



**BROMSGROVE DISTRICT COUNCIL**

**MEETING OF THE CABINET**

WEDNESDAY 3RD OCTOBER 2012, AT 6.00 P.M.

THE COUNCIL HOUSE, BURCOT LANE, BROMSGROVE

**SUPPLEMENTARY DOCUMENTATION**

The attached papers were specified as "to follow" on/are an additional item to be added to the Agenda previously distributed relating to the above mentioned meeting.

3. To confirm the accuracy of the minutes of the meeting of the Cabinet held on 26th September 2012 (Pages 1 - 4)
4. Minutes of the meeting of the Overview and Scrutiny Board held on 10th September 2012 (Pages 5 - 12)
  - (a) To receive and note the minutes
  - (b) To consider any recommendations contained within the minutes

11a Townscape Heritage Initiative (Pages 13 - 50)

K. DICKS  
Chief Executive

The Council House  
Burcot Lane  
BROMSGROVE  
Worcestershire  
B60 1AA

3rd October 2012

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## **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE CABINET**

**WEDNESDAY, 26TH SEPTEMBER 2012 AT 4.00 P.M.**

PRESENT: Councillors R. Hollingworth (Leader), Mrs. M. A. Sherrey JP (Deputy Leader), M. A. Bullivant, C. B. Taylor and M. J. A. Webb

Officers: Mr. K. Dicks, Ms. J. Pickering, Mr. J. Staniland, Mrs. S. Sellers, Mr. M. Dunphy and Ms. R. Cole.

46/12 **APOLOGIES**

An apology for absence was received from Councillor Dr. D. W. P. Booth JP.

47/12 **DECLARATIONS OF INTEREST**

No declarations of interest were received.

48/12 **AUDIT COMMISSION ANNUAL GOVERNANCE REPORT 2011/2012**

The Cabinet considered the Audit Commission Annual Governance Report 2011/2012 together with the draft letter of representation and the Annual Audit Letter for 2011/2012. The Leader welcomed Ms E. Cave and Ms. Z. Thomas from the Audit Commission to the meeting.

Ms Cave commented that it was recognised by the Audit Commission that the accounts were well prepared and that no material amendments were necessary. The Audit Commission recognised the challenges faced by most Councils when making required savings in expenditure.

The five recommendations proposed by the Audit Commission which had been agreed by officers were noted. It was also noted that workshops were to take place in order to explore ways in which the accounting arrangements in respect of Shared Services may be simplified whilst remaining fully transparent.

**RECOMMENDED:**

- (a) that the Audit Commission Annual Governance Report be noted;
- (b) that the draft letter of representation be approved; and
- (c) that the Annual Audit Letter for 2011/2012 be noted.

49/12 **LOCAL DEVELOPMENT SCHEME 2012**

The Cabinet considered a report on a revised version of the Local Development Scheme.

It was noted that the scheme updated the programme of preparation of planning policy documents and reflected the requirements of the Localism Act 2011 and National Planning Policy Framework.

It was reported that the most significant change from the previous document was the inclusion of an extra phase of consultation to consider the request under the duty to cooperate from Redditch Borough Council to accommodate the growth which cannot be delivered sustainably within the Borough.

**RECOMMENDED:**

- (a) that the report be noted including the proposed amendments to the Local Development Scheme.
- (b) that Appendix A be approved as Bromsgrove District Council's forthcoming programme for planning policy documents from 26th September 2012.

50/12 **STATEMENT OF ACCOUNTS 2011/2012**

Consideration was given to the report on the Statement of Accounts for 2011/2012.

The Leader thanked the officers involved for their work in producing the accounts.

Following discussion it was

**RECOMMENDED** that the Statement of Accounts for 2011/2012 be approved.

51/12 **POOLING OF BUSINESS RATES - DRAFT GOVERNANCE ARRANGEMENTS**

Members considered a report on the current position on the draft Governance arrangements in relation to the decision to pool Business Rates with a number of other Authorities within the Greater Birmingham and Solihull Local Enterprise Partnership.

It was noted that the details of the Governance arrangements were still being discussed including a mechanism for resolving disputes if there was more than one dissenting vote. The details would need to be resolved prior to the date for final agreement on 19th October 2012.

Following discussion it was

**RECOMMENDED:**

- (a) that the draft Governance Arrangements attached as Appendix 1 to the report be noted; and
- (b) that authority be delegated to the Chief executive and the Section 151 Officer in conjunction with the Leader of the Council to finalise the agreement by 19th October 2012, in accordance with the Governance arrangements in Appendix 1.

52/12 **LOCAL TRANSPORT BODIES**

(The Leader agreed to the consideration of this item as a matter of urgency as a decision was required thereon prior to the next meeting of the Cabinet)

It was reported that the Department for Transport (DfT) had recently published the results of a consultation on "Devolving Local Major Transport Schemes" which proposed a new system for prioritising and funding local transport schemes costing over £5,000,000. The process involved the establishment of Local Transport Bodies which would consist of Local Transport Authorities, Local Enterprise Partnerships and others with a key interest.

The Cabinet considered a proposed response to a request from the Department for Transport (DfT) for partners to confirm their Local Transport Body boundaries by 28th September 2012. There was some doubt regarding whether Authorities such as Bromsgrove, which was a member of more than one Local Enterprise Partnership, could be in more than one Local Transport Body.

Members considered the position and it was felt that in view of Bromsgrove's geographic position and its strong links to both Birmingham and South Worcestershire it was appropriate that Bromsgrove should be within the two Transport Bodies reflecting its Local Enterprise Partnership membership.

Following discussion it was

**RECOMMENDED:**

- (a) that the Council responds to the Department for Transport stating that, despite the guidance and for the reasons outlined in the report, Bromsgrove District Council should be allowed to sit within two Local Transport Bodies with their respective geography based upon the existing Local Enterprise Partnership boundaries and with funding to be divided equally between the two Local Transport Bodies; and
- (b) that following receipt of the response to the Council's view from the Department of Transport, authority be delegated to the Executive Director Planning and regeneration, regulatory and Housing Services in consultation with the Leader of the Council and Portfolio Holder, to make the final arrangements relating to the Local Transport Body.

The meeting closed at 5.30 p.m.

Chairman

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# Agenda Item 4

## **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE OVERVIEW AND SCRUTINY BOARD**

**MONDAY, 10TH SEPTEMBER 2012 AT 6.00 P.M.**

PRESENT: Councillors S. R. Colella (Chairman), P. Lammas (Vice-Chairman), C. J. Bloore (present from Minute No. 31/12), J. S. Brogan, Dr. B. T. Cooper, Mrs. R. L. Dent, K. A. Grant-Pearce, Mrs. J. M. L. A. Griffiths, Mrs. H. J. Jones (Substitute), P. M. McDonald, S. P. Shannon, Mrs. C. J. Spencer and L. J. Turner

Observers: Councillors M. A. Bullivant, R. Hollingworth, C. B. Taylor and M. J. A. Webb

Officers: Mrs. S. Hanley, Mr. G. Revans, Ms. A. De Warr, Mr. K. Hiron, Ms. S. Morgan, Ms. D. McCarthy, Mr. M. Bough, Ms. A. Glennie, Mr. M. Craggs and Ms. A. Scarce

#### 28/12 **APOLOGIES**

An apology for absence was received from Councillor R. J. Laight.

#### 29/12 **DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS**

Councillor Mrs. H. Jones declared an other disclosable interest in respect of Minute No. 35/12 and left the meeting during the item.

#### 30/12 **MINUTES**

The Minutes of the Overview and Scrutiny Board meeting held on 16th July 2012 were submitted.

**RESOLVED** that the minutes be approved as a correct record.

#### 31/12 **BLUE BADGE HOLDER CONSULTATION PRESENTATION**

The Board received a presentation from the Environmental Services Manager in respect of the findings of a working group which had been set up to investigate the needs of Blue Badge Holders and to better understand the needs and view of local disabled residents. A survey had been undertaken to improve the Council's understanding of how car parks are used by disabled drivers in Bromsgrove town centre, and to test whether accessibility, cost or any other factors were barriers to car park use in the area. 1,208 surveys were issued to individuals and selected groups in July 2012, of which a total of 474 responses were received. The majority of respondents were aged over 65.

Detailed results and analysis of the survey were provided in the report; however officers highlighted the salient points:

- 94% of respondents used car parks in the town centre.
- Over 85% agreed that disabled spaces in car parks were conveniently located and that payment machines were also well positioned and easy to use.
- Those that disagreed cited the distance required to walk to parking spaces and/or the payment machines as the main reason.
- There was a clear 50/50 split in terms of whether it was felt that the cost of parking for Blue Badge Holders in BDC car parks stopped or reduced the frequency of visits to the town. Those who disagreed commented that the car parks were too expensive, that parking was free elsewhere and Blue Badge holders should not have to pay.
- 11% of respondents identified the high street / town centre as an area that could benefit from disabled parking.

Officers explained that the findings would be used to produce a report to the Cabinet to be held on 3rd October 2012 and which would include four possible options for improvements to disabled parking in the town centre. Whilst it was agreed that the survey had been very thoroughly undertaken, Officers confirmed that they had been unable to access the relevant blue badge holder database held by the County Council due to data protection issues. The survey had however been made available through various other means, including the Council's website and the Customer Contact Centre.

On behalf of the Board, the Chairman thanked Officers for the presentation and the useful and relevant data provided by the survey.

**RESOLVED** that the presentation be noted.

## 32/12 **CAR PARKING - DECLINE IN USAGE/ MARKETING CAMPAIGN REPORT**

The Board considered a briefing paper in respect of the decline in car park usage in the town centre and a marketing campaign to increase usage, which had been prepared following its request at the meeting held on 16th July 2012. The Environmental Services Manager explained that car park usage had declined in the town centre during the first quarter of 2012/13 by approximately 2% and gave details of the potential affect of this on the income budget for 2012/13. Officers confirmed that there was a national decline in car park usage, with some councils having recorded an 11% reduction in short stay car park usage.

The Board discussed the following areas in more detail:

- How the Council could be more pro-active in addressing this decrease in usage; in particular the possible reduction of car parking charges and how the Council could do more to make the town a more attractive destination for visitors from outside of the district.



- The costs involved in maintaining the car parks and the payment machines and therefore taking up a significant proportion of the revenue collected.
- That car park charges were relatively low compared to other areas and that pricing was not the main issue.
- The difficulty in measuring the impact that the reduction in car parking usage had made at other local authorities (Officers confirmed that this information was difficult to access).
- Members commented that collecting usage figures on a monthly rather than quarterly basis could more clearly identify patterns that could then be appropriately acted upon (Officers agreed to consider this).
- Members discussed free parking, loss of income and the impact of this on both Council Tax and budgets.

Members were informed that once the shared service arrangement with Wychavon District Council had stabilised a full parking review would be undertaken followed by a marketing campaign. This was to be carried out in 2013 and following any changes which could be made following the result of the survey as detailed in Minute No. 31/12 being considered by Cabinet and the introduction of civil parking enforcement, which was due to commence in April 2013.

**RESOLVED** that the report be noted.

33/12 **CABINET RESPONSE TO THE PLANNING POLICY TASK GROUP REPORT**

The Board received a verbal report from the Portfolio Holder for Planning, Core Strategy and Regulatory Services on the Cabinet's further response to the Planning Policy Task Group Report and Recommendations which had been further considered at its meeting on 4th July 2012. It was understood that the Transformation process had affected the schedule for implementation of a number of the approved recommendations.

In terms of Recommendation 1(a), Councillor Taylor remained very keen for the Planning and Enforcement Team to take all the necessary and appropriate actions to ensure that all conditions attached to a planning application were being met, however he acknowledged the financial implications involved and confirmed that this recommendation would be discussed with the Head of Planning and Regeneration Services.

On behalf of the Board, the Chairman thanked the Portfolio Holder for his report.

**RESOLVED** that the report be noted and no further changes to the Task Group's recommendations made.

34/12 **PRESENTATION - LOCAL STRATEGIC PARTNERSHIP**

The Board received a presentation from the Bromsgrove Partnership Manager which provided an overview of the work of Bromsgrove Partnership, the Local

Strategic Partnership for the District and provided background to its creation, membership and details of its vision, priorities and structure. Information was also provided on the Partnership's terms of reference and protocols and its three key themed areas: economic growth; balanced communities; and environment.

The Chairman of the Partnership, Councillor R. Hollingworth, explained to Members that it provided a forum for local partners to come together to address cross cutting issues and provided a united strategic voice for the District at both a regional and a national level. Councillor Hollingworth also praised the work of *The Trunk*, which delivered services in Charford and Sidemoor, and was a prime example of how the Partnership was helping to deliver specific and important services to what had been classed as "an area of highest need".

Members discussed the following areas in more detail:

- The work of the Better Environment Theme Group, including CO2 emissions and its key priorities.
- The work of the Balanced Communities Theme Group, including its membership and links.
- Value for money from the Partnership

Following the presentation, the Board further considered the Overview & Scrutiny Topic Proposal Form and how best to take the Board Investigation forward. After discussion it was

**RESOLVED:**

- a) that a presentation focusing on the Balanced Communities theme group priority area be received by the Board at the meeting to be held on 8th October 2012; and
- b) that presentations on the Economic Growth and Environment priority areas be scheduled into future meetings of the Board.

35/12

**PRESENTATION - PROGRESS ON THE IMPACT OF THE GOVERNMENT WELFARE REFORMS**

The Board received a presentation from the Strategic Housing Enabling Officer and the Head of Housing Needs (Bromsgrove District Housing Trust) on the impact of Welfare and Housing Benefit Reform on residents in Bromsgrove. This updated Members on the impact to the Council of the benefit changes that had been made since the Board considered an earlier report at its meeting held on 23rd April 2012.

The presentation explained that:

- The Local Housing Allowance (LHA) had been reduced to the 30% lower quartile.
- There were currently twenty-eight cases of households in Bromsgrove affected by the benefit cap.

- Social housing tenants in under-occupied properties would no longer receive LHA as part of the new changes.
- Providing a homelessness service was a statutory function of the Council.

Officers therefore anticipated a significant increase in demand for the Housing Options Service and an increase in homeless acceptances. Members were informed that Bromsgrove District Housing Trust (BDHT) had already identified and contacted tenants who were under occupying and discussed possible options. A Multi-agency Welfare Reform Steering Group had been established and its priorities included the development of a communications strategy to raise awareness of welfare reform. Officers were encouraging those potentially affected by the changes to discuss with the Council the available options in order to prevent them from becoming homeless.

The Board discussed the following areas in detail and Officers responded to questions:

- The implications for residents over the age of 65 on housing benefits.
- The potential financial impact of a significant rise of homelessness on the Council and specific measures being undertaken by the Council to help prevent residents from becoming homeless.
- The options available to tenants in under-occupied properties. The Board was informed that Cabinet would consider a new policy for discharging social landlord tenants in under-occupied properties to the private rented sector.
- How the Council had been working with the private rented sector about the likely increase of local residents on housing benefits and who would possibly need to move into the private rented sector.
- The impact of moving residents to other local authority areas.
- The introduction of a credit union.
- The advice and support available for residents whose benefit levels would decrease under the new reforms.
- The impact of changes to the planning regulations to the Council's ability to tackle homelessness.

On behalf of the Board, the Chairman thanked the Officers for the detailed presentation.

**RESOLVED** that the report be noted.

36/12

**BRIEFING NOTE ON THE DISPOSAL OF STOCK AND ANY CLAW BACK CLAUSE - BROMSGROVE DISTRICT HOUSING TRUST**

The Board were reminded that this briefing paper had been prepared in response to issues raised at the Board meeting held on 23rd April 2012.

**RESOLVED** that the report be noted.

37/12 **SCRUTINY OF CRIME AND DISORDER PARTNERSHIPS -  
INTRODUCTION TO THE WORK OF THE NORTH WORCESTERSHIRE  
COMMUNITY SAFETY PARTNERSHIP**

The Board was provided with a briefing note which gave background information and a progress update on the recently merged North Worcestershire Community Safety Partnership, including the purpose of the partnership, its structure, financial arrangements, local delivery and representation. The Chair of the Partnership, the Executive Director, Leisure, Environmental and Community Services explained that the Partnership was currently operating under shadow arrangements whilst a formal application to merge was being prepared for submission to the Home Office. The Partnership had however, agreed its draft terms of reference and it was anticipated these would be formally approved at its next meeting.

The Chairman of the Board requested further updates on progress made to formally establish the new Partnership when available.

**RESOLVED** that the report be noted and the Board receive a further update in due course.

38/12 **OVERVIEW & SCRUTINY TOPIC PROPOSAL - PARISH COUNCIL  
INVOLVEMENT IN THE BROMSGROVE COMMUNITY SAFETY  
PARTNERSHIP**

The Board considered a scrutiny proposal form relating to parish council involvement in the Bromsgrove Community Safety Partnership (BCSP) submitted by a member of the public. Since submitting the proposal, the resident had been given assurances by the BCSP that a number of the original issues raised were being acted upon. The proposal had therefore been modified by the resident to concentrate on the specific requirement for the involvement of parish councils within the North Worcestershire Community Safety Partnership (NWCSP) which had since superseded the BCSP.

Members were informed that the Community Safety Team would be facilitating community involvement by liaising with the parish councils. After further discussion and in light of the information provided it was

**RESOLVED** that no further action is taken.

39/12 **MAKING EXPERIENCES COUNT QUARTER 1 1ST APRIL TO 30TH JUNE  
2012 REPORT**

The Board considered the Making Experiences Count Quarterly Customer Service Report which provided customer feedback data for the first quarter of 2012/13. The Head of Customer Service informed Members that, in line with the Board's request, the report contained an update in relation to training provision and a recent mystery shopping exercise.

The Executive Director, Leisure, Environmental and Community Services confirmed that issues in respect of waste collection would be addressed

through the transformation process. Members had also raised concerns in respect of the number of agency staff used within this team and were informed that currently 12 agency staff were being used (a number of operational staff had been released to participate in the transformation process). However, a recruitment exercise was being undertaken to fill a number of permanent posts and to reduce the number of agency staff used.

The Board discussed the importance of recording and analysing customer complaints in order for the Council to improve performance and the services it provided.

**RESOLVED** that the report be noted.

40/12 **QUARTER 1 1ST APRIL TO 30TH JUNE 2012 FINANCE MONITORING REPORT**

The Board considered the Finance Monitoring Report which detailed the Council's financial position for the period April – June 2012.

It was explained that lower than expected car park income was a main concern. Officers agreed to provide a breakdown of the financial figures for car parking and related fines. The Board were informed that the Cabinet was to receive a report which provided further information on the variance levels for Environmental Services during the three month period. It was also explained that significant underspends for some departments could largely be attributed to vacant posts that had yet to be filled as the relevant departments were being re-structured.

**RESOLVED** that the report be noted.

41/12 **QUARTER 1 1ST APRIL TO 30TH JUNE 2012 WRITE OFF OF DEBTS REPORT**

The Board considered the Write Off of Debts Report for Quarter 1 which summarised the action that had been taken by Officers concerning the write off of debts during the first quarter of 2012/13.

Members were concerned that the Council's Council Tax arrears had increased significantly during 2011/12. Officers acknowledged this and confirmed that they were trying to engage with any customers affected by debt to discuss their financial issues and to provide them with any support available.

**RESOLVED** that the report be noted.

42/12 **ACTIONS LIST**

The Board received the outstanding actions from the previous meeting held on 16th July 2012. In respect of action Item 6(f), the Board was informed that a response clarifying the points raised had now been received and would be circulated to Members as soon as possible.

**RESOLVED** that the actions list be noted.

43/12 **OVERVIEW AND SCRUTINY BOARD WORK PROGRAMME**

The Board considered the Work Programme and it was

**RESOLVED** that subject to the amendments detailed in Minute No. 34/12 the Work Programme be noted.

The meeting closed at 8.52 p.m.

Chairman

**Bromsgrove Town Centre - Townscape Heritage Initiative****Cabinet**3<sup>rd</sup> October 2012**Bromsgrove Town Centre - Townscape Heritage Initiative**

Relevant Portfolio Holder	Cllr Del Booth
Portfolio Holder Consulted	Yes
Relevant Head of Service	John Staniland
Wards Affected	<b>St Johns</b>
Ward Councillor Consulted	No
Non-Key Decision	

**1. SUMMARY OF PROPOSALS**

- 1.1 In April 2010 the Council was provisionally awarded £1.2 million from the Heritage Lottery Fund (HLF), to operate a Townscape Heritage Initiative (THI) in Bromsgrove Town Centre Conservation Area. In April 2012 a second round bid was submitted providing much clearer detail on the Conservation area, the issues facing it and how they will be managed, and most importantly how the money will be spent to add lasting improvements and historic value to the area. On the 20<sup>th</sup> September 2012 this bid was approved by the HLF.
- 1.2 In order for the grant arrangements to be finalised the HFI require a formal resolution from Cabinet that the terms of the grant are accepted.

**2. RECOMMENDATIONS**

- 2.1 That Members note the successful outcome of the THI application and the award of a grant of up to £1.2 million pounds for funding improvements in the Bromsgrove Town Centre Conservation Area ; and
- 2.2 That Members agree to accept the terms of grant made up of the standards terms of grant (Appendix 1), the additional conditions set out in the formal HLF offer letter (Appendix 2) and the HLF document "Managing your grant" ( Appendix 3).

**3. KEY ISSUES****Financial Implications**

- 3.1 There are no financial implications associated with this report. The financial arrangements associated with the grant will not impact on the Councils accounts or financial position.

# **Bromsgrove Town Centre - Townscape Heritage Initiative**

## **Cabinet**

3<sup>rd</sup> October 2012

### **Legal Implications**

- 3.2 There are no legal implications arising from this report save that when the Council is ready to release the grant funding to property owners who want to carry out works to their premises under the scheme the owners/ leaseholders will be required to enter into a legal agreement with the Council.

### **Service / Operational Implications**

- 3.3 The Council have been awarded £1.2 million from the Heritage Lottery Fund to undertake a THI in Bromsgrove Town Centre Conservation Area. £400,000 match funding has also been secured from Worcestershire County Council, bringing the total amount of funding available to £1.6 million. The purpose of this £1.6 million is to improve the look, feel and vitality of a key section of the Conservation Area. The money will be available for a selection of eligible properties in the form of grants to reinstate historic elements such as shop fronts. The grant rates offered will depend on the type of work being undertaken. A significant element of the THI will be focussed on the public realm. Alongside the wider scheme being developed for the Town Centre, new more traditional and high quality public realm will be a key element of the ongoing regeneration of the Town Centre.
- 3.4 An element of the HLF funding includes staffing costs, an officer will be appointed to the role of THI project officer to administer the scheme under the management of the Strategic Planning Manager.
- 3.5 As regards the terms and conditions, the standard terms which formed part of the original application are set out at Appendix 1. The additional conditions are set out in the HLF offer letter at Appendix 2 (pages 6 and 7). Members are asked to note that the approved breakdown of the spending of the grant is set out in the table at page 5 of Appendix 2. The grant funding must be spent by 31 October 2017. Finally, members are referred to the general criteria for the scheme as set out in the THI document "Managing your grant" at Appendix 3. The Council have been asked to confirm acceptance of the grant by a decision of Cabinet within 28 days as set out in Appendix 2 ( page 6).

### **Customer / Equalities and Diversity Implications**



# **Bromsgrove Town Centre - Townscape Heritage Initiative**

## **Cabinet**

**3<sup>rd</sup> October 2012**

- 3.6 The Equalities Officer is a key member of the project team, and has and will continue to ensure that equalities and diversity issues are successfully incorporated in the THI bid and subject to HLF approval the THI implementation. The Worcestershire Association of Service Users who carried out the accessibility audit were procured with the help of the Equalities Officer.
- 3.7 Prior to submission of the bid public consultation was carried out between 2<sup>nd</sup> February and 15<sup>th</sup> March, during this time a number of public display and events were held with approximately 300 people attending and speaking to officers. 38 formal responses were submitted which were summarised in the bid document

## **4. RISK MANAGEMENT**

- 4.1 The most significant risk associated with this stage of the THI process is failure to meet the requirements of the HLF and not being awarded the funding. Its is a requirement of the HLF that a formal decision by a relevant body of the Council is obtained in order to for them to release the funding.

## **5. APPENDICES**

Appendix 1 – THI standard terms and conditions  
Appendix 2 – HLF offer letter dated 20<sup>th</sup> September 2012  
Appendix 3 - “ Managing your grant”

## **6. BACKGROUND PAPERS**

Bromsgrove Town Centre - Townscape Heritage Initiative round 2 submission.

## **AUTHOR OF REPORT**

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# Townscape Heritage Initiative

## 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.

**Action Plan** – the action plan you either sent us with or following your Application telling us how you intend to carry out and complete the Scheme, taking into account any changes to it that we and you agree in writing.

**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 have applied for the Grant and how you or others ('a Third Party' or 'Third Parties') plan to carry out those purposes as set out in your Application. Taking into account:

- a. any changes to the Scheme or other purposes we and you have agreed in writing up to the date of our decision to award you the Grant, and any changes that we tell you about in the Grant Notification Letter; and
- b. Any changes to the Action Plan you sent with your Application which may be amended from time to time with our written approval beforehand. Approved Purposes include receiving and using partnership funding as set out in your Application.

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

**Development Work** – the production of documents, designs and plans, the provision of information and the taking of other preliminary steps in the development of the Scheme between the first and second rounds.

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

**First Round Pass Letter** – our letter confirming that you can proceed to the second round and identifying any Development Work required enabling you to make a second-round submission for a grant from us to support your Scheme.

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

**Grant Expiry Date** – the date set out in the Grant Notification Letter by which you must achieve the Approved Purposes.

**Grant Notification Letter** – our letter confirming our Grant award to you.

**Managing your grant** – our ‘THI Guidance Notes’ and the documents we publish from time to time to guide you and regulate the conduct of the Approved Purposes, insurance, publicity, how we pay the Grant, how we recover the Grant, Scheme monitoring and changes to the Grant.

**Scheme** – the townscape heritage initiative scheme referred to in your Application that consists of, or includes, the Approved Purposes.

**Third Party** – anybody (other than you) who owns or controls property listed in the Action Plan.

**Third-Party Contract** – a contract that you enter into in line with paragraph 25 of these terms of grant.

**Third-Party Property** – any property listed in the Action Plan that belongs to or is controlled by a Third Party.

**Your Property** – any property that you buy, receive, create, restore or conserve with the Grant.

1. You must use the Grant only for the Approved Purposes, unless you get our approval beforehand.
2. You must achieve the Approved Purposes by the Grant Expiry Date.
3. You must use Your Property, or allow it to be used, only for the Approved Usage.
4. As well as these terms of grant, you must follow the further conditions (if any) set out in our Grant Notification Letter and meet the conditions and requirements contained in the Action Plan, in our *Managing your grant* guidance and in the ‘THI Guidance Notes’.
5. You must carry out the Approved Purposes in line with current best practice and to a standard that is appropriate to a project which is important to the national heritage using suitable financial and other controls that:
  - a. make sure that the Grant is used for the Approved Purposes; and
  - b. are in line with the accounting and auditing principles set out in our ‘THI Guidance Notes’.
6. You must not start work to achieve the Approved Purposes, or make any changes to the Approved Purposes, without our approval beforehand.
7. You must send us, in line with our instructions, the information we ask for in our *Managing your grant* guidance.
8. You must give us any financial or other information and records we may need from time to time on the Grant, Your Property, Third-Party Property, the Approved Purposes (and achieving them) and the Approved Usage.
9. You must allow us (or anyone we authorise) to have any access we may need to:
  - a. inspect Your Property, Third-Party Property and any work to Your Property or Third-Party Property;
  - b. monitor the conduct and progress of the Approved Purposes; and
  - c. monitor the Approved Usage.

10. 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.
11. You must take appropriate steps to monitor your own success in achieving the Approved Purposes and in using Your Property for the Approved Usage.
12. Each year on a date agreed between us you will send us a revised Action Plan for our review and approval.
13. Before you or a Third Party start any phase of the work needed to achieve the Approved Purposes, you or a Third Party must put in place all necessary contracts with contractors and professional advisers to allow you or a Third Party to finish that phase of the work. Each contract must be on terms that an employer with appropriate experience would enter into with contractors and professional advisers to provide similar work or services for projects of the same size, value, complexity and importance as the Approved Purposes. Building contracts must contain a clause which allows the employer to withhold part of the contractors' fees on practical completion of the works. If you or a Third Party want any contracts to be on different terms, you must get our approval beforehand.
14. If the Approved Purposes involve buying goods or services or getting work done, you or a Third Party must carry out a tendering exercise in line with our *Managing your grant* guidance and, unless we agree otherwise in writing, new posts must be advertised in line with our *Managing your grant* guidance.
15. If you use part of the Grant yourself to buy, receive, create, restore, conserve or otherwise fund Your Property, other than as permitted under paragraph 22, you must not without our approval beforehand:

- 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).

If we give our approval, it may be given subject to any of the following requirements:

- you pay us a share of the net proceeds of selling or letting Your Property (we will work out the share in line with the model Third-Party Contract contained in our 'THI Guidance Notes');
- that you sell or let the Property at its full market value; and
- any other conditions we think fit.

16. If the Approved Purposes include creating, repairing or restoring Your Property, you must maintain it in good repair and condition after it has been created, repaired or restored.
17. You must insure Your Property and any work to it to the standard set out in (and use any proceeds of the insurance in line with) our *Managing your grant* guidance.
18. You must keep any objects or fixtures that form part of Your Property in a physically secure and appropriate environment.
19. You must tell us, in writing, within five working days about any significant loss or damage to Your Property.
20. Once we have announced the Grant, you must acknowledge the Grant publicly in line with the requirements set out in *Managing your grant* and our *How to acknowledge your grant* booklet. You must meet any other acknowledgements or publicity requirements we may tell

21. You must also provide us with hard-copy photographs or transparencies or high resolution digital images in electronic format of your Scheme. 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 use them (as set out in our *Managing your grant* document) before you use them or send them to us.

22. 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 Grant Expiry Date;
- e. comply with these terms of grant in relation to the digital files that make up the Digital Outputs for the period agreed pursuant to paragraph 44. 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.

23. We may make the purpose and amount of the Grant public in whatever way we think fit.

24. 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 and terms set out in our *Managing your grant* guidance 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;
- b. we are satisfied that you or a Third Party 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; and
- c. the total amount of the Grant you have received is not more than the total annual allocation (as set out in the Action Plan) up to the date on which you ask for an instalment of the Grant.

25. If the Action Plan involves a Third Party using part of the Grant to buy, receive, create, restore, conserve or otherwise fund Third-Party Property, we will only pay you that part of the Grant on the conditions set out in our 'THI Guidance Notes' and if:
- a. you have sent us the details of the Third Party and of the Third-Party Property that we need to see and approve in line with our *Managing your grant* guidance and 'THI Guidance Notes';
  - b. no work or alterations have been carried out to the Third-Party Property since you included it in the Action Plan which you believe make it less valuable as a heritage asset; and
  - c. the Third Party has entered into a Third-Party Contract which is as strict as the terms set out for this purpose in our model Third-Party Contract contained in our 'THI Guidance Notes' and which allows you to fulfil the terms of Grant.
26. If a Third Party breaks any of the terms of its Third-Party Contract or sells, lets or otherwise parts with its Third-Party Property or any interest in it, you must, unless we agree otherwise, take all reasonable steps to enforce those terms and/or recover any money owed to you as a result. You must pay us a share of any money you recover from a Third Party. You must work out the share in line with our *Managing your grant* guidance. You must pay us this money immediately.
27. If we tell you in writing you must allow us to take over and carry forward for our own benefit any proceedings against a Third Party. You must make sure that all Third-Party Contracts allow for this to happen. If we tell you, you must transfer to us any rights that you may have as a result of a Third-Party Contract being broken.
28. You must not use any part of the Grant towards work on Your Property or Third-Party Property without getting our written permission beforehand if that part of the Grant has been identified in your Grant Notification Letter as one which you must refer to us before you offer it or if our permission is required in accordance with our *Managing your grant* guidance.
29. You acknowledge that the Grant is the total amount of funds we will provide and it will not be increased as the result of you overspending or for any other reason.
30. 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. there is a significant change in your status;
  - c. you have, in our opinion, given us fraudulent, incorrect or misleading information;
  - d. you have acted negligently in any significant matter or fraudulently in connection with the Approved Purposes or the Approved Usage;
  - e. you knowingly withhold information that is relevant to your Application;
  - f. you fail to keep to any of these terms of grant; or
  - g. any competent authority directs the repayment of the Grant.

31. We may decide not to ask you to repay the Grant (or such part of it as we think fit) for the reasons set out in our 'THI Guidance Notes' and *Managing your grant* guidance but it is for us to decide whether one of those reasons applies or not.
32. 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.
33. If you sell or otherwise part with all or part of Your Property without our permission under paragraphs 15 or 30, or you receive money in some other way as a result of these terms being broken, 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 30. We will work out the share in line with our *Managing your grant* guidance.
34. We may stop funding in line with these terms of grant if, within two years of the date of our Grant Notification Letter, you have not drawn down at least 20% of the Grant.
35. If we stop funding in line with paragraph 34, you may still claim amounts you have offered to Third Parties but have not yet paid them at the date we stop funding. You may also claim any amounts we agree should still be available for you to carry out work to Your Property.
36. If we stop funding under paragraph 34, you must (if we ask you to) transfer any Third-Party Contracts to us or to someone we choose.
37. You may not, and must not claim to, transfer the Grant or any rights under these terms of grant.
38. 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.
39. If there is more than one of you, any liability under these terms of grant will apply to you all together and separately.
40. We may rely on any of our rights under these terms of grant at any time, even if we do not 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.
41. 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 any person we authorise) give it to you in writing.
42. Any notice, request or other document we or you send to each other under these terms of grant must be delivered or sent by first-class post to the addresses in the Grant Notification Letter, or to any other addresses we may specify.
43. 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.
44. These terms of grant will last for the period set out in the Grant Notification Letter.
45. These terms of grant cannot be enforced by anybody other than you or us.



46. The First Round Pass Letter might offer to provide you with funding for Development Work. If it does this, then the numbered terms of grant set out above 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 Scheme.
  - 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 4, 42 and 44 refer to the “Grant Notification Letter” this means the First Round Pass Letter.
  - f. Paragraphs 9(a), 9(c), 16, 17 and 18 will not apply.

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Received 26/9/12

West Midlands Telephone 0121 616 6870  
Grosvenor House 020 7591 6255  
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Website  
www.hlf.org.uk



20 September 2012

Our Ref: TH-10-04567

David Thomas  
THI Project Officer  
Bromsgrove District Council  
Planning and Environment  
Council House  
Burcot Lane  
Bromsgrove  
B60 1AA

*Dear David Thomas,*

**Bromsgrove Town Centre Townscape Heritage Initiative**

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 £1,200,000 (One Million Two Hundred Thousand Pounds) (75% of the total eligible project cost of £1,600,000) towards the THI scheme to contribute to the re-establishment of Bromsgrove's market town through the repair and restoration of historic buildings and shop fronts, and improving a targeted area of public realm. More specifically, we will monitor your progress against the following:

**Approved Purposes**

- Building repairs
- Restoring architectural features
- Bringing vacant historic floor space back into use
- Public realm works (up to 25% of the common fund)
- Complementary initiatives (training, evaluation, community consultation)
- Staff costs and overheads

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 signed the declaration on the application form.

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 in 5 working days to arrange a start-up discussion, when we will agree a timetable for progress reporting and grant payment requests.

### **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.

We will appoint an external monitor to carry out project management monitoring of your delivery phase on our behalf. We will let you know their name and responsibilities when they are appointed. S/he will become your main point of contact with HLF during your delivery phase.

Please read the attached 'Managing your 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;
- provide a completion and evaluation report when you have finished the delivery phase;
- procure goods, works and services in accordance with EU procurement regulations.

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/officereforms/HLF\\_Projects.ofml](https://forms.hlf.org.uk/officereforms/HLF_Projects.ofml)), in the same way that you supplied your application form. If you do not have an online account, send hard copies of your forms to your Grants Officer.

## Part 2 – The legal section

**Grantee: Bromsgrove District Council of The Council House Burcot Lane Bromsgrove  
Worcestershire B60 1AA**

**Project Reference Number: TH-10-04567**

### **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 'Managing your 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 Oct 2017

### **Duration of the terms of grant**

The standard terms of grant and the additional grant conditions (if any) will last 10 years from the date of this letter or when all the Third Party Contracts end, whichever is the later.

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

1. This letter
2. Your application dated 16 April 2012
3. All documents and correspondence submitted by you in support of your application during assessment.

### **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 12 months of the date of this letter.

### **Part 3 – Next steps**

The following documents accompany this letter:

- 'Managing your grant' setting out our monitoring requirements
- EU Procurement Regulations guidance
- 'How to acknowledge your grant' guidance
- Introduction: Announcing your grant to media
- Picture this – tips on taking photos
- Template photo call notice

### **Permission to start**

We will only give you our permission to start when certain pre-conditions, defined in the 'Managing your grant' guidance, have been satisfied. These include evidence concerning partnership funding, and the existence of a robust project management organisation and plan. 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.

Deena Balderson will look forward to receiving your Permission to start form within 20 working days from the date of this letter or as soon as possible thereafter. However, if you have any difficulties in meeting this deadline, please let her know.

#### **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 I have enclosed 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 enclosed 'How to acknowledge your grant' guidance which explains how to do this.

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

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



Reyahn King  
Head of Heritage Lottery Fund West Midlands

Enc

## Appendix 1

a) Split of the eligible costs and the common fund between the categories of work

Category	Total estimated costs	Proposed Common Fund	Proposed grant rate	Proposed split of common fund across categories	Funding you would like from us
Building repairs	417,000	250,000	60	16	250,000
Restoring architectural features	530,000	450,000	85	28	450,000
Bringing vacant historic floor space back into use	410,000	225,000	55	14	225,000
Public realm works (up to 25% of the common fund)	400,000	400,000	100	25	0
Complementary initiatives (training, evaluation, community consultation)	50,000	50,000	100	3	50,000
Staff costs and overheads	225,000	225,000	100	14	225,000
<b>Total</b>	<b>2,032,000</b>	<b>1,600,000</b>	<b>79</b>	<b>100</b>	<b>1,200,000</b>

b) Second Round - Funding

Income Heading	Description	Secured	Total (£)
Cash	Worcestershire County Council	Yes	400,000
HLF Grant			1,200,000
<b>Total Income</b>			<b>1,600,000</b>

## Appendix 2

### SCHEDULE

#### Local-authority Grantee

##### Evidence of local-authority decision-making process

- a Within 28 days of the date of the Grant Notification Letter, you must send us a certified copy (signed to confirm it is a true copy) of the document recording your decision (or the decision of the relevant properly constituted committee, executive or authorised officer) authorising you to accept the terms of grant, together with a statement containing the information set out in paragraph b below.
- b The statement must include the following information.
  - The power (statutory or otherwise) you have and which you have used to accept the terms of grant.
  - An extract of that part of your policy framework under which you have accepted the terms of grant.
  - The executive arrangements under which your decision to accept the terms of grant was made.
  - The considerations that you took into account in using the powers and the procedure under which any consultation took place and the decision was made.
  - The authority under which the Declaration forming part of the Application has been signed on your behalf.
- c Without affecting clause 38, you must (if we think it is necessary) confirm your decision in whatever way we direct. Within seven days of confirming, you must send us evidence of this.
- d We may withdraw the Grant (after considering the matters referred to in paragraphs 1a and 1b) if we are not satisfied that the terms of grant are valid and binding on you.
- e Within 21 days of sending us the document and information needed under paragraph 1a (or evidence of the confirmation of the decision in line with paragraph 1c), we may ask that you get the written opinion of a barrister, in a form satisfactory to us, asking for his or her opinion on whether:



- the powers you are relying on in accepting the terms of grant do allow you to enter into these arrangements;
- you have followed correctly all procedural requirements in using those powers and have acted in a reasonable and proper way; and
- you have taken account of only, and all, relevant considerations in using those powers.

You must send us the barrister's opinion and make sure that it is addressed to us as well as to you. You must also make sure that the barrister confirms we may rely on his or her opinion for our own purposes.

f You acknowledge that neither any documents or information that you send us, nor the fact that we may then have paid you part of the Grant, will affect our right to rely on the promise in paragraph g below.

g You promise that:

- you have the authority to accept the terms of grant;
- in using that authority you have acted in good faith, in a reasonable and proper way, for a proper purpose, without breaking any procedural requirement and in considering only (and all) relevant considerations; and
- your decision to accept the terms of grant is one that any reasonable local authority (applying the laws that are relevant to it) could have reached.

h Within one month of the end of each of the 10 years after you finish the work, you must send us detailed accounts, certified by your chief finance officer, showing the funding and resources you used on the Property in the year before.

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## **Townscape Heritage Initiative**

# **Managing your grant**

## **For the development and delivery phase**

This document will help you to manage your grant and request grant payments.

They also explain in detail what you must do to comply with the conditions of your grant.

Please read these documents together with the THI Guidance Notes.

## Monitoring Documents

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### Contents

- 1. Introduction**
  - 1.1 Background
  - 1.2 Standards
  - 1.3 Fraud
  - 1.4 Public procurement
  - 1.5 Monitoring
  - 1.6 Mentoring
  - 1.7 Reviewing design drawings and documents
  - 1.8 Collateral warranties
  - 1.9 Property ownership
  - 1.10 Repayment of grant
  - 1.11 Insuring the works
  - 1.12 Insuring the property
  - 1.13 Project officer
  - 1.14 Filing in standard forms
- 2. Before work starts on the scheme**
  - Section 1 'Permission to start' form – documents we need
  - Section 2 Bank account, VAT and signatory details
- 3. Updating us on your progress**
  - Section 1 'Progress report' form – progress towards achieving your development work
  - Section 2 Identifying, charting and managing risk – development phase
  - Section 3 Changes to your development phase and project delivery timetable and programme
  - Section 4 Changes to the delivery phase
  - Section 5 Identifying, charting and managing risk – delivery phase
- 4. Each time you request part of your grant**
  - 4.1 Definitions
  - 4.2 Filling in the grant payment request form
    - Section 1 Spending and eligible costs
    - Section 2 Funding acknowledgement and public relations
    - Section 3 Selecting consultants, contractors and suppliers
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    - Section 5 Your grant payment request
- 5. Third-party grants**
  - 5.1 Permission to offer a grant to a third party
  - 5.2 Annual action plan approval
- 6. When the scheme finishes and you request your final grant payment**
  - 5.1 Final grant payment request and completion and evaluation reports
  - 5.2 Monitoring after the scheme has ended

## 1 Introduction

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### 1.1 Background

The Heritage Lottery Fund is administered by the National Heritage Memorial Fund (NHMF) and distributes money from the National Lottery to heritage projects throughout the UK. Once a grant has been awarded to a project, we have to monitor that project to make sure that lottery resources are being used for the purposes the grant was given (the approved purposes). We also have to make sure that projects provide the benefits we have agreed with you.

The 'Managing your grant' requirements and associated forms are referred to in the standard terms of grant. They set out the information we need from you to help meet our monitoring responsibilities. They also deal with other requirements such as insurance, publicity, and changes to the grant.

You must take the action and provide the documents and information set out in 'Managing your grant' and associated forms. The requirements set out form part of the contract and a breach of such requirements will constitute a breach of the terms and conditions of your grant contract.

Exceptionally, we may choose not to follow all of the procedures set out in the managing your grant.

### 1.2. Standards

You are responsible for the quality of your project. All work you carry out must comply with the relevant British or European standards and current best practice for conservation, if relevant.

We may add other standards during the project to deal with specific areas of risk. When we monitor your grant, the information we ask for will be the information you are likely to need to ensure the smooth running of your project.

In carrying out the project, you must comply with all legislation or regulations that apply, such as the Data Protection Act 1998.

You must ensure that all timber and timber products used during the course of your project are from legal sustainable sources. Please read our guidance *Planning Greener Heritage Projects* for more information about this and other green standards. (All our guidance is available from our website.)

You are responsible for your project. Any permissions we give do not mean that we accept or approve of the suitability or correctness of the detailed matters they apply to.

### 1.3 Fraud

Exceptionally, we may ask you to provide proof that you have taken action to reduce the risk of fraud. We may also ask you to let us examine your accounting processes and procedures to check the effectiveness of anti-fraud measures.

### 1.4 Public procurement

You must follow good practice in buying goods, work or services (see 4.2 below, Filling in your grant payment request form, section 3).

In addition to our requirements set out there, you will need to follow the Public Procurement Regulations if your goods, works or services are above certain financial thresholds and if:

- you are subject to the Public Procurement Regulations in your own right; or
- lottery funds contribute more than 50% of your project costs.

This means that you will usually have to put your contracts out to public tender, by putting an advertisement in the Official Journal of the European Union. Please refer to the Public Procurement Regulations sheet on our website or the latest figures from the Office of Government Commerce website <http://www.ogc.gov.uk/index.asp?id=397>

## 1.5 Monitoring

We may decide to use outside consultants or heritage agencies to monitor your scheme for us. We will let you know as soon as possible if we are going to do this. If we are going to use more than one project monitor, we will choose one of them to be the lead monitor. This person will be your first point of contact. They will call high-level progress meetings with you, your project officer and the main members of your project team and make site inspections. Our project monitors cannot approve changes to the approved purposes of your grant.

We will monitor your scheme against the standards set out in:

- the application pack;
- your first-round application and/or second-round submission as approved by us;
- our grant notification letter including the schedule of agreed work and costs which qualify for grant support;
- our standard terms of grant, together with any additional grant conditions set out in the grant notification letter, and this 'Managing your grant' document and 'THI Guidance Notes' documents;
- the documents which you must provide when you request our permission to start; and
- any other agreements we make with you, or correspondence with you.

We will monitor the progress of your scheme and will carry out checks at and after the end of the scheme to confirm that it is delivering the benefits expected.

If we do not appoint an external monitor to carry out the activities above, HLF staff will act as project monitors.

## 1.6 Mentoring

If this is the first time you have done a scheme of this type, or on this scale, we may also offer you mentoring support after a first-round pass. If we do, we will agree with you in advance the amount of time your mentor can offer you and the range of issues they will help you with. A mentor will help you to keep your plans on track, but you will still be responsible for managing your scheme and for the overall quality of your second-round submission.

## 1.7 Reviewing design drawings and documents

We may review your scheme at suitable stages to see how well it is progressing and compare it with the approved purposes and the requirements of your grant contract. We will decide when to make these reviews based on the characteristics of your scheme and the eligible projects.

For building projects, we may carry out reviews at:

- design concept (stage C of the RIBA plan of work);
- at other suitable stages.

To help us with these reviews you need to provide all design drawings and documents that we ask for.

The reviews will consider:

- cost and timetable increases;
- the effect they have on the development activities and documents or approved purposes; and
- whether the final scheme still represents value for money

If we consider that the final scheme will no longer be value for money, we may decide to stop the development of the project, and withdraw our grant.

## 1.8 Collateral warranties

If your scheme involves major construction or conservation work we may ask you to arrange collateral warranties between us and your consultants or contractors. If this is the case, we will let you know in your grant notification letter.

The terms of the collateral warranties that you arrange must be at least as favourable as the British Property Federation's 'Form of agreement for collateral warrantee for use where a warrantee is to be given to a company providing finance for a proposed development' ('the Standard Form of Warrantee'). (Works Condition 2)

## 1.9 Property ownership

If we ask, you must provide proof of who owns any property that forms a part of your project and any restrictions or other claims on it. If you part with the property, you must provide proof of any amount you have gained from doing so.

You or the third-party grantee must own the freehold of the property or hold a lease of it with an unexpired term of at least 10 years without a break clause. If the property is held on a lease for less than ten years or if it contains a break clause which may terminate the lease within ten years, the landlord must join in the grant application and agree to be bound by the grant conditions if a grant is awarded.

## 1.10 Repayment of grant

### 1.10.1 *Parting with property*

If, during the life of the terms of grant, you part with assets or goods which you have bought, restored, conserved or improved with our funding during the grant contract, you must give us a suitable share of the proceeds of sale after you have paid any debts, costs, expenses and tax. You must do this within a month of parting with the land, assets or other goods.

We may claim from you:

- an amount in the same proportion to the sale price as the grant is to the original cost of the approved purposes; or
  - the portion of our grant spent on assets or goods which were bought, restored, conserved or improved;
- whichever is greater.

You must pay whatever we decide is appropriate in the circumstances.

Repayment on grants awarded to third parties is described in the third-party grant contract in the THI Guidance Notes.

### 1.10.2 *Other breaches of the terms of grant*

Our terms of grant entitle us to require you to repay to us the grant you have received in various circumstances, including, in particular, breach by you of any of our terms and conditions of grant. The terms of grant also say that we might not require you to repay all the money you have been paid, if there are reasons to justify taking this view.

Given the enormous range of projects we fund, it is impossible to generalise on what sort of reasons for repayment of the grant might be relevant to any particular case. We do, therefore, have absolute discretion to decide in any given circumstances whether or not to seek the return of all of our grant. By way of guidance, we will always require repayment of the whole amount in cases involving:

- you failing to use the grant for the purposes we agreed to fund or to do what the project was intended to achieve (unless due to factors beyond your control);
- you ceasing to operate, becoming bankrupt, or being placed into receivership or liquidation;
- fraud, negligence or you providing us with incorrect or misleading information;

- you or us being directed by a competent authority to repay/recover the whole grant.

### 1.11 Insuring the works

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

Insurance should be held in the joint names of the person or organisation receiving the grant and the contractor carrying out the works. Your insurance must note our interest by name.

### 1.12 Insuring the property

You must have a suitable insurance policy. Your insurance cover must note our interest in the property. If the property is lost or damaged, for example by fire, lightning, storm or flood, you may find that you cannot provide the approved purposes. You will then have broken your grant contract with us and we may have to consider claiming back your grant payments. In these circumstances you will need to be able to provide the approved purposes or repay the grant.

You do not need to take out insurance for any part of the property while it is covered by the Government indemnity scheme.

If we have agreed in writing that you can self-insure, you do not need to take out any other insurance.

### 1.13 Project officer

If your scheme is large or complex we may ask you to appoint a project officer. If this is the case, we will discuss this with you.

Your contract with your project officer must include a clause that you can end their appointment to manage the Approved Purposes if we send you a notice to say that we reasonably believe the project manager is failing satisfactorily to provide their services. We will not give you such a notice without consulting with you first

### 1.14 Filling in of standard forms

You will need to fill in a range of standard forms (online at <http://www.hlf.org.uk>) as part of our monitoring process, and your requests for grant payment. If we ask you to send copies of documents there is a facility to attach files (of less than 5Mb in total) at the end of the form.

Please print off, sign and send us a hard copy of all forms that need your signature. Send the form to your project monitor if you have one.

If you make any misleading or false statements on these forms, you will have to repay all of the grant you have received. You will not receive any further payments.

### The development phase

We will normally pay your development grant in two instalments.

- 'Development grant payment request and permission to start' form (50% of grant awarded)

Once we have approved your request we will sign the form and return it to you. You must not start any work of the development phase until you have received our permission. We will not make any grant payments to you until this form has been approved.

- 'Development phase progress report' form

This is your opportunity to tell us how your development phase is progressing at intervals agreed with your case officer.



- 'Development grant completion report and final grant payment request' form (up to 50% of grant awarded)

### **The delivery phase**

#### **Before work starts on the scheme**

- 'Permission to start the scheme at year 1' form.

Once we have approved your request we will sign the form and return it to you

You should not start any work on the scheme until you have received our approval for the 'Permission to start the scheme at year 1' form. We will not make any grant payments to you until this form has been approved.

#### **Each time you request a part of your grant**

- 'Grant payment request' form
- Delivery phase 'Progress report' form

You must provide a progress report at least once every three months, even if you do not request any of your grant during that time. You must also send us your latest progress report with each grant payment request.

We will not make a grant payment until we are satisfied with the signed grant payment request and latest progress report which must accompany this form.

#### **To monitor your third-party grant scheme:**

- 'Permission to offer a grant to a third party' form
- 'Annual action plan approval' form

#### **When the scheme is finished and you apply for the final part of your grant:**

- 'Grant payment request' form
- 'Completion report and evaluation report' form

Fill in these forms when your scheme has achieved all of its approved purposes and you are requesting the final payment of your grant.

We also expect evaluation feedback from your scheme, in the form of an evaluation report.

## 2 Before work starts

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### **Section 1 of the 'Permission to start' form**

You should not start your work until you have our written permission to do so. To apply for our permission to start the development phase you should fill in and sign the 'Development grant payment request and permission to start' form. For permission to start the delivery phase you should fill in and sign the 'Permission to start the scheme at year 1' form.

When we have signed your 'Development grant payment request and permission to start' form and returned it to you, and you are ready to start the development phase, we will pay 50% of your grant.

### Signed grant contract

In certain circumstances your grant may need a special contract. If this is the case we will send you two copies of the grant contract. You must sign both copies and return them to us. We will then sign both copies and return one to you.

### Proof of partnership funding

Provide proof that all your partnership funds are in place and that they are from the sources set out in your submission.

Some funding partners may only contribute to certain projects or categories of work within your overall scheme. Also, certain public-sector organisations may award their funding straight to the owner. This funding can still be counted as grant from the common fund, but you must identify the eligible projects or categories of work where this type of arrangement will apply.

If all your partnership funding is not in place then we may exceptionally consider a realistic fund-raising plan. We will only accept a fund-raising plan if the scheme can be divided into separate phases and you can show that the fund-raising plan is achievable. In this case you must raise your partnership funding in line with the agreed phases and you must get our permission each time you have received part of your partnership funding and want to start a new phase.

### Timetable or work programme

Provide a detailed timetable or work programme to complete the whole scheme before the grant expiry date. Your programme should show a realistic timescale for achieving the approved purposes of the scheme, including any special conditions set out in the grant contract. It should clearly show all the main activities, resources, milestones and targets necessary to complete the scheme on time.

### 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 scheme. In your breakdown you must identify separately any amounts allowed for VAT.

Provide a cash flow, which shows the planned timing of your income (including partnership funding) and expenses over the life of the scheme. You must show clearly the expected timing of grant payments. Remember that we cannot pay more than 90% of the total grant before your scheme is finished.

### Project management structure and method of selecting consultants, contractors and suppliers

Provide a description of how you will organise and manage your work. This should include:

- the names of the people who can sign documents for your organisation, including grant payment requests;
- a copy of the organisation chart for managing your scheme which clearly names the people leading the development or delivery of your scheme and other people or organisations who will be working on the scheme; and
- a statement of how you will choose and manage your goods, works and services contracts.

In addition, for your THI scheme send us:

List of eligible projects and activities

Provide details of eligible projects, telling us which of these are critical projects, priority projects and/or reserve projects. You must also include details of all planned activities. You must tell us which of these projects and activities are to be delivered within the forthcoming year.

Proof that the conservation area appraisal and the conservation area management plan have been adopted (if applicable)

Prepare a conservation area appraisal and conservation area management plan while developing your scheme and submit these with your second-round submission. You must provide proof that the planning authority has formally adopted these documents by the time we give you permission to start if we have made it a condition of grant. Your partnership must adopt the conservation area management plan before we give you permission to start. Proof will usually be in the form of an adoption statement, a resolution and/or minutes of meetings of relevant committees.

Proof that an Article 4 direction has been imposed (if applicable)

Submit proof that you have imposed an Article 4 direction to control change in the area before we give you permission to start your scheme if we have made it a condition of grant.

Photographic record of your scheme before it started

Provide a free photographic record of the eligible projects, showing the existing condition.

We may use your photographs in publicity material. If your photographs include people, you must gain their permission or that of their parents or guardians before you submit them to us. You must ensure that you have the written consent of the copyright owner of the images you send to us, that HLF may use them or any of them to represent the scheme.

Once we have approved all of these documents we will sign your 'Permission to start the project' form and return it to you. You can then start work on your scheme. We will use these documents to help us monitor your scheme's progress and performance.

You need to send us updated versions of these documents if you need to make changes.

**Section 2 Bank account, VAT details and signatory details**

Make sure we have your bank, VAT and signature details to avoid any delay in grant payments.

The signatories can be up to three people from your organisation who will be signing grant payment requests on your behalf. We use this information to make sure that the grant payment has been sent in by the right person in your organisation and that we pay the grant to the right bank account.

We will not make payments into personal bank accounts and the grant can only be paid to the party named in the grant contract. We recommend that you set up a separate bank account for your project so that you and we can monitor the project's finances easily.

For us to pay your grant requests by 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.

### 3. Updating us on your progress

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#### Development Phase - Progress Report Form

You must monitor the success of your scheme and fill in a progress report online at least once every three months, and each time you request a grant payment.

We need your progress report before we can process your grant payment. Your progress report must be produced no later than three weeks after the period it covers.

Your report must include the following sections:

#### **Section 1 Progress report form - progress towards achieving your development work**

This should be a summary of your progress against each of your agreed development activities, and documents that you need to prepare.

You must not change the development activities and documents set out in your grant notification letter or start-up discussions without our written permission. We may give permission only if you agree to keep to extra terms and conditions.

If you want to change the development activities and documents in any way, you must send us written details of your reasons for the change and show us how it will affect:

- the cost of your project's delivery phase;
- the quality of your project's delivery phase; and
- the time you need to finish your project's delivery.

You must tell us about any changes or events which may prevent your development work from achieving its aims or affect its viability. We may then re-assess the development work, or take any other action we consider necessary.

#### **Section 2 Identifying, charting and managing risk in the development phase**

Tell us about any difficulties you have and how you will overcome them. List the main risks your project is facing now. These may be:

- technical – for example, discovering unexpected and wide-ranging damp;
- financial – for example, a reduced contribution from another funding source;
- organisational – for example, a shortage of people with the skills you need or staff needed to work on other projects;
- economic – for example, an unexpected rise in the cost of materials;
- social – for example, negative responses to consultation or a lack of interest from your target audience;
- management – for example, a significant change in the project team;
- legal – for example, changes in law that make the project impractical; or
- environmental – for example, difficulties in finding sources of timber from well-managed forests.

#### **Section 3 Changes to your development phase timetable and programme**

Explain any delays to your development phase and your project's delivery. You will also need to tell us how you plan to make up the time so that the development phase finishes by the grant expiry date.

#### **Section 4 Following development, what changes will there be to your project's delivery?**

Give details of how your development work has changed your project's delivery including any changes to the scope or cost of your project.

#### **Section 5 Identifying, charting and managing risk in the future delivery phase**

This section asks you to forecast possible risks for the delivery phase. It does not need to be as detailed as section 2 where the risks are for the immediate development phase.

### **Delivery Phase - Progress report form**

You must monitor the success of your scheme and fill in a progress report online at least once every three months, and each time you request a grant payment.

We need your progress report before we can process your grant payment. Your progress report must be produced no later than three weeks after the period it covers.

Your report must include the following sections:

#### **Question 1 Grant offers from the common fund**

Give a summary of grant offers you have made since your last report. Fill in grant offers as they are made.

#### **Insurance**

You only need to tell us about insurance for works to projects owned by your organisation. You must ensure that third-party grantees comply with these requirements.

#### **Statutory permissions**

You must make sure that you get all the statutory approvals or permissions that you need for each individual project before work starts. Examples may be:

- planning permission;
- listed building consent;
- scheduled monument consent;
- conservation area consent; or
- building regulations.

#### **Question 2 Progress towards achieving your scheme's agreed action plan**

This should be a general summary of your progress against each of the categories of work.

Tell us about any problems or issues that you face. Give details of any projects that are not now proceeding. List any actions you plan to take in response to problems. Tell us about major changes you wish to make, (including key salaried staff), and the effect they will have on your costs or timetable. You must have our approval before making any changes to your action plan.

If your approved purposes include creating new jobs, you must advertise the vacancies and back-filled posts openly in suitable places. You must also send a copy of the job description to us and gain our approval before you make any appointments.

If we ask, you must provide us with copies of all CVs and contracts of employment for new staff.

#### **Question 3 Further standard and special conditions**

List all the special conditions of your grant contract (refer to your letter of grant notification) and show your progress towards meeting them. You should also tell us about any difficulties and show how you will overcome them.

#### **Question 4 Identifying, charting and managing risks**

List the main risks your scheme is facing now or in the near future and tell us what you are doing to reduce each risk. These may be: technical, for example difficulties with conservation work that you are doing; financial, for example new charges that are affecting your scheme's costs; or management, for example changes to your project management team. Tell us about any difficulties you have and how you will overcome them. List the main risks your project is facing now. These may be:

- technical – for example, discovering unexpected and wide-ranging damp;
- financial – for example, a reduced contribution from another funding source;

- organisational – for example, a shortage of people with the skills you need or staff needed to work on other projects;
- economic – for example, an unexpected rise in the cost of materials;
- social – for example, negative responses to consultation or a lack of interest from your target audience;
- management – for example, a significant change in the project team;
- legal – for example, changes in law that make the project impractical; or
- environmental – for example, difficulties in finding sources of timber from well-managed forests.

### **Question 5 Changes to your scheme**

You must not change the agreed categories of work without our written permission. We may give permission only if you agree to keep to extra terms and conditions.

You must tell us about any changes or events which may prevent your scheme from achieving its aims or affect the viability of the scheme. We may then re-assess the scheme, and ask you to provide a revised business plan or take any other action we consider necessary.

If you want to change your scheme in any way, you must send us written details of your reasons for the change and show us how it will affect:

- The agreed categories of work;
- The cost of your scheme;
- The quality of your scheme; and
- The time you need to finish the scheme.

### **Question 6 Partnership funding**

Give details of your progress towards securing all partnership funding. Explain any changes to funding sources.

### **Question 7 Photographic records**

You must send us a free photographic record of the projects and activities in your scheme, recording the stages and events of your scheme.

The photographic record should be at least:

- four colour slides (35mm); or
- four colour prints (250 x 200mm minimum); or
- four high resolution digital images in electronic format on CD (images 250mm x 200mm @ 300 dpi minimum)

The photos should show your scheme in action and a representative sampling of the results. You should also provide a sample of photos which show the projects before, during and after they are finished.

Please also let us know if material from your scheme is available on the internet and where this can be found.

We may use your photographs in publicity material. If your photographs include people, you must gain their permission or that of their parents or guardians before you submit them to us. You must ensure that you have the written consent of the copyright owner of the images you send to us, that HLF may use them or any of them to represent the project.

You must monitor the progress of your development phase and fill in a progress report online at the intervals agreed during your start-up discussions.

Your progress report should be produced no later than three weeks after the period it covers.

## 4 Each time you request part of your grant

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For the development phase you must fill out the 'Development grant payment request and permission to start' (first 50% of your grant) form and the 'Development grant completion report and final grant payment request' (final 50% of grant awarded) form. We will not pay the final 50% of your grant until we are satisfied that the development phase is finished and you have sent us your second-round submission.

Each time you request a grant payment during the delivery phase you must fill in on line the 'Grant payment request' form and the 'Progress report' form.

You should request your grant payment as soon after you have received an invoice as possible, but you cannot request a grant payment more than:

- once every three months; or
- once every month if you are a non-profit making organisation.

We will not make any payment until we are satisfied with your grant payment request and progress report.

After two years (delivery phase) we will review how much you have requested from us in grant payments. We expect you to have claimed at least 20% by the end of Year 2 of your five-year scheme.

### 4.1 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.

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

**Grant percentage** – Your grant award divided by your eligible costs.

For example, if the grant percentage is 65% of the eligible costs, we will pay up to 65% of the value of the invoices for those costs which you provide at any one time. The grant percentage is fixed throughout the project.

**90% limit** - We will not pay 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.

**Back-filled post** - The back-filled post is the post that is vacated when a secondee from within your organisation takes on a post in your project.

**Volunteer** - Any person who gives their unpaid time for the benefit of the project.

**VAT**- Our grant percentage will include your VAT payments if these were included in the eligible 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 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.

**Contingency allowances for unexpected expenses** - You must only use this allowance where unforeseen circumstances have affected the costs of individual elements of the development activities. 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 eligible cost** - If the final cost of your development work is lower than the eligible cost, we will reduce your grant in line with the agreed overall grant percentage. If the final cost is higher than the eligible cost, we do not have to increase your grant. (We will only consider increasing your grant in exceptional circumstances. In this case you will have to provide further information.)

## 3.2 Filling in the grant payment request and progress report

### Grant payment request form

Your grant payment request must be produced no later than three weeks after the period it covers.

#### Section 1 Spending on projects owned by you and approved overhead costs

You must tell us about any major changes to the costs of your scheme. If your project costs have increased you must tell how you will meet these additional costs and how it will affect your scheme.

You can include VAT and voluntary time contributions as part of any other costs if we have agreed these costs in your letter of grant notification.

Fill in an estimate of staff costs and overheads for this reporting period. Add a balancing entry to your next report if the actual costs are different.

#### Transferring costs between the agreed categories of work

You must not change the allocation of grant between these categories without our permission. You should tell us about this in the annual action plan permission process. However:

- funds for critical projects within the scheme must be ring fenced until those critical projects have been completed.
- you must not make significant increases in the proportions of the grant for management costs.

#### Section 2 Funding acknowledgement and public relations

You must acknowledge our support publicly, featuring our logo clearly and visibly. Do this in line with the 'How to acknowledge your grant' guidance. You must fulfil the minimum requirements as set out in this guidance for the kind of project you are running. We will look for appropriate visual recognition of our grant when assessing the progress of your project.

Any marketing work that you undertake for your project should also acknowledge our support in line with the 'How to acknowledge your grant' guidance.

You need to get our agreement before you give an interview, make a public statement or issue a press release relating to a project or work that we have funded when you initially announce the grant and at completion of the project. At other times, please notify us of any press and media contacts so that we are aware of any potential clashes, broader issues or possible links with similar activities that we are planning ourselves.



Let us know when any celebration or marking of a project achievement, such as an opening event is taking place at which a representative from HLF can attend.

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

For any acknowledgement you display, it is your responsibility to get in good time all the statutory approvals or permissions that you need.

### **Section 3 Selecting consultants, contractors and suppliers**

#### **Competition**

If you have received a grant from us and you are looking for goods, work or services worth more than £10,000, you must get at least three competitive tenders or quotes and show that you have selected the one which provides best value for money. If you have not followed a competitive tender process you must agree this with us in writing before you award the contract. If we disagree with your reasons we will withhold your grant

You must provide proof of competitive tendering procedures for all goods, work and service contracts worth more than £50,000. Your proof should take the form of 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.

If we ask, you must also provide proof of similar competitive procedures for other goods, work or services worth between £10,000 and £50,000.

If we disagree with your reasons for not selecting the lowest tender, we may reduce your grant by the grant payment percentage of the difference between the tender you have accepted and the lowest tender.

You must ensure that your third-party grantees follow the same procedures.

#### **Availability of partnership funding**

Before you enter any contract for goods, services or work, you must have received the partnership funding for that contract. If we ask, you must provide proof that you have received these funds before you sign the contract.

#### **Contracts for goods, services or work**

If we ask, you must provide proof that there is a contract for any goods, services or work worth more than £50,000 before the work starts. You must also prove the contract terms are in line with the requirements of your grant contract with us; and the contract price is within the budget for that part of the work.

### **Section 4 Staff and volunteers**

If your approved purposes include creating new jobs, you must advertise the vacancies and back-filled posts openly in suitable places.

You must also send a copy of the job description to us and gain our approval before you make any appointments.

If we ask, you must provide us with copies of all CVs and contracts of employment for new staff.

### **Section 5 Your grant payment request**

This is where you enter the amount that you are asking for, based on the summary of invoices sheet and volunteer timesheet (if volunteers were used).

You can send copies of invoices, contract administrator's interim payment certificates or table of costs, using the facility to attach files (of less than 5Mb in total) at the end of the form. 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 any of your invoices include costs which are not part of your eligible costs, you must provide a breakdown of the invoices showing clearly which costs we have agreed to support.

For amounts of less than £100 you should submit a table of costs which specifies the date, amount and description of each item of expenditure, instead of the individual invoices. This table of costs must be signed by one of the people listed on the 'Permission to start' form. The total of your table should be shown as a single line on your schedule of invoices. Please keep all of your invoices so that if we ask you to, you can send them to us.

### **The percentage of invoices we will pay**

We will not pay more than the payment percentage of your eligible costs.

We will make these payments until we have paid 90% of your total grant. After that we will not make any further payment until your scheme is finished.

### **Advance payments**

We may make payments in advance, but you must prove to us that no other source of funding is available.

If you want to apply for a payment in advance, you must give us a schedule of your expected costs. Once we have made the payment, you must show us how much you have actually paid of those costs. We will not make any further payments until we have received this proof.

If you would like us to pay your salary costs in advance, we will need details of salaries and copies of your contracts of employment or letters of appointment.

### **Accounting records**

You must keep proper up-to-date accounts and records. We may ask you to provide a copy of your accounts and bank statements within an agreed period of the end of the financial year in which we have made any grant payment

### **Proof of eligible costs**

We will pay your grant by bank transfer only when we have received proof of your eligible costs.

### **Volunteer contributions**

If volunteer work is part of your partnership funding, you must keep a record of the number of hours that each volunteer has worked.

Please tell us how they have contributed to your project costs by completing the 'Volunteer timesheet'.

Calculate voluntary contributions as follows:

- unskilled volunteer – Up to £50 a day;
- skilled volunteer – Up to £150 a day;
- professional services volunteer – Up to £350 a day

We calculate one volunteer Full Time Equivalent (FTE) day to be 7 hours.

## 5 Third-party grants

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### 5.1 Permission to offer a grant to a third party

You must not offer a grant to some projects until you have our permission to do so. These are:

- projects that are critical to the scheme;
- projects owned by you;
- projects owned by a third party where the grant is above £100,000; and
- projects that we have selected.

To apply for our permission you should fill in the 'Permission to offer a grant to a third party' form and send it to us. You can apply for our permission at any time. Please include a copy of the third-party application form and all supporting documents including details of the project's current and proposed end use, drawings and specifications, a tender report, valuations and a development appraisal if applicable.

Once we have approved all these documents we will sign the 'Permission to offer a third party grant' form and return it to you. You can then offer a grant to the approved project.

### 5.2 Annual action plan approval

Every year, you must get our approval of the updated action plan for your THI scheme. To apply for our approval of your annual action plan you must use the 'Annual action plan approval' form.

You must include the following documents:

#### **An updated list of eligible projects and activities**

Include a review of your progress on the agreed categories of work and compare your achievements against agreed outputs. Also include a list of next year's eligible projects and activities.

#### **An updated work programme**

Provide an updated work programme showing how you propose to complete the whole scheme before the grant expiry date. You must also provide a detailed programme for each year.

You must show:

- which projects will be targeted;
- the amount of the common fund you propose to commit; and
- activities you propose to do.

#### **An updated cost breakdown, cash flow and grant allocation**

Provide an up-to-date breakdown of costs, which shows the cost of each of the agreed categories of work. List any changes to previous cost breakdown, cash flow, total eligible cost, the grant from the common fund and our contribution.

Provide an updated cash flow for the common fund, which shows the planned timing of your income (including partnership funding) and spending over the life of the scheme. You must list the changes that you have made to the cash flow.

#### **Proof of partnership funding**

Provide proof that all your partnership funds are in place for the next year and that they are from the sources set out in your submission.

## **6 When the scheme finishes and you request your final grant payment**

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You should request your final grant payment as soon as possible after:

- your scheme is finished and you have achieved your second-round approved purposes and any further conditions that apply to your grant;
- 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).

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

### **6.1 Final grant payment request and completion and evaluation reports**

You must fill in the grant payment request and completion report form online at <http://www.hlf.org.uk> when you apply for the final part of your grant.

If we ask you to send copies of documents there is a facility to attach files (of less than 5Mb in total) at the end of the form.

We expect evaluation feedback from all the schemes we support, in the form of an evaluation report. The detail of what you choose to evaluate, and how, is up to you. Refer to our guidance *Evaluating your HLF project* and the THI Guidance Notes for more information.

We will not pay the final part of your grant until we are satisfied with your completion report and evaluation report and your final grant payment request.

### **6.2 Monitoring after the scheme has ended**

We will continue to monitor your scheme after it is finished to make sure that it still meets any conditions in the grant contract and its goals throughout the period described in the contract as the contract life.

We will let you know areas of your scheme which we plan to monitor. They will normally include:

- property ownership
- maintenance
- insurance
- viability
- access
- activities
- volunteers
- trainees
- staff
- evaluation
- heritage and people benefits