

# Frequently Asked Questions from the workshops

## Finance & Procurement Queries

**Q1:** If an organisation is a partner in a project what's the cash or in-kind contribution rate?

**A:** NRW will contribute a maximum of 50% towards the total project costs, the remaining 50% needs to be match funded. The lead partner must contribute 10% clean, unrestricted funds towards the total project cost. There is no fixed contribution rate from other partners, but to be a partner, the organisation must make a *net contribution* to the project. A maximum of 40% of total project costs may be match funding in-kind

**Unrestricted funds :** *Funds that belong to the organisation and are able to spend as they see fit with no restrictions on how they spend the funds.*

**Clean funds :** *Funds which are not already being used to match fund another project or belong to another funder.*

**Q2:** How secure must match funding be at the Eol stage?

**A:** At Eol stage we don't expect you to have your match funding package in place. However, if you progress to Full Application stage and your application is accepted, you will not be able to submit a claim until you have demonstrated that your match funding is in place.

**Q3:** Are there any organisations that aren't eligible to apply?

**A:** Businesses and private enterprise cannot be the lead partner however they could contribute cash or in kind match funding. They cannot make a profit from the project. If they want to be paid for their services, then they are a supplier to the project and must be procured in line with public procurement rules.

**Q4:** Would WG funding count as 'clean' match, and if it is, would the lead applicant be able to use that as their 10 % cash contribution?

**A:** WG would need to approve the use of their money as match funding for the NRW project, however WG money can only make up part of the 40% match funding, the lead partner will need to provide 10% of total project costs from their own clean funds. Any projects submitted with WG money as 'match' will have to be looked at individually by Finance to ensure no dual funding and good use of public funds with no state aid implications.

**Q5:** The 10% cash contribution – does it have to come from an organisations own cash, grant or can donations be used?

**A:** This contribution would have to come from the organisation's unrestricted, clean funds not from a grant provided by another organisation, unless the grant is a contribution to the organisation's funds without any caveats. Staff time as a contribution is eligible, however staff time that is being claimed as a payment form the project will be subject to recruitment and procurement rules so is not eligible unless under 5k.

**Q6:** What's the minimum and maximum that projects can apply for?

**A:** The minimum project value is £20k, there is no maximum level - but to apply for the full £3million the project would have to be exceptional.

**Q7:** Could match funding from other grant funding be used as leverage for this? This would be for money given specifically for this purpose.

**A:** The 10% must be unrestricted, clean funds. We would look at this on a case by case basis to ensure no dual funding and would need confirmation from the other grant funder that the funding could be used for this purpose and as part of the 40% match for the NRW funded project.

**Q8:** Staffing. Can we use the money to part fund a post? And if so, would we need to advertise it externally?

**A:** You would have to prove the time spent on the project through timesheets and directly for the project. The post must be offered through fair and open competition. You would also need to evidence what the person would do while not working on the project i.e. prove additionality.

**Q9:** The consents, planning costs etc that the applicant may incur prior to submitting the application, can they be claimed back or used in-kind?

**A:** No, expenditure prior to commencement of the projects is not eligible. These are the responsibility of the applicant.

**Q10:** If we want to use money and time from farmers as match funding, we may only get this half way through the project – can we use it as match?

**A:** Money and time from farmers is eligible as part of the 40% match however it must be costed and the match funding needs to be in place and confirmed before your first claim, therefore you would need to find match from other sources or cover the costs until the match from the farmer is received.

**Q11:** Is time allocated by trustees to a project eligible as Match Funding

**A:** Yes, if it is a direct project cost or at the relevant volunteer rate (i.e. if their work directly contributes to the project) but not if it is time allocated to fulfilling their general trustee role. You would need to prove the work is additional to the general role (through timesheets) and we would only expect a minor input from trustees.

**Q12:** Can we use NRW funds to match an Interreg project?

**A:** Yes, subject to our usual selection and due diligence process. You would need to obtain confirmation from Interreg that they would accept the funds as match.

**Q13:** Can NRW provide guidance on liability for the lead organisation?

**A:** The liability is with the lead partner not NRW, this will be clearly laid out in the offer letter terms and conditions that you will need to accept. NRW can provide a template to help you draw up an agreement with your partners.

**Q14:** If we put in multiple Eol's do we still need a 10% contribution for each Eol and does each one need to be £20K or over?

**A:** Each EOI is treated separately and therefore must meet the criteria for eligibility which is 10% from the lead Applicant towards the project. e.g. An Eol with a project cost of 20k will need £2,000 contribution from the applicant. It may be worth considering whether it is one project with 2 elements, where one EOI would be required or whether it is 2 separate projects which will need 2 Eol applications.

**Q15:** Why do lead partners need 10% cash contribution – this is very restrictive.

**A:** To clarify, the 10% contribution needs to come from unrestricted, clean funds that belong to the lead partner to use as they will. This is to ensure the financial viability of the lead organisation to lead the project. If you are unsure whether your match funding meets this definition, then please get in touch

**Q16:** Staff costs – do we need to prove that the staff involved in the project have been recruited specially?

**A:** If using staff time as match then you do not have to recruit staff specifically to the project, however you must prove additionality through timesheets. If you are claiming staff time i.e. using NRW grant (public funds) to pay for the staff time then the role must be advertised specifically for the project and recruited in line with equal opportunities.

**Q17:** What's the difference between collaboration and procurement

**A:** When putting your project together you may think that you would like to work in partnership with another organisation, working in partnership can bring multiple benefits however it is important to consider whether this relationship is a partnership or if it is in fact a procurement.

### **Procurement- paying for goods or services**

If an organisation or the lead is delivering goods or services for the project, and is expecting payment rather than their contribution towards the project then it is a procurement. As public funds, any goods or services bought with this grant money must follow public procurement rules in line with the terms and conditions of your grant offer . You must demonstrate open competition, transparency and that you have considered value for money when awarding contracts. Public procurement threshold are as follows:

Under £5K – One written quote

Over £5k – Three written quotes

Over £25 – Tender exercise (Sell 2 Wales)

## **Partnership- contribution to a project**

To work in collaboration, each party must contribute towards the project whether that contribution is cash or staff time. Partners are not paid a price for their services, they are reimbursed for the actual costs incurred for the project following procurement or recruitment processes. Existing staff time would be part of their contribution to the project.

**Q18:** Public procurement rules require a 12-week minimum procurement period - that is too long for this round.

**A:** Please note the public procurement thresholds:

Under £5K – One written quote

Over £5k – Three written quotes

Over £25 – Tender exercise (Sell 2 Wales)

A formal tender exercise is only required for purchases which are over £25k

**Q19:** If a commercial organisation is contributing to a project with cash – can this be used as Match Funding?

**A:** Yes. However, must be careful to ensure that the private organisation does not benefit financially from the project.

**Q20:** What is the liability of lead partners for maintenance and assets if one of their partners goes into administration?

**A:** The liability is with the lead partner. However we can provide a template to help draw up an agreement if necessary to ensure that such issues are covered in the event that this happens.