

Building Better Opportunities



Guide to delivering European funding

Section eleven: Evidence and retention

About this guide

This is just one section in a series of guidance documents that make up the Guide to Delivering European Funding (the 'Guide'). These documents are designed to support you to manage your Building Better Opportunities grant and should be used in conjunction with guidance produced by the Managing Authority and European Commission and does not replace it. This is guidance only and cannot cover all scenarios that grant holders will encounter.

This version of section eleven replaces all those we have previously published. **For the full contents visit our website [here](#).**

The Guide remains under review and is subject to change. It should be read alongside the **Essential Updates** published on our [website](#) and emailed to the lead partner. Essential Updates contain details of any guidance changes, updates, clarifications and reminders. Information will often appear within Essential Updates some time before being incorporated into the Guide.

Summary of changes

February 2020 - for version 7.0 the following updates have been made:

- ✓ Branding has been updated to reflect our name change from the Big Lottery Fund to The National Lottery Community Fund.
- ✓ **About this Guide** has been updated to align with recent changes elsewhere in the Guide and an additional paragraph has been added to remind readers to use it alongside our Essential Updates.
- ✓ **Section 11.1 The importance of retaining evidence** has had the anticipated document retention date updated to 31 March 2034 and reference to the Managing Authority's guidance added.
- ✓ **Section 11.2 is now Responsibilities of the lead partner** containing some information previously included within 11.1 with additional detail added.

- ✓ **Section 11.3 is now Storing evidence safely** which has been updated to align with the information given in **Section six: Participants** (version 11). Considerations for mobile workers and information on reporting potential fraud have also been added.
- ✓ **Section 11.4 is now Electronic data storage** which is a new section included to highlight the Managing Authority's guidance on the subject.
- ✓ **Section 11.5 is now Certification**, a new section which reinforces information provided elsewhere in the Guide.
- ✓ **Section 11.6 is now Data protection - Participant data**, a new section that largely replicates information provided within **Section six: Participants** (version 11) of the Guide with additional information on data breaches.
- ✓ **Section 11.7 is now Types of evidence** which has been updated to incorporate additional information from **Section 14: Grant closure** (version 1) and further examples of documents that should be retained.

May 2017 - Lottery logo updated.

March 2017 - Delayed quarterly update, with updated logo.

September 2016 - Quarterly update, with use of National Insurance number for participant ID, updated Annex K, new Annex Q and revised annexes in Oct/Nov.

June 2016 - This version of the Guide incorporates appropriate comments gained from the consultation review in April 2016.

Any changes to the Guide will be:

- ✓ communicated on our website and on the inside page of each section
- ✓ emailed to current grant holders and highlighted in our programme e-bulletin.

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11.1 The importance of retaining evidence

Lead organisations must retain all documentation associated with the project until at least 31 March 2034, or until we say otherwise.

The Managing Authority and the European Commission could carry out audits on **any** organisation involved in the delivery of the project at any time. An audit can include anything from a spot check of your expenditure to a full investigation of your participant files. This may happen at random, both during the project and for a substantial period after the end of delivery.

We currently estimate that records will need to be retained until **31 March 2034. Failure to retain these records may result in clawback through the Department for Work and Pensions and European Commission audits.** Please check with The National Lottery Community Fund **before** destroying any of the project records by contacting: esf@tnlcommunityfund.org.uk

The full ESF requirements can be found here:

<https://www.gov.uk/government/publications/european-structural-and-investment-funds-document-retention>

If any of the evidence that the Managing Authority or the European Commission requires is ineligible, missing or incomplete, we may be forced to reclaim some or even **all** previous payments.

‘Clawback’ is a major risk to your project and the organisations involved in delivering it. For more information on **clawback** and **verification beyond The National Lottery Community Fund** see **Section four: Payments, claims and monitoring.**

11.2 Responsibilities of the lead partner

As the body directly accountable to us, it is the lead organisation which bears much of the risk. If you are audited years later and haven’t retained the right documentation, all money paid could still be clawed back.

It is the lead organisation’s responsibility to ensure that all delivery partners and sub-contractors keep adequate records. You will need to show that the systems are in place to verify the information provided and held by partners; and ensure that as lead at the end of the project you hold **all documentation.**

We will check your records and evidence throughout to ensure the risks are being managed. We may withhold payments if the evidence you retain is incomplete, inaccurate or unclear. We may also recover funding from you if errors are discovered in any past claims (see **Section four: Payments, claims and monitoring**).

It is extremely important that you do not underestimate the time and resource required to collect, check, report and store evidence.

11.3 Storing evidence safely

To keep your evidence secure, you will need to think about the premises, staff, filing systems and computer systems that will be used across your partnership. For example:

- ✓ You may need to update your policies and procedures, and conduct staff training, to manage the risks associated with handling personal data.
- ✓ You must be ready to respond to any breach of security swiftly and effectively.
- ✓ You will need to take account of the number of staff involved in the project and the extent to which they can access data. Only

authorised people should be able to access, alter, disclose or destroy personal data.

- ✓ You will need to make sure you have the right physical and technical security across the various premises and paper filing systems or computer systems used.
- ✓ You will need to ensure that any personal data held or used by a third party (such as a web-based cloud service) is secured appropriately, bearing in mind current legislation.
- ✓ You must consider the risk of harm that could result from any security breach.
- ✓ You must review storage arrangements for both paper and electronic records carefully in relation to mobile workers.

We'll establish a secure file transfer so lead organisations can send participant information to us. **Under no circumstances should this information be sent to us by email.**

Project partners will need a similar route for sending sensitive information to the lead organisation, which avoids the use of email. It is the responsibility of lead organisations to establish such a service for their partners to use.

You should back-up your records regularly to help mitigate the risk of loss or destruction of key evidence. You must monitor security and legislative requirements during the lifetime of your project and make any amendments to your arrangements as required to comply.

Reporting of potential fraud

To be consistent with organisational policy, we request that grant holders should in the first instance report all potential fraud concerns to The National Lottery Community Fund's central fraud inbox: fraud@tnlcommunityfund.org.uk

Fraud concerns can also be reported through the fraud hotline number which is: 0800 496 9991.

11.4 Electronic data storage

Ensuring that you have an electronic document storage system in place is necessary as many documents are electronically generated and have no paper original. These documents will need to be made available for audit through an electronic data exchange system.

Electronic information must be kept on a secure, commonly accepted data carrier. The underlying computer system must meet accepted security standards which ensure that the documents held meet with national legal requirements.

Electronic documents used as audit evidence must be subject to an adequate system of control over their completeness and validity. These systems of control may be subject to audit.

The required equipment/software to access any data stored electronically must be available up until the document retention date, currently estimated as **31 March 2034**.

Within the Managing Authority's [Guidance on document retention, including electronic data exchange](#), information is provided on the legislative requirements for electronic data exchange. Please ensure that you familiarise yourself with these.

11.5 Certification

Where copies are provided as evidence rather than the original document it must be certified as a true copy of the original by an appropriate member of staff. This is applicable for **all** copies, whether relating to financial evidence or documents within participant files.

Certification must include the following:

I certify that this is a true copy of the original document
Signed
Print Name
Date
Position in organisation
Name of organisation

This is a minimum requirement and grant holders may add to it or include additional procedures in line with organisational processes should they wish.

If electronic signatures are used these must be compatible with Directive 1999/93/EC. Further information can be found in [European Social Fund Programme Guidance](#) and [Guidance on document retention, including electronic data exchange](#).

11.6 Data protection - Participant data

All personal data is subject to the General Data Protection Regulation (GDPR). During the completion of the **participant entry form (Annex H)**, participants will be provided with details of a privacy notice. The privacy notice includes the role of the Department for Work and Pensions as Data Controller for the Building Better Opportunities programme. More information can be found at www.gov.uk/dwp/personal-information-charter.

The National Lottery Community Fund is a data processor.

Responsibility sits with the lead organisation to determine if you are a joint data controller with the DWP. If you are using or collecting personal data for your own purposes outside of the requirements of the DWP, you will be a joint data controller. If this is the case, you will need to prepare your own Privacy Notice considering guidance from the DWP and Information Commissioner's Office. If you are a data processor you can use the privacy notice provided by the DWP.

The DWP as Managing Authority have released a number of [Action Notes](#) to support grant holders. At the time of writing those that are particularly relevant are 018/18, 020/18 and 022/18.

For the latest guidance on GDPR please see the [Information Commissioner's Office](#) website.

Your Privacy Notice needs to be made available to participants on entry and exit to the project. The exit is the trigger for the sharing of participant contact details with the Managing Authority's evaluation team. As discussed in **Section six: Participants**, it is now possible to indicate on **Annex L** when it is not appropriate to pass on an individual's details.

Where participants do not want to participate in the evaluation, they should contact the DWP using the details provided in Action Note 022/18. These details should be included within your Privacy Notice.

Data breaches

If you have an incident that may be a potential data breach you should follow the reporting guidance in Action Note 020/18 Annex C. The reporting is very time sensitive and you should always be aware of these details. This covers the process for the reporting of data breaches on ESF programmes, including timescales. Data breaches must be reported to ESFDATA.BREACH@DWP.GOV.UK

The data breach must be reported to the MA by the partner responsible for the data breach via the address above, copying in

the lead. The lead is responsible for informing the funding officer and keeping them up to date of any further developments and for recording any associated documentation.

Public task

All personal data required for collection by DWP for Building Better Opportunities is collected on a ‘public task’ basis. This means that the processing of data is necessary for performing a task that is in the public interest or an official function and has a clear basis in law.

More information on data collected on a public task basis can be found [here](#).

Anti-fraud

You should of course remain alert to the possibility that false information is being provided in order to access support. Suspected fraud must be properly investigated, and participants must not be allowed to start activity on the project unless you are satisfied that they are eligible.

11.7 Types of evidence

We’ve provided detailed guidance about the types of evidence you need to retain across the Guide. For ease of reference, we have given a summary of key documents over the next few pages. **This list is not exhaustive**, it is likely each project will have additional documentation that needs to be retained to prove eligible expenditure.

Section three: Getting started

- ✓ Evidence collected as part of grant set-up.
- ✓ Grant agreement
- ✓ Project plan

Section four: Payments and monitoring

- ✓ An up-to-date **payment schedule (Annex A)** with copies of all past versions.
- ✓ Details and financial records covering any adjustments made, including money that we have had to reclaim.
- ✓ Any self-declared adjustment requests.
- ✓ Evidence to validate anything you’ve reported to us around the progress of the project.
- ✓ A full record of the changes we have agreed to your project.
- ✓ Reports sent to the Fund including **Progress project reports (Annex B)** covering the full lifetime of the project.
- ✓ Staff lists
- ✓ Partner lists

Section five: Targets and project outcomes

- ✓ An up-to-date **target and project outcome schedule (Annex E)** with copies of all past versions.
- ✓ Accurate participant information from which your output and result targets are derived.
- ✓ A full record of the remedial steps and interventions taken to manage any under-performance, including performance improvement plans.

Section six: Participants

- ✓ Evidence to prove eligibility against the target groups identified on the project outline.
- ✓ Complete participant files, including:
 - a signed participant entry form

- evidence of right to work in the UK, such as a certified copy of a passport
 - evidence of employment status, such as a certified copy of a benefits letter
 - a signed participant progress form that includes a full record of their attendance
 - evidence that a needs analysis, development planning or progress reviews have taken place
 - evidence of progression through the project, such as signed attendance sheets, course notes and submitted work
 - a signed participant expenses, incentives and allowances form for any participant payments
 - details and receipts of any expenses, incentives or allowances
 - a signed participant exit form
- ✓ Disengaged and deceased participant policy.
 - ✓ **Participant monitoring spreadsheets (Annex L)** data.

Section seven: Partners and procurement

- ✓ Up-to-date signed Partnership agreements and Service Level Agreements/contracts, with variations and copies of all past versions.
- ✓ All procurement records, documents and evaluations.
- ✓ Copies of all tender documents, including any quotes.
- ✓ A detailed procurement register and records of all contract management activities that have taken place.
- ✓ A clear trail of all payments and deliverables.

Section eight: Costs and expenditure

- ✓ Evidence that all costs you are claiming for are eligible under ESF guidelines.
- ✓ Appropriate evidence relating to every item of expenditure, including time sheets, payslips and receipts.
- ✓ **Complete audit trail of all financial records** to support all claims including full defrayal back to a bank statement.
- ✓ **Financial reporting spreadsheets (Annex O)** for all submissions.
- ✓ Staff appointment letters and complete evidence to support 1720 hourly rate calculations and timesheets.
- ✓ Attendance sheets for delivery sessions.
- ✓ Procurement evidence.

Section nine: Publicity

- ✓ Full acknowledgement of the funding received from The National Lottery Community Fund and the European Social Fund on all:
 - posters
 - print and electronic materials or publications
 - job descriptions
 - procurement documents
 - websites
 - media and public relations work
 - event, conference or workshop publicity.
- ✓ Evidence of publicity including photos of posters at delivery sites (please include the dates).
- ✓ Screenshots of websites with logos on it (please include the date each screenshot was taken).

- ✓ Awareness from participants of the role of The National Lottery Community Fund and the European Social Fund in the project. The Managing Authority will carry out a survey of a sample of your participants to establish this.
- ✓ Trustee minutes and records related to this project.
- ✓ Organisational and project policies and procedures.

Section ten: Cross-cutting themes

- ✓ Your policies and action plans relating to sustainable development, gender equality and equal opportunities at organisational and project level.
- ✓ Evidence that the lead organisation has led by example and shows a genuine and meaningful commitment by partners.
- ✓ Cross cutting themes monitoring documents and minutes of meetings.

Section eleven: Evidence and retention

- ✓ Your document retention, storage and usage policies.

Section twelve: Projects based in London

- ✓ Full evidence that a result of 'sustained employment' has been met, whether in the form of a phone conversation, survey or meeting. This should be contained in the participant file.
- ✓ Past versions of any templates used when completing the Employability Performance Rating tool, including those done by partners.

Section fourteen: Grant closure

- ✓ Project closure documentation.
- ✓ Archiving processes.

Examples of other documents:

- ✓ Legal advice relating to the project, including state aid advice.
- ✓ Relevant policy documents for the project.
- ✓ Evaluation reports.