

## Guidance on Claiming SDF Grant Funds

### Introduction

1. This note aims to help ensure that the process for drawing down your award is as smooth and straightforward as possible, while ensuring that we have enough information to enable the Strategic Investment Board to fulfil its governance role, and to provide our financial auditors with the information they need.
2. At the outset of the award, we will discuss the draw-down process, covering most of the information on this note: the bottom line is, if in doubt, please get in touch.

### *Format of the Claim*

3. Once the project has started and you have returned the signed funding agreement you are able to start claiming the funds. Claims for awards made since 2017 should be addressed to the Archbishops' Council, which is the body responsible for awarding the funding.
4. Projects funded prior to 2017 may have been funded directly by the Church Commissioners, in which case claims should be addressed to the Commissioners. If in doubt, please get in touch as to which body your claim should be addressed to.
5. To help us be clear on the breakdown of the payment, please submit all claims on the covering Grant Claim form alongside your normal invoices, this helps to ensure that our records reconcile with yours over the lifetime of the projects. Please also attach a breakdown showing how the amount claimed on the cover sheets has been reached, this can be in the form of your management accounts, budget and actuals, or another format. For large expenditure (e.g. building works) we will require further evidence of spend, such as suppliers quotes or invoices. For further details on this, please see the 'Proof of Spend' section.

### *Timing and Frequency of Claims*

6. Most dioceses draw down quarterly, in arrears, which is our preference. We can pay quarterly in advance, if the size of the claims and your cashflow means that payment in arrears would cause you a problem. If payment is made in advance and the actual costs change during the quarter, it should be reconciled in the next claim.
7. We can accommodate additional one-off payments if large sums are involved e.g. for refurbishment works: if this is the case, please speak to us as soon as is practical beforehand. (For any claim over £100,000 we will need to give our Treasury colleagues a week's notice.)
8. With some projects, the Strategic Investment Board has requested that payments should be more closely linked to project progress, e.g. against mutually agreed milestones. In some cases – particularly during the early stages - it may be more appropriate to use inputs and outputs as a means of measurement, such as recruitment or progress on building works. If this is the case with your award, we will discuss it with you at the time the award is made.

### ***Identity of the Grant***

9. As the breadth of projects awarded by the Strategic Investment Board increases, alongside several Dioceses having multiple projects underway, it is important that we can easily identify the project that the claim is submitted for. For clarity in our communications, please ensure that you include our reference number for your project, as illustrated in the Appendix, on any claim submitted.

10. It is also helpful to include your short project title; such as 'SDF – Mission Action programme' or 'SCF – Programme Manager'. Appendix 1 lists all the project titles as they are currently on our records.

### ***Proof of Spend***

11. As set out in the funding agreement, for audit purposes and transparency, we require proof of spend prior to any claim being paid, to illustrate that the project has commenced and that the funding is being spent as agreed in the grant award. The forms of proof which can be provided include:

- a) For employment costs, please provide the first and last pages (including name, signature and date) of the relevant employment contract. We will hold these securely and in accordance with our GDPR policy. Please let us know if the individual for whom the claim was originally submitted has left your employment. This will enable us to destroy any personal details that are no longer required. All employment contracts held by us will be destroyed at the end of the grant period.
- b) For those paid through the clergy payroll, a name is sufficient as we can cross-check details against Crockfords.
- c) For contracts, capital items and consultancy over £1000, please provide an invoice.
- d) Where a large capital cost (e.g. as part of a refurbishment) necessitates payment in advance, we can provide funds against a quote.

12. You do not need to provide evidence for 'on-costs' associated with employment such as National Insurance, pension contributions, office overheads or travel and subsistence.

13. If circumstances change and you wish to use the funds, or a proportion of the funds, in a manner not outlined in your initial application or budget, please contact us to discuss a variation. Please do not reallocate the funds without seeking written authorisation.

### ***Cash flow estimates and year-end process***

14. We monitor your total claims against the grant award, based on cash-flow projections included in your project plan. This enables us not only to monitor the progress of your project but also to plan our cash position.

15. If you envisage a claim for payment to exceed your initial cash flow estimate for any given year, please get in touch with us at your earliest opportunity to discuss this before submitting the claim to avoid any delay in payment.

16. Whether your project is ahead or behind the original schedule, you will need to send us revised estimates for claiming the remaining funds before the end of our financial year in

December. Please indicate how much you estimate to claim each year over the remaining life of the project (we assume this would be done as part of your regular budget monitoring/ reforecasting routine). Please send the revised cash flow by the end of October (i.e. after the end of the third quarter).

***The deadline for submitting claims for 2021 is Friday 3<sup>rd</sup> December.***

17. Invoices received after that date may be processed and paid in January the following year. This is to enable us to process all the claims and guarantee payment before the end of the financial year, allowing for the Council's own end of year processes.

### ***Auditing requirements***

18. Your grant is awarded for achieving the outcomes stated in your grant application, and according to the terms of the Funding Agreement, and should be classed as restricted funding and identified in your Annual Accounts as Restricted Funding.

### ***Getting in touch***

19. We manage everything electronically – please do not send hard copies. Please e-mail all claim material to [SDUgrantclaims@churchofengland.org](mailto:SDUgrantclaims@churchofengland.org)

20. In order to help us keep track of the increasing quantity of invoices being submitted, and with many dioceses having multiple awards, please reference your grant code in the subject of your email- this is the code you use on the cover sheet, Please also put in the header what period the claim your submitting covers- EG 'AC0003 27367 Quarter 4 2020'.

21. If you have any questions on any aspect of this guidance, please get in touch with David Jennings at [david.jennings@churchofengland.org](mailto:david.jennings@churchofengland.org) or Emily Mangles at [emily.mangles@churchofengland.org](mailto:emily.mangles@churchofengland.org).

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January 2021