

## **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 20 February 2018. 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.

## 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:

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

\* 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:

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## 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:

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

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]**

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**From:** Allan Dowie <[redacted]>  
**Sent:** 01 February 2018 17:02  
**To:** [redacted]  
**Cc:** Alex Stewart; [redacted]; [redacted]; [redacted]  
**Subject:** Re: New Scottish Government grant letter  
**Attachments:** NJC082\_86\_88 90\_92 97 99 100.pdf; Scottish Gov Grant Claim Form 2 @ 010218.pdf; Scottish Gov Grant Offer At 300118 Signed 010218.pdf

[redacted]

I hope all is well.

Thank you for the grant offer letter of 30 January 2018. Please find attached the signed acceptance of this offer.

Please also find attached the grant claim form file we wish to submit to apply for the remaining balance of the grant for £242,609.

This comprises :

- the grant claim form
- an income summary showing the funding already received and that which can be matched per the grant offer letter
- a monthly profile of the expenditure to date for the year, adjusted for the ineligible costs (expenditure for Jan to March 2018 is expected to be of a similar magnitude)

I have also attached the funding receipts, per the detail on the income summary, which are sent to donors to confirm the receipt of funds by NJC (8 receipts).

If you have any queries or require any further supporting evidence then please let me know.

I very much appreciate your assistance.

Best Wishes

Allan

Allan C Dowie  
Chief Financial Officer

PA : [redacted]  
T: [redacted] | F: [redacted] | E: [\[redacted\]](mailto:[redacted])

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**From:** "[redacted]@gov.scot" <[redacted]@gov.scot>  
**Date:** Wednesday, 31 January 2018 at 12:44  
**To:** Allan Dowie <[redacted]>



**Cc:** Alex Stewart <[redacted]>, "[redacted]@gov.scot"  
<[redacted]@gov.scot>, "[redacted]@gov.scot" <[redacted]@gov.scot>  
**Subject:** New Scottish Government grant letter

Dear Mr Dowie

As you will be aware, following a request from Jim McColl, we have made arrangements to vary the conditions relating to the Scottish Government grant to Newlands Junior College. I attach a new grant offer letter, which replaces the grant offer issued in June 2017. You will note that Condition 2.5 in the letter has been amended, to provide for match funding to apply to local government funding or some private sector funding received by the College.

If you are happy to accept this grant offer, please arrange for it to be signed and returned to this team. Following receipt of the signed grant offer, Schedule 1 to the grant offer (Part 2: Payment of Grant), asks the College to submit, by 20 February 2018, an updated monthly profile of expenditure for the year. I understand that the College is likely to want to put in grant claims quickly, and it might make sense for these to be submitted alongside the proposed expenditure profile.

The grant offer refers to quarterly meetings between Scottish Government and the College to consider grant claims (Condition 2.7). In this case, I think the meeting on 17 January with Alex Stewart at which we discussed how the College would evidence private sector funding should count for this purpose, and it might be prudent to plan for a further meeting in March if any issues remain regarding payment of the grant. We can arrange that nearer the time if it is required.

Please let me know if it would be helpful to discuss any of this or if I can offer any clarification.

Kind regards

[redacted]

[redacted] | Workforce, Infrastructure & Reform Division | Learning Directorate | Scottish Government | Victoria Quay | Edinburgh | EH6 6QQ

Tel. 0131 244 [redacted] Blackberry: [redacted]

Please note I work Tuesday to Thursday

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Tha am post-d seo (agus faidhle 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 gun fhiosd', bu choir cur às dhan phost-d agus lethbhreac sam bith air an t-siostam agaibh agus fios a leigeil 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.

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Learning Directorate  
Workforce, Infrastructure & Reform Division



Scottish Government  
Riaghaltas na h-Alba  
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T: 0131-244 [redacted]  
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Mr Allan Dowie  
Treasurer  
Newlands Junior College  
6 Inverlair Avenue  
GLASGOW  
G43 2HS

30 January 2018

Dear Mr Dowie

#### **OFFER OF GRANT FOR NEWLANDS JUNIOR COLLEGE 2017/18**

This offer of grant replaces the offer of grant made in my letter of 21 June 2017. Condition 2.5 has been amended at the request of Newlands Junior College.

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 £345,000 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.

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.

The Grant is awarded for one year only (2017/2018) with no presumption that further Grants will be forthcoming beyond this.

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 in addition to the £78,000 which it already proposed to secure from the private sector, it has secured further funding from either local government or private sector sources of at least £345,000. The Scottish Government will match this funding up to a maximum of £345,000;
- release of Scottish Government funds will only be made following satisfactory evidence of receipt of local government and private sector 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:

- enrolment and delivery of S3 and S4 education to up to 60 students; and
- 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