



Foreign &
Commonwealth
Office

Accountable Grant Agreement

The Secretary for State for Foreign and Commonwealth Affairs represented by:

[Name]

[Position]

[Location]

for the Foreign and Commonwealth Office (the Authority) has agreed to make a grant of funds to:

[Name of project implementing company (if applicable)]

[Registered address of project implementing company/Individual]

[Name and position of representative individual]

(the Grantee), referred to collectively as the **Parties** and each individually as a **Party**, upon the following terms.

1 – Definitions

1(1) In this Accountable Grant Agreement the following terms shall have the meaning set out below:

- (a) **‘Equipment’** means the tools and machinery which the Grantee may use in order to conduct research and other necessary activity for which grant funding has been provided;
- (b) **‘Project’** means the activity in support of a *[insert project title]* for which the Authority has sought proposals and awarded grant funding to the Grantee under this Accountable Grant Agreement;
- (c) **‘Project Implementation’** means all steps which the Grantee undertakes in order to deliver the Project which is being supported by this Accountable Grant Agreement.

Purpose of the Grant

2(1) The grant is made for the implementation of the project entitled: *[Project Title]* (the Project). The title, purpose, outputs and activities of the Project are set out in Annex A (the Final Bid Form).

- 2(2) The grant is awarded to the Grantee on the terms set out in this Accountable Grant Agreement (hereafter “the Agreement”) and its Annexes.
- 2(3) The Grantee is responsible for the proper use and administration of the grant and undertakes that the grant funding will only be used for the purposes of carrying out the Project in accordance with Annex A (the Final Bid Form).
- 2(4) The Authority reserves the right to make payment of the grant subject to such governance arrangements (including terms of reference, steering committees and virtual boards) as it considers appropriate and proportionate in order to support and manage the relationship with the Grantee. This reservation may be exercised because of the budget, scope or complexity of a Project.

3 – Project Duration

- 3(1) The Project’s duration is from *[Start Date]* to *[End Date]*. Any amendment to this period must be agreed by both Parties and recorded in writing.
- 3(2) Project Implementation will begin on the day **after** the last of the two Parties signs this Accountable Grant Agreement.
- 3(3) Financing by the Authority for subsequent years of the operation is not guaranteed. The continuation of funding for the Project in subsequent financial years will be dependent on the following:
 - (a) Availability of funding to the Authority;
 - (b) satisfactory progress under the milestones or any other measures which the Parties agree for the Project; **and**
 - (c) an assessment of the progress made against original bid documents, where such assessment does not fall under the matters assessed at clause 3(3)(b).
- 3(4) The assessment of progress described in clause 3(3) shall take place before the end of the first financial year and at the end of any subsequent financial years.

4 – Financial arrangements

- 4(1) Subject to clauses 3(3) and 8 below, the Authority shall provide up to a maximum of *[£...grant amount]* towards the total costs of the Project, of which *[amount]* will be paid in the current financial year.
- 4(2) The Authority will provide funding 3 months in arrears.
- 4(3) If, in order to implement the Project, the Grantee buys goods or services using grant funds it must take account of the Authority’s statement of Procurement good practice set out in Annex C and provide information to show that its procurement processes are transparent, fair and allow for open competition, if requested to do so by the Authority.

- 4(4) The Authority provides funding under this Accountable Grant Agreement on the basis that the Grantee will not use grant funding to purchase Equipment in order to implement the Project.
- 4(5) If the Grantee considers that it is necessary or that it may be necessary to use grant funding to buy Equipment it shall inform the Authority of this at the earliest opportunity. The Grantee shall not purchase Equipment using grant funding provided under this Accountable Grant Agreement unless the Authority has consented to such use of funding and this is recorded in writing as an additional Annex to the agreement. The Authority reserves the right to consider any failure to seek its consent before using grant funding to purchase Equipment as a material breach of this Accountable Grant Agreement.
- 4(6) If the Grantee purchases Equipment to implement the project it shall maintain an inventory and notify the Authority of all purchases of equipment made from grant funding provided for the Project. Entries in the inventory must include the following information:
- (a) description;
 - (b) specific identification (e.g. serial number);
 - (c) date of purchase;
 - (d) original value (including VAT if paid);
 - (e) location and/or use;
 - (f) person responsible for the purchase.
- 4(7) If the Grantee has an existing process by which it records all purchases this process may be used to record the information set out in clause 4(4)(a) – (f).
- 4(8) If the Grantee purchases Equipment, with the Authority's consent, any non-consumable items of Equipment purchased from grant funding with an initial value of more than £1,000 and a useful life of more than one year at the end of the Project's duration will be the property of the Authority and must not be disposed of except as the Authority directs.
- 4(9) The Project funds should be spent in the appropriate financial year for which they were intended – as set out in Annex B (the Project Activity Based Budget). Funds may only be carried forward to subsequent years with the **prior** agreement of the Authority's representative.
- 4(10) At the end of the funding period all unused funding shall be returned to the Authority.

5 – Reports and Payments

- 5(1) The Project's costing is set out in Annex B (the Project Activity Based Budget).

- 5(2) From *[Date]* and every 3 months thereafter, the Grantee shall provide a brief narrative report (the Quarterly Monitoring Report) of the activities undertaken and outputs achieved under the Project and include an assessment of the progress made against original bid documents. This assessment should also compare progress against the indicators of success recorded in Annex A (the Final Bid Form).
- 5(3) On *[date]* and every 3 months thereafter, the Grantee shall submit a report stating how the Project funds were spent, including details of any consultants' fees and travel expenses.
- 5(4) All financial reports should include originals or copies of invoices and receipts. The Authority shall return the originals of invoices and receipts to the Grantee within one month of the receipt of the financial report.
- 5(5) The Grantee shall ensure that all funding received from the Authority is identifiable in its accounts. Unless otherwise agreed, grant funds shall be transferred to a separate bank account nominated solely for this Project.
- 5(6) Once the Project has been completed, a final grant payment will only be made when a final report (a "Project Completion Report") has been submitted to such person and in such form as is required by the Authority.
- 5(7) The Authority reserves the right to commission an external audit of the financial report covering the implementation of the Project at any time. Where the Authority exercises this right it will bear the cost of such audit.
- 5(8) Unless the Parties agree otherwise, the Grantee shall provide annual externally audited financial reports for any Project with an annual expenditure of over £200,000. Such a report, covering the year, or part year up to 5 April should be received by the Authority by 5 August (i.e. 4 months after the end of the Authority's financial year).
- 5(9) The Authority reserves the right to reclaim at any time within a period of 5 years after the date of this Accountable Grant Agreement any grant money which:
- (a) remains unspent at the termination of this Project; or
 - (b) money spent for purposes which do not fall within Annex B (the Project Activity Based Budget); or
 - (c) is unaccounted for.

Authority Access to sites and records

- 5(10) In order to account for its use of public funds to Parliament or to any other body which is authorised to scrutinise its expenditure and in line with its own internal processes for monitoring and evaluation, the Authority may request reasonable access, on notice, to:

- (a) project sites which the Grantee owns or occupies and where any activity in support of the Project has been undertaken;
 - (b) records (in any form and howsoever stored) which demonstrate how grant funding provided under the Agreement for the Project has been used.
- 5(11) The Grantee shall provide access to the Authority or its authorised representatives for the purposes specified in clause 5(10) to the following:
 - (a) project sites which the Grantee owns where any part of the performance of the Project takes place; **and**
 - (b) all relevant records for the purposes of monitoring, evaluation and audit.
- 5(12) Where the Grantee occupies premises which belong to a third party and Project records or other information is located in such premises, it will take such action as is necessary to enable the Authority to visit the premises and inspect all relevant Project records.

6 – Monitoring and Evaluation

- 6(1) The Authority will supervise the progress of the Project throughout and reserves the right to:
 - (a) carry out monitoring/evaluation visits at a time agreed with the Grantee on reasonable notice being given; or
 - (b) to appoint an external evaluator.
- 6(2) The method and timing of the evaluation of the Project will be at the discretion of the Authority.
- 6(3) The Grantee will make staff available to meet with, answer questions, and provide management information to the evaluator appointed by the Authority.

7 – Amendment of the Accountable Grant Agreement

- 7(1) This Accountable Grant Agreement may only be amended by written agreement of the Parties.

8 – Termination of the Accountable Grant Agreement

- 8(1) Either Party may terminate this Accountable Grant Agreement upon one month's written notice to the other if:
 - (a) the other Party commits a material breach of any terms of this Accountable Grant Agreement and the breach is not remedied

after communication and within the period agreed by the Parties;
or

(b) there is a force majeure event which prevents the implementation of the Project.

8(2) The Authority may terminate this Agreement, on one month's notice to the Grantee, if:

(a) any changes occur which, in the opinion of the Authority, impair significantly the value of the contribution of the Project towards the Authority's policy objectives;

(b) there are changes to the Authority's policy priorities within which the Project is to be delivered; or

(c) the funding available to the Authority becomes, or is likely to become, in the Authority's sole opinion, insufficient for it to continue to finance the Project.

8(3) On termination of this Accountable Grant Agreement the Grantee shall provide financial and narrative reports (including invoices and receipts) up to the date of such termination.

8(4) A joint review between the Authority and the Grantee shall be undertaken at any time during the implementation of the Project if the Authority considers it necessary to refocus the Project outputs. If the Project outputs are not achieving the agreed objectives, impact and deliverables, the Authority may terminate the Project at any stage. Where such termination arises, the Authority will honour all expenditure that was reasonably incurred by the Grantee prior to its receipt of the Authority's notice to terminate the Project.

8(5) On termination of this Accountable Grant Agreement the Authority retains the right to recover any funds given to the Grantee under the Agreement which have not been used for the purposes of implementing the Project or cannot be accounted for.

9 – Acknowledgement of Funding

9(1) Unless the Parties agree otherwise, the Grantee shall acknowledge the contribution of the Authority (and any particular funding source) on materials produced in the course of the Project (including information available in electronic format) and at all public events.

9(2) Subject to clause 9(1), the Grantee shall consult the Authority on all promotion or publicity of the Project and seek the Authority's approval before using any of the Authority's branding or acknowledgement of the Authority's funding in publicity material, materials produced during the Project and/or at public events.

10 – Responsibility for Personnel

10(1) The Grantee undertakes to provide adequate supervision of and care for its staff, agents and visitors, and accepts that in no circumstances will the Authority be

responsible for the acts or omissions of the Grantee's staff, agents or visitors or for any loss or liability to third Parties arising as a result of the Project, which remains the entire responsibility of the Grantee.

- 10(2) In the event that it is necessary for the Grantee or any of its representatives or associates involved in the Project to travel in order to perform the tasks specified in Annex A, the Grantee shall be responsible for obtaining security advice from security providers that are established and reputable with appropriate experience, qualified personnel and insurance cover. The costs of any specialist security provision shall be borne by the Project budget.
- 10(3) Subject to 10(4), where the Authority has publicly advised against all travel to a country or region where the Project is to be implemented or where the Authority has highlighted specific security or safety concerns, the Grantee must liaise closely and in good time with the Authority about the feasibility of travel to such country or region.
- 10(4) Where the Grantee has access to its own source of advice and processes for ensuring the safety and security of its personnel (including contractors and other authorised agents) it may rely on such provisions and shall bear the responsibility for all such personnel.

11 – Intellectual Property Rights

- 11 (1) Any intellectual property rights which arise in the course of the implementation of the Project by the Grantee shall belong to the Grantee provided that the Grantee hereby grants to the Authority a worldwide, perpetual, royalty free licence to use such intellectual property rights for any purpose directly connected with the Project.
- 11(2) Save as provided in Article 11(1) above this Accountable Grant Agreement shall not vest in either Party any rights over the other Party's intellectual property rights. In particular, neither Party shall own or assert any interest in the other Party's existing intellectual property rights "Background IP".
- 11(3) The Grantee warrants, represents and undertakes that it will take all reasonable steps to ensure that its implementation of the Project under this Accountable Grant Agreement will not infringe any intellectual property rights of any third party. The Grantee agrees to indemnify and hold the Authority harmless against all liability, loss, damage, costs and expenses (including legal costs) which the Authority may incur or suffer as a result of any claim of alleged or actual infringement of a third party's intellectual property rights because of the Grantee's negligent implementation of the Project.

12 – Information on Employees/Sub-contractors

- 12(1) The Grantee shall provide to the Authority upon request and to the extent permitted by the data protection principles of transparency, legitimate purpose and

proportionality and applicable {insert country name here} labour and data protection law any and all information regarding each of its employees and sub-contractors (including confidential personal information) who are engaged in implementation of the Project which is being funded under this Accountable Grant Agreement as the Authority may require in order to carry out any checks which the Authority (in its absolute discretion) deems necessary.

13 – Freedom of Information

- 13(1) The Grantee acknowledges that the Authority is subject to the requirements of the UK Freedom of Information Act 2000 and the UK Environmental Information Regulations 2004 and shall assist and cooperate with the Authority (at the Grantee's expense) to enable the Authority to comply with any information disclosure obligations it may have under this legislation.

14 – Dispute Resolution

- 14(1) The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with this Accountable Grant Agreement.
- 14(2) The Parties may use a dispute resolution approach, other than that specified in clause 14(1), which they agree.
- 14(3) If the Parties cannot agree on how to resolve a dispute or, having referred a matter to dispute resolution, are unable to resolve the dispute pursuant to clause 14(1) the dispute may, by agreement between the Parties, be referred to mediation in accordance with the Model Mediation Procedure issued by the Centre for Effective Dispute Resolution's ("CEDR"), or such other dispute resolution procedure other than litigation as is agreed by the Parties. Unless otherwise agreed between the Parties, the mediator will be nominated by CEDR. To initiate the mediation the Party shall give notice in writing (the ADR Notice) to the other Party, and that latter Party will choose whether or not to accede to mediation. A copy of the ADR Notice should be sent to CEDR. The mediation will start no later than 14 days after the date of the ADR Notice.
- 14(4) The performance of the obligations which the Grantee has under this Accountable Grant Agreement will not cease or be delayed because a dispute is referred to mediation pursuant to clause 14(3).

15 – Entire Agreement

- 15(1) This Accountable Grant Agreement constitutes the entire agreement between the Parties hereto (including terms of reference where applicable) and supersedes all negotiations, representation or agreements either written or oral preceding it, without prejudice to the Authority's rights and remedies at law or otherwise.

15(2) The Grantee acknowledges that the Authority shall be responsible for determining in its absolute discretion whether any information is exempt from disclosure and that any notice or indication provided by the Grantee that information is commercially sensitive or confidential is of indicative value only.

16 – Law

16(1) This Accountable Grant Agreement will be governed by and construed in accordance with English law. The Parties hereby irrevocably submit to the exclusive jurisdiction of the English courts. The submission to such jurisdiction will not (and will not be construed so as to) limit the right of the Authority to take proceedings against the Grantee in any other court of competent jurisdiction, nor will the taking of proceedings by the Authority in any one or more jurisdictions preclude the taking of proceedings by the Authority in any other jurisdiction, whether concurrently or not.

Signed for the Grantee

Signed for the Authority

Name

Name

Title

Title

Date

Date

Annex A

The Final Bid Form

Annex B The Project Activity Based Budget

Annex C Statement of minimum Procurement Good Practice principles

1. Good procurement practice includes the key principles set out below:

- Purchasing should be done with the aim of securing value for money.
- Purchasing should be done by competition unless there is a robust justification (legal/operational) for not having a competition.
- Buyers should have, develop and use their awareness of particular supply markets to improve the quality and competitiveness of goods/services etc that are offered (effective supplier management).
- Buyers should comply with applicable legal and international obligations.
- *Wherever possible* anything purchased should have been produced in a sustainable manner.
- Ethical conduct is extremely important.

2. Ethical conduct relates in particular to ensuring that:

- Buyers' integrity must be beyond reproach (this is relevant to matters such as the acceptance of gifts and hospitality from suppliers or equally offering gifts or hospitality to suppliers)
- Staff involved in purchasing activity must declare any interest they have in a particular transaction whether this is because of personal gain to them or to a family member or close associate (effective management of potential and actual conflicts of interest)
- The confidentiality of information is protected unless there is a lawful reason which justifies disclosure (e.g. compliance with the UK Freedom of Information Act 2000, contractual agreement between contract Parties that certain types of information can be disclosed). There may also be reasons based on government policy which require disclosure of certain types of information.
- Any information provided to suppliers should be accurate and not intentionally misleading or misleading due to inattention on the buyer's part.
- All suppliers are to be treated fairly (i.e. not favouring one supplier or acting to the disadvantage of another)
- The competition process does not undermine ongoing relationships with suppliers. This is about conducting purchasing activity in a way that inspires confidence in the fairness of the process.