Scottish Government International Small Grants Programme 2019

Q & As, including updates to reflect incoming questions and answers

1. *General Eligibility Criteria*

Q 1   Do I need to be a charity and registered with OSCR?
A   No, but you need to be established as a not for profit organisation and be a 'Legal Person'.

Q 2   What does Legal Person mean?
A   Being a Legal Person allows one or more natural persons to act as a single entity for legal purposes. This is satisfied by being incorporated, so a Company Limited by Guarantee, Scottish Charitable Incorporated Organisations (SCIOs) and Corporations satisfy this. Unincorporated organisations do not.

Q 3   Can a Trust apply?
A   Only if it is a Company Limited by Guarantee or a SCIO.

Q 4   Can a Community Interest Company (CIC) apply?
A   Yes, a CIC can apply as it is a Legal Person and all profits are re-invested for the benefit of the community.

Q 5   How do we become a SCIO?
A   You need to apply through OSCR but you should seek advice as to whether this is the correct step for your organisation to take. Scotland's International Development Alliance (formerly NIDOS) may be able to provide additional information on the subject.

Q 6   How long will it take to become a SCIO?
A   At present, OSCR aims to assess applications within 90 days but some applications take longer if they are complex, or OSCR need to come back to you for more information.

Q 7   Is it realistic to consider becoming a SCIO or should we just wait until next year?
A   It is entirely up to you but becoming incorporated should not be done lightly. If you have already considered your options and decided to become a SCIO then there may be sufficient time to do this. (you must be incorporated by 31st December 2018)

Q 8   What if I am in the process of becoming incorporated?
A   You should still submit your funding application by 16th November 2018 but you must confirm that you are incorporated by 31st December 2018.

Q 9   Should I hold back my funding application until my SCIO registration is through?
A   No. You must submit your funding application to us by 16th November 2018. You then need to confirm to us when you become incorporated, which must be by 31st December 2018.

Q 10   My organisation has only just become a SCIO and does not have accounts for one full year as a SCIO Can I still apply?

A   Yes – you can still apply by providing accounting information from before you became a SCIO, so long as the organisation has not changed substantially. We require this information to ensure that the organisation has a track record of operation and delivery.

Q 11   My organisation is registered in England but has staff in Scotland, are we still eligible to apply? And, my organisation is registered in Scotland but doesn't have staff permanently based in Scotland, are we still eligible to apply?

A   Applicants must be able to evidence a presence in Scotland: this would include having registered premises in Scotland from where the Scotland-based Project Manager (whether salaried or volunteer) listed in the grant application works. 'Hot-desking' of staff in Scotland for a couple of days per month or having project management undertaken by staff based in England would not be acceptable, and any successful applicants subsequently found to not meet these basic eligibility criteria will have their grant revoked.

Q 12   I am a profit-making company but I plan to work with an NGO on a project where I will not be taking any profit. Can I apply?

A   No. You must be established as a not for profit organisation.

Q 13   Why can't existing projects apply for continued funding?

A   The Scottish Government will not fund applications which are simply a continuation of an ongoing project. Applications are welcome to incorporate learning from previous projects and apply it to new projects with added value. Part of the reasoning for this is that there should be a focus on sustainability – the Scottish Government would like to encourage organisations to make projects sustainable and not reliant on Scottish Government funding permanently.

Q 14   Can an overseas organisation apply to the programme?

A   No. The applicant must be a Scottish based organisation.

Q 15   Can I apply if my organisation's overall expenditure is more than £250,000 but the Scottish aspect of the work is less than £250,000?

A   No. We go by the figures in the examined/audited accounts.

Q 16   Our expenditure is more than £250,000 because we are a trading organisation. Is there any way around this?

A   No. We will go by the expenditure levels shown within the accounts.

Q 17   We hold funds for our overseas partner which is shown on our balance sheet. Will this preclude us from applying?

A   You can still apply but make sure you clearly explain your financial position. Expenditure must not have exceeded £250,000 for either of the last two years.

Q 18   Do our accounts need to be audited?

A   They either need to be audited or independently examined.
Both audit and independent examination are forms of external scrutiny for accounts and financial statements.
Audit provides positive assurance which means that the accounts are considered to give a true and fair view of the organisation's finances while an External Examination provides negative assurance which means that there is nothing found that suggests that the accounts are wrong.
An audit is a far more in-depth process, takes a lot more time and needs to be conducted by a qualified auditor.

The regulating bodies (OSCR, Companies House etc) sets criteria for whether an audit is required or not.

Q 19   In which countries will you fund work?

A.   For *Project grants* we can **only** support work being carried out in our current 3 sub-Saharan African priority countries: *Malawi, Rwanda and Zambia*.
For *Capacity Building* and *Feasibility Study* grants we can support work in any country which is designated as having Medium/Low Human Development on the current United Nations Human Development (UNHD) Index, although priority will be given to work in Malawi, Rwanda and Zambia.

Q 20   Will any weighting be given to a particular country?

A   Yes, priority will be given to work in Malawi, Rwanda and Zambia.

Q 21   Is the Scottish Government interested in any particular areas of work?

A   Yes. We are particularly interested in, and we will give weighting to, project applications which will (a) work with other organisations currently in receipt of funding through the IDF and running projects under its larger Malawi, Rwanda and Zambia Development programmes; and/or (b) wrap around/dovetail/support such existing larger projects in those countries, to provide added value.

Q 22   Will the same criteria be in place next year?

A   If the programme continues for a further year, the overarching aspects of the criteria are likely to be the same but the detail of the criteria is reviewed by the Scottish Government each year.

Q 23   If I submit an application, when will I be told if I don't meet criteria and when can I re-apply?

A   If you do not meet criteria you will be notified within seven days of the programme closing date which is 16th November 2018. You cannot re-apply to the programme until the next call for applications which may be the following year, although this has not been confirmed.

Q 24   If I am not successful, will you give any feedback to help with future applications?

A   Yes, you will be provided with feedback in writing, with the option to receive further information.

Q 25   What is meant by diaspora led organisation?

A   An organisation is considered to be diaspora led if more than 2 of its board members are members of the diaspora.

Q 26   What are you doing to increase diaspora participation in the funding programme and are applications from diaspora led organisations positively weighted?

A   The two network organisations, Scotland's International Development Alliance and Scotland Malawi Partnership (SMP), are both working to make the funding programmes as inclusive as they can be and always looking at ways to engage with diaspora groups.

The Scottish Government particularly welcomes applications:
from currently under-represented groups such as diaspora led organisations but the applications from such organisations are not given any weighting.

2. *Partnerships*

Q 1   Does the local partner need to be a formally registered organisation?

A   The local partner should be operating as not for profit and be an NGO or community agency, but there is no requirement for it to be formally registered.

Q 2   Will you fund work where the partner is a Government Agency?

A   Funding cannot go directly to another Government Agency, but it is alright for them to be involved in the work as long as an NGO or community agency is the main partner.

Q 3   Does it matter if the partner is not a local NGO but a Scottish NGO?
A   It is okay to have more than one partner and to include a Scottish NGO but we would expect there also to be a local organisation involved.

Q 4   Would it be acceptable if one of our partners was a Scottish NGO working overseas which had previously received other Scottish Government funding?
A   Yes, that should be fine, but we would expect there also to be a local organisation involved

Q 5   We are replicating our work in another country, so it will be a new partner we are working with. Is this ok?
A   Yes, but if you are applying for a project grant we would expect you to have already been working with the new partner in developing the project. If you are applying for a feasibility grant you should explain the situation within the application in order to show that you have a track record of working with overseas partners and that you are using the learning to develop a new partnership as part of the feasibility.

Q 6   Our project is sending teachers to Rwanda. Is the Rwandan Government acceptable as a partner?
A   Funding cannot go directly to another Government Agency, but it is alright for them to be involved in the work as long as an NGO or community agency is the main partner.

Q 7   Would a University be acceptable as a partner?
A   If the University is an NGO this would be acceptable. If it is run by the government then we would also expect you to have a local NGO or a community agency as a partner.

3. *Application criteria*

Q 1   Will you fund a building project?
A   No. This programme is not for capital appeals, although small capital costs such as equipment can be included as part of a project.

Q 2   What is definition of capital costs? Would you consider small infrastructure items as fixed assets? For example - materials, pipes etc turned into water systems following beneficiary labour input.
A   These are one-time costs incurred to acquire assets or improve the useful life of existing assets and include the purchase or construction of tangible fixed assets such as buildings, equipment, IT equipment and machinery to be used in the production of goods or the rendering of services. These should include all costs related to the asset such as transportation, installation and disposal costs.

       In the example, the costs of the materials and any associated transportation, installation costs would be capital spend.

Q 3   What percentage of capital costs can be included in a project grant application?
A   Capital costs must not exceed 20% of the project budget, however for renewable energy projects the maximum that may be spent on capital costs is 50% of the overall project budget.

Q 4   What is the average grant over three years?
A   Project grants are for a maximum of £60,000 over three years but we expect to support a range of project sizes.

Q 5 If you apply for £60,000 does it have to be spent over three years?

A Not necessarily but that's the preference. £60,000 is the total available over a three-year period so, for instance, if you applied for and were awarded £60,000 over two years you would not be able to access any more Project funding in year three.

Q 6 How will the cash be paid out for multi-year awards? Will £60,000 be paid out in year one?

A The funding will be paid out in annual instalments and year one payments will be made in April 2019, provided the project is ready to start. Progress reports will be required every six months and payments for subsequent years will be released on approval of the end of year reports.

Q 7 Can a project grant include feasibility and capacity building costs?

A A project grant should not include feasibility costs, but it could include an element of capacity building costs. There are no limits set on the capacity building proportion of costs for the project grants.

Q 8 If we were to apply for a feasibility grant this year, could we apply for a three-year project grant next year? And how much could we apply for next year?

A If the grant programme continues, you could apply for a project grant next year if the criteria allows for this.

Q 9 If we applied for a project grant in year one, can we apply for a grant in year two for another project?

A Yes you can, but the organisation must have the capacity to manage multiple project grants.

Q 10 Would you prefer to fund projects which are sustainable after one year rather than those requiring further money in years two and three?

A Sustainability is a key feature of the programme and it is important that there are clear exit strategies developed for all project applications regardless of the length of the project.

Q 11 Can capacity building include development of the overseas partner?

A Yes. Capacity building grants can be to support the applicant body in relation to their overseas work; for the partner NGO working in-country; or for both. However, the overseas country must be designated as having Medium/Low Human Development on the current United Nations Human Development (UNHD) Index, although priority will be given to work in Malawi, Rwanda and Zambia.

Q 12 Does a feasibility study have to include a pilot programme?

A Not every feasibility study application will need to include a pilot. It may be just for scoping a need or for looking at ways to develop a project that has already been piloted elsewhere.

Q 13 Is there any requirement for us to carry out a formal needs analysis when the need is already well documented?

A No. However, you should tell us about any previous research/needs analysis that has been carried out and there should also be evidence that you have consulted with local people.

Q 14 I am not sure whether my project is new or if it is a development?

A If the project is not connected to something you have done before it is new, if it has grown from previous work it is development. Don't worry if you are not sure, the main thing is to explain the project to us and be clear about the breakdown of costs.

Q 15 You say that you won't fund ongoing work. What does that mean?

A The programme is not designed to replace existing funding of core work or the continuation of an existing project. However, we can fund current projects which have been developed or are being delivered to a new group; this may be the case for your teaching programme.

Q 16 Are examples of successful/non-successful application available for reference?

A   We do not provide this at present but can consider the potential for this to be available in future rounds. There are issues with confidentiality and ensuring that applicants cannot be easily identified in such a small sector.

Q 17   What % of "Scottish costs" are allowed and how do you define "Scottish costs" (e.g. Scottish consultant working in target country?)

A   Costs outwith the country of implementation must be less than 8% of the project total (This includes Scottish staff costs). In the example of a Scottish consultant working in the target country, the questions would be around where the consultant is permanently based and the currency in which the invoice for the work is denominated. If the consultant is based in Scotland permanently and only in the target country for a period to complete the work, and invoices in sterling pound, then that would be considered a cost outwith the country of implementation.

Q 18   What % of application budgets should be allocated to Monitoring, Evaluation and Learning (MEL)?

A   All applications should demonstrate clear plans for monitoring and evaluation of achievement against planned outcomes and reasonable costs associated with this but there is no set limit on the proportion of these costs to the overall budget.

4. *Project costings*

Q 1   If we are applying for funding over three years, how do we allow for inflation and fluctuating exchange rates?

A   You should allow for inflation within your costings, but we advise you to be conservative with your estimations. We will endeavour to be flexible if there is any underspend resulting from lower than expected inflation or changes to exchange rates, but this will be looked at on a case-by-case basis.

Q 2   What level of travel and subsistence costs can we apply for?

A   There is not a set level but we expect you to keep these costs to a minimum, particularly international air travel. Costs should be shown split between international and in-country travel.

Q 3   Can per diem (daily allowance) payments be included in costings?

A   No. We cannot fund per diem payments but we would consider reasonable expenses.

Q 4   Is there a limit to the amount of staff time that can be included in the application?

A   There is no limit but all staff costings must be clearly explained and justified.

Q 5   What detail of costs do you need? Do you want actual quotes?

A   We do not need copies of actual quotes. We do need to understand how the costs have been worked out and be able to see how this equates to the work described.

Q 6   Can we apply for in-country transportation costs?

A   Yes, this can be included.

Q 7   What is the view of matched funding? Can the project be bigger than £60,000?

A   The Scottish Government encourages matched funding but expects to be the main funder in any project. This means that the total project costs may exceed £60,000.

Q 8   What percentage cost is acceptable for project management?

A   There is no set percentage as projects will show this cost in different ways. The main thing is to explain the rationale behind the costs.

Q 9   Can we include monitoring and evaluation costs as part of the budget?

A   Yes you should include costs for monitoring and evaluation. Some of the costs for this may already be included in the salary costs of the Project Manager and Project Workers, and some may be additional separate costs. As with all costs, these should be proportionate, and the rationale clearly explained.

Q 10   What level of detail is necessary when filing out the budget sheet?

A   We would encourage organisations to complete the budget in as much detail as possible. However, we are aware that budgets sometimes contain indicative amounts and cannot be finalised ahead of time. Small Grants are designed to be flexible and budget amounts can be adjusted with approval from the Scottish Government/Corra Foundation.

5. *General Questions*

Q 1   What impact has the Scottish Government's International Development funding had?

A   The first ever Scottish Government Contribution to International Development Report was published in September 2018. This 2017-18 report takes a holistic look at a wide cross-section of Scottish Government international development activity and presents it within the context of the UN Global Goals. The report can be accessed from https://www.gov.scot/Publications/2018/09/7060/downloads

Q 2   Why is there a missing middle ground between the small grants of up to £60,000 and the main grants of up to £1,350,000?

A   There is no minimum amount that can be applied for under the main grants programme and the range of grants awarded under Malawi Development Programme 2018 was between £457,590 and £1,332,533.

6. *Guidance and Support*

Q 1   Is anyone available to answer questions and give guidance?

A   Yes. The International Team at the Corra Foundation is happy to answer any questions relating to programme criteria, whilst Scotland's International Development Alliance (formerly NIDOS) and/or Scotland Malawi Partnership can help with guidance and advice around completing application forms. First time applicants in particular are encouraged to contact the Alliance for support.

Q 2   What is the timeline for grant announcements and project start dates?

A   We will aim to announce successful grants by February/March 2019. Projects will formally start from April 2019.

Scotland's International Development Alliance and Scotland Malawi Partnership (SMP) are both organisations which provide information and support for international development organisations.

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Scotland Malawi Partnership (for Malawi specific support)

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The following website may also be useful for resources on evaluation.

www.evaluationsupportscotland.org.uk