

## Guidance for funding applicants - Standard Terms and Conditions of Funding

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### Scottish Natural Heritage (NatureScot) - Standard Terms and Conditions of Funding

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These Terms and Conditions shall apply to the Grant offered by us to you and are incorporated into the Grant Contract. These Terms and Conditions shall prevail over any terms or conditions and may be varied only with our Written agreement.

#### Definitions

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- 'we', 'us', 'our' – Scottish Natural Heritage, hereinafter referred to as "NatureScot"
- 'you', 'your' – the individual or organisation(s) awarded the Grant as set out in our Grant Offer
- Approved Activities – the agreed project activities to be completed as part of the Project as detailed in the Grant Offer.
- Contract Period – the period of time specified under 'Contract Period' in the Grant Offer. This includes any maintenance or monitoring period following completion of the actual grant project.
- Grant - the grant award offered to you by us in the Grant Offer
- Grant Contract - the Grant Offer together with these Terms and Conditions and the requirements referred to in the Grant Offer, these Terms and Conditions, and the Guidance
- Grant Offer – the formal letter offering our Grant to you
- Guidance – the documents we publish to guide you about our grants
- Project – the project set out in the grant proposals, adjusted by any changes agreed in writing between you and us and/or any changes contained in the Grant Offer. The Project includes the purposes for which you applied for a grant and how you intend carrying out those purposes
- Property – any assets such as buildings, land, equipment, vehicles, documents or other assets such as intellectual property rights that you buy, create, restore, conserve or otherwise fund with the Grant
- Writing and Written shall incorporate the use of Electronic Forms of writing

## **1. Use of Grant for specified purposes**

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You must only use the Grant for the Project. Any change to the Project must be approved by us in writing and in advance.

## **2. Starting the Project**

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You must not start or make any changes to the Project prior to us advising you we have received your acceptance of our Grant Offer. Any work started or goods/ equipment purchased prior to this will not be eligible for the Grant unless specifically agreed by us in writing.

## **3. Contract documents to be followed**

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You must comply with the Grant Contract throughout the Contract Period.

## **4. Permissions and consents**

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You must comply with all domestic and European legislation and regulations relevant to the Project and have all necessary consents and permissions in place before work commences. Evidence of compliance and consents must be supplied to us if requested.

## **5. Buying goods and services**

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If the Project involves buying goods or services or undertaking works, you must secure good value for money with the Grant.

To help achieve this you must get competitive quotes and tenders for all goods, works and services in accordance with the contract thresholds outlined in our Grant Application form. Contract thresholds reflect the value of the contract, not the total Project value or NatureScot grant value.

If you intend to contract on a different basis from the thresholds outlined in our Grant Application form, you must get our prior approval, in writing.

If you are a public body you should follow your own purchasing procedures to ensure public accountability.

You must put formal contracts in place with contractors, suppliers and professional advisers before you start the respective element of the Project.

The terms of these should be proportionate to the standards required of the Project. Employers or clients should be appropriately experienced to carry out the work required of them.

If the Project involves a new post(s) you must advertise this and conduct a formal recruitment process.

## **6. Standard and sustainability of project**

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You must carry out the Project in line with relevant best practice and to an appropriate standard for its purpose.

In addition, you should take all reasonable steps to optimise opportunities for sustainable procurement and building sustainability into your activities.

## **7. Overspend and underspend**

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The Grant is the total amount of funds we will provide and will not be increased if your costs increase or for any other reason.

If you complete the Project without spending the full amount of Grant, we will recalculate the amount of Grant to be paid to reflect the underspend. If you receive payment in advance and complete the Project without spending the full amount of the Grant you must pay back the proportion of Grant that reflects the underspend.

We will not allow any underspend to be carried forward into a new financial year. Any underspend at the end of a financial year will be retained by NatureScot. It will not be carried forward to any future years of the Grant, where these exist. Notwithstanding the foregoing, we may consider carrying forward underspend in exceptional circumstances where NatureScot considers it is in the public interest. This must be formally agreed in writing.

You must inform us of any change to your VAT status and/or to the level of VAT you need to pay in respect of the project. If your VAT payment decreases, we will reduce our contribution to those costs and you will have to pay back any amounts of VAT you have managed to claim back. If your VAT payments increase we will not increase our grant payment. In exceptional cases we may consider assisting with increased VAT costs where NatureScot considers it is in the public interest. This must be formally agreed in writing.

## **8. Evidence of satisfactory delivery**

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We will only pay the Grant once you have provided evidence of satisfactory delivery of the Approved Activities detailed in the Grant Offer, unless the Grant Offer specifies payment on a different basis.

## **9. Ongoing conditions**

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We will pay you the Grant or any instalment of it in line with the Grant Contract, provided we are satisfied you are delivering (and will continue to deliver) the Project as outlined in your Grant Application and the Grant Contract.

This includes delivering the requirements of any maintenance or monitoring period when the grant Project has been completed.

## **10. Maintenance and restoration**

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Where the Grant relates to Property you must maintain the Property in good repair and condition for the duration of the Contract Period. This includes keeping it physically secure in an appropriate environment. You must also keep any objects or fixtures that form part of the Property in a physically secure and appropriate environment.

## **11. Sale and transfer of goods and services**

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You must continue to own any Property and maintain responsibility for what happens to it for the duration of the Contract Period.

You must not sell, let or otherwise dispose of the Property or any part of it or any interest in it during the Contract Period without our written approval in advance. Our approval may include new conditions.

If you do sell, let or otherwise dispose of the Property with our approval you will repay us immediately the Grant, or such part of it as we decide. The amount to be paid will reduce by equal proportions over the whole of the Contract Period so that by the end of that period the liability for repayment would be nil. We will tell you how much we expect you to repay when agreeing to any sale or transfer.

If you sell or otherwise dispose of the Property or any part of it without our approval we will consider this to be in breach of the Grant Contract. If this is the case then Clause 18 will apply.

## **12. Period of Grant**

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The terms and conditions applying to the Grant will apply for the Contract Period specified in the Grant Offer.

## **13. Insurance**

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You must insure the Property for its full reinstatement value including inflation and professional fees during the Contract Period unless we specifically agree otherwise. If the Property is lost or damaged, for example by fire, lightning, storm or flood, you may find that you cannot meet the approved Activities of your Project. In this instance we may have to consider claiming back our payments made in accordance with the Grant.

You must take out insurance for the works (if any) and for any unfixed materials and goods delivered to the property. All of these must be covered for their full value against loss or damage.

You must tell us, in writing, within five working days about any significant loss or damage to the Property or as soon as you are aware.

If we have agreed in writing that you can self-insure, you do not need to take out insurance in respect of the Property.

## **14. Other Project funding**

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Our Grant is made on the basis that other funding for the Project (financial contributions from other parties, your financial contribution) will be in accordance with the financial information provided in your Grant Application. We will be entitled to ask for confirmation of such funding.

If such funding is varied or withdrawn you will inform us without delay. If match funding is not secured we reserve the right to review the level of our support, should changes to the Project need to be made. We also reserve the right to vary or withdraw our Grant although we will only do this after discussing the situation with you.

## **15. Acknowledgement of Grant**

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You must acknowledge the Grant publicly in line with the requirements in our grant acknowledgement Guidance. Payment of Grant may be withheld if you fail to comply with these requirements or fail to provide satisfactory evidence that you have done so if requested by us.

If requested, you must provide us with photographs or transparencies or high resolution digital images, including video images of your Project. All images should be in electronic format. You must also meet any other acknowledgement or publicity requirements we may tell you about from time to time.

You give us the right to use the photographs, transparencies or digital images, including video images you provide to us. You must get any permission, including copyright, you need for you and us to use these images, including the consent of any persons appearing in them where applicable, before you send them to us or before you use them.

We may publicise the Grant in whatever way we think fit.

## **16. Right to inspect**

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You must allow reasonable access to any person authorised to inspect the Project for the purpose of ensuring that the Terms of Grant are being complied with.

## **17. Financial Information & Records**

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You must keep sufficient financial information and records relating to the Project, in accordance with our financial information and records Guidance. Records should be kept for the Contract Period.

For the duration of the Contract Period, NatureScot and the Auditor General of Scotland may require an examination of your financial information, documents and records and you must permit access to these upon request.

You must give us any financial (e.g. receipted invoices, payslips, time sheets) or other information we may request from time to time relating to the Project or the Grant.

We have the right, as funders, to require you to improve your financial information and record keeping – or such other requirements as we may specify - if we consider it necessary to do so to meet accepted standards for the management and reporting (including audit) on the use of public funds.

## **18. Repayment of Grant**

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We will stop paying the Grant and you must repay us any Grant that we have already paid if:

- You fail to comply with the Grant Contract
- Any information given to us by, or on behalf of you, in connection with the Grant, is found to be incorrect, misleading or fraudulent, whether this is provided before or after the Grant has been paid
- You do not use the Grant for the Project or change the Project without getting our prior written permission
- You change your legal status, close down, are declared bankrupt or go into receivership or liquidation
- You are negligent or fraudulent in relation to your dealings with us over the Grant
- You knowingly withhold information that is relevant to the Grant

We may exercise any of our rights under the Grant Contract at any time, even if we do not do so immediately. If we decide not to rely on one right, we may still rely on any of our other rights under the Grant Contract.

## **19. Transfer of Grant**

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The Grant is personal to you and you may not assign the Grant or any rights or obligations under the Grant Contract without our agreement in writing.

If, due to future organisational restructuring, we notify you that NatureScot's grant giving powers are altered we reserve the right to transfer the Grant to another body for funding in place of the NatureScot grant scheme. In the event of this situation arising, your Grant Contract with us will transfer to such a body when you are accepted into the other grant scheme.

## **20. Use of Property for security**

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You must not use the Property as security for a loan or other commitment without our prior approval.

## **21. Indemnity provision**

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You will indemnify us against all action, claims, demands, costs, expenses and losses incurred by or made against us which arise out of or in connection with the payment of the Grant or any services or Property created or provided using the Grant.

## **22. Grant correspondence**

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Any notice, request or document we send to each other concerning the Grant must be delivered to the addresses in the Grant Offer or such other address as we might agree with you.

NatureScot is the operating name of Scottish Natural Heritage

## **Document downloads**

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### NatureScot Standard Terms and Conditions of Funding

pdf, 128.09kB

Disclaimer: Scottish Natural Heritage (SNH) has changed its name to NatureScot as of the 24th August 2020.

At the time of publishing, this document may still refer to Scottish Natural Heritage (SNH) and include the original branding. It may also contain broken links to the old domain.

If you have any issues accessing this document please contact us via our [feedback form](#).



**NatureScot**  
**Peatland**  
**ACTION**

Restoring  
Scotland's Peatlands  
Ath-stèidheachadh  
talamh mònach  
na h-Alba

## Peatland Action – Fund eligibility criteria

### General Conditions

- There are no geographical restrictions or target areas for Peatland Action funding.
- The majority of the peatland within a project area must have a peat depth of over 50cm, but peat depths down to 30cm will be considered for restoration if they form an intrinsic component of the peat hydrological unit.
- Fens containing peat will be considered.
- Annual management payments will not be funded.

### Scale of Project

- Generally, we expect projects to be greater than 10 ha with a cost over £10,000.
- If you have a smaller project, please consider linking with other landholders to create a larger project. Our Project Officers are able to support you in developing larger proposals – please email us at [peatlandaction@nature.scot](mailto:peatlandaction@nature.scot).

### Peatland Action will consider funding the following work/capital items

- Combined ditch/grip-blocking and re-profiling (preferred method over ditch blocking alone)<sup>1</sup>
- Ditch-blocking, although preference is for combined blocking and re-profiling<sup>1</sup>. Your application will need to justify why you are planning ditch-blocking alone.
- Gully re-profiling
- Gully blocking
- Bunding
- Bare peat restoration
- Surface-smoothing techniques on previously afforested sites
- Hag restoration
- Installation of sediment traps, timber or stone

- Scrub/woodland removal<sup>1</sup> only where it can be demonstrated that there is an overall benefit to the public purse by the inclusion of minor scrub/woodland removal work as part of a larger Peatland Action restoration project. In addition, the seed source must be eliminated and the hydrology of the site should be modified substantially to reduce the incidence of regeneration.
- Mulching
- Re-use of felled to waste material (e.g. brush, mulch) in restoration.
- Peat depth and peatland condition surveys<sup>2</sup>
- Interpretative materials<sup>1</sup> where it can be demonstrated that there is an overall benefit to the public purse by funding installation work as part of a larger Peatland Action restoration project.
- Community initiatives that include restoration and lead to wider public engagement.
- Professional fees that are appropriate and proportionate to the project.

## Monitoring

- Capital items for monitoring equipment that forms part of a project that aims to meet the objectives of the Peatland Action monitoring strategy, along with staff time for maintenance of the items, where this funding is critical and is not available from other sources. If monitoring projects form part of restoration work, please submit a grant application. The monitoring strategy is available from [peatlandactiondata@nature.scot](mailto:peatlandactiondata@nature.scot).
- Monitoring projects with staff time to undertake surveys, data downloads, reporting and any other associated activity related to monitoring, where this funding is critical and is not available from other sources. If monitoring projects form part of restoration work, please submit a grant application.
- If monitoring projects are separate from restoration work please contact [peatlandactiondata@nature.scot](mailto:peatlandactiondata@nature.scot) to arrange to discuss with a Data Officer, and do not submit a grant application.

## Other items

- Track repairs and possible installation of tracks that facilitate access to large areas of inaccessible peatlands. Such tracks are likely to be subject to planning permission and **must** be re-naturalized following completion of work. All other means of access will need to be assessed, with an assessment of carbon budgets and potential habitat damage. You will need to consider the state aid implications of these items.
- Capital items that will facilitate working in difficult environments. These will usually be associated with projects that extend to at least 3 years. You will need to consider the state aid implications of these items.
- Restoration feasibility studies and site condition assessments<sup>2</sup> can be funded but you should contact [peatlandaction@nature.scot](mailto:peatlandaction@nature.scot) to arrange to discuss with a Project Officer. Do not submit a grant application.
- Facilitation of engagement opportunities outwith specific Peatland Action projects.

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<sup>1</sup> See information on **Peatland Action and the SRDP - eligibility**

<sup>2</sup> All data must be made publicly available.

- Staff based in other organisations, to facilitate activities related to peatland restoration activity but not currently covered by Peatland Action.
- Fences are generally not funded and if funded are only for small lengths or for experimental trial purposes<sup>1</sup>.
- Innovative methods and trials as part of a restoration project. We encourage and facilitate innovation in peatland restoration and are keen to hear of new ideas. Please contact the Peatland Action Project Manager at [peatlandaction@nature.scot](mailto:peatlandaction@nature.scot) to discuss your ideas.
- Rhododendron control is limited to small areas or individual bushes that are part of the restoration area<sup>1</sup>.
- Forest to bog - where Peatland Action is asked to fund the removal of forest to restore bog, the profit from the sale of marketable timber products, including chipping, biomass, wood fuel and charcoal, is used to offset the costs of the restoration project. Your Funding Officer will discuss arrangements for confirming costs and the evidence needed to satisfy grant conditions.

In addition, we recognise that each site/proposal is unique and other non-standard items may be needed. You should discuss any other costs you are considering applying for with a Peatland Action Funding Officer before you submit your application. This will allow us to guide you on requirements such as State Aid implications and whether the proposed costs may be considered reasonable, in the circumstances. You can contact us by email at [peatlandactiongrant@nature.scot](mailto:peatlandactiongrant@nature.scot).

## Peatland Action and the SRDP – eligibility

### Agri-Environment Climate Scheme (AECS)

Applicants can seek support for some activities that would have been eligible through AECS. These will be restricted to:

- Ditch blocking with plastic dams or peat dams only when combined with re-profiling ditches
- Limited fencing to support peatland restoration
- Limited scrub/rhododendron control where it can be shown that the removal will enhance peatland restoration

### Forestry Grant Scheme (FGS)

Peatland Action will not pay for activities eligible for FGS including woodland improvement work such as rhododendron control in woodland. We may consider limited funding by exception where it can be demonstrated that there is an overall benefit to the public purse by doing some minor eligible works, as part of a larger Peatland Action restoration project. For example, if without the activities the project will not gain the wider/total site benefits.