



Registration of a Charge

Company name: **CARNTOGHER COMMUNITY ASSOCIATION**

Company number: **NI035332**



X77F43H7

Received for Electronic Filing: **04/06/2018**

Details of Charge

Date of creation: **25/05/2018**

Charge code: **NI03 5332 0007**

Persons entitled: **THE TRUSTEES OF THE NATIONAL HERITAGE MEMORIAL FUND**

Brief description: **THE FREEHOLD PROPERTY BEING ALL OF THE LANDS COMPRISED
IN FOLIO 15841 COUNTY LONDONDERRY AND LY106088 COUNTY
LONDONDERRY**

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **PATRICK J J MCGUCKIN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: NI35332

Charge code: NI03 5332 0007

The Registrar of Companies for Northern Ireland hereby certifies that a charge dated 25th May 2018 and created by CARNTOGHER COMMUNITY ASSOCIATION was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th June 2018 .

Given at Companies House, Belfast on 4th June 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

LAND REGISTRY

FOLIOS: 15841 and LY106088

COUNTY: LONDONDERRY

REGISTERED OWNER: CARNTOGHER COMMUNITY ASSOCIATION

THIS DEED is made on 25 day of May 2018

BETWEEN

- (1) **THE TRUSTEES OF THE NATIONAL HERITAGE MEMORIAL FUND** of 7 Holbein Place, London, SW1W 8NR (and where the context admits its respective successors in title and permitted assigns "**NHMF**"); and
- (2) **CARNTOGHER COMMUNITY ASSOCIATION** registered company number NI035 332 whose registered office is at An Carn, 132A Tirkane Road, Maghera, County Derry, BT46 5NH, a charity with registered charity number NIC104017 with HMRC charity reference number XR21420, ("**the Chargor**").

1. Definitions

"Grant Contract"	a grant notification letter dated 12 December 2017 and NHMF's Standard terms of grant all of which are attached to this Charge and incorporated into this Charge as the same may be amended, supplemented, restated or novated from time to time;
"Property"	the freehold property being all of the lands comprised in folios 15841 County Londonderry and LY106088 County Londonderry;
"Secured Obligations"	all monies, obligations and liabilities (whether present or future, actual or contingent) owing by the Chargor to NHMF from time to time including, without limitation, under the Grant Contract.

2. Charge

The Chargor as beneficial owner charges by way of legal charge the Property to NHMF as a continuing security for the payment or discharge when due of the Secured Obligations.

3. Dispositions

- 3.1.1 The parties apply to the Registrar to enter on the Register of Title to the Property the following restriction:
- 3.1.2 "No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated 25 May 2018 in favour of the Trustees of the National Heritage Memorial Fund referred to in the Register or their conveyancer".

- 3.2 The Chargor will not exercise the statutory power of granting or accepting a surrender of any lease of the Property nor will the Chargor agree to a variation of any such lease without (in any case) the previous written consent of NHMF.

4. Grant Contract

This Charge incorporates the provisions of the Grant Contract and any breach of those provisions on the part of the Chargor will be treated as a breach of obligation under this Charge.

5. General Provisions

- 5.1 In addition to all powers conferred by statute or the general law NHMF shall also have the following powers:
- 5.1.1 any power conferred on it by the Grant Contract;
- 5.1.2 power to appoint any person to enter on the Property to inspect maintain and repair any buildings structures or other things.
- 5.2 If the Chargor fails to carry out its obligations under the Grant Contract then NHMF may (but will not be bound to) remedy that breach of obligation and may if necessary enter the Property with surveyors workmen and others for that purpose and the Chargor will on demand reimburse NHMF with the cost or expenditure incurred together with interest from the date it was incurred until payment at a rate equal to 2% over National Westminster Bank PLC base rate from time to time.
- 5.3 The obligations referred to in clause 5.2 include (among others) the maintenance, repair and insurance of the Property (except in the case of leasehold land of which the Chargor is tenant, to the extent that the lessor of such land is bound to provide the same).
- 5.4 The entry by NHMF and the performance of any of its rights under this Clause 5 shall not be treated as a mortgagee going into possession and NHMF shall be treated as the agent of the Chargor and any entry will be without prejudice to any other right of NHMF to take possession for breach of the terms contained or incorporated in this Charge or otherwise.

6. Receiver

6.1 Appointment of Receiver

If:

- (a) the Chargor requests that a receiver, receiver and manager and/or an administrator (each referred to as a "**Receiver**") be appointed; or
- (b) (whether or not NHMF becomes aware of the intention of the same) any party intends to take or takes any step to petition for the appointment of any Receiver to be made in relation to the Chargor or to make an administration application or give or file notice of appointment or of intention to appoint any Receiver or any such petition is presented or any such application or appointment is made; or
- (c) the Chargor fails duly and punctually to perform or discharge any of its obligations hereunder or NHMF demands payment or discharge of any of its obligations hereunder (and whether or not the Chargor is given anytime in which to satisfy the same),

then at any time thereafter the security created hereunder shall be enforceable and NHMF may by writing under its common or corporate seal (as the case may be) or as a deed or under the hand of any trustee, director or manager or other authorised signatory for the time being of NHMF appoint

any person or persons to be a Receiver of the whole or any part or parts of the Charged Property and of the rights of NHMF contained in this Charge.

6.2 Joint Receivers

Where two or more persons are appointed to be Receiver, NHMF may in the appointment declare whether any act required or authorised to be done by a Receiver is to be done by all or any one or more of them for the time being holding office and, subject thereto, any such persons may act jointly and/or severally.

6.3 General Powers of Receiver

6.3.1 Any Receiver shall (subject to any limitations or restrictions which NHMF may in its absolute and unfettered discretion incorporate in the deed or other instrument appointing him but notwithstanding the liquidation, winding-up, or dissolution at any time of the Chargor and whether or not any such Receiver shall be an administrator) have:-

- (a) all the powers conferred from time to time on administrators, receivers (whether administrative receivers or otherwise) by law and/or statute;
- (b) power on behalf and at the cost of the Chargor and whether in the name of the Chargor or otherwise to exercise all the powers and rights of an absolute owner and do or omit to do anything which the Chargor could do or omit to do or could have done or omitted to do but for any incapacity or the appointment of a liquidator, administrator or like officer in relation to the Chargor or the assets subject of the security created hereunder; and
- (c) power to use the name of the Chargor in connection with the exercise of any of such powers and, without prejudice to the generality of the provisions of Clauses 6.3.1(a) and 6.3.1(b) on behalf and at the cost of and in the name of the Chargor or otherwise, the powers referred to herein.

6.3.2 To the maximum extent permitted by law all restrictions or limitations or waiting periods which would otherwise apply to the exercise of the rights of any Receiver or of NHMF under or in connection with the security granted hereunder imposed by any statute (including, without limitation, the Conveyancing and Law of Property Act 1881 (the "**Act**")) are hereby excluded.

6.4 Receiver as Agent

Any Receiver shall, so far as the law allows, be deemed to be the agent of the Chargor for all purposes and the Chargor shall be solely responsible for his acts, defaults, contracts, engagements, omissions, losses, liabilities, misconduct and remuneration and NHMF shall not be under any liability whatsoever in such regard.

6.5 Remuneration

The remuneration of the Receiver shall be such sum or rate payable in such manner as may be agreed between him and NHMF at or at any time after his appointment without being limited to the maximum rate specified in section 24(6) of the Act.

6.6 Removal

NHMF may from time to time under its common or corporate seal (as the case may be) or as a deed or under the hand or any trustee, director, manager or other authorised signatory for the time being of NHMF remove any Receiver appointed by it and may, whenever it may deem it expedient, appoint or as the case maybe apply to court for the appointment of another qualified person as a new Receiver in place of any Receiver whose appointment may have been terminated for any reason.

7. Appointment of Attorney

The Chargor irrevocably and by way of security appoints NHMF and any person nominated in writing under the hand of any authorised signatory of NHMF, together with every Receiver appointed under this document, as attorney of the Chargor and in its name and on its behalf and as its act and deed to execute seal and deliver and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the covenants undertakings and provisions contained in this document or which may be required or deemed proper for any of the purposes of this document.

8. Indemnity for NHMF and Receivers

NHMF and every Receiver or agent of NHMF under this document shall be entitled to be indemnified out of the Charged Property in respect of all liabilities and expenses properly incurred directly or indirectly by any of them in the execution or purported execution of any of the powers, authorities or discretion vested in them or him under this document and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in anyway relating to the Charged Property and NHMF and any Receiver may retain and pay all sums in respect of such liabilities and expenses out of any money received under the powers conferred by this document.

9. Costs

The Chargor will pay on demand all expenses and liabilities (including, without limitation, legal and other professional costs) paid or incurred by NHMF (or any Receiver or any agent on its behalf) on a full indemnity basis in relation to any of the Charged Property or in protecting, considering the enforcement or exercise of, or enforcing or exercising (or attempting to do so), any right or power arising under or pursuant to this Charge or in procuring the discharge of any of the Secured Obligations.

10. Joint and Several Obligations

Where any party to this Charge includes more than one person the obligations of that party set out in this Charge shall constitute obligations of each such person owed jointly and severally.

11. Power to Charge

The directors of the Chargor, being the persons who have the general control and management of its administration certify that they have power under its trusts to effect this Charge.

12. Notices

10.1

10.2 Any notice given to a party under or in connection with this Charge shall be in writing and shall be:

12.1.1 delivered by hand or by pre-paid first-class post or other next working day delivery service at its registered office (if a company) or its principal place of business (in any other case); or

12.1.2 sent by fax to its main fax number.

12.2 Any such notice shall be deemed to have been received:

12.2.1 if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the proper address;

Northern Ireland
51-53 Adelolde Street
Belfast BT2 8FE

Telephone
028 9031 0120
Facsimile
028 9031 0121

Telophone
020 7591 6255
Website
www.hlf.org.uk



12 December 2017

Our Ref: HG-15-07193

Niall O'Kane
Director/Company Secretary
Carnogher Community Association
48 Tirnoney Road
Maghera
Derry
BT46 5RE

Dear Niall

Ceangal – Reconnecting nature and landscape with culture, people and communities on Drumnaph Nature Reserve

Congratulations, your application has now been assessed, and I am delighted to inform you that we have decided to award you a grant of up to £368,700.00 (Three hundred and sixty eight thousand seven hundred pounds, 63% of the total eligible project cost of £588,550.00) towards the above mentioned project. More specifically, we will monitor your progress against the following:

Approved Purposes

- This project is to focus on the redevelopment of Drumnaph Nature Reserve. It will last for 3-years and aims to connect people, organisations and communities with the rich heritage of the area.
- Employ a project co-ordinator and part-time administrator
- Deliver an extensive capital works programme as outlined in your round 2 application and supporting documents to include improvements to reserve infrastructure by resurfacing of laneway entrance, creating new reserve paths/routes, installing additional gates and fencing to better manage conservation grazing, installing a toilet block and fitting out a vernacular barn to provide accommodation.
- Implement interpretation strategy, developing the reserve's brand, installing of new site interpretation and creating a learning trail in accordance with your round 2 application and supporting documents.
- Deliver a volunteer support programme for up to 84 individuals in accordance with your round 2 application and supporting documents. Activities to include celebration and social events and training on the themes of conservation and rural skills and promoting and protecting biodiversity. Elements of the training to be accredited through the Open College Network and Volunteer Now's Millennium Volunteer

Programme

- Install a new volunteer hub block and equipment/materials for volunteer use.
- Deliver an activity and community engagement programme themed around Natural Heritage, Heritage Crafts, Archaeology and History and Mythology and Folklore in accordance with your round 2 application and supporting documents.
- Deliver a young person's activity programme in accordance with your round 2 application and supporting documents. Activities to include providing an accredited forest school programme, activity days, nature clubs etc.

The percentage above is known as your 'grant percentage.' As your approved project costs include non-cash contributions and/or volunteer time, we have also calculated the percentage of cash that we will be contributing towards the project. We describe this as the 'payment percentage' and for your project this will be 68%. More information on this can be found within the 'Receiving a grant' guidance.

Part 1 of this letter sets out how we will work with you during the delivery phase of your project.

Part 2 deals with the legal aspects of the grant that we are offering. It refers to the standard terms of grant that you accepted when you completed the Declaration section of your online application.

Part 3 advises you on the next steps.

Part 1 – How we will work with you

Delivering your project

You will need to deliver your project in line with the proposals set out in your application. We will contact you shortly to arrange a start-up discussion, when we will agree a timetable for progress reporting and grant payment requests. More information on this can be found within the 'Receiving a grant' guidance.

Keeping in touch

We will be monitoring your progress against the approved purposes of our grant and any areas of risk we have identified. This will help us to understand how well the delivery is advancing and alert us to any issues.

Please read the 'Receiving a grant' guidance. This requires you to:

- obtain our permission to start the delivery phase;
- submit progress reports at a frequency agreed between us when we have our start up discussion;
- request your grant payments;

- provide a completion and evaluation report when you have finished the delivery phase;
- procure goods, works and services in accordance with EU procurement regulations and the 'Receiving a grant' guidance.

The forms that you will need for requesting permission to start, requesting your grant and reporting your progress and completion should be accessed and submitted via your online account (https://forms.hlf.org.uk/officeforms/HLF_Projects.ofml), in the same way that you supplied your application form.

Part 2 – The legal section

Grantee name and address:

Camtagher Community Association
(registered company no N1035332, registered charity no XR21420) of

An Carn
132A Tirkane Road
Maghera
Derry
BT46 5NH

Project Reference Number: HG-15-07193

Grant

The attached appendix 1 sets out the principal elements of the approved purposes to which the Heritage Lottery Fund (HLF) has agreed to contribute along with anticipated partnership funding.

Please be aware that if you spend less on your delivery project than the approved project budget, we will reduce the final grant payable. Any reduction will be in proportion to HLF's grant contribution.

Standard terms of grant

We will pay you the grant subject to you complying with our standard terms of grant which formed part of your application; the additional grant conditions (if any) set out below; and with the conditions and requirements set out in 'Receiving a grant'.

Additional grant conditions

In addition to our standard terms of grant, you must observe the following additional conditions in respect of the Project: **See Appendix 2**

Grant expiry date

You must complete the approved purposes by **31 March 2021**.

Duration of the terms of grant

The standard terms of grant and the additional grant conditions (Appendix 2) will last from the Permission to Start date until 20 years from the Project Completion Date.

The following documents define the project for which the grant is offered:

1. This letter
2. Your application dated 04 Sep 2017
3. All Documents submitted by you in support of your application including among others:
 - Management Structure, Delivery Phase
 - Lang Registry Title.doc
 - Ceangal Financials
 - Appendix 1 Capital Costs Breakdown
 - Capital Costs Schedule
 - Ceangal Financial breakdown
 - Financials with Cash flow
 - Ceangal Job Descriptions
 - Coordinator Job Description
 - Job Personnel Specification – Part-time Admin
 - Tender documents
 - Composting Toilets
 - Volunteer Building
 - Fencing and Paths
 - Works to Laneway
 - Appointment of Design Consultant To Develop Interpretation For Drumnaph Nature Reserve.
 - Designer
 - Sculpture for Drumnaph Nature Reserve
 - Signage Manufacture
 - Management and Maintenance Plan
 - Drumnaph Volunteer Plan
 - DNR Activity Plan 2017 Delivery Phase
 - Interpretation Guide
- All correspondence to and from HLF in relation to the project.

Withdrawal of the grant

We may withdraw the grant if:

- You have already started work on the delivery phase before we have given you our permission to do so, in accordance with the standard terms of grant.
- You do not start work on the delivery phase within 6 months of the date of this letter.

Part 3 – Next steps

You should read the following related documents:

- 'Receiving a grant' setting out our monitoring requirements – [either in hard copy with this letter, sent via email or available online at <https://www.hlf.org.uk/looking-funding/our-grant-programmes/heritage-grants>]
- 'Standard Terms of Grant' - [either in hard copy with this letter, sent via email or available online at <https://www.hlf.org.uk/looking-funding/our-grant-programmes/heritage-grants>]

Available online:

- 'How to acknowledge your grant' guidance <https://www.hlf.org.uk/running-your-project/acknowledging-your-grant/where-use-logo>
- 'Photography of HLF-funded projects: A guide for grantees' online at <https://www.hlf.org.uk/running-your-project/promoting-your-project>
- 'Promoting Your Project' online at <https://www.hlf.org.uk/running-your-project/promoting-your-project>
- 'Template press release' online at <https://www.hlf.org.uk/running-your-project/promoting-your-project>

Permission to start

We will only give you our permission to start when certain pre-conditions, defined in the 'Receiving a grant' guidance, have been satisfied. For us to pay your grant requests by bank transfer (BACS), we need to see a copy of a recent bank statement (within the last three months), or a cheque or a paying-in slip for the relevant account, showing the bank's name and address. You will need to submit this with your 'Permission to start' form.

Please note that your *Permission to start* form will be released to your online account within 3 working days of this letter. Please contact your Grants Officer using the contact details below if you need to access the form any earlier than this.

Sharon Archer
Grant Officer
Direct Line: 028 9072 7730
Email: SArcher@hlf.org.uk

Publicity

It is important to publicise your award to local media so that lottery players know where their money has gone. However, you must keep your award confidential until we have discussed and agreed your publicity plans. We will publish the fact that you have been awarded a grant on our website within 10 days of the grant being awarded. Your grant officer can assist you with queries about publicity and the media and you will receive a template press release which you may find helpful to issue to media once your publicity plans have been agreed.

Please also contact your grant officer as soon as possible to agree the most appropriate location and nature of HLF acknowledgment for your grant both during your project and after

its completion. You must make sure you include our logo on any information you produce about your delivery, for example, on public consultation or fundraising information or materials. You must also include our logo on all designs or plans you produce, on all specialist reports or surveys, and on all tender documents that are funded by our grant. Please refer to the 'How to acknowledge your grant' guidance which explains how to do this.

Join our Online Community

Did you know that we have an Online Community to connect people working on HLF-supported projects? It's a friendly and informal forum to ask and answer questions, share learning and network with other grantees and heritage professionals. You can find it on our website at <https://www.hlf.org.uk/community>. If you'd like to join in the discussions, simply log in with your existing HLF account username and password, or you can register a new account at www.hlf.org.uk/user/register. If you have any questions about the Online Community, please contact onlinecommunity@hlf.org.uk.

We wish you every success with your project, and look forward to receiving regular updates.

Please contact your case grant officer Sharon Archer if you have any queries arising from this letter.

Yours sincerely



Paul Mullan
Head of Heritage Lottery Fund, Northern Ireland

Enc

Appendix 1 – Approved project costs

a) Delivery Phase costs

Capital costs

Cost Heading	Description	Cost	Vat	Total
		£	£	£
Other capital work	Vernacular barn, tarring of lane way, improvements to paths, signage, fencing/gates, interpretation, volunteer container, bell tents and visitor counters	181,451	0	181,451
Other costs (capital)	Contingency	9,674	0	9,674
Equipment and materials (capital)	Office and computer equipment, volunteer equipment and tools	12,021	0	12,021
Professional fees relating to any of the above (capital)	This will be covered by in-kind voluntary contributions	0	0	0
Total Costs		203,146	0	203,146

Activity costs

Cost Heading	Description	Cost	Vat	Total
		£	£	£
New staff costs	Full time Project Co-ordinator and Part Time Administrator	133,233	0	133,233
Training for staff	Forest School Training / First Aid/ Health and Safety	7,654	0	7,654
Training for volunteers	Training and volunteer support costs	17,846	0	17,846
Travel for staff	Attending conferences / relevant events	7,678	0	7,678
Travel and expenses for volunteers	Attending training and events	6,398	0	6,398
Other costs (activity)	as per sheet 1.4 on project financials	44,750	0	44,750
Equipment and materials (activity)	as per sheet 1.4 on project financials	4,550	0	4,550
Total Costs		222,109	0	222,109

Other costs

Cost Heading	Description	Cost	Vat	Total
		£	£	£
Recruitment	Part time administrator	1,600	0	1,600
Publicity and promotion	P.R. Materials and Events	5,341	0	5,341
Evaluation	Evaluation of project	3,863	0	3,863
Full Cost Recovery	as per financials	52,240	0	52,240

Cost Heading	Description	Cost	Vat	Total
		£	£	£
Contingency	5% of costs	16,376	0	16,376
Inflation	inflation	0	0	0
Increased management and maintenance costs (maximum five years)	Management & Maintenance post project - 5 years	41,500	0	41,500
Volunteer time	Professional / Skilled / Unskilled volunteering	42,375	0	42,375
Total Costs		163,295	0	163,295

b) Delivery Phase Income

Delivery Income

Income Heading	Description	Secured	Total (£)
Local authority	Mid Ulster Council Community Landfill Fund	Yes	85,000
Other public sector	Arts Council Fund	No	10,000
Central government	DEARA - Environmental Farming Scheme	Yes	11,230
Private donation - Trusts/Charities/Foundations	The Woodland Trust	Yes	5,000
Own reserves	Carntogher Community Association	Yes	5,000
Other fundraising	Fundraising during the project and project income	No	19,745
Increased management and maintenance Costs (maximum five years)	Management & Maintenance post project - 5 years	Yes	41,500
Volunteer time	professional /skilled / unskilled contribution	No	42,375
HLE Grant			368,700
Total Income			588,550

Appendix 2

Additional grant conditions

1 Letting clause

Despite clause 15 of the Standard terms of grant, you may lease or let part or parts of the Property for purposes which are consistent with the Approved Usage and for any periods we have first approved. However, the leases or lets must always be at a full market rent and you must use the rental income for the purpose of carrying out the Approved Purposes or generally for the benefit of the Property.

2 Charge

- a Before you begin any of the Approved Purposes and before we pay you any part of the Grant, you must grant us a charge over the Property ("our Charge") as security for any sums that may become due to us, in a form we require.
- b You must send us any information we ask for relating to the grant of our Charge.
- c Within 28 days of the date of our Charge, you must apply to HM Land Registry for our Charge to be registered against your title to the Property and for a restriction to be entered using the following wording:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of the Trustees of the National Heritage Memorial Fund referred to in the Charges Register or their conveyancer".

You must ensure that your application is successful and that our Charge takes priority over, save the existing Charge registered in favour of the Trustees of the

National Heritage Memorial Fund, any charge or other right or interest which may affect your title to the Property.

- d If you are a company, within 21 days of the date of our Charge, you must register it with Companies House against your company.
- e You must provide us with such evidence as we reasonably require to show that the registrations and priority set out in this Additional grant condition have been effected.
- f If you break the terms of our Charge, we will treat it as though you have broken the terms of grant. If there are any differences between the terms of our Charge and the terms of grant, the terms of our Charge will take priority.



Heritage Grants

Grants of over £100,000

Standard terms of grant

Definitions:

'we', 'us', 'our' – the Trustees of the National Heritage Memorial Fund (who administer the Heritage Lottery Fund).

'you', 'your' – the organisation(s) awarded the Grant as set out in the Grant Notification Letter.

Application – any documents or information you send us to support your request for a grant, or submit to us from your Development Work.

Approved Purposes – the purposes for which you applied for a grant and how you intend to carry out those purposes as set out in your Application, but taking account of any changes we and you agree in writing, or that are required by us at any time before we release any of the Grant. These purposes include you getting and using partnership funding as set out in your Application.

Approved Usage – how you said you would use the Property in your Application (allowing for any changes that we may have agreed up to the release of any of the Grant).

Development Work – the work involved in progressing your project to your second-round Application, including the production of designs, plans, and other documents.

Digital Outputs – all material with heritage content created in or copied into a digital format by or for you in connection with the Project.

Evaluation Report – the report you must send us before we pay the last 10% of the Grant telling the story of your Project, its achievements and lessons learned.

First-Round Pass Letter - our letter confirming that you can proceed to the second-round Application. This will identify any Development Work you need to do before you send in a second-round Application.

Grant – the amount set out in the Grant Notification Letter.

Grant Expiry Date – the date by which you must achieve the Approved Purposes as set out in the Grant Notification Letter and by which you will make the final drawdown of the Grant.

Grant Notification Letter – our letter confirming our Grant award to you after a second-round Application.



How to acknowledge your grant – the booklet that explains how we require you to acknowledge the Grant and which gives details of the acknowledgement materials we will provide.

Photography of HLF-funded projects: A guide for grantees – guidance on how to submit images to us, how we use these, and how to source consents.

Project – the project referred to in your Application that consists of, or includes, the Approved Purposes.

Project Completion Date – the date that we make our final payment and are satisfied that the Approved Purposes of the Grant have been met.

Programme Application guidance – the document setting out the scope of the programme and how to apply.

Property – any property that you buy, create, receive or restore, or property that is otherwise funded by the Grant including Digital properties, intellectual property rights and any documents that you produce or order as part of the Approved Purposes.

Receiving a grant – the guidance we publish to explain how we will pay the Grant, monitor your Project and agree changes to the Grant.



Achieving the Approved Purposes

1. You must use the Grant only for the Approved Purposes, unless you get our approval beforehand.
2. You must not start work to achieve the Approved Purposes without our approval beforehand.
3. You must achieve the Approved Purposes and make your final Grant drawdown by the Grant Expiry Date.
4. You must use the Property, or allow it to be used, only for the Approved Usage.
5. As well as these terms of grant, you must follow the conditions (if any) set out in the First-Round Pass Letter and Grant Notification Letter, address any issues we identify in the course of monitoring, and meet the requirements set out in the Programme Application guidance, *Receiving a grant*, the *How to acknowledge your grant* guidance, and *Photography of HLF-funded projects: A guide for grantees*.
6. You must carry out the Approved Purposes in line with current best practice in your area of heritage and to a standard that is appropriate to a project of importance to the national heritage. You must follow all legislation and regulations that apply.
7. You acknowledge that the grant comes from public funds and you will not use the grant in a way that constitutes unapprovable State Aid. In the event that it is deemed to be unapprovable State Aid, then you will repay the entire grant immediately.

Project development

8. The First-Round Pass Letter may offer to provide you with funding for Development Work. If it does these terms of grant will also apply to that funding but with the following changes:
 - a. when they refer to "Approved Purposes" this means your Development Work.
 - b. when they refer to "Approved Usage" this means you using the product of the Development work to further the Project.
 - c. when they refer to a "Grant Expiry Date" this is the date set out in the First-Round Pass Letter by which you must complete the Development Work.
 - d. when they refer to "Grant" this means the amount of funding for the Development Work set out in the First-Round Pass Letter.
 - e. when paragraphs 5 and 37 refer to the "Grant Notification Letter" this means the First-Round Pass Letter.
 - f. paragraphs 9a, 9c, 15, 16 and 17 will not apply.

Project monitoring

9. You must give us any financial or other information and records we may need from time to time on the Grant, the Property, the Approved Purposes (and achieving them) and the Approved Usage.



10. You must allow us (or anyone we authorise) to have any access we may need to:

- a. inspect the Property and any work to it;
- b. monitor the conduct and progress of the Approved Purposes; and
- c. monitor the Approved Usage.

In these cases we will give you notice. You will report on the progress of your Project at times agreed with us.

11. We may ask you to provide proof that you have taken action to reduce the risk of fraud. We may ask you to let us examine your accounting processes and procedures to check the effectiveness of anti-fraud measures.
12. We will monitor the progress of your Project and will carry out checks at and after the end of the Project to confirm that it is delivering the outcomes expected. If we (or anyone we authorise) make any recommendations on the matters set out in paragraph 9, you must take those recommendations into account when meeting your obligations to us.
13. You must take appropriate steps to monitor your own success in achieving the Approved Purposes and in using the Property for the Approved Usage. On completing the Project, you must submit your Evaluation Report before we will release the final Grant payment.

Procurement

14. Before you start any phase of the work needed to achieve the Approved Purposes, you must put in place all necessary contracts with appropriately qualified contractors and professional advisers to allow you to finish that phase of the work. Building contracts must contain a clause which allows you to retain part of the contractors' fees on practical completion of the works. If you want any contracts to be on different terms, you must get our approval beforehand.
15. If the Approved Purposes involve buying goods or services or getting work done, you must carry out a tendering exercise in line with the requirements set out in the Programme Application guidance.

Property

16. You must continue to own the Property and keep exclusive control over what happens to it. Other than as permitted under paragraph 24, you must not sell, let or otherwise part with it or any interest in it, or give any rights over it to anyone else (or take any steps to do so) without our approval beforehand. If we give you our approval, it may depend on any of the following requirements.
- a. that you pay us a share of the net proceeds of selling or letting the Property within one month of parting with the assets or other goods;
 - b. that you sell or let the Property at its full market value;
 - c. any other conditions we think fit.



We may claim from you an amount in the same proportion to the sale prices as the Grant is to the original cost of the Approved Purposes, or the portion of the Grant spent on the assets or goods concerned, whichever is the greater. You must pay whatever we decide is appropriate in the circumstances. We may decide not to ask you to repay the Grant (or any part of it as we think fit) for any reason but it is for us to decide that.

17. You must maintain the Property in good repair and condition. If the Approved Purposes include creating, repairing or restoring property, you must maintain the Property in good repair and condition after the work has been done. If the Approved Purposes include the preparation of a maintenance and management plan or a conservation management plan, you must maintain, manage or conserve the Property in accordance with the version of the relevant plan that we have approved.
18. You must insure the Property to the standard set out in (and use any proceeds of the insurance in line with) the Programme Application guidance.
19. You must keep any objects or fixtures that form part of the Property in a physically secure and appropriate environment.
20. You must tell us, in writing, within five working days about any significant loss or damage to the Property.
21. You must arrange for the general public to have appropriate access to the Property. You must make sure that no person is unreasonably denied access to the Property.

Publicity and acknowledgement

22. We may make the purpose and amount of the Grant public in whatever way we think fit.
23. Once we have announced the Grant, you must acknowledge the Grant publicly in line with the requirements set out in our *How to acknowledge your grant* booklet. You must meet any other acknowledgement or publicity requirements we may tell you about from time to time. Before we make any public announcement of the Grant, you must not issue any public statement, press release or other publicity in relation to the Grant or which refers to us, other than in a form we have approved beforehand.
24. You must also provide us with digital images in electronic format of your Project – or hard-copy photographs or transparencies. You give us the right to use those you provide us with at any time, including putting them into a digital format and altering them. You must get all the permissions required for you and us to make use of them before you use them or send them to us. See *Photography of HLF-funded projects: A guide for grantees* for more information.

Digital outputs

25. You agree to:
 - a. hereby grant to us an irrevocable, perpetual and royalty-free licence to use, copy, keep and disseminate the Digital Outputs as we see fit and to grant sub-licences of the same kind;



- b. obtain and maintain in force all authorisations of any kind required for you to use, copy, keep and disseminate the Digital Outputs and to grant such licence to us;
- c. contract to the effect that any creation by you or on your behalf of material which forms Digital Outputs is undertaken on terms that either the copyright in the digital material is assigned to you or that the copyright owner may not commercially exploit it;
- d. ensure that the Digital Outputs are kept up-to-date, function as intended and do not become obsolescent before the fifth anniversary of the completion of the Project;
- e. comply with these terms of grant in relation to the digital files that make up the Digital Outputs for the period agreed in the Grant Notification Letter. For the avoidance of doubt, this includes ensuring that the digital files are held securely and are available on request to the public and to us;
- f. grant licences in respect of the Digital Outputs under the Creative Commons model licence Attribution Non-Commercial but not on other terms without our prior written consent;
- g. not otherwise exploit the Digital Outputs commercially without our prior written consent.

Grant payment and repayment

26. We will, up to the Grant Expiry Date, pay you the Grant or any instalment of it in line with these terms of grant and the procedures explained in *Receiving a grant* as long as:
- a. the National Lottery continues to operate under the National Lottery etc. Act 1993 (as amended from time to time), and enough funds are made available to us under the Act; and
 - b. we are satisfied that you are achieving (and will continue to achieve) or have achieved the Approved Purposes in line with these terms of grant and that you are spending the Grant in proportion to any other funds you receive from other sources for the Approved Purposes.
27. You acknowledge that the Grant is the total amount of funds we will provide and will not be increased as the result of you overspending or for any other reason.
28. You must repay to us immediately any Grant that we have paid you (and we will stop any future instalments of the Grant) if:
- a. you no longer operate, or you are declared bankrupt or placed into receivership or liquidation;
 - b. you have, in our opinion, given us fraudulent, incorrect or misleading information;
 - c. you have acted negligently in any significant matter or fraudulently in connection with the Approved Purposes or the Approved Usage;
 - d. any competent authority directs the repayment of the Grant;
 - e. there is a significant change in your status;



- f. you knowingly withhold information that is relevant to the content of your Application; or
 - g. you fail to keep to any of these terms of grant.
29. If you achieve the Approved Purposes without spending the full amount of the Grant, you must pay back the part of the Grant you have not spent. We will treat you as spending the Grant in proportion to other funds you were due to receive from other sources for the Approved Purposes.
30. If you sell or otherwise part with all or part of the Property without our permission under paragraph 15, or you receive money in some other way as a result of you not following these terms of grant, you may have to pay us immediately a share of the net proceeds if that share is more than the amount we would otherwise be entitled to under paragraph 27.

General terms

31. You may not, and must not claim to, transfer the Grant or any rights under these terms of grant.
32. You must take all steps and sign and date any documents as may be necessary to carry out your obligations under these terms of grant and to give us the rights granted to us under them.
33. If there is more than one of you, any liability under these terms of grant will apply to you all together and separately.
34. We may rely on any of our rights under these terms of grant at any time, even if we do not always choose to do so immediately. If we decide not to rely on one right, we may still rely on any of our other rights under these terms of grant.
35. If you need our approval for anything, you must write to us to ask for it. You may only rely on any approval needed under these terms of grant if we (or anyone we authorise) give it to you in writing.
36. Any notice, request or other document we or you send to each other under these terms of grant can be delivered or sent by any effective means.
37. Any documents you need to send us under these terms of grant are for our own purposes only. If we approve or accept any documents, this does not mean that we have approved or accepted them for any other purpose.
38. These terms of grant will last for the period set out in the Grant Notification Letter.
39. These terms of grant cannot be enforced by anybody other than you or us.





Heritage Grants - Receiving a grant

**Mentoring and monitoring; Permission
to Start; and Grant payment**

September 2017



Awarding funds from
THE NATIONAL LOTTERY®

Heritage Grants - Receiving a grant - Mentoring and monitoring; Permission to Start; and Grant payment

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1 Introduction

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

You must comply with the HLF *Terms of Grant* and any additional requests set out in your Grant Notification letter. You must also address any issues identified during monitoring, and follow the requirements specified in the Application guidance, the *How to acknowledge your grant* guidance and any other material we refer to. All guidance is available on our website.

In some circumstances we may choose to vary any of the procedures set out in this document.

This guidance applies to all Heritage Grant awards in development or delivery.

Filling in forms

You will need to fill in a number of forms online via the portal as part of our monitoring process. We will ask you to send copies of documents as part of this process and you can attach files (of less than 5Mb in total) online at the end of the form.

The forms are:

- Permission to Start
- Progress Report
- Payment Request Forms (dependent on the size of your grant award)
- Completion and Final Payment Request

There is also a form available on the portal which you can use for requesting acknowledgement materials from us.

Before Starting

Before you can start your project and seek a grant payment, you will need to complete a 'Permission to start' form, details below. We often arrange a start-up meeting with you to discuss delivering your project, at which we will agree a timetable for reporting progress and help plan your payments and predict cashflow as well as advise you on how to complete the Permission to Start form.

You should not start your project until you have received our approval through Permission to Start. If you start before receiving our approval, this will be at your own risk. We will not make any grant payments to you until Permission to Start has been approved.

Heritage Grants - Receiving a grant - Mentoring and monitoring; Permission to Start; and Grant payment

Reporting on progress

You will be expected to report progress on a regular basis to HLF. To do this you will need to complete a 'Progress Report' form online. As a minimum we would expect reports every 3 months. We may choose to alter the frequency of reports.

For **development grants** it is important to keep in touch with HLF as your project progresses. We will undertake a formal review at an appropriate point. For development grants with projects involving capital works, the review is likely to be when your plans are in line with RIBA work stage 2. You can see RIBA's plan of work by visiting its [website](#). The timing of the review will be discussed at the start up meeting. The review will look at progress across all areas of the project including development of the activity plan, architectural proposals, project business plan, costs or other relevant documentation.

A review may involve a meeting with HLF staff, monitors and mentors as needed. The review will consider:

- if the proposed project and its outcomes changed significantly since the first round pass was awarded.
- if the project risks have changed significantly since the first round pass was awarded.

For **delivery grants** we will monitor the progress of your project against the Approved Purposes of the grant. It is important that you keep us informed of risks and issues arising so that we can respond and support you as appropriate. We may decide to undertake a review of your project. This can happen at any stage. To help us do this review, you will need to provide all design drawings and documents that we ask for along with a progress report.

Mentoring and monitoring

We have a range of consultants who we may use, depending on the project, to support you in delivery and help review risks.

Mentors, act as project enablers sharing their expertise and knowledge of best practice to help you to deliver your project. If appointed, a Mentor will work with you on developing the whole project or specific aspects such as capital works, management and maintenance plans, environmental impact, business planning, interpretation, learning, audience development or training. Mentors may be asked by HLF officers to provide expert advice but their focus will be on using their expertise to help you and your project team in thinking about how to achieve the best outcomes for your project.

Additionally, we may appoint a **Monitor** to your project to help us as appropriate.

In exceptional cases we may use a monitor as well as a mentor. If we do, the project monitor will usually be your lead contact while they are appointed and will call progress meetings with you, your project manager and the main members of your project team and may make site inspections and review any paperwork deemed necessary. They will report back to HLF officers.

Heritage Grants - Receiving a grant - Mentoring and monitoring; Permission to Start; and Grant payment

Our monitors and mentors are able to provide informal advice but cannot approve changes to the approved purposes of your grant. Any changes can only be agreed by HLF via your officer.

Seeking payment of your grant

The payment arrangements are based on the level of grant award.

For awards of less than £100,000 (usually development grants within the Heritage Grants programme) we pay in three instalments:

- We will give you 50% of the grant up-front (once we have agreed your Permission to Start).
- Once you have spent the first instalment of 50% of your total project costs, we will give you the next 40%.
- We will pay the final 10% of your grant when you have finished your project.

We will ask to see evidence that you have spent your grant.

Please complete the form 'Payment Request - for Grant awards of less than £100,000' at the same time as your 'Permission to Start' form for your first grant payment. You will need to use a Payment Request Form to claim the second payment as well. To claim the third and last payment of your grant you will need to fill in a 'Completion and Final Payment Request' form.

For awards of £100,000 or more you will be paid as the project progresses in accordance with the schedule agreed at Permission to Start. To claim a payment you must fill in a form 'Payment Request'.

We usually pay a proportion of the costs you have incurred based on your agreed costs. The payment percentage is based on cash contributions to your project so may differ from the grant award percentage. This is because when calculating your payment percentage we do not take into account volunteer and non-cash contributions to your project, although we want you to continue to report on these valuable contributions in your progress reports to us. Below we explain the difference between payment percentage and award percentage.

Worked example:

At award

Total project cost of £500,000 which includes £100,000 of volunteer labour and other non-cash donations. The cash contribution from you is £200,000 and the HLF grant award is £200,000. The award percentage is therefore 40% (grant award divided by total project cost).

At payment

When it comes to payment HLF's grant award remains £200,000 and your cash contribution is still £200,000. However the agreed costs are £400,000 (discounting the volunteer labour and non-cash donations). The payment percentage is therefore 50% (grant award divided by agreed costs).

Heritage Grants - Receiving a grant - Mentoring and monitoring; Permission to Start; and Grant payment

We aim to release funds within 15 working days of receiving your Payment Request provided you have sent us the information that we ask for. Payment will be made to the account details submitted at Permission to Start. We can only release funds against agreed costs that meet the approved purposes and that will deliver the intended outcomes.

When your project finishes

We normally withhold 10% of the grant until the project is completed.

You must fill in a 'Completion and Final Payment Request' form to claim the final part of your grant. You must provide an evaluation report, evidence of acknowledgement of our funding and images as part of this final claim. We will not pay the final part of your grant until we are satisfied that all our requirements have been fulfilled.

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

2 Permission to Start

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

- Proof of partnership funding
- Proof of ownership/leasehold requirements, if relevant
- Details of statutory permissions required and obtained
- Detailed timetable or work programme
- Cost breakdown and cashflow
- Detailed Project Management structure
- Method of buying goods, works and services
- Your bank account details

We will use the documents you supply with the Permission to Start form to help us monitor your project's progress and performance. As standard, we pay against costs incurred after you have obtained Permission to Start.

Once the form is completed and submitted via the online portal, print a hard copy of the form, have appropriate members of your organisation sign and date it, and send it to your case officer for HLF approval. The people signing this declaration must have the authority to do so. By signing the declaration, you are confirming that your organisation understands and accepts the grant award along with all the associated requirements.

Once we have approved your request we will return a copy of the form to you. You can then start work on your project. You must get our approval in writing if you need to make changes to these documents.

If you have already sent us the above documents you will need to bring the information up to date and provide any other details we ask for.

Heritage Grants - Receiving a grant - Mentoring and monitoring; Permission to Start; and Grant payment

Cost breakdown and cash flow

Provide an up-to-date breakdown of costs, which shows the cost of each of the main elements of your project. In your breakdown you must identify separately any amounts allowed for VAT and contingency. If your VAT payment decreases during the project, we will reduce our contribution to those costs and you will have to pay back any amounts of VAT you have managed to claim back. If your VAT payments increase we will not increase our grant payment. You must not transfer any VAT savings that you have made to any other budget heading.

You must provide a cash flow, which shows the planned timing of your income (including partnership funding) and expenses over the life of this phase of your project. You must show clearly the expected timing of grant payments. We pay the grant as needed in line with expenditure and we normally retain 10% until your project is completed.

Partnership funding

Provide proof that all your partnership funding is in place and confirm where it is from. If all your partnership funding is not in place then we may exceptionally consider accepting a realistic fund-raising plan instead. We will only do so if the project can be divided into separate phases, eg the separate RIBA stages, and you can show that the fund-raising plan is achievable. You must raise your partnership funding in line with the agreed phases and get our permission each time you want to start a new phase.

You will need to state evidence of non-cash contributions for this project, as agreed at the time of the HLF award. We will continue to request this information as the project progresses.

Timetable or Programme

Provide a detailed timetable or work programme which shows completion of the whole project before the grant expiry date shown in the *grant notification letter*. It should show a realistic timescale for achieving the approved purposes, including any additional conditions. It should clearly show all the main activities, resources, milestones and targets necessary to complete the project on time.

Project management and procurement

Provide a description of how you will manage your project. This should include:

- the names of the people who can sign documents for your organisation;
- a copy of the organisation chart for managing your project which clearly names the project manager or project co-ordinator and other people or organisations who will be working on the project and sets out their roles and lines of communication;
- details of the responsibilities for project decision making including change control and budget management;
- Briefs for commissioning services to be paid for through the grant and job descriptions for posts to be funded through the grant; and
- a statement of how you will choose and manage your goods, works and services contracts. It must also include details of how you intend to recruit any project staff.

You must advertise all new staff posts.

Heritage Grants - Receiving a grant - Mentoring and monitoring; Permission to Start; and Grant payment

Proof of ownership

We expect you or a formal partner in the project to own any property (land, buildings, heritage items or intellectual property) on which you spend the grant. See appendix B.

Statutory permissions and licences

Please state which permissions you require for your project to comply with statutory requirements.

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

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

We may agree a phased programme of works with you that allow you to start the project before all statutory approvals or permissions have been obtained. In these circumstances you will need to update HLF staff as you receive approval for new permissions and licences when you fill in your Progress Report Form.

Bank account details

We will pay your grant by bank transfer (BACS). We will not make payments into personal bank accounts and the grant can only be paid to the organisation named in the grant notification letter. You may wish to set up a separate bank account for the project.

We will need to see a copy of a recent bank statement (within the last three months), or a cheque or a paying-in slip for the relevant account, showing the bank's name and address.

Declaration

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

3 Updating us on your progress

You must report your progress in accordance with the schedule agreed at Permission to Start. Your progress report must be produced no later than three weeks after the period it covers.

Heritage Grants - Receiving a grant - Mentoring and monitoring; Permission to Start; and Grant payment

You should tell us about your achievements and successes. We also want to know about any problems or issues that you face. If something significant occurs between scheduled progress reports which is likely to lead to changes in the costs, serious delays, or a failure to deliver the approved purposes and outcomes you agreed in the Permission to Start documentation you will need to let us know as soon as possible.

Approved Purposes Progress

This should be a summary of your progress against each of the approved purposes of your grant.

If the approved purposes set out in your grant notification letter or start-up discussions are likely to change, you will need to seek our permission by sending your grants officer details of your reasons for the change and showing us how it will affect:

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

Tell us about any changes or events which may prevent your project from achieving its predicted outcomes or affect its future viability. We may then call a review, re-assess the project, or take any other action we consider necessary. We may give permission for the change only if you agree to extra terms and conditions.

Give details of how the work you have done so far will change the Approved Purposes you originally predicted. For development projects this will include changes to the scope and costs of the proposed project in the delivery phase as well.

Additional grant conditions (if any)

If we have identified any additional grant conditions for your project, tell us about your progress towards meeting those.

Identifying, charting and managing risk.

Tell us about any difficulties you have and how you will overcome them. List the main risks your project is facing. Initially you should refer to the list you provided in Question 5g of your application form. Over time these may change. We will follow up on any major difficulties the project is facing. Once a problem is resolved please tick as complete and explain how you have mitigated the risk in the Actions section.

Changes to your project timetable and programme

Explain any significant delays to your project's delivery. You will also need to tell us how you plan to make up the time so that the project finishes by the grant expiry date. HLF staff may agree changes to timetable and will amend the Grant Expiry date of your project accordingly.

Heritage Grants - Receiving a grant - Mentoring and monitoring; Permission to Start; and Grant payment

Statutory Permissions and Licences update

Provide evidence that you have received approval from the relevant authority.

Partnership funding update

If your funding was not secured when we gave permission to start, and we agreed a phased approach with you, give details of your progress towards securing all partnership funding. Explain any changes to your funding sources. You will need to keep your cash flow table up to date.

Please report all volunteer input and any other non-cash contributions.

Selecting consultants, contractors and suppliers

Procedures to recruit consultants and contractors must be fair and open and keep to the relevant equality legislation. In all applications regardless of level of funding we will ask you to give us details of the procurement (buying), tendering and selection process for all parts of your project. If you are unsure about your obligations, we advise you to take professional advice.

If you have already procured goods, works or services, you will need to tell us how you did it. We cannot pay your grant if you have not followed the correct procedure.

You must get at least three competitive tenders or quotes for all goods, work and services worth £10,000 or more (excluding VAT) that we have agreed to fund.

For all goods, works and services worth more than £50,000 (excluding VAT), you must provide proof of competitive tendering procedures. Your proof should be a report on the tenders you have received, together with your decision on which to accept. You must give full reasons if you do not select the lowest tender.

Your project may be covered by European Union (EU) procurement rules if it exceeds the thresholds noted below. This will require that all services for both fees and construction will need to be tendered through Tenders Direct, previously known as Official Journal of the European Union (OJEU).

If you are a non-public body, and your HLF grant exceeds 50% of the estimated cost of a contract, or the HLF grant together with other public funding exceeds 50% (e.g. ERDF, local authority, or other lottery distributors), and exceeds the thresholds noted below, you must adhere to EU Procurement Regulations. The applicable thresholds can be found on the Cabinet Office website. Thresholds are reviewed annually in January. If you are a public body, different thresholds apply, and you will have to comply with those that are already relevant to you.

The thresholds apply to all individual consultant appointments (or to the aggregate fee as a single appointment) and to construction works.

If you are looking to recruit a consultant or member of staff for your development phase and your delivery phase, you should make sure their contract clearly states that this is the case, and allow for break clauses (in case your second-round application is unsuccessful). If you do not,

Heritage Grants - Receiving a grant - Mentoring and monitoring; Permission to Start; and Grant payment

we may ask you to re-recruit after the second-round decision has been made. We will not be able to reimburse costs incurred for the three months your project is in assessment.

Staff

Professional fees

Fees should be in line with professional guidelines and should be based on a clear written specification.

New staff costs

Include costs of new fixed-term contracts, secondments (people who are temporarily transferred to your organisation) and the costs of freelance staff to help develop your project. Do not include the costs of paying trainees here. In your separate spreadsheet, you must use a separate line for each new member of staff.

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

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

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

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

Recruitment

This can include advertising and travel expenses. We expect your organisation to keep to good human-resource practice and follow all relevant laws.

Changes to Agreed Costs

Complete this table if there are significant changes to the costs as agreed in your grant notification letter and you are wishing to seek agreement from HLF to change the approved purposes or consider revising the grant award or grant percentage.

Photographic and other records

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

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

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

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

Funding Acknowledgement

Please tell us how you have acknowledged and promoted National Lottery player's funding in accordance with the '*How to acknowledge your grant*' guidance. You must confirm that you have at least the minimum level of visible acknowledgement during the project works.

4 Grant Payments

You must keep proper up-to-date accounts and records. Please attach evidence of spend, for example invoices, to the Payment Request form. See Appendix C for an example of the information we expect to see in an invoice. When saving digital copies of invoices to send to us, please keep the file size as small as possible, while still ensuring the image is clear.

For amounts of less than £500 (less than £250 for development grants of less than £100,000) you should submit a table of costs which specifies the date, amount and description of each item of expenditure, instead of the individual invoices. The total of your table should be shown as a single line on the summary of invoices on the Payment Request Form. You must retain the original receipts or invoices in case we ask to see them.

Where we have agreed to pay a contribution towards the Management and Maintenance Plan during the delivery of your project you will need to supply a signed letter on appropriate letterhead quantifying the amount you have paid towards these costs.

We pay our grant up to the point you reach 90% of your total project costs. After that we will not make any further payment until your project is finished and you complete a Completion Form (see section 5).

All proof of costs must be dated after the grant award date and before the grant expiry date shown in the *grant notification letter*. We reserve the right to refuse payment of invoices which we consider do not form part of the agreed project.

Payment Request for Grant Awards of £100,000 or more

To claim your grant you will need to complete the 'Payment Request Form for Grant Awards of £100,000 or more'. Enter invoices or other references as appropriate. You should request your grant payment as soon as possible after you have received invoices at intervals agreed during

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your start-up discussions. We will not make any payment until we are satisfied with your grant payment request and latest progress report.

Payment Request for Grant Awards of less than £100,000

If your grant award is less than £100,000, we will pay in three instalments. To claim your first and second payment complete the 'Payment Request for Grant Awards of less than £100,000' form.

5 Final grant payment

You will need to claim your final grant payment by filling in the 'Completion and Final Payment Request' form, where you will need to show us how much you have paid against agreed costs. We will not make any further payments until we have received evidence of this.

The form asks you to:

- describe how you achieved your approved purposes;
- describe issues or changes, and the impact on the timetable or costs;
- describe how you will meet the long term requirements;
- describe how you have and will conduct evaluation, including attaching a report;
- send in some project records, for example, digital images.

It also asks about how you met any additional grant conditions if this is relevant and includes a statement about agreed costs and the declaration needed as part of the payment request.

Request your final grant payment as soon as possible after:

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

Where we have agreed to pay a contribution towards the Management and Maintenance Plan you will need to supply a signed letter on appropriate letterhead confirming your commitment and quantifying the amount you agree on an annual basis for the duration of the agreed plan.

We will not make your final payment until we have received all the additional information including your evaluation report. You will need to have submitted your 'Completion and Final Payment Report', with all required evidence, before your Grant Expiry Date.

Once you have made your final grant request, we will not accept any further requests for payments from you. You should therefore agree your final accounts with your contractors and suppliers before you apply for the final grant payment.

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We will continue to keep in contact with you at intervals after the project is completed.

Appendix A – Additional Definitions

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

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

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

Payment percentage – the proportion we pay against invoices calculated by dividing the grant award by the agreed cash costs.

Payment limit - We will normally pay no more than 90% of your grant until we are satisfied that:

- the project is finished;
- you have met all our standard terms of grant and any additional grant conditions;
- we have received an acceptable final grant payment request and completion and evaluation report;
- appropriate funding acknowledgement is in place and photographs have been submitted.

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

VAT- Our grant percentage will include your VAT payments if these were included in the approved costs for your project.

You must do all that you can to:

- make your project VAT-efficient;
- make sure that VAT is applied only to relevant parts of your project; and
- claim back any VAT which you can.

If your VAT status changes so you can reclaim more than you expected, you will need to return this to us. We will consider authorising the use of contingency if you underestimate VAT, but we cannot guarantee that this will be approved. It is therefore important to include the correct amount of VAT when applying to us.

Contingency allowances for unexpected expenses - Only use this allowance where unforeseen circumstances have affected the costs of individual elements of the approved purposes. You must get our permission for major spending of the contingency against any

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individual elements. We will reduce your grant by the proportion of the contingency that you did not need to spend.

Increases or decreases in the approved cost – The costs of the project may increase or decrease. Where a project increases during the course of the project we will only consider increasing your grant in exceptional circumstances and never within the Development Phase. If this is the case you should contact your officer and you will be asked to provide further information.

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

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Appendix B - Property ownership

If you are successful with your Heritage Grants application, we expect you to own any property (land, buildings, heritage items or intellectual property) on which you spend the grant. If we award you a grant, we may require a charge on the land, buildings or heritage items.

Land and buildings

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

- For projects involving work to a building or land, if your organisation does not own the freehold, you will need a lease with at least 20 years left to run after the expected date of your project's completion.
- If your project involves buying land or buildings, you must buy them freehold or with a lease with at least 99 years left to run.
- We do not accept leases with break clauses (these give one or more of the people or organisations involved the right to end the lease in certain circumstances).
- We do not accept leases with forfeiture on insolvency clauses (these give the landlord the right to end the lease if the tenant becomes insolvent).
- You must be able to sell on, sublet and mortgage your lease but if we award you a grant, you must first have our permission to do any of these.

Heritage items

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

Digital outputs

If you create digital outputs we expect you either to own the copyright on all the digital material or to have a formal agreement with the copyright owner to use the material and to meet our requirements – see Appendix 4: Digital outputs in the application guidance.

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Appendix C - Invoices submitted with payment request forms

All invoices submitted to Heritage Lottery Fund as evidence of spend should be clear, legible, and be for eligible works against the approved purposes HLF has agreed to fund. They must include the following information for us to be able to pay against them. They should be clear enough to read and not folded up, damaged or tampered with.

They must all related to works agreed to be funded by HLF and the client named on them should be the organisation submitting the payment.

Invoices must have an invoice number, the date they were raised and the date payment is expected and the payment terms, how payment is made and to whom. They must include company details including, name, address, email address, telephone number, Company number, VAT registration number (if VAT registered). They must also include a description of the services provided, the gross (without VAT), VAT amount if VAT registered and the net (total) amount due.

Example Invoice

Company Name

41 First line of address

Second line of address

City

Postcode

Tel:

Email:

Company #:000000

VAT: XX-XXX-XX

Invoice Number: XXX 001

Date: Day Month Year

Due Date: Day Month Year

To: Organisation Name

Detailed description of services

Example breakdown:

10 days @ £500 per day £5,000

Sub Total £5,000

VAT @ 20% £1,000

TOTAL £6,000

Payment terms: Payment within 30 days.

Pay by [method] to the account below:

Company Name (matches top)

Heritage Lottery Fund

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Sort Code: XX-XX-XX

Account No: 12345678