Receiving a grant

This guidance sets out how you will receive your grant from the National Heritage Memorial Fund. It also explains what we expect of you before, during and after receiving it.

Introduction

After you have been awarded your grant, it is important to understand the next steps you must take. You will need to read and understand the requirements outlined in:

- this receiving a grant guidance
- the application guidance
- your grant contract

This will help you ensure our contractual conditions are being met. You must also address any issues or concerns that we identify during the delivery of your project.

If you have any questions or concerns, please contact us.

After your grant has been awarded

Getting permission to start

Once you have signed your grant contract and returned it to us, you will be able to get permission to start by submitting a form through your online account. You should not start your project until you have received our approval through permission to start. If you do start before receiving our approval, this will be at your own risk. We will not make any grant payments until this has been approved.

You will need to send us some supporting documents along with your permission to start form.

For all projects, these include:

- proof of partnership funding

- a detailed project timetable which shows a realistic timescale for achieving the approved purposes, including any additional conditions set out in the Grant Notification letter
- a detailed project management structure, including a description of how you will organise and manage your project
- your bank account details, including a copy of a recent bank statement from within the last three months, or a cheque or paying-in slip for the relevant account which shows the bank's name and address. We will pay your grant by bank transfer (BACS). The grant can only be paid to the organisation named in the Grant Notification letter.
- proof of any partnership funding you have in place

For capital works projects, these also include:

- a cost breakdown, including any amounts allowed for VAT and contingency
- a cashflow which shows the planned timing of your income, including grant payments, any partnership funding and expenses over the life of your project. We normally retain 10% until your project is completed.
- an outline of your methods for choosing and procuring goods, works and services
- proof of ownership. If your application is successful, we expect you to own any buildings, land or heritage items on which you spend the grant. This could include:
    - freehold or leasehold of a property
    - ownership of a heritage item
    - copyright on any digital material or a formal agreement with the copyright owner to use the material

In the instance that you are a non-public body and your project involves capital works, it is our policy to take a charge over the grant-funded property.

If you are a public body such as a local authority or a university we will require a restriction on your Land Registry title to ensure you seek our consent before entering into any future transactions relating to the grant funded property.

If any of the above applies to your project, you will need to send us your solicitor's contact details as soon as possible if you are awarded a grant.

We will use the documents you supply with the permission to start form to help us monitor your project's progress. We will normally pay only towards costs incurred after you have obtained our permission to start.

If you have already sent us any of these documents, you will need to make sure they are up to date and provide the most recent version, if applicable.

We ask you to sign a declaration with your permission to start form for our records and we will return a copy signed by us to you. The person 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 contract requirements.

Once the permission to start form is completed, send a copy to us for approval. Once we have approved this form, you will be able to begin your project.

How we will pay your grant

Once you have our permission to start and have begun your project, you can request payment of your grant from us.

How we will pay your grant depends on the type of work your project will undertake.

For acquisition projects:

- we will pay the full grant amount needed for the purchase in a single payment
- you must supply an invoice for the full purchase cost of the acquisition with this Payment Request

For projects involving capital works:

- we will pay your grant in instalments after each phase of the work is completed
- you will submit a payment request and a progress report for each payment claim
- we will retain the last 10% of your grant until we are satisfied that all our requirements have been fulfilled and that your project is complete the project is finished. We call this your payment limit. This usually means that:
    - you have met all our standard terms of grant and any additional grant conditions
    - appropriate funding acknowledgement is in place
    - we are satisfied that your project is complete

Providing proof of costs

You must include all relevant copies of accounts, bank statements or invoices with your Payment Request.

You must provide invoices for all expenditure. All invoices submitted to us should be for eligible works towards the project we have agreed to fund. They should also be clear, readable and not damaged or tampered with.

Retain all original receipts and invoices and keep proper up-to-date accounts and records.

All proof of costs must be dated after the grant award date and before the grant expiry date shown in the Grant Notification letter. If invoices include costs which are not part of the agreed costs, you will need to deduct these from the invoice when making your claim. We reserve the right to refuse payment of invoices which we consider do not form part of the original agreed project.

Additional costs and income information

Payment percentage

The proportion we pay against invoices, calculated by dividing the grant award by the agreed costs which excludes any volunteer labour or non-cash contributions.

VAT

Our grant percentage will include your VAT payments if these were included in the approved costs for your project. If included, VAT must be clearly shown on all quotes. VAT cannot be paid on certain types or work or may be paid at a lower rate – it is your responsibility to approach HM Revenue & Customs to understand VAT and VAT rates. 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
- claim back any VAT where possible

If your VAT status changes during your project we will reduce our contribution to the costs where you have been able to claim back the VAT and you will need to return this to us. If you spend less on VAT, you can ask our permission to transfer the underspend to another cost heading. You will need to demonstrate a clear need for this change.

Contingency allowances for unexpected expenses

You can 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 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's costs increase during the course of the project, we will only consider increasing your grant in exceptional circumstances. In this case you will have to provide further information. If the final cost of your project is lower than the agreed cost, we will reduce your grant in line with the agreed overall grant percentage.

Updating the Memorial Fund on your progress

As part of our requirements, you must report regularly on your project's progress. We normally expect to receive a Progress Report every three months.

You can submit Progress Reports on your online account. You must complete a Progress Report along with each Payment request you submit.

We may decide to reduce or increase the frequency of your Progress Reports depending on how well the project is progressing.

This does not apply to acquisition projects. If your project is an acquisition, you will only have to report to us when you complete your project.

What you will need to tell us

In your Progress Report, you will need to give us updates on how your project is progressing in a number of different areas.

This includes:

Your Approved Purposes

Provide a summary of your progress against each of the approved purposes of your grant. These are the purposes for which you have been offered a grant and how you plan to carry them out as set out in your application and confirmed in your Grant Notification letter, as well as any additional information as set out in the permission to start form and subsequent correspondence.

Any additional grant conditions

Provide a summary of your progress towards meeting any additional grant conditions.

A summary of any risks or issues

Provide is a summary of risks you are facing or issues arising with your project.

Any changes to your project timetable

You must explain any significant delays to your project's delivery, and how you plan to make up the time so that the project finishes by the grant expiry date. We may agree changes to timetables if appropriate.

A partnership funding update

You must explain any changes to your funding sources. Make sure to keep your cashflow table up to date.

A report on how you are selecting consultants, contractors and suppliers (capital works projects only)

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.

Procedures to recruit consultants and contractors must be fair, open and keep to the relevant equality legislation. We will ask you to give us details of the procurement, tendering and selection process for all parts of your project.

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

Depending on the nature of your organisation and project you may be required to comply with UK Procurement Legislation.

If you are unsure about your obligations regarding procurement, we advise you to take professional or legal advice.

Any professional fees

Provide a summary of any fees. Fees should be in line with professional guidelines and should be based on a clear written specification.

Any changes to the Agreed Costs

Your approved costs are the costs we have agreed to contribute towards as set out in your Grant Notification letter. You must complete the Changes to Agreed Costs table in your Progress Report form if you wish to seek agreement from the Memorial Fund to change the approved purposes, grant award or grant percentage.

Images and other supporting information

Over the duration of your project, you should be able to provide at least five high resolution digital images. These might include photographs, maps or other documents which illustrate the project. If relevant, you should provide photos that show your project before, during and after it is finished.

If relevant, you should also supply links to any relevant online information about the project, for example social media or websites.

Make sure you have all the permissions required to share these with us, as we may use any images to promote your project.

Receiving your final payment and completing your project

How you will complete your project will depend on the type of project you are undertaking.

For projects acquiring buildings, land or heritage items:

- you will usually claim the full amount of your grant immediately
- we will authorise payment of your grant when you can evidence that your project is complete

- you must supply an invoice for the full purchase cost of the acquisition with this Payment Request

For projects involving capital works:

- you will send us a Payment Request and progress report at different stages during the project
- we will pay your grant in instalments after each phase of the work is completed, retaining the final 10% until we are satisfied that your project is complete
- when your project is complete you will give us a final update and claim the final part of your grant

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

Once your project is complete, we will regularly check that the heritage remains protected and accessible, and that you are continuing to acknowledge our funding. This is to ensure our contractual conditions are being met.

Clawback

If your project includes buying a heritage item, land or building, the terms of the grant will last in perpetuity. If you wish to dispose of what you have bought in the future, you must ask for our permission and we may clawback all or part of our grant.