

**1. Funding and Support**

*a. You asked for a breakdown of all financial support or public funding (including grants, contracts, or awards) provided to Advice Direct Scotland since 1 January 2020.*

Grant funding provided to Advice Direct Scotland since 1 January 2020 has been provided as a table below.

<b>Grants</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
Consumer Helpline	£650,000	£722,000	£750,000	£900,000	£900,000	£900,000
Cost of Living Crisis			£270,000			
Coronavirus Pandemic Services	£150,000					
Scams Prevention Strategy	£15,000	£80,000				
Energy and Post Advice	£72,000	£115,000	£540,362	£462,511	£565,100	£56,5100
Debt Advice		£250,000				
National Debt and Welfare Advice via telephone and digital channels		£1,000,000	£1,100,000	£1,100,000	£1,180,000	
National Debt and Welfare Advice via telephone and video appointments plus Covid uplift (£50,000 from Oct 20) in response to increased demand	£891,750					
National Debt and Welfare Advice via telephone and digital channels plus extra debt advice training capacity and additional energy debt advice.						£1,714,665
Fuel Insecurity Fund	£1.1m	£4.2m	£4m and £2.6m (two separate grants)	£9m		

Contract award information is available from the [Public Contracts Scotland Contracts Register](#). Under section 25(1) of FOISA, we do not have to give you information which is already reasonably accessible to you. If, however, you do not have internet access to obtain this information from the website(s) listed, then please contact me again and I will send you a paper copy.



*b. You asked for any conditions or expectations attached to such funding in relation to employment standards, governance, or accountability.*

On employment standards, Fair Work First is the Scottish Government's policy for promoting good quality and fair work across the labour market. The model grant offer letter includes standard wording for the mandatory Fair Work First criteria.

On governance and accountability, the grant offer letter includes the purposes of the grant, inspection and information requirements, and default and recovery options for the grant. The relevant sections from the model grant letter are noted below.

Relevant excerpts from the Model Grant Offer Letter

**Purposes of the Grant**

- The Grant is made to enable the Grantee to carry out the Project/Programme.
- The Grant shall only be used for the purposes of the Project/Programme and for no other purpose whatsoever.
- 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.
- The main objectives/expected outcomes of the Grant are [insert]
- The targets/milestones against which progress in achieving objectives/expected outcomes shall be monitored are [insert]
- The eligible costs for which the Grant can be claimed are [insert]
- The eligible costs exclude:
  - any Value Added Tax (VAT) reclaimable by the Grantee
  - any employment costs arising from the Grantee's legal obligations to its employees, for example parental leave, sick leave, redundancy.

**Payment of Grant**

- The Grant shall be paid by the Scottish Ministers to the Grantee in accordance with the terms of SCHEDULE 1.
- The Grantee shall within «X weeks/months» «following the end of each financial year in respect of which the Grant has been paid» and/or «of receiving the final instalment of the Grant» 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.
- 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» or «required» by the Grantee in connection with the Project/Programme, 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.



- 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.
- There shall be no employment relationship between the Scottish Government and any grant-funded staff.

## Inspection and Information

- The Grantee shall keep the Scottish Ministers fully informed of the progress of the Project/Programme in the form of «monthly» or «quarterly» and «annual» or «other e.g. together with claims for Grant» 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.
- Revisions to targets/milestones against which progress in achieving objectives/outcomes are monitored shall be subject to the written agreement of the Scottish Ministers.
- 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.
- The Grantee shall also provide any other information that the Scottish Ministers may reasonably require to satisfy themselves that the Project/Programme 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.
- The Grantee shall keep and maintain for a period of «6 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, their 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.
- In the event of the Grantee becoming aware of or suspecting any irregular or fraudulent activity that may have any impact on the Project/Programme 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.
- 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.



## Default and Recovery etc. of Grant

- 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:
  - the Grantee commits a Default;
  - 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;
  - the Grantee fails to carry out the Project/Programme;
  - in the Scottish Ministers' opinion, the progress on the Project/Programme is not satisfactory;
  - in the Scottish Ministers' opinion, the future of the Project/Programme is in jeopardy; or
  - in the Scottish Ministers' opinion, the Grant is likely to bring the reputation of the Scottish Ministers into disrepute.
- If the Grant (or any part or condition thereof) does not comply with applicable Subsidy Control obligations, 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 in accordance with law.
- The Scottish Ministers may withhold the payment of the Grant if at any time within the duration of the Agreement:
  - 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.
  - Where the Grantee is an individual, if a petition is presented for the Grantee's bankruptcy or the sequestration of their 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 their affairs; or
  - 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.
- In the event that the Grantee becomes bound to pay any sum to the Scottish Ministers in terms of clause 10.1, 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.
- Notwithstanding the provisions of this clause 10, 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 10 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.

- Any failure, omission or delay by the Scottish Ministers in exercising any right or remedy to which they are entitled by virtue of clauses 10.1 to 10.3 shall not be construed as a waiver of such right or remedy.

### **Fair Work First conditionality**

- The Grantee shall pay at least the real Living Wage to:
  - all staff aged 16 and over, including apprentices, who are directly employed by the Grantee and work in Scotland
  - all staff aged 16 and over, including apprentices, who are directly employed by the Grantee and directly engaged in delivering the funded activity but based elsewhere in the UK
- The Grantee shall ensure that at least the real Living Wage is paid to all workers aged 16 and over, including apprentices (in a third party) not directly employed by the Grantee who are directly engaged in delivering the funded activity and based anywhere in the UK.
- The Grantee shall demonstrate that all workers employed within their organisation have access to effective workers' voice channel(s), including agency workers.
- The Grantee shall provide any and all information reasonably required by Scottish Ministers to satisfy themselves that the Fair Work First obligations herein, namely, to pay at least the real Living Wage and providing access to effective workers' voice channels, are being complied with. Guidance is available to support the Grantee in meeting and evidencing these conditions.

### Sample clause from an Advice Direct Scotland Grant Offer Letter

In carrying out the project the grantee will be expected to give regard to the **Fair Work Framework**. Organisations are asked to commit to the following Fair Work First criteria in a way that is relevant and proportionate for the organisation:

- appropriate channels for effective voice, such as trade union recognition
- payment of the real Living Wage
- investment in workforce development
- no inappropriate use of zero hours contracts
- action to tackle the gender pay gap and create a more diverse and inclusive workplace
- offer flexible and family friendly working practices for all workers from day one of their employment
- oppose the use of fire and rehire practice

Specific commitments to be met through the duration of the grant are set out in Part 1B of Schedule 1.

### **Schedule 1B**

Advice Direct Scotland intend to develop their commitment to Fair Work First by:



- Continuing to provide high-quality training, soft skill experience, development and coaching opportunities to enhance employee skillsets and enable employees to exercise direction over their development.
- Continuing to maintain its living wage and ethical employer status
- Continuing to oppose the use of 0-hour employment contracts
- Continuing to oppose the use of fire and rehire practices
- Continuing to integrate principles of equality into all operations
- Continuing to ensure equal pay for all employees, no matter their gender identity
- Continuing to provide opportunities for staff to make their voice heard'

Furthermore, officials conduct regular grant monitoring meetings with project/ organisation staff to ensure the various key performance indicators and outcomes are being met and funding is being used to support the agreed project outcomes and deliverables.

## 2. Oversight and Monitoring

*a. You asked for details of any assessments, audits, reviews, or investigations carried out by or on behalf of the Scottish Government into Advice Direct Scotland's operations, with particular reference to staff welfare and employment practices.*

There have been no assessments, audits, reviews, or investigations carried out by or on behalf of the Scottish Government into Advice Direct Scotland's operations, with particular reference to staff welfare and employment practices.

The Scottish Government holds Advice Direct Scotland to account for the delivery of its grant commitments on a quarterly basis.

*b. You requested any correspondence (emails, letters, reports, or meeting minutes) between the Scottish Government and Advice Direct Scotland since 1 January 2020 concerning employment issues, whistleblowing, staff complaints, or organisational culture.*

The Scottish Government does not hold some of the information you requested.

We are also unable to provide some of the information you have requested because an exemption(s) under section 38(1)(b) (personal information) of FOISA applies. This section applies to where the disclosure of personal data would breach any of the data protection principles in Article 5(1) of the UK GDPR (or section 34(1) of the DPA 2018). This exemption is not subject to the 'public interest test', so we are not required to consider if the public interest in disclosing the information outweighs the public interest in applying the exemption.



### 3. Policy and Due Diligence

*a. You asked for information on the Scottish Government's due diligence process prior to awarding funding or contracts to Advice Direct Scotland.*

Grant makers must demonstrate that any grant is regular, meets propriety standards, and represents value for money. Value for money is defined as achieving the best possible outcome from the funds used.

To demonstrate value, it is required that the outcomes of the grant and the costs incurred by the grant recipients are clear; measurable, measured, and reported; reasonable; and, attributable to the grant purpose.

Before a grant is awarded, due diligence is carried out on potential grantees, to check the organisation's legal status, its financial stability, its governance arrangements, its audit process and whether it has received SG grant funding in the past.

*b. You asked for details of any safeguarding mechanisms in place to ensure that publicly funded organisations meet appropriate standards in employment practices and workplace conduct.*

All grants are made subject to legally binding agreements (based on issuance of a grant offer letter). The grant agreement is the grant offer letter signed by the accountable officer and the grant recipient. The grant offer letters allows for the recovery of funds by Scottish Ministers where the grantee has defaulted on the terms of the grant, which include meeting all statutory requirements and upholding Fair Work First principles.

The Scottish Government holds Advice Direct Scotland to account for the delivery of its grant commitments on a quarterly basis. Employment practices and workplace conduct would not be included in these discussions as a matter of course but could be tabled where the Scottish Government or Advice Direct Scotland considers that such issues could impede on its ability to meet the terms of the grant.

