



## **CABINET OFFICE STANDARD CONDITIONS OF GRANT APPLYING WITH EFFECT FROM 1 APRIL 2014**

### **Introduction**

The following conditions apply to organisations due to be funded and should be read in conjunction with the formal offer of grant made by the Cabinet Office

[THIS WILL BE PROVIDED TO THE GRANT RECIPIENT AT THE TIME OF THE GRANT AWARD].

These conditions supplement the offer of grant and should be retained along with a copy of the Offer letter for reference.

You are advised:

- to note that all offers of grant are subject to Parliamentary and Ministerial approval on an annual basis;
- to note that all references to "the financial year" refer, unless expressly indicated otherwise, to the Cabinet Office's own financial year, which runs from 1 April to 31 March;
- to retain a copy of Cabinet Office's offer, agreed Work Proposal or outcomes monitoring form & Budget including these Standard Conditions; and
- to note that failure to comply with the conditions of the offer may result in the grant payments being suspended, reclaimed or withheld, and/or the grant offer being withdrawn.

### **CONDITIONS OF GRANT:**

#### **Restrictions on How the Grant may be used**

1. You should ensure that you receive our formal agreement to the work proposal or outcomes monitoring form and budget submitted by you, before committing to any expenditure. The Grant may not be used for any activities other than those specified in the agreed work proposal and in the grant offer.
2. No aspect of the activity funded by this Grant may be party-political in intention, use, or presentation.
3. The Grant may not be used to support or promote religious activity.
4. The Grant may be used to support activities in England only.
5. The Grant not be used for paid for marketing and advertising.
6. The Grant must be used within the financial year that it is allocated to.
7. No VAT is payable on grants

#### **The Grant-holder's Responsibilities to the Cabinet Office**

In return for the Grant offered, you agree to:

8. Complete the work proposal, within agreed timescales, and report any material variations to work funded by the Grant when they occur or as soon as it becomes evident that a variation is likely to occur.

9. Take all reasonable steps to insure against any risks which may arise in connection with any property of the Organisation or any activity undertaken by the Organisation which is funded in whole or in part by the Grant. This includes any loss or personal injury to persons undertaking those activities. We reserve the right to require that you submit for inspection any relevant documents relating to insurance policies. We are not in any way liable for any contingency involving property or activities for which we have provided grant aid in whole or in part.

10. You should report progress on the work proposal, including targets, outputs, monitoring arrangements and performance measures as agreed. Details of when such reports fall due and the format in which they should be presented are given in the Annual Planner (if appropriate) that accompanies these conditions. Please note that delay in providing the required information, particularly work programmes and budgets, may lead to Grant payments being withheld or withdrawn.

11. You should retain copies of all papers and minutes of management committee / trustee / board / steering group meetings whenever these papers and minutes relate to work funded by the Grant. OCS reserves a right to request this information.

12. Permit representatives of Cabinet Office and/or any officer or officers of the Cabinet Office or their nominees, to observe the Grant-holder's management / trustee / steering group meetings whenever these meetings are to discuss work supported by the Grant.

### **Accounting for the Money**

13. Retain all invoices, receipts, accounting records, and any other documentation relating to the expenditure of the Grant, for at least two years after completion of the work proposal, or six years after the end of the Grant period, whichever is the longer. If you are working in partnership and your partners wish to retain copies of accounting documentation, you should obtain from the partner an annual, written statement, signed by the partner's treasurer, of how the money was spent and a signed undertaking that the partner will retain such documents for the period prescribed above.

14. Permit, without charge, any officer or officers of the Cabinet Office or its nominees, the Cabinet Office Internal Audit Services, the National Audit Office or its nominees, to visit its premises and/or inspect any of its activities and/or to examine and take copies of the books of account and such other documents or records as in such officers' view may relate to the use of Grant. In addition, the Comptroller and Auditor General may carry out examinations into the economy, efficiency and effectiveness with which the Grant has been used.

15. Identify separately the value and purpose of the Grant in your audited (or where permitted under charity law, independently examined) accounts (or in the notes thereto) and in your Annual Report.

16. Maintain a record of your internal financial controls and procedures and provide us with a copy of them.

17. Send us, annually during the period of the Agreement, a copy of your Audited (or where permitted under charity law, independently examined) Accounts and Annual Reports.

## **Acknowledging the Grant in Publicity (logo use)**

18. Publicity and written material relating to work supported by the Grant and only this work, should, when appropriate, acknowledge the financial contribution made by the Cabinet Office through the use of our logo, or where there are size constraints, in the body copy of the material.

19. All grant recipients should acknowledge the support of the Cabinet Office, when appropriate, when producing any form of report, promotional, or publicity material in relation to their funded project, including press releases, leaflets, posters, brochures, and reports as well as any online material. For further information and copies of the logo and guidance on how to use it please contact your named policy contact for this grant in the first instance.

20. You should note that no part of the grant should be used to fund paid for marketing and advertising.

## **Intellectual Property Rights**

21. We reserve the right to require that copyright and design rights in works created wholly with the Grant will be vested in the Crown and the Minister for the Cabinet Office respectively.

## **Lawful conduct, with regard to Equalities Legislation.**

22. You should ensure that you or anyone acting on your behalf complies fully with current equality based law notably The Equalities Act 2010.

23. In respect of the activities supported by the Grant, you will ensure that there is no discrimination on the grounds of race, colour, ethnic or national origin, disability, age, gender, sexuality, marital status, or any religious affiliation, where any of these cannot be shown to be a requirement of the job, office or service in respect of employment, provision of services and the involvement of volunteers.

24. In addition, you should ensure that services provided by and through the Grant are underpinned by equality and diversity principles and accessible and appropriate to meet the needs of equality based groups e.g Black and minority ethnic groups, LGBT community, refugee and migrant groups, rural and faith communities.

25. If you are an intermediary, umbrella, membership or training organisation, then you should endeavour to ensure that your services meet the needs of equalities based groups. You should also ensure that your policies and membership criteria address how members will work with equalities based groups.

## **State Aid**

26. You acknowledge that the grant comes from public funds and you will not use the grant in a way that constitutes unapproved State aid. In the event that it is deemed to be unapprovable State aid, then you will repay the entire grant immediately.

## **Procurement Procedures**

27. You should have such policies and procedures in place that will assure us that best value for money has been obtained in any procurement of goods or services funded by the Grant.

## **Purchases of Capital Equipment**

28. You must not attempt to raise a mortgage or other charge on assets funded by the Grant.

## **Paying the Grant to the Grant-holder**

29. The Cabinet Office is not permitted to pay a grant in advance of need; however, the Grant will normally be paid in advance of expenditure.

## **Repaying and recovering the grant**

30. We shall have the right to recover the Grant, in whole or in part, to the extent that it is not used for the purpose and activities as agreed, or in circumstances where we consider that any other terms or conditions of the Grant are not being fulfilled.

31. **You should notify us as soon as it becomes apparent that the Grant is to remain unspent or is no longer required.** Any portion of the Grant advanced but not used for the agreed purpose by the end of the financial year for which it is given may not be retained without our permission. We will not withhold permission unreasonably but the Grants are subject to HM Treasury accounting rules which may require the unspent portion of the Grant to be repaid in full.

32. If we consider that there is a substantial variation between your reported actual income and expenditure and the amounts forecast in your original application, we may vary, withhold or recover Grant payments in such proportions as appear reasonable. Virement of funds between agreed summary budget lines, for project grants, can only be made upon written authorisation from the Cabinet Office.

33. If your organisation is wound up or goes into liquidation (including being subject to an administration order) receivership, bankruptcy, enters into any compromise or other arrangement of its debts with its creditors, or is likely, in our view, to become unable to pay any of its debts then we will be entitled to recover the Grant paid and remaining unspent at that time.

## **Co-operation and Dispute Resolution**

34. Both parties will use their best endeavours to uphold the principles and undertakings of The Compact.

35. Both parties will negotiate in good faith to resolve any dispute arising out of this Agreement. If we are unable to resolve a dispute within 28 days (at Board/Chief Executive/Director level) then both parties will attempt to settle it by alternative dispute resolution considering mediation. Both parties will pay their own costs unless otherwise agreed in writing.

36. In line with Compact principles, the Cabinet Office recognizes the importance of an independent civil society sector. The Cabinet Office, therefore, recognizes that civil society organisations are entitled to campaign within the law, in order to advance their aims, irrespective of any funding relationships that might exist.

## **Third Party Rights**

37. In accordance with the Contracts (Rights of Third Parties) Act 1999, it is not intended that any third party should have the right to enforce any part of this agreement. Both parties can agree to end or vary this agreement without the consent of a third party.

### **Termination of the Grant**

38. Either party, with three month's notice in writing, may terminate this agreement. Reasons should be given.

### **Liability for Future Funding**

39. There is no commitment to renewing or continuing financial support after the expiry of the term for which the grant was offered.

### **Signifying Acceptance**

40. If you are in doubt about being able to meet any of these terms and conditions, or any of the terms in the Offer Letter, you should seek our advice before indicating your formal acceptance.

41. You should indicate acceptance of these terms and conditions by signing our formal Offer Letter.

### **Jurisdiction**

42. These conditions shall be governed by English law and the parties hereby submit to the exclusive jurisdiction of the English courts.

### **Transparency**

43. You should note that, in accordance with the Government's transparency principles, details of any transactions over £25,000 will be published, including transactions associated with this grant. This £25,000 threshold for publication may be changed at any time.