



Scotland Funders'  
Forum

## Grant monitoring – what to do if things go wrong!

### Who we are

The Funders' Forum Frontline grew out of the Scotland Funders' Forum - a chief executive group which brings together the widest ever grouping of private and public funding agencies in the country to share information, learning and best practice. The Funders Forum Frontline was set up in 2006 and is made up of representatives who operate at the "funding coalface" and we work on practical ways to improve the funding landscape for funders and applicants alike. Membership of the group includes a wide range of Scottish funding bodies including the Big Lottery Fund, Comic Relief, Forward Scotland, Heritage Lottery Fund, Laidlaw Youth Trust, Lloyds TSB Foundation, Robertson Trust, Scottish Community Foundation, Scottish Government, Scottish Local Authorities External Funding Officers Group (SLOG), Social Investment Scotland, Robertson Trust and Voluntary Action Fund. The group meets approximately four times a year.

### Why this help note?

The Funders' Forum Frontline wants to change the perception among grant recipients that funders are unapproachable and inflexible. We have put together this help note to promote the idea that funding organisations are keen to work with their grant recipients to help solve problems if they occur during the course of a project. From staff retention to legal issues, and from market forces to difficulties raising match funding, most issues can be resolved if you pick up the phone and discuss the problem with the funder.

### Case studies

Here are a few examples of how grant recipients and funders have worked through a shared problem to agree a solution and achieve a successful outcome. We hope these case studies will inspire you to have an open and honest dialogue with us. It is important to stress that when we supported your application it is because we liked your project and we believed you can deliver what you said you would. However, as funders we know that projects don't always go as planned, so remember – a problem shared is a problem halved! The case studies are based on real examples and they have been provided by different funding bodies.

#### Case Study 1 (Internal communication)

The problem: "We awarded a grant to a small community group to paint a mural and produce an exhibition about the history of the local area. Two months prior to the scheduled completion, we were informed that the project officer had left and the remaining members of the group were unclear what to do to complete the project. Work had begun on the mural, but no progress had been made on the exhibition."

#### The solution:

"When the Grants Officer visited the project to gauge progress, he provided the grant holder with a photocopy of the original application and explained what needed to be done to meet the requirements of the grant. He also put the group in touch with a local heritage organisation that could provide support to put together the exhibition and extended the grant timescale to allow completion of the project."

### Case Study 2 (Match Funding)

The problem:

“A condition of our grant to a mental health organisation was that match funding be secured within the 3-year grant period. The project contacted us after year 1 to advise that some funders were unwilling to fund the project without evidence of income from the local authority or health board.”

The solution:

“We met with the organisation to discuss the difficulties and possible solutions, which included (a) a discretionary grant for specialist fundraising support, (b) withdrawal of our match funding condition and (c) an additional extraordinary grant to underwrite year 2 costs. It was agreed that option (c) would provide breathing space to enable the pursuit of match funding and would only be released if there was a shortfall. We also endorsed the organisation's funding applications to the statutory funders.”

### Case study 3 (Staff Retention)

The Problem:

“We awarded a 3-year grant to a voluntary group in a remote part of Scotland, part of which was to support a part-time post. We advised the group to include relocation costs, which were not in the original budget, to broaden the pool of candidates for the post. The post was filled by someone from the mainland who left after three months. The job was re-advertised twice and a local candidate was eventually appointed. However, they soon moved to a full-time post within the same group.”

The Solution:

“Working closely with the group, the job description was changed to make it more attractive to local candidates and the position was filled. Sometimes you have to make the job satisfy the needs of the available labour market in addition to those of the project. We were only able to help develop a solution because the group kept us informed.”

### Case study 4 (Market Forces)

The Problem:

“We funded a computer recycling scheme to divert waste from landfill, create training opportunities and provide low-cost IT equipment. While the first two aims were well ahead of target, sales income was significantly lower than projected due to the public's reluctance to purchase second hand equipment and older designs.

The Solution:

“We recognised the projected shortfall in sales income would largely be offset by the reduced requirement for expenditure on software, replacement parts and salaries. While this would result in a lower number of households being provided with a PC, the number of units and tonnage of waste diverted from landfill would exceed the original targets by a factor of more than two.”

### Prevention is better than cure

We recommend you minimise the risks by planning ahead. Follow these top tips to prevent problems arising once the project has started:

- Write a project plan covering all the main project activities, timescales, and resources required;
- Make sure that roles and responsibilities are set out right from the start;
- Remember to include contingency in your project budget for re-advertising jobs etc;
- Keep a copy of the budget handy and review cost headings regularly;
- Ensure your procedures for handling money are written down;
- Know who your contact is at the grant making organisation and remember to read the monitoring forms so you know how often progress reports are due and what the procedures are for drawing down the grant.

**Remember, if difficulties arise – contact your funder immediately!**