

[redacted]

From: Robertson FMG (Fiona)
Sent: 01 June 2017 21:31
To: [redacted]; DG Learning & Justice; Hicks C (Clare); Bruce A (Andrew) [redacted]
Cc: RE: NJC draft grant offer
Subject:

Thanks for the update, I am not surprised by the response. I think you have been keeping GCC up to date?

Fiona

Fiona Robertson
Director of Learning
The Scottish Government

Tel: 013124 [redacted]

From: [redacted]
Sent: 01 June 2017 15:00
To: DG Learning & Justice; Robertson FMG (Fiona); Hicks C (Clare); Bruce A (Andrew)
Cc: [redacted]
Subject: FW: NJC - draft grant offer

Paul
Fiona
Clare
Andy

Brief update on progress with Newlands JC following the meeting Paul, Andy & I had with Jim McColl, Alex Stewart & Keir Bloomer last Thursday.

Earlier this week I sent NJC (Keir Bloomer) a draft grant offer letter setting out the various conditions we discussed with them. Keir has now come back with their immediate comments – in short our requirements for an evaluation is fine and they will come back to us in due course with some proposals; as is the suggestion we made at the meeting about SG having some kind of presence on its Board of Trustees. In the meeting wash up we felt observer status was the most appropriate for us & that's what has been suggested to them.

The match funding requirements is more difficult for NJC at the moment –as we'd expected – and you'll see from Kier's response below that Mr McColl is due to meet GCC next week. Keir will get back to us with the outcome that in due course.

[redacted]

[redacted]
Empowering Schools Unit | People and Infrastructure | Learning Directorate | 2A South | Victoria Quay | EH6 6QQ
[redacted]@gov.scot | 0131 244 [redacted] | [redacted]

From: Keir Bloomer [mailto:[redacted]]
Sent: 01 June 2017 14:13
To: [redacted]

Cc: [redacted]; Jim McColl; Alex Stewart; [redacted]

Subject: Re: NJC - draft grant offer

Dear [redacted]

I have now had the opportunity to speak with Jim McColl and am in a position to update you with regard to our response.

I do not anticipate that we will have any difficulties with regards to the various standard sections in your draft letter. Our attention has been focused on section 2 and, in particular, on 2.5 where the conditions of the grant are set out. We are happy to accept a representative of the Scottish Government as an observer at meetings of the Board of Trustees and to commission independent research. I will be designing a research model along the lines discussed at our recent meeting and will be happy to discuss it with you and/or your colleagues in due course.

The position with regard to local authority match funding is, as you would anticipate, more complex. Mr. McColl will be meeting Glasgow City Council with regard to this matter on Tuesday of next week.

I will keep you informed of developments.

Best wishes

Keir

On 30/5/17 11:13, "[redacted]@gov.scot" <[redacted]@gov.scot> wrote: _____

Dear Keir

Following our meeting last Thursday, I promised to send you a draft of our proposed "grant offer letter" relating to Scottish Government support for NJC. This is attached. I always think it's helpful for grant recipients to see a draft before the final version is issued to ensure that nothing it contains comes as a surprise.

The "offer" follows a standard form, which has been developed by SG Finance. As you will see, it comprises some 22 pages and a great deal of detail on, for example, the mechanics of how the grant will be paid, confidentiality, IPR etc. These are all important and I'm sure NJC will wish to be clear it understands all of this "small print" – however, it is basically the same as our previous grant offer for the set-up costs. Hopefully this will not cause NJC any problems.

That aside, the key part is probably "Section 2 – Purpose of the Grant"; this sets out the conditions that Ministers wish to attach to the offer, which are as we discussed with you, Jim & Alex, e.g. match funding, evaluation and attending meetings of the Board of Trustees. I've highlighted this section in yellow so it can be found quickly.

If you have any questions or comments please let me know.

Kind regards

[redacted]

[redacted]

Empowering Schools Unit | People and Infrastructure | Learning Directorate | 2A South | Victoria Quay | EH6 6QQ
[redacted]v@gov.scot <mailto:[redacted]@gov.scot> | 0131 244 [redacted] | [redacted]

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Tha am post d seo (agus faldhle neo ceanglan còmhla ris) dhan neach neo luchd-ainmichte a-mhàin. Chan eil e ceadaichte a chleachdadh ann an dòigh sam bith, a' toirt a-steach còraichean, foillseachadh neo sgaoileadh, gun chead. Ma 's e is gun d'fhuair sibh seo le gun fhiosd', bu choir cur às dhan phost-d agus lethbhreac sam bith air an t-siostam agaibh, leig fios chun neach a sgaoil am post-d gun dàil.

Dh'fhaodadh gum bi teachdaireachd sam bith bho Riaghaltas na h-Alba air a chlàradh neo air a sgrùdadh airson dearbhadh gu bheil an siostam ag obair gu h èifeachdach neo airson adhbhar laghail eile. Dh'fhaodadh nach eil beachdan anns a' phost d seo co-ionann ri beachdan Riaghaltas na h Alba.

--
Keir Bloomer
[redacted]

t: [redacted]
e: [redacted]

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[redacted]

From: [redacted]
Sent: 06 June 2017 15:36
To: [redacted]
Subject: FW: Newlands grant letter

Hi [redacted]

I have reviewed and commented on all attached letter and confirm that after consideration of my comments I am content for the letter to be issued.

Please ensure, however, that you have obtained confirmation from your budget manager that you have the appropriate budget cover against the relevant budget for 2017-18.

Kind regards

[redacted]

[redacted] | Finance Officer | Financial Management & Reporting | Finance Directorate | Scottish Government | Victoria Quay | Edinburgh EH6 6QQ | Tel 0131 244 [redacted] |
E-mail: [\[redacted\]@scotland.gsi.gov.uk](mailto:[redacted]@scotland.gsi.gov.uk)



The Scottish Government
Riaghaltas na h-Alba

From: [redacted]
Sent: 05 June 2017 09:36
To: [redacted]
Cc: [redacted]; [redacted]; [redacted]
Subject: Newlands grant letter

Hi [redacted]

Here's an updated draft of the NJC grant letter. Following [redacted] feedback, I've double checked it against the current model grant letter and updated the conditions & definitions in a couple of minor ways, and I've put it on the correct letter template. I've also reflected [redacted] suggestion that we should set out clear outcomes that must be delivered, and make it clear that Annex A is a document from NJC.

My changes are marked in green. Copying this to [redacted] who had asked to see it.



NJC grant letter -
2nd draft.d...

[redacted]

[redacted] | Empowering Schools Unit | Learning Directorate | Scottish Government | Victoria Quay |
Edinburgh | EH6 6QQ

Tel. 0131 244 [redacted]

Please note I work Tuesday to Thursday

Learning Directorate
People and Infrastructure Division



Scottish Government
Riaghaltas na h-Alba
gov.scot

T: 0131-244 [redacted]
E: [redacted]@gov.scot

Mr Jim McColl
Newlands Junior College
6 Inverfair Avenue
GLASGOW
G43 2HS

Your ref: «Yourref»
Our ref: «Ourref»
June 2017

Dear Mr McColl,

OFFER OF GRANT FOR NEWLANDS JUNIOR COLLEGE 2017/18

The Scottish Ministers in exercise of their powers under section 42 (1) of the Standards in Scotland's Schools etc. Act 2000, hereby offer to give to Newlands Junior College Limited ("the Grantee") a grant of up to £346,000 STERLING, payable over the financial year 2017-2018, in connection with the operating costs of Newlands Junior College, which is more particularly described in Part 1 of **Schedule 1** ("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. The schedules are intended to be contractual in nature. They form part of the Agreement and should be construed accordingly.

1.5 This Agreement shall not be varied except by an instrument in writing signed by both parties.

2. Purposes of the Grant

2.1 The Grant is made to enable the Grantee to carry out the Project, and is awarded for one year only (2017/2018) with no presumption that further Grants will be forthcoming beyond this.

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:

- to provide Newlands Junior College with a contribution towards its operating costs for 2017/18;
- to deliver the proposal for Newlands Junior College, received from the College and dated 24 March 2017, as attached at Annex A. The expected outcomes of the grant are for Newlands Junior College to provide education for up to 60 students during financial year 2017/2018.

2.5 The award of the Grant is subject to Newlands Junior College meeting and/or complying with the following conditions:

- Newlands Junior College is to demonstrate, to the satisfaction of the Scottish Ministers, that it has secured match funding of £345,000 from local government;
- release of Scottish Government funds will only be made following evidence of receipt of local government contributions;
- Newlands Junior College is required to commission a rigorous and independent evaluation of the college to verify the outcomes it is achieving and assess whether these offer good value for money in comparison to other approaches in the Scottish education system designed to prepare young people for work, for example, Developing the Young Workforce;
- the evaluation is to be funded by Newlands Junior College but its scope and remit is to be agreed with the Scottish Government; and
- the Scottish Government will be invited to attend, with observer status, meetings of the College's Board of Trustees.

Should Newlands Junior College be unable to satisfy the Scottish Government that conditions are being or have been met, paragraph 9.1 (Default and Recovery etc. of Grant) will apply.

2.6 The targets/milestones against which progress in achieving objectives/expected outcomes shall be monitored are:

- delivery of education to up to 60 students, and

Comment [u1]: As discussed, you are going to provide a more definitive target and how it is going to be evidenced.

- delivery of the independent evaluation of the college.

2.7 To monitor progress in achieving objectives / expected outcomes and to ensure compliance with the Grant conditions, there shall be:

- Quarterly progress meetings between Newlands Junior College and the Scottish Government at which grant claims, submitted at least 2 weeks prior to the meeting, will be considered;

2.8 The eligible costs for which the Grant can be claimed are on-going running costs associated with the College. Other costs may be considered, subject to written agreement.

2.9 The eligible costs exclude:

- Any Value Added Tax (VAT) reclaimable by the Grantee.
- Utilities and insurance costs.
- The cost of the independent evaluation.

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 3 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 Finance Director/Company Secretary.

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 and properly incurred 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 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. 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.

4.7 The grantee shall immediately inform the Scottish Ministers of any change in its constitution for example, but not limited to, a change in status from one type of body corporate to another.

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.

5.4 To comply with section 31(3) of the Public Services Reform (Scotland) Act 2010, the Scottish Ministers publish an annual statement of all payments over £25,000. In addition, in line with openness and transparency, the Scottish Government publishes a monthly report of all payments over £25,000. The Grantee should note that where a payment is made in excess of £25,000 there will be disclosure (in the form of the name of the payee, the date of the payment, the subject matter and the amount of grant) in both the monthly report and the annual Public Services Reform (Scotland) Act 2010 statement.

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 5 years of the asset being acquired or developed. 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. The Scottish Ministers shall also be entitled to the relevant proportion of any proceeds resulting from any provision included as a condition of sale. 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 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 and Recovery etc. of Grant

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 If, in the Scottish Ministers' opinion, the Grant or any part of it is state aid and they consider that they are required to recover such sum in order to ensure compliance with their obligations under EU law Scottish Ministers may require immediate repayment of the Grant or any part of it together with interest at such rate and on such basis as may be determined from time to time by the Commission of the European Union.

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

9.3.1 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;

9.3.2 Where the Grantee is an individual, if a petition is presented for the Grantee's bankruptcy or the sequestration of his estate or a criminal bankruptcy order is made against the Grantee; or the Grantee makes any composition or arrangement with or for the benefit of creditors, or makes any conveyance or assignation for the benefit of creditors, or if an administrator or trustee is appointed to manage his affairs; or

9.3.3 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.

9.4 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 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.

9.5 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.

9.6 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

13.1 These Conditions, except for Condition 6, 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.

13.2 Condition 6 shall continue to apply until the end of the period referred to in that Condition.

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.

15. Governing Law

This contract is governed by the Law of Scotland and the parties hereby prorogate to the exclusive jurisdiction of the Scottish Courts

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 [] at Scottish Government, Learning Directorate, Area 2A South, Victoria Quay, Edinburgh, EH6 6QQ. You should retain the second copy of the offer of Grant and Schedules for your own records.

Yours sincerely,

[on behalf of the Scottish Government]

[redacted]

June 2017

OFFER OF GRANT FOR NEWLANDS JUNIOR COLLEGE 2017-18

GRANT ACCEPTANCE

On behalf of Newlands Junior College Limited, I accept the foregoing offer of Grant by the Scottish Ministers dated [] on the whole terms and conditions as set out in the letter and annexed Schedules. **confirm that Newlands Junior College Limited is solvent** I confirm that I hold the relevant signing authority.

Signed:

[Director/Company Secretary/Authorised Signatory]

Print Name:

Position in Organisation of Person Signing:

Date:

Place of Signing:

Signed:

[Witness]

Witness Name:

Address:

Date:

Place of Signing:

DRAFT

SCHEDULE 1

PART 1: THE PROJECT

The Scottish Government is providing funding for Newlands Junior College on the basis of the proposal submitted to the Scottish Government on 24 March 2017 (as attached in Annex A). In summary, Newlands Junior College (NJC) aims to deliver a new form of education involving alternative educational programmes aimed at young people aged 14 to 16 years old who may find that their current secondary school education does not suit their learning styles or goals, but who nonetheless have potential. All NJC students will experience a curriculum designed around three main strands:

- An academic curriculum focused on learning key skills,
- Vocational education, and
- Experiences designed to enhance motivation and personal development.

NJC will work in close partnership with Councils and secondary schools in the vicinity. Each year NJC will admit up to 30 young people beginning their third year of secondary schooling who will remain in the junior college until the end of fourth year. The Scottish Government funding is contingent on evidence of NJC working in close partnership and confirmation of match funding contributions from the partner Councils.

The Scottish Government will provide funding to Newlands Junior College Ltd towards its operational and running costs during 2017-2018.

PART 2: PAYMENT OF GRANT

1. The total Grant of up to £345,000 STERLING shall be payable by the Scottish Ministers to the Grantee quarterly in arrears on receipt of a completed claim for Grant in the form set out in Schedule 2 together with the associated monitoring information set out in paragraph 4.1 of the Offer of Grant.
2. The total Grant shall be payable over the financial year 2017-18. The Scottish Ministers shall not be bound to pay any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year, unless otherwise agreed in writing by the Scottish Ministers.
3. The Grantee shall provide an updated expected monthly profile of expenditure of the Grant for the financial year 2017-18 by [30 June 2017]. Any change to the profile or to the overall costs of the Project shall be notified to the Scottish Ministers at the earliest opportunity via the claims for Grant and monitoring reports.
4. Each claim shall be for an amount equal to the actual reasonable and proper costs and expenses incurred by the Grantee in connection with the Project since the submission by it of the last claim for an instalment of the Grant.
5. Each claim shall be submitted together with such explanatory or supplementary material as the Scottish Ministers may from time to time require whether before or after submission of the claim.

6. On receipt of each claim (and any required documentation and information), the Scottish Ministers shall determine the amount of expenditure which they consider the Grantee has reasonably and properly incurred in connection with the Project having regard to that claim. The determination shall be based on the information provided by the Grantee in accordance with this Schedule. The Scottish Ministers shall use their best endeavours (but shall be under no obligation or duty) to pay the amount determined to the Grantee within 4 week(s) of receiving a claim and any required documentation and information relevant to the claim.

7. In order to facilitate the accrual of expenditure of the Grant for the financial year the Grantee shall, where appropriate, advise the Scottish Ministers in writing by 17 April 2018 the amount of the Grant actually expended up to and including 31 March 2018.

DRAFT

SCHEDULE 2

GRANT CLAIM FORM

Organisation: Newlands Junior College Limited

Bank details: [Name and address, sort code, account number]

Project: **Newlands Junior College**

Total agreed grant for 2017-18: £345,000 Sterling

Latest forecast of expenditure of grant for 2017-18: [Amount]

Grant claimed to date: [Amount]

Claim for grant or for the period from xxxx to xxxx: [Amount]

We hereby claim [total] grant of [£] in respect of the above period in accordance with the terms and conditions of the offer of Grant dated [] and the Schedules attached thereto.

Completed by:

Position:

Contact Details:

Date:

DRAFT

Items of Expenditure

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that [has been submitted] or [will be made available on request] to substantiate each amount.

A	B	C	D
Item	Amount (£)	Paid Invoice [Y/N]	Other (please specify, e.g. certificate of payment in kind)
TOTAL*			

* Note the total should add up to the total expenditure claimed for the period.

SCHEDULE 3

STATEMENT OF COMPLIANCE WITH CONDITIONS OF GRANT

Newlands Junior College

This is to confirm that the grant claimed by Newlands Junior College Limited in relation to the above Project during the financial year ended 31 March 2018 was properly due and was used for its intended purpose(s) in accordance with the terms and conditions of the Grant. This statement is supported by the records of Newlands Junior College Limited.

Signed:

Name in block capitals:

Position:

Date:

DRAFT

Page intentionally blank.

DRAFT

SCHEDULE 4

DEFINITIONS

"Agreement" means the agreement constituted by the Scottish Ministers' invitation to apply for a grant, the Grantee's Application, these Conditions and the Grantee's acceptance of these Conditions;

"Conditions" means these grant conditions;

"Default" means:

(a) Any breach of the obligations of either party under this Agreement (including, but not limited to, any breach of any undertaking or warranty given under or in terms of this Agreement);

(b) Any failure to perform or the negligent performance of any obligation under this Agreement;

(c) Any breach of any legislation; or

(d) Any negligence or negligent or fraudulent mis-statement or misappropriation of Grant, or any other default,

In all cases by either party, its employees, agents or representatives;

"Financial Year" means a period from 1 April in one year until 31 March in the next;

"Grant" means the grant offered by the Scottish Ministers to the Grantee as specified in the Award Letter, as varied from time to time in accordance with these Conditions;

"Grantee" means the person, organisation or body to which the Grant will be payable as specified in these Conditions. Where two or more persons, organisations or bodies are the Grantee, references to the "Grantee" are to those persons, organisations or bodies collectively and their obligations under the Agreement are undertaken jointly and severally;

Intellectual Property Rights means all copyright, patent, trademark, design right, database right and any other right in the nature of intellectual property whether or not registered, in any materials or works in whatever form (including but not limited to any materials stored in or made available by means of an information technology system and the computer software relating thereto) which are created, produced or generated as part of the Project by or on behalf of the Grantee

"Project" means the purpose for which the Grant has been awarded as described in the Offer of Grant;

"Payment" means each of the payments specified in Schedule 1 hereto.

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ANNEX A

Proposal received from Newlands Junior College, 24 March 2017

Promoting and funding junior colleges

A proposal for the Scottish Government

1 Background

Newlands Junior College (NJC), the first establishment of its kind, has now been operating for two and a half years. There is steadily accumulating evidence of its success in re-motivating young people who were alienated from education; raising their aspirations and setting them on a path towards worthwhile qualifications, future employment and more fulfilled lives. (See section 2 below)

NJC is designed to cater for 60 students. The cost of refurbishing existing premises to a high standard from a derelict building has been £1.85m while running costs are of the order of £900k per annum. The Scottish Government contributed £500k towards a variety of start-up costs while Glasgow City Council has subscribed £100K per year towards running costs in return for the right to enrol up to 60 Glasgow pupils. Other local authorities have paid on an ad hoc basis to enroll a small number of young people.

NJC has thus attracted an amount of public funding that is significant but covers only a small proportion of expenditure to date. Twenty-one private sector companies have donated to the college. However, the viability of the project has depended on the contribution of ClydeBlowers Capital. The current funding arrangements will not ensure the continuation of NJC to the end of its initial trial period of five years, still less provide a basis for a longer-term future.

This paper, therefore, seeks the assistance of the Scottish Government to establish a financial model that would allow the continuation of NJC and potentially provide a basis for the establishment of more junior colleges in the future.

2 Experience to date

NJC admitted its first students in November 2014. The great majority came from areas of disadvantage. Later intakes have followed a similar pattern. 73% of current students come from homes in the most disadvantaged SIMD quintile. All students are at risk of educational failure at the time of their admission. Their former schools consider them unlikely to achieve academic success or to go into positive destinations after school. NJC aims to help them develop positive attitudes and the means of accessing good jobs and leading fulfilled lives. In so doing, NJC is playing its part in closing the attainment gap and taking forward the principles of *Developing Scotland's Young Workforce*.

NJC is a small institution. It caters for no more than 30 students in each of third and fourth year. It has a small staff of eleven (including six teachers). This staff team is able to build close and trusting relationships with each individual student. Experience since NJC opened demonstrates that the quality of these relationships is the crucial factor in giving the young people a more positive view of education and a desire to succeed. Following their visit in

September 2015 Her Majesty's Inspectors commented that the young people who had spoken with them, "described how the helpful approaches taken by all staff at Newlands Junior College have encouraged them to learn effectively and re-engage in their studies. They particularly appreciate having positive and supportive relationships with teachers."

The Inspectors also reported in very positive terms on parents' perceptions of the difference NJC had made to their children. "All parents and carers who met with inspectors... felt that since starting at Newlands Junior College, their children had a much improved attitude towards their learning and had clear goals for their future." One outcome has been improved attendance; up from a very low baseline for many students (in some cases around 30%) to 80% in 2014/15 with a further significant increase to 89% currently.

The first cohort of students left NJC in June 2016. Their academic performance far exceeded that predicted at the time of their enrolment. The 19 students who graduated gained the following passes:

	National 3	National 4	National 5
English	2	17	4
IT		19	
Maths	1	18	
Physics	3	16	
Laboratory science			19
Total	6	70	23

There are strong indications that the performance of the second cohort will surpass that of the first. For example, 2 students passed National 5 English at the end of their first year and numerous students have passed most or all of their assessments at National 4 in all of the subjects on offer. Two students have been verified as having passed all of the units for Higher English and one is likely to sit the exam with a good chance of obtaining the qualification in S4.

Through the personal development programme, young people have already assembled an impressive array of awards. Seven of the twenty students in the first cohort achieved the ASDAN Gold Award and all but one of the remainder succeeded at either Bronze or Silver levels. This is an exceptional record, possibly unprecedented in Scotland. Success rates in other awards include Fearless (70%), Heart Start (65%), the National Navigation Award (80%), the John Muir Discovery Environmental Award (70%), Outward Bound Trust certificate (60%), the Duke of Edinburgh Award (80%) and the SQA Employability Certificate (95%). Inspectors were clearly impressed. "Almost all young people have shown resilience and responsibility to gain a range of personal achievement awards" Again, the signs are that the students in the second and third cohorts will out-perform the original intake.

Most of the vocational programme is run in close collaboration with the City of Glasgow College. In addition, NJC has highly successful partnerships with the Riverside Studio and Glasgow Training Group (GTG), part of the Arnold Clark organisation. The links with the college represent an outstanding example of school/college collaboration. The link with GTG enables students following an engineering course at the college to take an additional option on motor vehicle engineering.

A unique feature of NJC is the strength of its links with business and industry. Several large businesses have given financial backing as well as providing work experience and mentoring. Close partnership with employers has ensured that a sufficient number of places was available for all those seeking jobs (or apprenticeships) in the summer of 2016 and similar arrangements will be put in place in future years.

All of those who graduated from NJC in 2016 entered positive destinations. Eight went into employment, three are pursuing engineering courses at City of Glasgow College and seven are participating in other college courses. One has left his college course and NJC is seeking a new destination for him.

NJC has a high rate of success in keeping in touch with former students and provides assistance to those former students wishing to change direction or in need of further support. It is becoming clear that this kind of service plays an important part in ensuring that positive destinations are sustained. A small institution like NJC with very detailed knowledge of every individual student is much better placed to provide it than mainstream schools.

In summary, indications to date are that NJC can achieve a high success rate with students deemed likely to be heading for failure at the time of their admission. It is very unlikely that similar levels of success would have been achieved had the students remained in mainstream education. The next section explores issues of cost. It is important to bear in mind that a higher level of expenditure that secures positive outcomes represents a much better investment than a cheaper option that brings with it an unacceptable level of failure. This argument is borne out in the appended letter from Sir Harry Burns to Jim McColl.

3 Costs

In 2013/14 the average cost of education a secondary pupil in Scotland was £6738. This average figure conceals wide variations. More senior pupils cost more than younger ones. Small schools in disadvantaged areas (like the ones from which many NJC pupils come) are disproportionately expensive. Pupils requiring additional support or engaged in the programmes widely on offer in Glasgow to pupils at risk of dropping out and failing incur significant extra expenditure. Although it is not possible to provide figures it is clear that the cost in mainstream schools for disaffected S3 and S4 pupils of the type that attend NJC is substantially above the £6738 figure quoted above.

Once NJC is operating near to full capacity, the average cost per student per year will be around £15,000. The evidence provided in the previous section suggests that, of the 20 students who completed the NJC course in June 2016 and entered positive destinations, at least ten and perhaps as many as fifteen would have failed at school and become unemployed thereafter had they remained in mainstream.

It is also worth bearing in mind that overall educational expenditure on those who leave school at the earliest opportunity is much lower than on those who stay on, especially if they subsequently move into further or higher education. Thus, looking only at the period from the start of secondary education, total costs are as follows:

	Cost
Statutory leaver	£26,952
NJC leaver (2 years in mainstream + 2 years at NJC)	£43,476
Staying on to S6 and then taking an honours degree	£76,482

Thus, a university graduate has incurred educational costs more than £30,000 higher than an NJC student. Given this context, the additional expenditure over two years on disadvantaged young people attending Newlands does not seem unreasonable.

In addition, there are other less direct costs that require to be taken into account. School failure is strongly correlated with numerous aspects of disadvantage, including poverty and dependence on benefits, poor health and involvement with the criminal justice system. Each of these involves substantial costs. Any intervention, such as attendance at NJC, that helps a number of young people likely to fail to achieve some measure of success, brings great financial benefits to the state as well as even more important benefits to the individual. The most sustained research relevant to this issue – the long-term longitudinal studies of the Headstart programme in the USA – suggest that each \$1 of expenditure can bring returns of the order of \$14.

The case for extending the kind of opportunities offered by NJC is, of course, not primarily an economic one. The Scottish Government is committed to closing the poverty-related attainment in order to make Scotland a fairer society and improve the lives of disadvantaged young people. This is also the mission of NJC.

4 The proposed model

The proposed model takes as its starting point the fact that the young people would otherwise be educated in the public system at an average cost of £6738 per year. It would be reasonable for this sum to be paid into the college by the relevant local authority in respect of each student. However, this would only account for less than half of the total cost.

The argument for a further input of public resources is that junior colleges will help to implement two significant government educational priorities; 'Closing the Gap' and taking forward the recommendations of the Wood Commission report, *Developing Scotland's Young Workforce*.

The Scottish Attainment Challenge initially focused on closing the gap during primary education. Funding was made available for all primary schools in seven particularly disadvantaged local authorities (later extended to nine) and in 57 individual schools serving disadvantaged communities in less deprived council areas. More recently the Pupil Equity Fund has been established to distribute resources direct to all schools – secondary as well as primary – on the basis of the number of disadvantaged pupils they contain. The Scottish Government has also invested in extending pre-school education and childcare to vulnerable two year olds and puts resources into promoting wider access to university education for disadvantaged applicants.

As demonstrated above, NJC has already achieved significant success in raising the level of attainment of its students and thus in closing the gap. It has transformed the attitudes of students and made them much more ready for the demands of working life. In these circumstances, investing in giving NJC a sustainable future would seem an appropriate further extension of the Challenge.

Developing Scotland's Young Workforce is concerned with entry to positive destinations. The success of the first NJC cohort in this respect speaks for itself. In addition, *Developing Scotland's Young Workforce* seeks to promote innovative and flexible routes from school into advanced education, training and employment. In this respect also NJC is playing an

important role. Through its partnerships with the City of Glasgow College and Skills Development Scotland, it has pioneered a Foundation Apprenticeship course. Even more importantly, the whole curriculum structure of NJC is designed to produce a synthesis of academic and vocational education with personal development in a way that is uniquely adapted to the needs of the student body.

As NJC is successfully taking forward two key government priorities, it would be reasonable to argue that government funding (above the average cost of secondary schooling) to meet a substantial proportion of the extra cost of a place at NJC can be easily justified. This additional spend will also serve to secure the continuation of a worthwhile measure of financial support from the private sector. Were government to contribute on the same basis as the local authority, this would amount to a total public expenditure of £13,476 per student, leaving £1,524 to be met from private contributions.

The key point is the need to balance levels of expenditure with prospects of success. It seems self-evident that a public investment of £13,476 with a high level of success represents wiser spending than expenditure of £6,738 with an unacceptable level of failure among disadvantaged young people. Spending relatively small additional sums on giving young people access to an institution like NJC with a proven record of success and achieving positive outcomes makes more sense than spending much larger sums later in an ad hoc manner to try to rectify – often unsuccessfully – the consequences of educational failure.

For the financial year 2017/18 we are seeking government support for NJC on the basis of the current average cost per secondary pupil. Using the figure of £6738 which was the 2013/14 average cost and the average number of students attending NJC during the 2017/18 financial year, the total support requested would be £343,638.

5 Conclusion

The proposal contained in this paper is intended to:

- Ensure the financial viability of NJC during the financial year 2017/18
- Establish a model that can be used to enable its longer-term sustainability and the possible establishment of further junior colleges in the future.

The value of such an approach is that it will:

- Help to take forward the government's educational priorities of raising attainment for all and closing the poverty-related attainment gap
- Offer a model of how important aspects of the recommendations of *Developing Scotland's Young workforce* can be taken forward successfully
- Enable the further development of the already successful approaches used in NJC for alleviating the educational consequences of disadvantage
- Improve the levels of attainment and enhance the life chances of the students currently attending NJC and those who will be enrolled in 2017.

24.3.17

[redacted]

From: [redacted] on behalf of Deputy First Minister and Cabinet Secretary for Education and Skills
Sent: 06 June 2017 10:56
To: [redacted]; Deputy First Minister and Cabinet Secretary for Education and Skills
Cc: DG Learning & Justice; Robertson FMG (Fiona); Hicks C (Clare); [redacted]; Bruce A (Andrew)
Subject: RE: Newlands JC update

[redacted]

Many thanks for this. DFM has noted.

[redacted]

[redacted]

Deputy PS/ Deputy First Minister and Cabinet Secretary for Education and Skills
Tel: 0131 24 [redacted] | Mob: [redacted] | e-mail: [redacted]@scotland.gsi.gov.uk

🖨 Save (a bit of) a tree...please don't print this e-mail unless you really need to

All e-mails and attachments sent by a Ministerial Private Office to another official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Offices do not keep official records of such e-mails or attachments. Thank you.

From: [redacted]
Sent: 05 June 2017 14:27
To: Deputy First Minister and Cabinet Secretary for Education and Skills
Cc: DG Learning & Justice; Robertson FMG (Fiona); Hicks C (Clare); [redacted]; Bruce A (Andrew)
Subject: Newlands JC update

[redacted]

You asked a for a brief update on Newlands Junior College (NJC) following my 17 May submission & DFM's reply noting that he wished to support the proposal subject to conditions.

I gave Keir Bloomer (representing NJC) an indication of DFM's decision on 17 May & suggested it would be helpful to follow up with a meeting to discuss the conditions in more detail – as a result, Paul Johnson, Andy Bruce & I met Jim McColl, Alex Stewart & Keir Bloomer on 25 May. We explained that the following conditions would be attached to any subsequent offer of funding & the purpose behind them:

- NJC is to demonstrate, to the satisfaction of the Scottish Ministers, that it has secured match funding of £345,000 from local government;
- release of Scottish Government funds will only be made following evidence of receipt of local government contributions;
- NJC is required to commission a rigorous and independent evaluation of the college to verify the outcomes it is achieving and assess whether these offer good value for money in

comparison to other approaches in the Scottish education system designed to prepare young people for work, for example, Developing the Young Workforce;

- the evaluation is to be funded by Newlands Junior College but its scope and remit is to be agreed with the Scottish Government; and
- the Scottish Government will be invited to attend, with observer status, meetings of the College's Board of Trustees.

Following the meeting I sent NJC a draft grant offer letter based on the above for comment – NJC has responded; they are content for SG to attend meetings of the Board of Trustees as an observer and they are starting to develop a specification and remit for the evaluation for us to comment on. However, they note that meeting the match funding condition will be more complex though they are due to meet Glasgow City Council (GCC) on 6 June to discuss this and will report back to us after that meeting.

In parallel to the above, I have been liaising with GCC's [redacted] to keep [redacted] sighted on developments here - however, [redacted] was not aware of any meeting on Tuesday [redacted]. [redacted] will keep us posted.

In the meantime our grant offer letter can now be finalised & is expected to issue in the next day or so.

[redacted]

[redacted]

Empowering Schools Unit | People and Infrastructure | Learning Directorate | 2A South | Victoria Quay | EH6 6QQ

[\[redacted\]@gov.scot](mailto:[redacted]@gov.scot) | 0131 244[redacted] | [redacted]

[redacted]

From: Johnston P (Paul)
Sent: 20 June 2017 18:14
To: [redacted]; DG Learning & Justice; Robertson FMG (Fiona); Hicks C (Clare) [redacted];
Cc: [redacted]; Bruce A (Andrew)
Subject: RE: Newlands Junior College SG offer of funding update

[redacted]

This seems fine to me. Many thanks for your hard work on this.

Grateful if we can keep Ministers updated.

Paul

Paul Johnston | Director General Learning and Justice | Scottish Government | 1 N-11, St Andrew's House, Edinburgh, EH1 3DG | Tel: 0131 244 [redacted] | Mobile: [redacted]

From: [redacted]
Sent: 20 June 2017 15:10
To: DG Learning & Justice; Robertson FMG (Fiona); Hicks C (Clare)
Cc: [redacted]; [redacted]; Bruce A (Andrew)
Subject: FW: Newlands Junior College - SG offer of funding - update

Paul
Fiona
Clare

Following the meeting Paul, Andy & I had with Jim McColl, Alex Stewart & Keir Bloomer on 25 May about Newlands, I sent Mr Bloomer a draft grant offer based on the terms and conditions we discussed with them. They were happy with the draft and Mr Bloomer noted that Mr McColl would meet GCC to secure/confirm the match funding we are looking for - I also agreed with him that we would hold off sending the final grant offer until the outcome of that meeting was known.

Mr Bloomer has now reported back on Mr McColl's meeting with Cllr Aitken - see below; On the basis that significant progress is being made on LAs match funding our contribution, I propose to now issue the grant offer letter. With regard to Mr Bloomer's question about payment of a first instalment to match the LA contributions already held, I am content to work on this this basis.

Are you content for me to proceed to issue the grant offer?

Thank you

[redacted]

[redacted]
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Email trail already included