



MK Gallery Building

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NATIONAL LOTTERY PROJECT GRANTS INFORMATION SHEET

Building projects

Arts Council National Lottery Project Grants is our funding programme for arts, museums and libraries projects.

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THE NATIONAL LOTTERY®

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What's Inside

This Information Sheet provides **additional information** for your Arts Council England's National Lottery Project Grants application.

We have a glossary on the final section, which explains some terminology we use in this document.

Make sure that you have also read the main **Guidance for Applicants**. See our [website](#) for more information about Project Grants.

In this information sheet, we will talk about the following:

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Building projects and Project Grants

To enable us to deliver our strategy Let's Create and its Outcomes, we can support the development of buildings that improve the quality of experience for creative and cultural practitioners, partners, workforce, volunteers, visitors and participants in the cultural sector.

This information sheet covers activity relating to building work and sets out when you need permission to apply from us. If your application includes buying equipment or vehicles, please see our **Buying Equipment and Assets** information sheet. You can find this in the 'Types of projects' section of our [Guidance library](#).

What is a Building project?

We define a building project as:

Costs towards the purchase of freehold or leasehold buildings or any type of building work that is required to comply with statutory approvals, such as building or planning regulations.

This includes replacing fittings such as external windows, external doors, roof ventilators, roof lights, curtain walls or installing services such as heating, hot water, ventilation and lighting.

The main statutory approvals and consents are:

- building regulations
- outline planning permission
- full planning permission
- listed building consent
- change of use
- conservation area consent
- lawful development certificate

You should seek appropriate advice to ensure you understand the approvals and consents required to undertake your project.

Who can apply?

To be eligible to apply for a building project, you must apply as **an organisation** as defined in the Guidance for applicants. You can find the guidance on our website.

We cannot accept applications for building projects from individuals.

Permission to apply

If your application is:

- for £30,001 or over and
- includes purchasing a building or building work as defined in this document.

You will need to contact us for permission to apply. To do this, you need to [complete the building permission to apply form](#) on our information sheet webpage. You can find this in the 'Permission to apply' section of our Project Grants guidance library.

What you can apply for

Project Grants can support applications where the total building work and/or the purchase of a building costs up to £100,000.

We can consider supporting:

- refurbishing, modernising or extending existing buildings for creative or cultural purposes.
- replacement of building fittings such as but not limited to:
 - external windows, external doors, roof ventilators, roof lights, curtain walls
- installation of services such as, but not limited to:
 - heating, hot water, ventilation and lighting

- improving access to and enjoyment of creativity and culture
 - For example: undertaking works to cultural buildings to install Changing Places facilities, accessible toilets, ramps, lifts, and signage that meet best practice guidelines
- increasing the environmental performance of cultural buildings
 - For example, installing, or retrofitting sustainable technologies, environmental monitoring systems or upgrading existing building fabric to enhance thermal performance
- public realm improvements such as:
 - pedestrian access to support outdoor cultural events or festivals, or landscaping to improve biodiversity and wellbeing
- purchasing a property to support creative or cultural activities.
- time-limited costs that you may incur that are directly related to the projects such as:
 - additional staffing costs, professional advice or commissioning creative practitioners to contribute to the project
- VAT that you cannot recover from HM Revenue and Customs

What you cannot apply for

We cannot normally support:

- applications for £30,001 or more which include building costs if you do not have our written agreement beforehand.
- applications where the total cost of the building work and/or building purchase is more than £100,000.
- building work or building purchase that has no benefit to people and communities in England.
- research or feasibility work
- projects not developed to RIBA Work Stage 3, where applicable
- land and buildings that you plan to sell.
- building projects that will not be used for cultural purposes.
- projects with a conservation focus or building conservation.
- costs you have to pay for before we make a decision on your application.
- projects that demonstrate little or no potential engagement with people or communities
- costs that are already covered by other funding.
- projects which do not own meet our requirements for ownership of land and buildings as set out in this information sheet.
- costs where you have not applied competitive tendering or received quotes.
- general running costs that are paid for by other income, including your own funds after the project is complete.
 - This also includes costs related to equipment or buildings, such as insurance and maintenance costs
- activities covered by statutory duties including those to support activities for educational purposes necessary by law.

Ownership of land and buildings

Before you apply (unless you are applying to purchase a property), you must be able to demonstrate the following:

- you own the land and/or buildings on which you will spend the grant by either a freehold or leasehold; **and**
- the land and buildings you own can be used for the creative or cultural activity you are planning to undertake.

If you have a leasehold, please read the **leaseholds** section of this sheet for more information.

We expect the land and buildings to be used for at least five years following the project end date set out in your application. This means that if you are offered a grant, the land and buildings must be used for creative or cultural activity for a further five years following the final payment of your grant and our Standard Terms and Conditions will still be applicable during this period.

For more information, please read our [Standard Terms and Conditions](#) on our website.

Leaseholds

We can only support building works to leasehold property if the works to be carried out are the responsibility of the applicant as defined by the terms of their lease (for example: leased on a full repairing basis).

If you hold a leasehold interest in the land and/or buildings or you are purchasing a leasehold interest with our grant, you must be able to demonstrate that you hold a registered and assignable lease for the duration of the project and a further five years following the project end date set out in your application. The lease should be without a break clause or a forfeiture on insolvency clause and have a permitted user clause that is compliant with the project and the proposed use.

Security

If any part of the grant will be used to purchase land or buildings, we require you to make legal commitments to us to ensure the assets will be used for the grant purposes.

The form of these legal commitments will depend on the amount awarded and the type of organisation receiving the grant and will be set out in the funding agreement. We will typically require a deed of covenant in standard form with a restriction on the Land Registry title together with supporting legal documents relevant to the transaction.

These legal commitments will need to be in place prior to the release of any grant payments. Please note that you will need to instruct solicitors (at your own cost) to deal with these security requirements on your behalf.

Key things to remember

This list is for guidance only and is not exhaustive. Independent professional and/or legal advice should be sought.

- A building project will need attention above and beyond your organisation's day-to-day business:
 - you should ensure you have the capacity, skills and experience to deliver your project successfully.
- Before submitting your application, we expect you to have undertaken research that demonstrates a need for the project and how it will enable or enhance the activities you provide:
 - you may need to consider exploring options and preparing a feasibility study to ensure that the project will meet your requirements
- Consult with a wide range of people (for example: children and young people, creative and cultural practitioners, workforce, volunteers, participants, visitors and partners)
 - include their feedback from this consultation into your project to ensure it meets the needs of users
- Ensure that your project budget is realistic, and you have sought appropriate advice as **once we have awarded your grant, we cannot**

increase it

- you should ensure your budget includes allowances, if relevant, for such things as, but not limited to, furniture, fittings and equipment, professional fees, inflation and includes a suitable amount for irrecoverable VAT (VAT you cannot claim back) or unexpected costs (a contingency)
- You must have a detailed plan for managing your project so that you can complete it within the timetable and budget you have set
 - you should work out the possible risks associated with your project and plan how to manage and control them
- Take all reasonable steps to get value for money when undertaking your project by comparing quotations or applying competitive tendering.
 - you should be aware that if the total value of your procurement meets or exceeds certain threshold values, then your procurement may be subject to the Public Contracts Regulations 2015. If you are unsure about your obligations, we advise you to take professional or legal advice

Carefully consider the project's financial effect when completed. In addition to the grant you are seeking:

- you will also need to budget for the running costs of the building (for example: maintenance, security, insurance, staffing)
- you must not assume that we will pay for the future running costs arising from the project
- Your project should meet high standards of design and construction, taking due notice of priorities such as:
 - fitness for purpose
 - environmental standards
 - energy efficiency
 - inclusivity
 - cost effectiveness; and
 - value for money
- Consider how you will create an environment which enables physical, intellectual, and emotional access by everyone. All projects must ensure

independent access for disabled people and aim to exceed minimum statutory requirements:

- your application should include an access audit and its findings and recommendations should be reflected in the project
- An environmentally responsible approach to your project can make a positive difference, reducing environmental effects. For sustainable buildings consider:
 - sourcing environmentally responsible goods and materials
 - designing for greater resilience to climate change
 - sustainable design and construction practices
 - using a recognised environmental assessment method to assess environmental performance, for example: [BREEAM](#)
 - using renewable energy and sustainable technologies, where appropriate
 - encourage biodiversity

If you are an institution eligible to use the Government Indemnity Scheme and your project will enable you to borrow objects for exhibitions and/or long-term display from any third party (such as private individual or public institution within the UK or abroad) you may contact us on aspects of security and environmental control and care arrangements.

Ensure that you comply with all relevant legislation in developing and delivering your project.

If your project is for following the Royal Institute of British Architects (RIBA) Plan of Work, the project must normally have achieved RIBA Stage 3 by the time you submit your application

Further information

You can learn more about our funding programmes and development resources to support building projects on our website. They include:

[Building excellence in the cultural sector](#): a guide for client organisations

[Building Access](#): A best practice guide for arts and cultural organisations

[Government Indemnity Scheme](#) – Guidelines for national institutions

[A selection of case studies](#) of completed projects can be found on our website

Glossary of terms used in this guidance

Access Audit Part of the design process which considers how people access buildings or sites and how they will be able to access it in the future. Considers the physical environment, equipment and auxiliary aids, policies, procedures and practices. Addresses the 'journey' to, into, through and out of the building, considering the use of all facilities and services by everyone.

Adaptive reuse Adapting an existing building for a purpose other than which it was originally designed or built.

Assignable lease A term used for leasehold land and buildings can be sold or given to another owner.

BREEAM Building Research Establishment's Environmental Assessment Method (BREEAM) is a method to assess the environmental performance of buildings.

Break clause A provision in a lease that gives one or more parties to lease the right to end the lease in certain circumstances. Building regulations Statutory instruments that seek to ensure that the policies set out in in the relevant legislation are carried out. Building regulations that apply across England are set out in the [Building Act 1984](#).

Building project Any type of building or construction work that is required to comply with statutory approvals. The main statutory approvals and consents are:

- Building regulations
- Outline planning permission
- Full planning permission
- Full planning permission
- Listed building consent
- Change of use
- Conservation area consent
- Lawful development certificate

Certificate of Title A written document from a solicitor confirming that the grant holder is the leasehold or freehold owner of the land and buildings to which the grant relates and that there is nothing about the land and buildings that might stop the grant being used for the grant purpose or make it otherwise than of good marketable title.

Changing Places Facilities designed to meet the needs of people with multiple learning or other physical disabilities. These facilities include a height adjustable adult-sized changing table, a tracking hoist system, adequate space for a disabled person and carer, a peninsular WC with room either side and a

safe and clean environment including tear off paper to cover the bench, a large waste bin and a non-slip floor.

Deed of Covenant A document the grant holder (as landowner of the freehold or leasehold) must sign to confirm that the land or buildings will be used for the grant purpose and will not be disposed of or transferred without the consent of Arts Council England.

Deed of Variation In the context of this programme, a document entered into between the landlord and tenant in the form of a deed which sets out the parties' agreement to vary in terms of the lease as required.

Feasibility study A study of the desirability and practicability of your project. It should demonstrate that an organisation has examined thoroughly what it aims to achieve and whether it is able to do so.

Forfeiture on Insolvency clause A clause in a lease that gives the landlord the right to end the lease if the tenant becomes insolvent.

Freehold The absolute right to own property (land and buildings) in perpetuity.

Full repairing lease A lease in which the tenant takes on the costs for repairs and insurance for the property from the landlord.

Government Indemnity Scheme (GIS) The GIS is an alternative to commercial insurance. It exists for the UK public benefit. It aims to enhance and widen access to objects of a scientific, technological, artistic or historic nature. By giving undertakings to lenders, the GIS enables certain institutions to borrow objects. The scheme facilitates object loans to museums, galleries, libraries and other national institutions.

Inclusive design The process by which the needs of everybody are considered and embedded in the proposals for the design, development, and subsequent management of the built environment.

Land Registry The government department responsible for registering and holding records of title to land and dealings in land in England and Wales. When land is sold or bought there is a legal requirement to register the sale along with any relevant charges.

Lease A legal agreement through which property is conveyed to a person or organisation for a defined period and in return for the payment of rent.

Leasehold A person's right to use and occupy land and/or buildings which arises under a lease as opposed to freehold ownership.

Legal Opinion A written document from a solicitor confirming the grant holder has the legal power to sign the terms and conditions of the grant and any security documents that we may ask the grant recipient to sign.

Permitted user A provision that sets out how the asset(s) will be used as detailed in the application and the funding agreement.

Public procurement policy Directives, regulations, policies and guidance relating to the procurement of supplies, services and works for the public sector.

Registered lease A leasehold interest in real property which is officially recorded at the Land Registry.

Restriction on title A 'note' at Land Registry which prevents the asset being sold, mortgaged, or put to an alternative use without the Arts Council England's consent.

RIBA plan of work Organises the process of briefing, designing, constructing and operating building projects into eight stages and explains the stage outcomes, core tasks and information exchanges required at each stage.

Security A legal commitment from the grant holder to the Arts Council which links specific obligations in the grant terms and conditions to the asset

Statutory approvals Legal permissions and approvals needed for a building project. See '[Building project](#)' for typical statutory approvals.

Tender(ing) The process of finding, agreeing terms and acquiring goods, services or works from an external source via a competitive bidding process

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You can also Live Chat with our customer services team by clicking the icon on our Project Grants page on our website.