

Catalyst: Evolve

Grantee guidance on reporting and payment claims

Please read this document in conjunction with the following:

[Catalyst: Evolve programme guidance](#)

[Catalyst: Evolve Payment claim and interim progress report](#)

[Catalyst: Evolve Activity report form](#)

1. Introduction

The Catalyst: Evolve programme is a new £17.5million initiative supporting organisations with a limited track record in fundraising to enable them to attract more private giving. Organisations have been awarded grants of between £75,000 and £150,000. You can view and print our guidance for applicants [here](#) to find out more.

The aim of this fund is to enable more private giving to arts and culture. It will do this by supporting organisations that have recently begun to fundraise to achieve step change in their ability to earn philanthropic income through organisational development activity and match funding to incentivise new giving. Detailed programme outcomes are set out in the Catalyst Evolve applicant guidance.

All funded organisations will also be required to actively participate in a programme evaluation led by an external independent consultancy on behalf of the Arts Council.

2. Organisational development activity payment

You should have received the full amount of grant intended to fund Organisational development activity as your first payment. Related activity may include – but is not limited to – the following:

- supporting training and development
- investing in fundraising capacity
- developing new appeals and campaigns
- investing in new systems

This approach is intended to enable you to develop a successful and sustainable fundraising model that will continue to generate philanthropic support beyond the end of the grant programme. If you are investing in an additional fundraising role as part of this activity, you should consider how you will sustain this capacity once your grant comes to an end.

As part of every payment claim, you must provide a brief report which provides a summary update of your development activity, its impact across your organisation (including your Board) and any future activity plans.

3. Claiming a match funding payment

3.1 Eligible match funding

Eligible match funding may include philanthropic donations from individuals, trusts, foundations and businesses, as well as corporate sponsorship. We will make a judgement based on the following guidelines:

- Has the donation been secured after 1 Sept 2016 (start of the Funding Period as defined in the offer letter) and banked before 31 August 2019?
- Is the donation the result of a direct relationship with the funder?
- Does the donation represent 'new funding' which has been incentivised by your Catalyst: Evolve grant?
- Is the donation likely to result in your organisation developing a direct and sustained relationship with the funder (as opposed to a one-off donation) which will contribute to a 'step change' in your philanthropic strategy?

3.2 Ineligible match funding

We don't consider the following to be eligible sources of match funding:

- Gift Aid
- pledged funding (funding needs to have been secured and banked to be eligible)
- earned income
- in-kind support
- gifts of shares (unless converted into cash)
- income from universities
- income from other public funders (e.g. Heritage Lottery Fund, local authorities)
- funding that cannot be evidenced as having been incentivised by Catalyst: Evolve
- donations which have significant tangible benefits which are subject to VAT (e.g. membership schemes – unless it is clear that a proportion of the membership fee is a 'philanthropic donation' in which case only this proportion would be counted as eligible match funding)
- funding that is not the result of the organisation developing a direct relationship with the funder (e.g. funding collected in aid of and distributed by Children in Need, Comic Relief etc)
- funding that is unlikely to result in the organisation developing a direct and sustained relationship with the funder (e.g. a one-off award from an annual art prize)

Organisations should be aware of the VAT implications associated with membership schemes, fundraising events and corporate sponsorship and seek expert advice where appropriate. Arts Council England is not in a position to provide VAT advice.

It is expected that organisations will initiate appeals and campaigns throughout the project length that may not always realise donations during the grant funded

timescale and therefore not be eligible for matched funding but will further contribute to the future sustainability and resilience of the organisation.

3.3 Completing the *Payment claim and interim progress report*

Payment claims must be made in line with the Payment Schedule dates and match funding targets in your funding agreement (or as agreed with your Relationship Manager). Match funding payments will be paid at a 1:1 ratio.

For each payment claim, you should complete every section of the *Payment claim and interim progress report* to provide an update on your activity and progress towards meeting your match funding targets. This includes:

- summarising your organisational development activity and its impact to date including any changes to your project since your application
- setting out your achievements and lessons learned to date
- identifying fundraising risks and the mitigation of these risks
- itemising every single eligible donation of over £5,000 that you've received during the claim period as part of your payment claim
- highlighting any other issues or points that the Arts Council should be aware of
- typing the name, position and date of the authorised staff member in the declaration section

You will then need to email the completed form - *together with an electronic copy of your bank statement clearly showing that the stated match funding necessary for this claim has been banked* - to your Relationship Manager. It is your responsibility to ensure that all payment claim documents and evidence are legible and clear.

4. Claiming your final payment

As part of your final match funding payment claim, you will need to complete and submit the following (as per the payment schedule set out in your funding agreement) to your Relationship Manager:

- Progress report and payment claim form
- Proof of match funding (i.e. electronic bank statement showing that the match funding has been banked)
- Activity report form

Please note that all grant activity and matched funding claims must be completed no later than 31 August 2019 and that no extensions will be possible.