

CONDITIONS: 2012-13

FINANCIAL YEAR 2012-2013

SCOTTISH UNION LEARNING GRANT FOR 2012-2013

Introduction

1. The Scottish Ministers hereby offer the Scottish Trades Union Congress a grant not exceeding £1,422,000 in total. The grant is made under the provisions of section 2 of the Employment and Training Act 1973.

Purpose and Scope of Grant

2. The purpose of this grant is to provide you with funding to support the activity of Scottish Union Learning as outlined in your Business Plan and Work Plan as agreed by the Scottish Union Learning Board and the Scottish Government for 2012-2013.

The grant includes:

- £728,000 allocated to the Scottish Union Learning Development Fund;
- £499,000 for the staffing and associated activities of Scottish Union Learning
- £120,000 for TUC Education
- £75,000 allocated to the SUL Learning Fund

3. In particular, as agreed with Scottish Government officials and as detailed in the Business Plan and the Work Plan, activity funded by the Grant must be focussed on ensuring outcomes for learners which are consistent with the aims and objectives of the Scottish Government's refreshed Skills Strategy (2010) and Government Economic Strategy (2011). Supporting infrastructure necessarily plays a role in delivering these outcomes and the Scottish Government therefore acknowledges the continued support this funding provides to the role of Union Learning representatives and Project Workers through the Scottish Union Learning Development Fund. As has also been agreed, spend from this grant can also be used to support staff working in the Scottish Union Learning team given the increased support that the Scottish Government will be expecting from them in the coming financial year. SUL is planning to explore with project delivery teams this year reporting mechanisms to demonstrate how different funding streams, including SG and ESF funds, contribute toward the project outputs and outcomes. We encourage transparency and accountability with respect to handling public funds and would welcome being kept informed of developments.

Formal Grant Offer

4. The grant will be for the period of one year (subject to the provisions for earlier termination contained in the Grant Conditions) commencing 1 April 2012. The total amount of grant payable in the Financial Year 1 April 2012 to 31 March 2013 shall not exceed £1,422,000.

European Structural Funds

5. The Scottish Government hereby gives approval that the funding allocated in 2012-13 can be used as match funding for any eligible ESF funding the STUC receive for Scottish Union Learning in both Lowlands and Uplands Scotland and Highlands and Islands. This applies only for match funding ESF applications which

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meet the requirements for which this grant from the Scottish Government is being made.

Payment - Quarterly Summary of Expenditure and Quarterly Performance Report

6. In accordance with general practice applicable to expenditure from public funds, payment will be made in arrears subject to the production of satisfactory evidence of expenditure having been incurred against the Work Plan for 2012-2013. Payment is normally made quarterly in arrears, but we are content that salary costs can be paid one month in advance.

Financial Management

7. You are responsible for the financial management of the Grant provided to ensure that it meets the outcomes of the Business Plan and the Work Plan. Within that context, you will be expected to spend the full amount allocated within this financial year. To enable you to manage the finances of the Business Plan, and specifically the delivery of Union Learning Projects, you have authority to approve transfers between Union Learning Projects using a margin of flexibility of up to 15% of the yearly total of the project value up to a maximum of £20,000. Variances in excess of this margin of flexibility will need to be discussed with Scottish Government in advance of any changes to resource re-allocations and, if agreed, authorisation will be given by the SG in writing.

Financial Reporting, Auditing and Repayment of Grant

8. The grant must be spent in accordance with the budget outline incorporated into the Business Plan 2012-13 which shall show quarterly profiling across the financial year. If requested, you must demonstrate that the resources have been used as agreed. It would be good practice to include a summary of financial matters including the budget plan and the statement of compliance for the relevant year in each annual report. For audit purposes, a statement which confirms that the expenditure incurred was eligible for grant, in terms of this letter of offer and the Work Plan, should be submitted following the end of the financial year that the grant is offered.

Underspends against Grant

9. In the event of the Work Plan being abandoned, or if it has not been possible to use the grant in accordance with the Work Plan, any unused budget will be repayable to the Scottish Government. It is a sign of good project management that identified underspends should be declared as early as possible.

10. The Scottish Government may require Scottish Union Learning to provide such further information as may be needed to enable it to verify that the grant has been properly paid and applied. In addition, Scottish Union Learning shall give the Director General Learning and Justice, as Accountable Officer (or her representative) access to such accounts, records, other documents and personnel in respect of the grant as she may require in order to ensure that the requirements of grant have been fulfilled. Also it is a condition of this grant that Scottish Union Learning allows the Auditor General for Scotland (or any person appointed by him) to have access to such accounts, records, other documents and personnel in respect of the grant as he may require in the exercise of his functions.

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11. Please let me have Scottish Union Learning's written acceptance of the terms and conditions of this offer of grant. I have provided a duplicate letter for you to sign and return.

OFFER OF GRANT FOR SCOTTISH UNION LEARNING 2012-2013

The Scottish Ministers in exercise of their powers under sections 2 of the Employment and Training Act 1973 and any further powers enabling them, the Scottish Ministers hereby offer to give to Scottish Union Learning ("the Grantee") a grant of up to £1,422,000 sterling, payable over the financial year 2012-2013, in connection with meeting the targets outlined in the Business Plan and Work Plan 2012-2013 ("the Project") and subject to the following terms and conditions:

1. Definitions and Interpretation

1.1 In these Conditions, the words and expressions set out in Schedule 4 shall have the meanings ascribed to them in that Schedule.

1.2 In these Conditions unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders.

1.3 The headings in these Conditions are for convenience only and shall not be read as forming part of the Conditions or taken into account in their interpretation.

1.4 Except as otherwise provided in these Conditions, any reference to a clause, paragraph, sub-paragraph or schedule shall be a reference to a clause, paragraph, subparagraph or schedule of these Conditions.

2. Purposes of the Grant

2.1 The Grant is made to enable the Grantee to carry out the Project.

2.2 The Grant shall only be used for the purposes of the Project and for no other purpose whatsoever.

2.3 No part of the Grant shall be used to fund any activity or material which is party political in intention, use, or presentation or appears to be designed to affect support for a political party.

2.4 The main objectives / expected outcomes of the Grant are outlined in the Scottish Union Learning Business Plan 2012-2013 and as agreed in conjunction with the Scottish Government.

2.5 The *targets* milestones against which progress in achieving objectives / expected outcomes shall be monitored are those outlined in the Scottish Union Learning Business Plan 2012-2013 and as agreed in conjunction with the Scottish Government.

2.6 The eligible costs for which the Grant can be claimed are outlined in the Scottish Union Learning Business Plan 2012-2013 and as agreed in conjunction with the Scottish Government.

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3. Payment of Grant

3.1 The Grant shall be paid by the Scottish Ministers to the Grantee in accordance with the terms of Schedule 1 attached.

3.2 The Grantee shall within 2 months following the end of each financial year in respect of which the Grant has been paid submit to the Scottish Ministers a statement of compliance with the Conditions of the Grant using the form of words provided in Schedule 3. The statement shall be signed by the Grantee's Accountable Officer.

3.3 In the event that the amount of the Grant paid by the Scottish Ministers to the Grantee at any point in time is found to exceed the amount of the expenses reasonably required by the Grantee in connection with the Project, the Grantee shall repay to the Scottish Ministers the amount of such excess within 14 days of receiving a written demand for it from or on behalf of the Scottish Ministers. In the event that the Grantee fails to pay such amount within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand from the date of the written demand until payment in full of both the sum and the interest.

3.4 The Scottish Ministers shall not be bound to pay to the Grantee, and the Grantee shall have no claim against the Scottish Ministers in respect of, any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year as set out in Schedule 1, unless otherwise agreed in writing by the Scottish Ministers.

4. Inspection and Information

4.1 The Grantee shall keep the Scottish Ministers fully informed of the progress of the Project in the form of written quarterly reports. Details shall include actual expenditure to date compared with profiled expenditure and any change to estimated expenditure for the financial year and! or the Project as a whole, the reasons for any such changes and progress in achieving objectives outcomes.

4.2 Revisions to targets milestones against which progress in achieving objectives outcomes are monitored shall be subject to the written agreement of the Scottish Ministers.

4.3 The Grantee shall, on completion of the Project, submit a report to the Scottish Ministers summarising the outcomes and performance of the Project. Such a report shall include such statistical and other information relating to the impact of the Project as shall be required by the Scottish Ministers.

4.4 The Grantee shall also provide any other information that the Scottish Ministers may reasonably require to satisfy themselves that the Project is consistent with the Agreement. The Grantee shall provide the Scottish Ministers with prompt access to any information they reasonably require to ensure compliance with these Conditions.

4.5 The Grantee shall keep and maintain for a period of 5 years after the expenditure occurs, adequate and proper records and books of account recording all receipts and expenditure of monies paid to it by the Scottish Ministers by way of the Grant.

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The Grantee shall afford the Scottish Ministers, their representatives, the Auditor General for Scotland, his her representatives and such other persons as the Scottish Ministers may reasonably specify from time to time, such access to those records and books of account as may be required by them at any reasonable time in response to a written request for such access from the person seeking it. The Grantee shall provide such reasonable assistance and explanation as the person carrying out the inspection may from time to time require.

4.6 In the event of the Grantee becoming aware of or suspecting any irregular or fraudulent activity that may have any impact on the Project or on the use of the Grant, or any part of it, the Grantee shall immediately notify the Scottish Ministers of such activity and provide such other information as the Scottish Ministers may reasonably require in relation to the impact on the Project and the use of the Grant.

5. Confidentiality and Data Protection

5.1 The Grantee will respect the confidentiality of any commercially sensitive information that they have access to as a result of the Project.

5.2 Notwithstanding the above, the Grantee may disclose any information as required by law or judicial order. All information submitted to the Scottish Ministers may need to be disclosed *and* or published by the Scottish Ministers. Without prejudice to the foregoing generality, the Scottish Ministers may disclose information in compliance with the Freedom of Information (Scotland) Act 2002, any other law, or, as a consequence of judicial order, or order by any court or tribunal with the authority to order disclosure. Further, the Scottish Ministers may also disclose all information submitted to them to the Scottish or United Kingdom Parliament or any other department, office or agency of Her Majesty's Government in Scotland, in right of the Scottish Administration or the United Kingdom, and their servants or agents. When disclosing such information to either the Scottish Parliament or the United Kingdom Parliament it is recognised and agreed by both parties that the Scottish Ministers shall if they see fit disclose such information but are unable to impose any restriction upon the information that it provides to Members of the Scottish Parliament, or Members of the United Kingdom Parliament; such disclosure shall not be treated as a breach of this agreement.

5.3 The Grantee shall ensure that all requirements of the Data Protection Act 1998 are fulfilled in relation to the Project.

6. Disposal of Assets

The Grantee shall not, without prior written consent of the Scottish Ministers, dispose of any asset funded, in part or in whole, with Grant funds within during the lifetime of the asset. During that period the Scottish Ministers shall be entitled to the proceeds of the disposal – or the relevant proportion of the proceeds based on the percentage of grant funding used in connection with the acquisition or improvement of the asset against the whole proceeds. Recovery by the Scottish Ministers shall not be required where the value of the asset is less than £10,000.

7. Publicity

The Grantee shall where reasonably practicable acknowledge in all publicity material relating to the Project the contribution of the Scottish Ministers to its costs. The

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Scottish Ministers may require to approve the form of such acknowledgement prior to its first publication.

8. Intellectual Property Rights

8.1 All Intellectual Property Rights are hereby assigned to and shall vest in the Crown or its assignees.

8.2 The Grantee shall ensure that nothing contained in any materials produced or submitted to the Scottish Ministers by the Grantee or anyone acting on its behalf nor the reproduction of such materials, shall constitute an infringement of any third party copyright or intellectual property right and shall indemnify the Scottish Ministers against all actions, proceedings, claims and demands made by reason of any such infringement.

9. Default

9.1 The Scottish Ministers may re-assess, vary, make a deduction from, withhold, or require immediate repayment of the Grant or any part of it in the event that:

9.1.1 The Grantee commits a Default;

9.1.2 The Scottish Ministers consider that any change or departure from the purposes for which the Grant was awarded warrants an alteration in the amount of the Grant;

9.1.3 The Grantee fails to carry out the Project;

9.1.4 In the Scottish Ministers' opinion, the progress on the Project is not satisfactory; or

9.1.5 In the Scottish Ministers' opinion, the future of the Project is in jeopardy;

9.2 The Scottish Ministers may withhold the payment of the Grant if at any time within the duration of the Agreement:

9.2.1 The Grantee passes a resolution that it be wound up, or a court makes an order that the Grantee be wound up, in either case otherwise than for the purposes of reconstruction or amalgamation, or circumstances arise which would enable a court to make such an order or the Grantee is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;

9.2.2 A receiver, manager, administrator or administrative receiver is appointed to the Grantee, or over all or any part of the Grantee's property, or circumstances arise which would entitle a court or a creditor to appoint such a receiver, manager, administrator or administrative receiver.

9.3 In the event that the Grantee becomes bound to pay any sum to the Scottish Ministers in terms of clause 9.1, the Grantee shall pay the Scottish Ministers the appropriate sum within 14 days of a written demand for it being given by or on behalf of the Scottish Ministers to the Grantee. In the event that the Grantee fails to pay the sum within the 14 day period, the Scottish Ministers shall be entitled to interest on

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the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand, from the date of the written demand until payment in full of both the sum and interest.

9.4 Notwithstanding the provisions of this clause 9, in the event that the Grantee is in breach of any of the Conditions, the Scottish Ministers may, provided that the breach is capable of a remedy, postpone the exercise of their rights to recover any sum from the Grantee in terms of clause 9 for such period as they see fit, and may give written notice to the Grantee requiring it to remedy the breach within such period as may be specified in the notice. In the event of the Grantee failing to remedy the breach within the period specified, the Grantee shall be bound to pay the sum to the Scottish Ministers in accordance with the foregoing provisions.

9.5 Any failure, omission or delay by the Scottish Ministers in exercising any right or remedy to which they are entitled by virtue of clauses 9.1 to 9.3 shall not be construed as a waiver of such right or remedy.

10. Assignment

The Grantee shall not be entitled to assign, sub-contract or otherwise transfer its rights or obligations under the Agreement without the prior written consent of the Scottish Ministers.

11. Termination

The Agreement may be terminated by the Scottish Ministers giving not less than 3 months' notice in writing from the date of the notice being sent.

12. Corrupt Gifts and Payments of Commission

The Grantee shall ensure that its employees shall not breach the terms of the Bribery Act 2010 in relation to this or any other grant. The Grantee shall ensure that adequate controls are in place to prevent bribery.

13. Continuation of Conditions

These Conditions shall continue to apply for a period of 5 years after the end of the financial year in which the final instalment of the Grant was paid.

14. Compliance with the Law

The Grantee shall ensure that in relation to the Project, they and anyone acting on their behalf shall comply with the relevant law, for the time being in force in Scotland. If you wish to accept the offer of this Grant on the whole terms and conditions as set out in the letter and annexed Schedules, you should sign and date both copies of the Grant Acceptance below and return one copy of the offer of Grant and Schedules to me at 5th Floor, 5 Atlantic Quay, 150 Broomielaw, Glasgow G2 8LU. You should retain the second copy of the offer of Grant and Schedules for your own records.

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EUROPEAN STRUCTURAL FUNDS – SCOTTISH UNION LEARNING 2012-13

Schedule 3 - Conditions of Grant

3.1 Confirmation of Grant Award to Match Funder(s)

3.1.1 The award of European Structural Funds Funding from the Scottish Government in respect of this project shall be notified by the applicant without delay to the match funder(s) and to any other public body or organisation which has awarded funding in relation to the whole (or part) of the project (or to whom an application for funding, for the whole or any part of the project has been made).

3.2 Responsibilities of the Applicant

3.2.1 The detailed responsibilities of the applicant are in **Schedule 4 – Post Approval Compliance**. These general conditions on the applicants are to:

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- Notify the IAB or GGB immediately of any alteration in the likely:
 - costs
 - nature
 - eligible area
 - scale
 - timing of the project or any other **material alterations** to that described in the approved application.
- Comply promptly with any reasonable request by or on behalf of the Scottish Government, or the IAB/GGB, concerning the progress or success of the project.
- Complete and submit a first claim form, transactional list and progress report for a maximum of three months project activity no later than 4 months after the project start date. This final month includes the period required for all expenditure claimed against to be defrayed*.
- Complete and submit a claim form and progress report within a maximum of three months thereafter until the completion of the project.
- Complete and submit a final claim form, final transaction list and progress report and evaluation by financial end date of project.
- Defrayed* - for expenditure to be defrayed liabilities must have been incurred and discharged by payment. i.e. transactions from the account of the applicant to the creditor.

3.3 Project Inspection

3.3.1 At any time the Scottish Government or their representatives including the IAB or GGB have the right to:

- Undertake compliance visits to the project.
- Require further information to be supplied, if required for evaluation or compliance, information concerning the financial position of the applicant.
- Be provided with copies of such documents or items, relating to the project as they require. For example original or certified copies of invoices, bank statements or lists of particulars.
- The Scottish Government and IAB/GGB may also carry out on-the-spot control inspections. Guidance for Applicants will be found on the IAB/GGB websites at that time.

3.4 Overpayment of grant

3.4.1 Overpaid grant will be repaid to the Scottish Government immediately on its first demand or upon the Applicant becoming aware that grant has been overpaid.

3.5 Withheld Grant & Repayment of Grant

3.5.1 The Scottish Government reserves the right to withhold any or all of the payments and/or to require part or the entire grant to be repaid if it considers that a substantial or material alteration in the any of the following has occurred without prior consent:

- costs
- nature
- eligible area
- scale or
- timing of the approved project.
- Unsatisfactory progress towards completing the project.
- Unsatisfactory progress towards meeting the forecast outputs as detailed in the Schedule 1 - Offer of Grant.
- When any of the information provided in the application for grant or in supporting or subsequent correspondence is found to be substantially incorrect or incomplete.
- If the applicant receives support from any other Community Institutions or public bodies toward the cost of the project which is the subject of this offer letter, unless the grant was taken into account in making this offer.
- If the assistance exceeds European Structural Funds intervention limits.
- If the Applicant fails to comply with any condition of grant.

3.5.2 Any recovery of grant must be repaid to the Scottish Government within 30 days of the first demand. No further payments will be made to the applicant until the recovery is complete. This will be done firstly by offsetting against another project run by the applicant or thereafter by invoice.

3.6 Applicant Retention of Documentation

3.6.1 Applicants must retain documents relating to the implementation of the project and its financing until at least 31 December 2019.

3.7 Project Information and Publicity

3.7.1 You are required to hold basic information including a current address for participants. This will facilitate any follow-up survey to be conducted to assess the longer-term impacts of the projects. Where partners or contractors are undertaking the project, the applicants will be responsible for ensuring that full access is available to all participant and project records for follow up evaluations.

3.7.2 Applicants are required to comply with all publicity and evaluation requirements, as detailed in your signed application form under Part 6 – Compliance & Declaration.

3.7.3 Participants must be made aware that the project is supported by funding from the European Structural Funds of the European Structural Funds 2007- 2013 Programme.

3.8 Quarterly Progress Reports, Claims and Project Evaluation

3.8.1 Applicants must produce a progress report and claim on at least a quarterly basis. A table setting out these key dates is in your agreed Schedule 2 - Acceptance of Offer of Grant. This table is replicated, once your Offer of Grant has been agreed, as Part 8 of your Stage 2 Application, available through €UROSYS.

3.8.2 A first progress report, transaction lists and claim must be submitted as specified in part 2.2 of Schedule 2 - Acceptance of Offer of Grant. If no claim is received consideration will be given to withdrawing the offer of grant.

3.8.3 When submitting the progress report and claim you will be required to report on the progress against indicators (all projects) and characteristics of participants (ESF projects only) assisted by your project(s) and against the figures provided in your approved application form.

3.8.4 The submission of quarterly claims and project progress report is an important control mechanism for the IAB/GGB in tracking the financial and practical progress of projects in accordance with the approved application.

3.8.5 It is possible for a project to submit a nil claim for a particular quarter, so long as sufficient justification is given. However, a project progress report must be submitted each quarter regardless of whether or not a project is declaring expenditure for the period.

3.8.6 All projects must provide a final claim, transaction list, progress report and evaluation feedback by the Financial End Date of the project, as detailed in Schedule 2 - Acceptance of Offer of Grant in order to receive any final funding.

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EUROPEAN STRUCTURAL FUNDS – SCOTTISH UNION LEARNING (HIGHLANDS & ISLANDS) 2012-14

Schedule 3 - Conditions of Grant

3.1 Confirmation of Grant Award to Match Funder(s)

3.1.1 The award of European Structural Funds Funding from the Scottish Government in respect of this project shall be notified by the applicant without delay to the match funder(s) and to any other public body or organisation which has awarded funding in relation to the whole (or part) of the project (or to whom an application for funding, for the whole or any part of the project has been made).

3.2 Responsibilities of the Applicant

3.2.1 The detailed responsibilities of the applicant are in **Schedule 4 – Post Approval Compliance**. These general conditions on the applicants are to:

- Notify the IAB or GGB immediately of any alteration in the likely:

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- costs
- nature
- eligible area
- scale
- timing of the project or any other **material alterations** to that described in the approved application.
- Comply promptly with any reasonable request by or on behalf of the Scottish Government, or the IAB/GGB, concerning the progress or success of the project.
- Complete and submit a first claim form, transactional list and progress report for a maximum of three months project activity no later than 4 months after the project start date. This final month includes the period required for all expenditure claimed against to be defrayed*.
- Complete and submit a claim form and progress report within a maximum of three months thereafter until the completion of the project.
- Complete and submit a final claim form, final transaction list and progress report and evaluation by financial end date of project.
- Defrayed* - for expenditure to be defrayed liabilities must have been incurred and discharged by payment. i.e. transactions from the account of the applicant to the creditor.

3.3 Project Inspection

3.3.1 At any time the Scottish Government or their representatives including the IAB or GGB have the right to:

- Undertake compliance visits to the project.
- Require further information to be supplied, if required for evaluation or compliance, information concerning the financial position of the applicant.
- Be provided with copies of such documents or items, relating to the project as they require. For example original or certified copies of invoices, bank statements or lists of particulars.
- The Scottish Government and IAB/GGB may also carry out on-the-spot control inspections. Guidance for Applicants will be found on the IAB/GGB websites at that time.

3.4 Overpayment of grant

3.4.1 Overpaid grant will be repaid to the Scottish Government immediately on its first demand or upon the Applicant becoming aware that grant has been overpaid.

3.5 Withheld Grant & Repayment of Grant

3.5.1 The Scottish Government reserves the right to withhold any or all of the payments and/or to require part or the entire grant to be repaid if it considers that a substantial or material alteration in the any of the following has occurred without prior consent:

- costs
- nature
- eligible area
- scale or
- timing of the approved project.
- Unsatisfactory progress towards completing the project.
- Unsatisfactory progress towards meeting the forecast outputs as detailed in the Schedule 1 - Offer of Grant.
- When any of the information provided in the application for grant or in supporting or subsequent correspondence is found to be substantially incorrect or incomplete.
- If the applicant receives support from any other Community Institutions or public bodies toward the cost of the project which is the subject of this offer letter, unless the grant was taken into account in making this offer.
- If the assistance exceeds European Structural Funds intervention limits.
- If the Applicant fails to comply with any condition of grant.

3.5.2 Any recovery of grant must be repaid to the Scottish Government within 30 days of the first demand. No further payments will be made to the applicant until the recovery is complete. This will be done firstly by offsetting against another project run by the applicant or thereafter by invoice.

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3.6.1 Applicants must retain documents relating to the implementation of the project and its financing until at least 31 December 2019.

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3.7 Project Information and Publicity

3.7.1 You are required to hold basic information including a current address for participants. This will facilitate any follow-up survey to be conducted to assess the longer-term impacts of the projects. Where partners or contractors are undertaking the project, the applicants will be responsible for ensuring that full access is available to all participant and project records for follow up evaluations.

3.7.2 Applicants are required to comply with all publicity and evaluation requirements, as detailed in your signed application form under Part 6 – Compliance & Declaration.

3.7.3 Participants must be made aware that the project is supported by funding from the European Structural Funds of the European Structural Funds 2007- 2013 Programme.

3.8 Quarterly Progress Reports, Claims and Project Evaluation

3.8.1 Applicants must produce a progress report and claim on at least a quarterly basis. A table setting out these key dates is in your agreed Schedule 2 - Acceptance of Offer of Grant. This table is replicated, once your Offer of Grant has been agreed, as Part 8 of your Stage 2 Application, available through EUROSYS.

3.8.2 A first progress report, transaction lists and claim must be submitted as specified in part 2.2 of Schedule 2 - Acceptance of Offer of Grant. If no claim is received consideration will be given to withdrawing the offer of grant.

3.8.3 When submitting the progress report and claim you will be required to report on the progress against indicators (all projects) and characteristics of participants (ESF projects only) assisted by your project(s) and against the figures provided in your approved application form.

3.8.4 The submission of quarterly claims and project progress report is an important control mechanism for the IAB/GGB in tracking the financial and practical progress of projects in accordance with the approved application.

3.8.5 It is possible for a project to submit a nil claim for a particular quarter, so long as sufficient justification is given. However, a project progress report must be submitted each quarter regardless of whether or not a project is declaring expenditure for the period.

3.8.6 All projects must provide a final claim, transaction list, progress report and evaluation feedback by the Financial End Date of the project, as detailed in Schedule 2 - Acceptance of Offer of Grant in order to receive any final funding.

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SCOTTISH PENSIONERS' FORUM 2012-2013

EQUALITY FUNDING 2012 TO 2015 OFFER OF GRANT

1. Thank you for your recent application for funding, for 2012-13, 2013-14 and 2014-15. This letter is an offer of grant for the Scottish Pensioners Forum.

2. On behalf of Scottish Ministers we are pleased to confirm that we will be providing funding to the Scottish Pensioners Forum for the three years 2012 to 2015. Funding has been set at the following amounts, 2012-13 £19,000, for 2013-14 £19,000 and £19,000 for 2014-15 respectively.

a. Funding will be paid in quarterly instalments of £4,750 and the first will be paid in April 2012, on receipt of returned grant claim form (Annex E), to be accompanied by your grant acceptance (Annex B).

b. **Funding for 2013-14 and 2014-15 is dependant on satisfactory achievement of agreed outcomes for 2012-13, as in paragraphs 3 and 4 below.** Funding for 2013-14 and 2014-15 will be confirmed by the December prior to the start of each of these financial years.

3. This grant will be provided to carry out the work and achieve the outcomes to fund the salary and pension costs of an administrator/development worker as set out in your application for funding from 1 April 2012 to 31 March 2015.

4. Funding is offered to organisations that contribute to the Scottish Government's purpose and Strategic Objectives. It is important that older people's voices are heard, and the Forum needs to engage with older people and to feed the views of pensioners into policy making. To assist that, the Forum will be monitored and supported by the Voluntary Action Fund, who provide support for projects under the Equality Fund, to help develop its work with more focus and with a better identification of outcomes, and making relevant links with other organisations.

5. This letter sets out the conditions of the grant

- **Annex A** sets out the financial conditions [including definitions].
- **Annex B** is the acceptance of grant which you should sign and return to [redacted] at the specified address.
- **Annex C** is the schedule of grant payments for 2012-13
- **Annex D** is the glossary of terms used in the letter and annexes.
- **Annex E** is the grant claim form which has to be completed on a Quarterly basis for payment of grant purposes.

6. If these conditions cause you any difficulty, please contact us.

7. I have enclosed two copies of this letter. If you agree to accept the offer of grant and the conditions attached to it, you should sign and date one copy and return it to [redacted] as soon as possible. You should retain the second copy for your own

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records. It will not be possible to pay any grant instalment until a formal acceptance of the offer has been received.

Annex A

FINANCIAL CONDITIONS

Definitions and Interpretation

1. In these conditions, the words and expressions set out in Annex D shall have meaning ascribed to them in that Annex.

Purpose of the Grant

2. The Grant is provided under Section 10 of the Social Work (Scotland) Act 1968.
3. The Grant shall only be used for the purposes described in paragraphs 3 of the covering letter and for no other purposes whatsoever.
4. No part of the Grant shall be used to fund any lobbying activity, or activity carried out, or material published by the Grantee, which is party political in intention, use, or presentation or appears to be designed to affect support for a political party.

Payment of Grant

5. The Grant shall be paid by the Scottish Ministers to the Grantee in accordance with the payment schedule in Annex C attached hereto.

Reporting Requirements

6. The Grantee shall submit to Scottish Ministers an interim report(s) showing all the activities undertaken, the agreed outcomes achieved and the expenditure incurred by the Grantee by 31 October of each financial year of funding commencing from October 2012.
7. The Grantee shall submit a final report showing all the activities undertaken, the outcomes achieved and the expenditure incurred by the Grantee by 31 March in each financial year of funding, commencing from 31 March 2013.
8. In the event that the amount of the Grant paid by the Scottish Ministers to the Grantee during that Financial Year exceeds the amount of the expenses reasonably and properly incurred by the Grantee in connection with the policy objectives, the Grantee shall within 28 days of receiving a written demand in respect thereof from the Scottish Ministers, repay to the Scottish Ministers the amount of such excess. In the event that the Grantee fails to pay such amount within the 28 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the base lending rate (or the equivalent) of the Royal Bank of Scotland plc prevailing at the time of the written demand from the date of the written demand until payment in full of both the sum and the interest thereon.
9. Notwithstanding any provision of this Agreement, the foregoing provisions of paragraphs 5, 6, 7 and 8 and Annex C shall be subject to the following: -

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The Scottish Ministers shall not be bound to pay the Grantee, and the Grantee shall be deemed to have forfeited and to have no claim against the Scottish Ministers in respect of, any instalment of the Grant which has not been claimed by the Grantee in accordance with the preceding paragraphs 5, 6 and 7, irrespective of the cause of the Grantee not making such a claim.

Inspection and Information

10. The Grantee shall keep and maintain for a period of 5 years after the expenditure occurs, adequate and proper records and books of account recording all receipts and expenditure of monies paid to it by the Scottish Ministers by way of Grant. The Grantee shall afford the Scottish Ministers, their representatives, Audit Scotland and other such persons as the Scottish Ministers may reasonably specify from time to time, such access to those records and books of account as may be required by them at any reasonable time in response to a written request for such access from the person seeking it and the Grantee shall provide reasonable assistance and explanation as the person carrying out the inspection may from time to time require.
11. The Grantee shall ensure that adequate internal expenditure controls are in place and that resources are used economically, effectively and efficiently.

Assets and equipment

12. The Grantee shall not, without prior written consent of the Scottish Ministers, dispose of any equipment purchased with grant funds within 5 years of the award being made, where the equipment has a minimum value of £1,000 at the time of disposal.

Publicity

13. The Grantee shall where reasonably practicable acknowledge in all publicity material the contribution of the Scottish Ministers to its costs. The Scottish Ministers may require to approve the form of such acknowledgement prior to its first publication.

Intellectual Property Rights

14. All Intellectual Property Rights are hereby assigned to and shall vest in the Crown or its assignees.
15. The Grantee shall ensure that nothing contained in any materials produced or submitted to the Scottish Ministers by the Grantee or anyone acting on its behalf nor the reproduction of such materials, shall constitute an infringement of any third party copyright or intellectual property right and shall indemnify the Scottish Ministers against all actions, proceedings, claims and demands made by reason of any such infringement.

Compliance with the Law

16. The grantee shall ensure that in relation to the project, they and anyone acting on their behalf shall comply with the relevant law for the time being in force in Scotland.

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Default

17. The Scottish Ministers may re-assess, vary, make a deduction from, withhold, or require immediate repayment of the Grant or any part of it in the event that:-

17.1 The Grantee commits a Default

17.2 The Scottish Ministers consider that any change or departure from the purposes for which the Grant was awarded warrants an alteration in the amount of the Grant.

17.3 If at any time within the duration of the Agreement: -

(a) The Grantee passes a resolution that it be wound up, or a court makes an order that the Grantee be wound up, in either case otherwise that for the purposes of reconstruction or amalgamation, or circumstances arise which would enable a court to make such an order or the Grantee is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;

(b) A receiver, manager, administrator or administrative receiver is appointed to the Grantee, or over all or part of the property which from time to time be comprised in the property and undertaking of it, or circumstances arise which would entitle a court or a creditor to appoint such a receiver, manager, administrator or administrative receiver.

18. In the event that the Grantee becomes bound to pay any sum to the Scottish Ministers in terms of the preceding paragraph 17, the Grantee shall pay the Scottish Ministers the appropriate sum within 28 days of a written demand for it being given by or on behalf of the Scottish Ministers to the Grantee. In the event that then Grantee fails to pay such sum within the said period of 28 days, the Scottish Ministers shall be entitled to interest on the said sum at a rate of 2 per cent per annum above the base lending rate or the equivalent of the Royal Bank of Scotland plc prevailing at the time of the written demand, from a date of the written demand until payment in full of the said sum and interest.
19. Notwithstanding the provisions of the foregoing paragraphs 18 in the event that the Grantee is in breach of any of the conditions specified in these Conditions, the Scottish Ministers may, provided that breach is capable of a remedy, postpone the exercise of their rights to recover any sum from the Grantee in terms of the said paragraph for such a period as they see fit, and may give written notice to the Grantee requiring it to remedy the breach within such period as may be specified in such notice, and in the event of the Grantee failing to remedy the said breach within the period specified, the Grantee shall be bound to pay the said sum in accordance with the provisions of the foregoing paragraphs.
20. Any failure or omission by the Scottish Ministers to exercise or delay by the Scottish Ministers in exercising, any rights or remedy to which they are entitled by virtue of the foregoing paragraphs 19 shall not be construed as a waiver of such rights or remedy.

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Assignment

21. The Grantee shall not be entitled to assign, sub-contract or otherwise transfer its rights or obligations under the Agreement without the prior written consent of the Scottish Ministers.

Termination

22. Notwithstanding paragraphs 16 and 17 of these Conditions, the Agreement may be terminated by Scottish Ministers giving not less than 3 months' notice in writing.

Continuation of Conditions

23. These conditions shall continue to apply for a period of 5 years after the end of the financial year in which the final instalment of the Grant was paid.