Best practices for lump sum grants

This list of tips is based on feedback from lump sum grant holders. It is the result of a survey in autumn 2022, in which beneficiaries of lump sum grants were asked to share their best practices for proposal writing and grant management. Additional best practices can be included when more feedback becomes available.

The tips can help you with practical aspects of lump sum grants. They cannot replace reading the lump sum guidance on the Funding & Tenders Portal, which is necessary for a full understanding of how lump sum grants work.

Tips from Horizon 2020 lump sum beneficiaries

Work packages (WP) and project design

✓ As project coordinator, provide partners with enough information about lump sum funding (e.g., links to webinars, presentations, FAQs, etc.). Familiarise them with the payment system (e.g., inform them that only completed work packages are reimbursed).

✓ Structure each WP in line with the project objectives and expected outcomes. Consider the capacity and expertise of the different partners to execute it. Keep in mind that a WP will be accepted and paid when the activities in it have been completed.

✓ Splitting long-lasting WPs along the reporting periods allows you to get paid for these WPs during the project (e.g., WPs for management, communication, and dissemination). You are free to make use of this option as you see fit.

Detailed budget table

✓ Before designing the budget of your lump sum proposal, assess the amount of work and other resources that each partner needs to contribute to each WP. This can serve as a basis for the consortium to agree on the distribution of funds.

✓ To estimate your budget, use costs from previous and similar projects. Data on personnel costs could be obtained from monthly salary rates normally applied in your organisation.

✓ As project coordinator, explain the budget table to the partners. Remember that the cost items in this table are estimations (proxies for actual costs). These estimations cannot be, and do not need to be, as precise as actual costs. It is not meaningful to have budget figures with decimals in a lump sum detailed budget table.

Grant preparation

✓ As in any EU project, engage with the Project Officer early on to clear up the expectations about deliverables, communication and dissemination activities, and reports to be submitted at the end of the reporting period(s). Respond in a timely and clear way to requests for clarification and possible changes. Do not hesitate to ask the Project Officer for clarifications at any point of the process.

✓ Consider all possible risks that can slow down or hinder the project. Provide a "plan B" for each situation and involve the partners in this work. They must agree and be aware of the risks.

Consortium agreement

✓ As in any other grant, start the discussions on the consortium agreement as early as possible and think already about it while writing the proposal.

✓ The consortium agreement for a lump sum project is similar to any other consortium agreement. The DESCA model consortium agreement might be used, but with adaptations of the provisions on finances, rights and obligations, performance indicators, and liability of partners to each other if work packages are not completed/not accepted. Include an internal reporting system to control project implementation.

✓ When creating the final version of the consortium agreement, you could consult your National Contact Point, which might provide you with valuable information and recommendations. National Contact Points offer advice on any aspect related to your grant.

Project management

✓ As in any grant, have regular meetings among all partners or limited to certain WPs to discuss progress on tasks, milestones, and deliverables, and identify possible difficulties.

✓ Regular internal progress reports (e.g., every 6 months) can be useful to document progress, challenges, and potential delays. These reports can be used as a basis for corrective measures, if any, and for the drafting of technical reports.

✓ Use an amendment to change the work plan if needed. In case a WP cannot be completed in its original form, it may well be possible to amend it in a way that allows its completion.

- ✓ Make use of the collaborative software and tools for managing your lump sum project as you would do for any other type of grant. These tools help to maintain the communication with the partners, to draft, store and share project related documents, and to generally better structure the activities and tasks within the consortium.

Budget flexibility and budget transfer

- ✓ You can use the lump sum flexibly, in the best possible way for the project, because there is no reporting on actual costs.

- ✓ For big changes in the budget, it might be in the interest of the consortium to make an amendment to change the breakdown of the lump sum shares, aligning it with the actual implementation of the project.

[Disclaimer]

This document is prepared for and addressed to applicants and beneficiaries of lump sum funding under the R&I Framework Programme. Any opinion expressed herein should not be taken to represent an official position of the European Commission.

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