



Building Better Opportunities Essential update July 2022 - Project Closure and Future Funding

Project Closure

In April an e-mail was circulated regarding the programme closure, the [guidance](#) projects need to follow and important points to note. There are some more updates in this reminder, and you can find the April e-mail [here](#).

It's impossible to emphasise enough how important it is that projects have a closure plan. You should already have this in place and have ensured your partners and participants know what that plan is. **We will not accept claims for expenditure defrayed beyond 30 June 2023 other than those associated with HMRC and pensions which are often defrayed in the following month.**

Evidence Collection - There are several projects where partner organisations have closed. Due to this, lead organisations have been unable to gather and archive all the evidence that will be required for post closure audits. Any costs checked during post closure audits that are not supported by the required evidence will be found ineligible resulting in clawback. Please make sure you are gathering and checking financial and participant evidence on an ongoing basis to reduce the risk of this occurring. **It is not sufficient to delegate responsibility for keeping evidence to each partner organisation** and rely on them to have it available in the event of a post-closure audit.

Administration claims - As detailed in the project closure guidance, final administration claims (2023 Q2 claim) should have very limited costs. It is mainly to cover administration costs related to compliance checks of 2023 Q1 claims and archiving evidence. As we expect costs to be claimed in a timely manner, **we will not accept historical costs within your final claims** due to limited resources on the BBO team and time constraints involved in preparing our final claim to the MA.

Projects must ensure that all expenditure claims are up to date by the submission of the 2022 Q4 claim.



Forecasts - As mentioned in our April reminder, projects need to provide realistic expenditure forecasts as the MA have an opportunity to help others benefit from any remaining ESF funding. We are aware of several projects that have longstanding items in forecasts that have been moved forward quarter on quarter without ever being claimed. You need to carefully consider whether these items will be claimed and forecast appropriately.

SDAs - There are a significant number of SDAs being submitted each quarter, the processing of these is a drain on resources for projects, the Fund and the MA alike. If you are in the process of doing work which is generating SDAs please complete it as soon as possible.

Procurement checks - The mobile phone procurement checks started last year are still underway. It is in everyone's best interests to complete this piece of work as soon as possible. Without support from projects to finish these, **any that remain unchecked by the 2022 Q4 claim that have been procured properly will miss the opportunity to be claimed.**

Staff costs - A reminder that staff costs can only be claimed where they have been incurred delivering the BBO project. Projects cannot claim costs for staff employed to support BBO projects but carrying out alternative work.

You may need to transfer some previously 100% staff to being claimed using one of the simplified cost options such as 1720 hourly rate if they no longer spend all their time working on the BBO. This needs careful consideration especially during the final administration quarter when waiting for samples to be picked and tested from your final delivery claim.

Participants - Several projects are reporting 200+ participants that are still engaged on an ongoing basis and likely to be exited into job search towards the end of the project. Projects that closed early found they were unable complete a formal exit for many participants they were "keeping in touch" with. This resulted in performance being lower than expected. With such large cohorts, projects should exit participants that are not actively engaged in project activities. This will ensure they can submit results for those participants, whilst



freeing up resource to work with those who are actively engaged and reduce the amount of administration needed later.

We've recently analysed participant data from all projects which shows 27,204 participants are currently supported (no exit date on Annex L), of which:

- 13,464 participants have been supported for 12 months or more
- 8,750 participants have been supported for 24 months or more
- 4,352 participants have been supported for 36 months or more
- 1,814 participants have been supported for 48 months or more

Your Funding Officer can analyse your Annex L to quantify the number of longer-term participants on your project. You should consider reviewing your Annex L to see if any can be exited earlier to save work during the closure process and perhaps improve results performance for your project.

Any participants you identify as disengaged should have an exit date which reflects their last recorded activity on your project.

Future Funding

Many of you have been asking whether The Fund plans to align its funding in the future with UK Shared Prosperity Fund (UKSPF).

At a strategic level our funding is aligned with government priorities. We are currently undertaking a Strategy renewal which will clarify our priorities for funding for the next few years. However, the ways we distribute Lottery funding through our three main funding products remain:

National Lottery Awards for All - small grants of up to £10,000



Reaching Communities - regional grants of over £10,000, for up to five years for projects that work with their community, whether that's a community living in the same area or people with similar interests or life experiences.

Partnerships funding - grants of over £10,000, for up to five years for organisations that work together with a shared set of goals to help their community thrive, whether that's a community living in the same area or people with similar interests or life experiences.

All of our grants are aimed at voluntary and community organisations. Each application for funding is considered on its own merit, in line with our priorities. More information can be found here <https://www.tnlcommunityfund.org.uk/funding/programmes>.

So, in summary, while our funding is aligned with government priorities at a strategic level, each application from voluntary or community organisations will be considered on a case-by-case basis and there won't be any dedicated funding set aside for match funding or aligning with UKSPF, as there was for ESF.