communities and people to have improved mental well-being. Each project within the portfolio will take account of regional physical activity plans and will be user led in development. Projects are working to improve the mental health of users by developing, and promoting suitable physical activities. Projects also aim to educate the wider community about mental health issues.

Example 3

Three strand example

This example covers all three strands. The portfolio, managed by the lead organisation, consists of 150 regional projects costing between £10,000-£20,000. The portfolio aims to ensure that children, parents and the wider community eat more healthily, to encourage people to be more physically active in their daily lives and in their communities and for people to have improved mental well-being. Each project will take account of local, regional and national strategies and mental health projects will be user led. Projects range from exercise for all ages and food skill clubs to community workshops which address mental health issues.

Eligibility requirements

Who can apply for funding?

We will fund any type of organisation under this programme, although primarily organisations operating for the public good. We will however not fund:

- private individuals
- individual applications without a portfolio of projects which include other stakeholders.

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?

You can submit one application for one portfolio per lead organisation. Your portfolio must contain more than one individual project.

What will we fund?

- portfolios must last between two–five years
- funding is mainly revenue based. But contributions may be considered towards capital equipment or materials and minor refurbishment to facilitate installation of the equipment, up to a maximum of £50,000 per item and not more than 15 per cent of the total project cost
- 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 across at least one of the three strands (we will give priority to those crossing at least two)
- while we welcome applications from religious organisations, we do not fund religious activities

- we will not fund political activities
- BIG funding should be distinct from government funding and add value.

We will not fund projects that are only for increasing access for disabled people but if your project includes these costs as a small part of a wider project we may cover them.

Partnership funding

Partnership funding would be welcomed but is not a requirement of the programme.

If you plan to get money from other sources, we will consider how likely it is that you will be able to raise it.

What will we pay for?

We can fund all the eligible costs of your portfolio. These can include revenue and minor capital costs (for equipment, materials and refurbishment) and overheads. We can pay for the costs of delivering the individual projects that make up your portfolio (individual project costs) and the costs you as the applicant need to co-ordinate, 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 also award you a development grant towards the cost of compiling your portfolio of projects and preparing a detailed stage two application. If you require a development grant, we will ask you for 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. If you apply for early consideration, you will not be eligible for a development grant.

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 find other items that we cannot fund.



Part two

Applying for funding from the Well-being programme

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

Key dates

Please see the flow chart below for our key dates for the Well-being programme. Dates may change due to

Timetable for standard applications	
12 April 2006	Programme launch. Application and guidance materials sent to potential applicants.
May 2006	Regional briefing events for potential applicants.
28 July 2006	Deadline for return of completed stage one application forms to us.
November 2006	Big Lottery Fund Board decision on which applications we will invite to stage two and development grants.
1 March 2007	Deadline for using development grant and returning end of grant report. Deadline for return of completed stage two application forms to us.
June 2007	Big Lottery Fund Board decision on applications.
October 2007	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 of the award letter.

unforeseen circumstances. If the changes affect your application, we will let you know the revised dates.

Timetable for early applications	
12 April 2006	Programme launch. Application and guidance materials sent to potential applicants.
10 June 2006	Deadline for return of completed stage two application forms to us.
September 2006	Big Lottery Fund Board decision on which applications we will invite to stage two.
13 October 2006	Deadline for return of completed stage one application forms to us.
December 2006	Big Lottery Fund decision on applications.
April 2007	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 of the award letter.

Before you fill in your application form

Before you fill in your first stage application form you need to have identified needs and thought about how you will tackle them strategically. You will need to have developed your strategy. You will need to have thought about the kinds of projects that will help you address

the identified needs and how these might be delivered. You will need to have thought about how much delivering your portfolio is likely to cost and have an overall estimate of how much grant you will want from us. However, we will not ask you to compile and finalise your portfolio of projects and identify who will deliver them unless you are invited to stage two of the application process. 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

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 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 developed strategy with your application.

Sending us your application

Once you have developed your strategy, fill in and return a first stage application form. You can:

- download a form from our website www.biglotteryfund.org.uk
- ask us to send you a CD-Rom with a form that you can fill in and email back
- ask us to send you a printed application form.

Call our Big Advice Line on 0845 4 10 20 30 to ask for a CD-ROM or printed form.

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 first stage application, we will check you have sent us everything we asked for. If you choose the standard route, we will give you seven working days from the date of the letter to send us any missing information. If you do not meet this deadline, we will reject your application. Due to the timetable on the early application route we may be unable to give you any additional time so you must be certain that you can supply all information required before electing to take this route.

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

The first stage of the application process focuses on assessing an applicant's ability to deliver a portfolio and how well the proposed portfolio meets the Well-being programme requirements.

We will assess your first stage 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.

For the standard route, if your portfolio meets our criteria, your application will be presented to the Big Lottery Fund England Committee for a decision on which portfolios will be invited to stage two. Using the standard route it will usually take us up to four months to make a decision on your first stage application. If it needs to take longer, we will tell you the new timescales.

For the early application route, if your portfolio meets

our criteria, your application will be presented to the Big Lottery Fund England Committee for a decision on which portfolios will be invited to stage two. Using the early route it will usually take us up to three months to make a decision on your first stage application. If it takes longer, we will tell you the new 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 will tell you how much money we would be prepared to give you if your second stage application is successful. We will confirm the final amount of grant award once we have decided which portfolios to fund. We may also give you feedback on developing your portfolio in detail.

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. For the standard route you will need to complete and send us your stage two application within four months – we will give you a deadline when we write to you.

Compiling your portfolio of projects

You will need to identify the individual projects that will make up your portfolio. The individual projects should complement each other and existing provision. You must be able to tell us what each individual project will contribute to the 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 within

your portfolio could also 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 the organisations that will deliver projects (your own organisation or others) are the most appropriate. Think about:

- ▶ The experience the organisation has in this area of work and whether they have run similar projects before.
- ▶ What value the organisation 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. 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 we award you a development grant to prepare a stage two application, you will have to accept our terms and conditions. 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 need to complete the development work and spend the development grant within four months. When the development grant is spent you will also need to complete a report telling us how it was spent and what it achieved. If we award you a development grant, it does not guarantee that we will fund your stage two application for a portfolio.

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
- details of funding from other sources.

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

- the individual project name and description
- the location of the individual project
- beneficiary details, including numbers
- how the individual project fits with your strategy and helps to meet identified needs and the programme outcomes
- the individual project budget and how it was calculated

- who will deliver the individual project and why they are the most appropriate.

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 portfolio outcomes, your strategy and the programme outcomes. We will look to see that the individual project budgets are appropriate and offer value for money and the individual projects are being delivered by the most appropriate organisations.

We may contact 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 further 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.

For the standard route it will usually take us up to four months to make a decision on your stage two application. If it will take longer, we will tell you the new timescales.

For the early application route it will usually take us up to three months to make a decision on your application. If it will take longer, we will tell you the new timescales.

Your portfolio of projects will be presented to the Big Lottery Fund England Committee for a decision.

If we decide not to fund your application, we will tell you why. You will not be able to submit a new application as all funds in this programme will be allocated at the end of stage two and there will be no further funding rounds. For this reason, it is important that you fully prepare your application to us before submission.

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.

Contracts between you and other organisations

You will 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 cannot 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
- signatories and authorisations (appropriate representatives of the participating organisations).

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

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

Starting work on a 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. You need to be sure that you are able to start projects within this timeframe and this should be clear from your application form.

Paying you the grant

We will pay you the grant in stages when we receive confirmation 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 may advance 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. You will also want to know how your portfolio is doing and how far it is achieving what it has set out to do. We want to learn from projects and programmes; also we have to account for the money that we have given you.

There are various ways that we can do this. We will 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 our funding arrangements as a whole, and may ask you to take part in this wider evaluation.

Self-evaluation is the general name for a process that you use to record and review the progress of your project. This has several advantages.

- ▶ 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.

Self-evaluation is something that you are in charge of. 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.

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.

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.

For further information about approaches to self-evaluation, please see http://www.nof.org.uk/documents/live/1474p_self_evaluation.pdf

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 (refurbishment of buildings, equipment, vehicles etc) continue to be used as originally agreed when the grant was awarded. We will ask you to confirm details of location, ownership and use at regular intervals after the grant has ended (for the normal useable life of the asset). 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 six main sections followed by 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 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.

Please keep a copy of the full application for your records.

The following sections give advice on completing 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 power 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 European Children’s Trust’ (known as ‘ECT’)”

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 for the 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, email and website 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).

We need to report on how much money we award to each sector. Please tell us which sector your organisation is part of. If you would 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.



Send us your governing document (for example constitution, set of rules, trust deed, or memorandum and articles) unless you are a statutory body.

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.

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 – If you are not a statutory body, 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 further information on our website www.biglotteryfund.org.uk about what format your accounts should be in.

1.9 Child protection and vulnerable adults

If you are applying for a portfolio that works with children and 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 might potentially be involved, we would not necessarily expect a child protection policy 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.

NSPCC have produced a step-by-step guide for organisations to safeguard children called Stopcheck. You can download this from their website at www.nspcc.org.uk or buy a copy by calling 020 7825 2775 or 0116 234 7223. We suggest you read this advice to help you develop child protection policies and procedures. There are more sources of help available on our website.

Section 2 About your portfolio

2.1 Name of your portfolio

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

2.3 Portfolio beneficiaries

Tell us about the people that will mostly benefit from your portfolio.

Section 3 Assessment questions

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 pages 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 determine if 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 achieve the programme outcomes.
2. The organisation can deliver the portfolio well and achieve the proposed 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.

We would expect lead organisations to indicate where their portfolio takes account of national and/or regional strategies when developing their strategies.

3.2 What are the proposed outcomes of your portfolio?

Briefly describe what difference your portfolio will make by listing up to three desired outcomes. See section one 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?

Tell us how your portfolio will address the needs you have identified and will achieve your proposed outcomes.

3.5 How will your portfolio achieve the programme outcomes?

Tell us how your proposed outcomes will help achieve the programme outcomes. Your portfolio should help

achieve one or more of the programme outcomes outlined on page 8.

3.4 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 evaluation will focus on
- how you will involve all stakeholders in the evaluation
- your plans for sharing findings and lessons
- any budget implications.

See section two of these guidance notes for more information on evaluation.

Portfolio management

3.6 Who will manage your portfolio?

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
- 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.

3.7 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 regularly monitoring income and expenditure budgets
- 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

3.8 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.

About your organisation

3.9 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.

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)	

3.10 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.

3.11 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?

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. If the cost of your

portfolios goes down 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 secure 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 of projects in detail. Check the eligibility of the items you want with our guidance. 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 the maximum amount of grant allowable is £10,000 and 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 who must have known your organisation for at least one year, or from its start, and must support your

application for funding. The independent referee must be someone from the following list:

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

If your portfolio is working with children under 16, your referee must be someone from the options marked with an asterisk (*)

Your referee must not be:

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

Appendix one

Eligible and ineligible costs

We ask 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.

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 further.

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

With the standard route, if you are invited to stage two we may give the lead organisation a development grant of up to £10,000 towards the cost of compiling your portfolio of projects and preparing a detailed stage two application. Only one development grant is available for each portfolio application and development grants will not be available for early applications.

Eligible development costs include:

- identifying suitable individual projects and appropriate organisations to deliver them
- developing individual projects up to the stage where you can make a stage two application
- carrying out more detailed consultation with beneficiaries and stakeholders
- development of a detailed portfolio plan and budget.

Ineligible development costs include:

- costs incurred or spending committed, before the submission of the 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
- costs incurred or spending committed before a development grant is awarded.

You must be able to give us a breakdown of all development costs and explain how they have been calculated.

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 associated with the management of the portfolio
- expenses of staff associated with the management of 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 associated with revenue expenditure on the portfolio.

If you are not a statutory authority, 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.

If you are a non-statutory authority applicant, you should budget for the costs of getting a legal opinion (this cost can come out of the development grant if awarded).

We suggest that it would be reasonable to include an estimate of up to £500 plus VAT for such a legal opinion. You should 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:

- 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
- travel outside the UK
- funds to build up a reserve or surplus, whether distributable or not
- loan repayments
- contributions to general appeals.

Capital

- any building and engineering works
- 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 your project
- 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

- building and engineering works (minor refurbishment to support installation of equipment only) required for the delivery of the individual projects, up to a maximum of £50,000 per item and not more than 15 per cent of the total project cost
- plant and equipment necessary for running the individual projects
- purchase of equipment or fixtures and fittings
- transport that is necessary for delivering the individual projects
- professional and legal fees associated with minor capital refurbishment spending on the project.

Ineligible individual project costs 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
- items that only benefit an individual and are not needed to deliver the individual project

- travel outside the UK
- funds to build up a reserve or surplus, whether distributable or not
- loan repayments
- contributions to general appeals
- formal courses leading to qualifications not essential to running project.

Capital

- routine repairs and maintenance
- 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
- the purchase of a leasehold of any duration.

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 overhead costs) and an explanation of how they have been calculated if we ask.

Appendix two

Standard terms and conditions of grant

[New Opportunities Fund/National Lottery Charities Board] (operating as the Big Lottery Fund)

Standard terms and conditions for portfolio grants

If you do not understand any part of these terms and conditions or want us to explain any of them further, please contact the member of staff who is handling your grant at the Big Lottery Fund. However, please note that the standard terms and conditions of grant are not negotiable.

Definitions

“We” and “our” refer to the organisation receiving the grant bound by these terms and conditions.

“You” and “your” means the [National Lottery Charities Board/New Opportunities Fund] operating as the Big Lottery Fund and includes your employees and those acting for you.

The “portfolio” means the portfolio of projects 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. This includes the agreed individual projects and the organisations that will deliver them, as listed in the grant offer letter.

“Assets” are items whose purchase, construction or improvement are funded in total or in part by a capital grant, that cost or are valued at (whichever is higher) £500 or more, and have a useful economic life of three years or more (based on normal accounting practice). This includes items bought or owned by third parties delivering individual projects.

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.

1 In general

1.1 We will use the grant exclusively for the portfolio. 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 if any of the events listed in clause 12.8 occur. The term “on trust” means the legal relationship that exists between us while we are using the grant for our portfolio.

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 If asked by you, we will provide a certificate from our solicitors stating that we are correctly constituted and regulated and that the receipt of the grant and the delivery of the portfolio are within the scope of our governing document.

1.5 We understand that these terms and conditions are not negotiable and will not be changed.

2 The portfolio

2.1 We will get your written agreement before making any change to the portfolio or to its aims, structure, delivery, outcomes, duration or ownership. We will get your written agreement before changing the agreed individual projects or the organisations that are delivering them.

2.2 We will start at least some of the individual projects within 12 months of the date of the grant agreement. If we cannot meet this date we will write to you giving reasons for the delay and asking for an extension.

2.3 We agree to make satisfactory progress with the portfolio 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 portfolio from anyone else at any time during the portfolio. We will tell you of any additional income received for the portfolio, including interest earned on the grant income.

2.6 We shall secure any other funding needed for the delivery of the portfolio, as detailed in our application, in good time and will provide evidence of this that is acceptable to you.

2.7 If we spend less than the whole grant on the portfolio, we will return the unspent amount to you promptly. If the grant part-funds the portfolio, we will return the appropriate share of the unspent amount to you.

2.8 We will take reasonable steps to obtain value for money when buying goods and services in connection with the portfolio by obtaining quotations or applying competitive tendering. If any part of the grant is to buy services or a series of related services costing more than £10,000 we will put the order out 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 legislation on procurement.

2.9 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 portfolio, including job advertisements, accounts and public annual reports, or in written or spoken public presentations about the portfolio.

2.10 We hereby consent to any publicity about the grant and the portfolio 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.

2.11 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.

2.12 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 change.

2.13 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, including (but without limitation):

- employment legislation
- health and safety legislation
- child and vulnerable adult protection legislation, including if appropriate, gaining registration (and providing us with evidence that this has been done)

under the Children's Act 1989 or the Children (Northern Ireland) Order 1955 before any payment can be made

- Freedom of Information legislation.

We will ensure that we have an equal opportunities policy that is implemented and reviewed regularly. If our portfolio involves work with children, young people or other vulnerable groups we will also have an appropriate protection policy, 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 and any profile checks required by law or by you.

2.14 If we are a charity, we will register with the Charity Commission or the Scottish Charities Regulator if our income goes over their minimum exemption figure.

2.15 We will maintain adequate insurance with reputable insurers to cover all legal and other liabilities at all times. This includes employee and public liability insurance and insurance that covers the full replacement value of any assets you have funded for the asset monitoring period (see clause 9.6). If asked, we will supply copies of current policies and evidence of premium payment to you. If we are a statutory organisation we may choose not to take out insurance on assets you have funded. But if the assets are lost, damaged or stolen, we will replace them as soon as practicable at no further cost to you.

2.16 We will acquire and maintain all necessary consents, resources and expertise to deliver the portfolio.

2.17 We have and will keep in place adequate procedures for dealing with any conflicts of interest.

2.18 We have and will keep in place systems to prevent fraud.

2.19 You have the right to reproduce any of our application or subsequent information supplied by us to you for any purpose, including publication, as you see fit.

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
- transferring our assets to, or merging or amalgamating with, any other body, including a company set up by us
- changing our organisation's ownership, composition, structure or key personnel.

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 portfolio 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 Charities Regulator, Inland Revenue 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 Contracts between us and third parties delivering individual projects

4.1 Even though we may sub-contract individual projects to third parties, we understand we remain accountable for delivering the portfolio and for keeping all of the grant terms and conditions.

4.2 We will ensure that the payment of grant funds to third parties is subject to a contract containing 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 third parties to repay grant funds if any of the events listed in clause 12.8 occur.

4.3 We will ensure that third parties are bound by the requirements covering portfolio assets set out in Section 9 'Grants for Assets and Services'.

4.4 We will ensure that third parties maintain adequate insurance cover in line with clause 2.15.

4.5 We will ensure that third parties follow your branding and publicity guidelines at all times.

4.6 You the right to have any contract between us and a third party novated to you (or a new organisation) if any of the events listed under 12.8 occur.

4.7 You also have the right (under the Contracts (Rights of Third Parties) Act 1999) to enforce any of our rights under the contract with a third party. The third party contract must contain a provision that

these rights may not be altered or extinguished without your written consent.

4.8 If we recover money from a third party, we will repay this money immediately to you, unless you agree otherwise in writing.

5 VAT

5.1 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.

5.2 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.

5.3 We will notify you immediately if any irrecoverable VAT claimed under the grant becomes recoverable.

5.4 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.

5.5 If you have funded all of the VAT costs for our portfolio, we agree to refund immediately all of the VAT we recover to you.

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

6 Our annual report and accounts

6.1 We will comply with all relevant laws regarding the submission of accounts, audit or examination of accounts, annual reports, and annual returns.

6.2 We will acknowledge your grant in our annual reports and accounts covering the period of the portfolio.

6.3 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, 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.

6.4 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 10 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.

6.5 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.

6.6 We will report regularly and fully to all members of our governing body on the financial position of our organisation.

7 Monitoring

7.1 We will monitor the progress of the portfolio and complete regular reports as you require using the forms you send us.

7.2 We will send you any further information you may ask for about the portfolio or about our organisation, and its activities, the number of jobs created by the portfolio, 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 portfolio and evaluate your grants programmes.

7.3 We will fill in a final report on the portfolio 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.

7.4 We will tell you immediately in writing of anything that significantly delays, threatens or makes unlikely the portfolio's completion or significantly delays threatens or makes unlikely the completion of any individual project.

7.5 We will tell you immediately if there is to be any variation to or decrease in the portfolio outcomes.

7.6 We will comply with any reasonable requirements that you may have for site visits (including visits to individual project sites), compliance visits, and meetings with our officers or agents at any time during or after completion of the portfolio or during the asset monitoring period (clause 9.6).

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 make sure the vacancy is advertised externally, using appropriate media (including media that could attract disadvantaged groups). We will make sure every advertisement is in accordance with all current best practice and will acknowledge that you are the funder of the post. This applies to any re-advertisement. The job description, a list of the publications where the advertisements were placed and a copy of the letter of appointment must be kept. We will send them to you if you ask for them.

8.3 We will maintain records of staff funded by you including their names, their salaries and their start, and, if appropriate, end dates and give you this information if you ask for it.

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 make sure third parties employing staff funded by you also meet this requirement. 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 capital items or a series of related capital items 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 legislation on procurement.

9.3 If the grant is for the purchase of 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. We will not change the purpose for which the portfolio assets are used during the asset monitoring period without your written approval. This includes assets owned by third parties.

9.6 We understand that you will monitor assets bought with the grant for the period shown in the following table. We will supply you with the information that you ask for and will allow you to inspect the assets for this period.

Asset type	Value of asset	Asset monitoring period (from date of acquisition or completion of capital works)
Equipment and vehicles	£500 and above	Useful economic life of the asset as determined by normal accounting practices
Refurbishment, extension or construction of buildings or other property	Up to £50,000	5 years
	£50,001 to £250,000	10 years
	£250,001 to £5 Million	20 years
	Above £5 Million	40 years
Purchase of leasehold buildings and land	N/A	Either: <ul style="list-style-type: none"> ● the unexpired period of the lease, or ● 80 years whichever is the shorter.
Purchase of buildings/land on a heritable basis in Scotland, or purchase of buildings/land on a freehold basis elsewhere	N/A	80 years

9.7 During the above asset monitoring period, we will maintain a detailed register of the portfolio assets and provide a copy of this every year or when new assets are acquired or disposed of (whichever is the sooner). The register must include details of the owner and location of the asset.

9.8 We will get your written consent before any disposal of assets within the above asset monitoring period. This includes any disposal by us, a third party or any party or any owner with an interest (whether equitable or legal) in the asset. 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.

9.9 We do not have any undisclosed loans on the capital assets. We will not take out any loans secured on any capital assets funded or part-funded by the grant unless we receive first your agreement in writing. Your agreement may be subject to conditions which we will have to meet.

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.

10.2 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. We must take up the first installment of the grant within six months of the date of the grant offer letter; otherwise it will automatically lapse, unless you agree in writing to an extension.

10.3 We will submit payment claims by providing an up to date income and expenditure statement, plus a projection of future costs on the claim form you provide, plus any associated information asked for with the claim. Claims for grant payments shall be for individual project costs or portfolio management costs associated with the portfolio only and not for investments. Where the grant is claimed to cover estimated (rather than actual) expenditure, the grant holder can only include items that it expects to pay for during the period to which the claim relates. Grants for capital payments will not be paid unless supported by validated certificates and invoices, unless we agree otherwise in writing.

10.4 If we agree a grant claim, we shall pay it without unnecessary delay and normally within 30 days.

10.5 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 asset monitoring period (clause 9.6)
- 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 portfolio delivery).

12 We understand that

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

12.2 You are not liable, except for death or personal injury resulting from negligence or for fraud:

- to any person for any matter arising in connection with the development, planning, construction, operation, management and administration of the portfolio
- to us for any loss or damage arising directly or indirectly as the result of us complying with standard conditions or terms of grant.

12.3 We hold the grant on trust and may not transfer it, except for payments to third parties for delivering individual projects as agreed in the grant offer letter.

12.4 The grant agreement is solely between us and the Big Lottery Fund. The standard terms and conditions cannot be enforced by any other party.

12.5 We accept that you may share information about our grant, our organisation, our portfolio and any third parties 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 portfolio may be broadcast on television, on your website, in newspapers and through other media.

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

12.7 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.

12.8 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
- 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

- members of our governing body, volunteers or staff or any person or organisation closely involved in carrying out the portfolio act at any time during the portfolio dishonestly or negligently or in any way, directly or indirectly, to our detriment or to the detriment of our organisation or the portfolio 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 Charities Regulator, Inland Revenue or other regulatory body
- we receive duplicate funding from any other source for the same or any part of the portfolio
- 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 portfolio 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.

12.9 We acknowledge that the grant comes from public funds and we will not use the grant in a way that constitutes State aid. In the event that it is

deemed to be State aid, then we will repay the entire grant immediately.

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

12.11 We may not transfer any part of the grant or this grant agreement or any rights under it to another organisation or individual, unless we have entered into an agreement, authorised by you, requiring us to work with another organisation in delivering the portfolio.

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
- any funding due from other sources for the portfolio has been withdrawn or otherwise cannot be used for the portfolio
- you judge that members of our governing body, volunteers or staff or any person or organisation closely involved in carrying out the portfolio act in a way that may have a detrimental effect on the portfolio 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 portfolio is delivered as set out in our application or following any agreed changes.

Appendix three

Standard legal opinion

On grant recipient's solicitors headed writing paper

[Include if appropriate].

Date: []

Yours faithfully

To: The National Lottery Charities Board and the New Opportunities Fund operating jointly as 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 [Trust Deed/Memo and Arts/Constitution/Rules/Statute] "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:

Appendix four

Useful contact details

Big Lottery Fund

2 St James' Gate

Newcastle Upon Tyne

NE1 4BE

T 0191 376 1600

F 0191 376 1661

MiniCom 0191 376 1776

Website – www.biglotteryfund.org.uk

Big advice line – 0845 4 10 20 30
or textphone 0845 602 1659

Other useful contacts

Department for Education and Skills (DFES)

www.dfes.gov.uk

Department of Health (DH)

www.dh.gov.uk

Charity Commission

www.charity-commission.gov.uk

helpline – 0845 300 0218