

# CLAIMING YOUR PEACE III GRANT



## ADVICE NOTE

17 NOV 2010

**Lisburn-Castlereagh  
Peace III Partnership**



**European Union**  
European Regional  
Development Fund  
Investing in your future

**Lisburn-  
Castlereagh  
PEACE III  
Statutory Joint  
Committee**



**LISBURN CITY COUNCIL**

**THE ISLAND CIVIC CENTRE**

**THE ISLAND**

**LISBURN**

**BT27 4RL**

# Claiming Your Grant

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## *Advice to Lead Partners on the submission and payment of claims*

### **Background**

The Lisburn-Castlereagh PEACE III Partnership manages, for the Special EU Programmes Body, the local element of Priority 1.1 PEACE III Programme: “Building positive relations at the local level”. Lisburn City Council is the lead partner council for the Lisburn-Castlereagh PEACE III Partnership and has local responsibility for the administrative, financial, technical and physical verification of all claims for grant within Priority 1.1.

The purpose of this note is to advise you, as a lead partner, on how to submit your claims for grant aid against expenditure incurred.

### **Your responsibilities**

Lisburn City Council has issued letters of offer to the lead partner, who is responsible for:

- compliance with any conditions contained in the letter of offer.
- to prepare a claim for expenditure on behalf of the operation for which they are responsible
- To review and validate all expenditure items, incurred by themselves or by their partners, to ensure they are eligible under EU Regulations and have been properly incurred solely for the purpose of the project (see SEUPB guidance note 6 called “Guidance on Eligibility of Expenditure”, available on the SEUPB website)

All the relevant SEUPB Guidelines are downloadable from [www.seupb.eu](http://www.seupb.eu) . The Guidance Notes of particular relevance are:

SEUPB Guidance Note 4 on Procurement and Tendering G4/PIII

SEUPB Guidance Note 5 on Information and Publicity G5/PIII

SEUPB Guidance Note 6 on Eligibility of Expenditure G6/PIII

SEUPB Guidance Note 7 on Payments G7/PIII

SEUPB Guidance Note 12 on Monitoring, Reporting And Evaluation G12/PIII

### **Submitting your claim**

#### **On-line**

The SEUPB has developed System 2007 to enable expenditure claims to be compiled electronically directly into the web based database. Most projects will be required to use this system for claims preparation and are required to familiarise themselves with the operation of all the relevant sections of the database.

Projects which have only one programme /activity have been set up on System 2007 as a Standard Project. These projects can access the web based database through the public user website [www.eugrants.org](http://www.eugrants.org). (You used this to submit your Part A application). A system user manual is available on line at the SEUPB web site under the 2007-2013 Programmes section and can be accessed under the practical project guidelines / guidance notes / manuals section. (Section 9.6 of the manual details the steps to be followed by the lead partner using the public user route to prepare and submit an expenditure claim.) The Grants Officer or the Project Development Officer can provide advice when you are submitting your first claim.

As far as possible each item of expenditure is entered individually into the database against the appropriate budget heading. If more than one partner is incurring expenditure under a particular project, the Lead Partner must create separate claims for each partner involved in the project. This arrangement will assist the lead partner with its arrangements for reimbursing partners in the project and will also result in the ease of payment by Lisburn City Council.

Before the project claim is submitted, it is the lead partner's responsibility to satisfy itself that all expenditure, including claims they have received from partners or beneficiaries (final recipients), is eligible and must carry out all necessary checks to ensure the validity of the claims.

Once the claim has been submitted on the database, the Lead Partner must complete the Declaration by Lead Partner (Appendix A) for each claim period to confirm that they have conducted a check of all original documentation that relates to claims by final recipients. As a minimum this statement must be signed at Director level or equivalent.

The signed declaration and relevant claim prints should be sent to

Peace III Secretariat

Leisure Services Department

Lisburn City Council

The Island Civic Centre

Lisburn

BT27 4RL

### **Hard copy**

With the agreement of the PEACE III Secretariat, Lead Partners can request that the Secretariat enters their claim detail on-line, on behalf of the Lead Partner. However this may result in delays in payments being made by Lisburn City Council, due to the extra claim processing time required. In any case, the Lead Partner must still complete and submit to the Secretariat the claim forms (Appendix B) and declaration form at Appendix A, before the claim can be processed. MS Word versions of these forms can be downloaded from the Lisburn City Council web-site [www.lisburncity.gov.uk/peace3](http://www.lisburncity.gov.uk/peace3)

*Claims will not be processed until all pre-payment conditions in your letter of offer have been met and any due monitoring reports have been received.*

## Prepayment Verification Checks

On receipt of a signed declaration the Grants Officer in the PEACE III Secretariat will make contact with the Lead Partner to arrange a suitable date for a prepayment verification visit. The purpose of the visit is to conduct an inspection of the supporting documentation for each item of expenditure included within the Lead partner claim. Please note that a prepayment verification visit will be conducted by the Secretariat on both Lead Partner and Project Partner expenditure.

It is the responsibility of the lead partner to make available, all documentation and evidence related to the expenditure claim and any other documentation which has been requested in advance, in preparation for the planned visit. If the verification visit is to be conducted on Project Partner expenditure, the Secretariat will make arrangements through the Lead Partner. A fundamental requirement of the verification process is the examination and vouching of each individual item of claimed expenditure against the original accounting and other supporting documents. Missing or incomplete documentation which cannot be fully verified during the course of the visit will result in that expenditure being rejected from the claim, as it will not be possible to stamp the original documentation. Such items may be included in a subsequent claim if the document defect can be rectified. At the first claim, the verification will also cover audit and compliance checks on all aspects of the project, the conditions of grant and the requirements of the letter of offer.

Secretariat staff carrying out the prepayment check will require the use of suitable office accommodation and use of photocopy facilities during their visit. They may also require assistance from the appropriate project staff to answer any queries which arise during the verification process. If access to a photocopier cannot be provided at the Lead Partner Premises, the Grants Officer will collect the original documents for processing back at Lisburn City Council; a receipt will be provided and the original documents will be returned to the Lead Partner by registered post.

Following the verification visit, the Grants Officer may request further information if required, otherwise a Verification Checklist will be issued to the Lead Partner in due course.

As each line of the expenditure claim is examined it will be accepted in total, part accepted or rejected, in accordance with the rules on eligibility, regularity and legality as determined by the European Commission and Member State Authorities. Whenever the claim verification process is complete the Grants Officer will then submit the aggregate value of approved items for payment. The claim will then be reviewed, approved for payment and forwarded for authorisation by the Programme Manager.

The Verification Checklist will set out the findings arising out of the verification process. It will make particular reference to those items contained within the claim which have been rejected in part or in whole as being ineligible for grant aid under EU regulations. The checklist will be forwarded to the lead partner's authorised officer for information purposes.

The amount duly authorised by the Programme Manager will be forwarded via the Director of Leisure Services, Lisburn City Council to the Finance Department in Lisburn City Council who will be responsible for making payment of the amount due to the lead partner. It will be for the lead partner to reimburse the individual partners the appropriate amount. Please note that a remittance advice will be issued by Lisburn City Council to the contact person detailed on System 2007 once a payment has been processed for payment.

## Documentation

It is the responsibility of the lead partner to ensure that all the necessary original documentation is available to enable the vouching of expenditure to be undertaken. The documentation must be presented in an ordered file in accordance with the individual items as set out in the electronically prepared claim. This is essential for the efficient vouching of a claim, documentation which does not conform to this requirement may result in the entire claim being rejected and returned to the lead partner for resubmission.

In addition to original payroll documentation, original supplier invoices, original staff travel and expense claims, there will be a requirement, depending on the circumstances, to see all supporting documents to verify the legality and regularity of the claimed expenditure. The following is a list (not exhaustive) of the most common supporting documents.

- Evidence of adverts being placed in newspapers etc.
- Contracts of employment
- Pay award circulars
- Timesheets (where staff are not employed 100% on the project)
- Hospitality forms
- Attendance records
- Meetings records/minutes
- Travel and subsistence policy and rates
- Tender documents as prescribed in the SEUPB Procurement Guidance Note 4.
- Apportionment calculations

## Common Pitfalls

- VAT

It is imperative that VAT is only included in the eligible cost when it is not recoverable.

- Budget Headings

Expenditure must be recorded against the approved budget heading. Care must be taken when inputting claim lines to ensure this happens and that budget line allocations are not exceeded, if necessary; clarification should be sought from your Project Development or Grant Officer.

## Requesting a payment in advance

Normally all claims under PEACE III will be paid in arrears. However in exceptional cases, Lisburn City Council may consider requests for an advance to be made on the grant offered. Advance payment requests can only be made for up to 30% of the total project budget as awarded. The following documents must be submitted with this form:

- Updated Spend profile for project
- Updated Procurement Plan with quotations/tenders for any items over £200 which are to be covered by advance

Please note that if your request for an advance payment is successful you will be required to repay any advanced monies from future payments, as soon as possible, on a proportionate basis to be agreed with Lisburn City Council. The example below gives an illustration of how an advance of £9,000 against a total grant of £30,000 would be paid back over a 3 claim period. This is the slowest payback schedule which can be approved.

An advance request form is attached at Appendix C. MS Word versions can be requested from the PEACE III Secretariat.

## Contacting us

If you have any queries on this advice note or on submitting your claim contact the PEACE III Secretariat at:

[Peace3.admin@lisburn.gov.uk](mailto:Peace3.admin@lisburn.gov.uk)

028 9250 9560

Queries on your claim should be directed to the Grants Officer (Kevin McGlennon)

Queries on your letter of officer and monitoring reports should be directed to the Project Development Officer (Alistair Charles)

Mark Lusby

Programme Manager (Temp)

PEACE III Secretariat

Lisburn City Council

This advice note was adopted by the PEACE III Partnership and Statutory Joint Committee on Wednesday 17<sup>th</sup> November 2010

# Appendix A

## Lead Partner Declaration Form

<b>Project Ref No.</b>	
<b>Lead Partner/Partner</b>	
<b>Period Covered (Month or Quarter) and Year</b>	

I hereby declare that the expenditure detailed in this claim has been incurred and paid solely for the purposes of the approved project in accordance with the terms and conditions of the letter of offer dated \_\_\_\_\_ and in full compliance with the relevant EU and national regulations governing this project and in accordance with the programme guidance issued by the SEUPB.

### Summary of claim:

Attached Sheet Number	Eligible Portion of Goods or Services		
	Net	VAT	Total
TOTAL			

CLAIM PREPARED BY:	
BLOCK CAPITALS:	
POSITION	
DATE:	
CLAIM AUTHORISED BY:	
BLOCK CAPITALS	
POSITION (must be at least Project manager, Director or Chairperson level)	
DATE:	

# Appendix B

## *Details of Expenditure Claim Form*

Project Ref No.	
Lead Partner/Partner	
Period Covered (Month or Quarter) and Year	
Budget Heading in Letter of Offer	

Line No	Payee	Description	Invoice No.	Invoice Date	Payment Date	Payment Ref.	Full Cost of Goods or Services			Eligible Portion of Goods or Services			VAT Included as Eligible Y/N	
							Net	VAT	TOTAL	Net	VAT	Total		
TOTAL -Amount being claimed to be taken forward to the declaration form														

# Appendix C

## ADVANCE REQUEST FORM

Peace III Project Reference No.	
Name of Organisation	
Project Name	
Funding Awarded	
Advance Amount Requested	

Advance payment requests can only be made for up to 30% of the total project budget as awarded. The following documents must be submitted with this form:

- Updated Spend profile for project
- Updated Procurement Plan with quotations/tenders for any items over £200 which are to be covered by advance

### Rationale for Advance Request:

Type here
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### Advance Repayment Schedule

Please note that if your request for an advance payment is successful you will be required to repay any advanced monies from future payments on a proportionate basis to be agreed with Lisburn City Council. The example below gives an illustration of how an advance of £9,000 against a total grant of £30,000 would be paid back over a 3 claim period:

Payment No.	Description	Calculation & Amount
Payment 1	Advance payment	e.g. £9,000
Payment 2	First claim less 33.33% of advance payment	e.g. £10,000 (eligible claim) - £3,000 (1 <sup>st</sup> 33.33%) £7,000 balance due
Payment 3	Second claim less 33.33% of advance payment	e.g. £10,000 (eligible claim) - £3,000 (2 <sup>nd</sup> 33.33%) £7,000 balance due
Payment 4	Third claim less remaining 33.33% of advance payment	e.g. £10,000 (eligible claim) - £3,000 (3 <sup>rd</sup> 33.33%) £7,000 balance due

### Submission of Advance Payment Request

I have read and understood the terms of the repayment schedule and can confirm that the Organisation does not have sufficient reserves to begin the project and as such requires an advance

Signed and Dated on behalf of the Organisation (should be endorsed at Director/Chief Executive/Principal Officer level):

Approved November 17 2010