

# **Grant Funding Protocol**

**To accompany the Corporate Grants Policy  
in the operation of**

**Grants Schemes in  
Cheshire East Council**

**2018/19**



*Working for a **brighter future**  together*

## 1. Introduction

- The purpose of this Grant Funding Protocol is to give further guidance to officers on the factors to be taken into account in deciding whether to offer grant funding or to commission a contract for services. Further advice can be sought from Procurement and Legal Services.
- As part of the Council's Commissioning Framework, grant funding will be considered for specific purposes identified by the Council, where there is a clear case for funding to be provided by a grant rather than through the commissioning process and a clear benefit can be demonstrated.
- All council grant funding will be open and competitive and based on the needs and priorities set out in the Corporate Plan. In principle, we believe grant funding should not be used to support mainstream service running costs, as all the outcomes delivered by services will be quantifiable as part of the commissioning approach. Circumstances in which grant funding will still be required include:
- One-off pump-priming/seed-corn funding to encourage innovation or try something new, especially where there is an identified gap in current provision.
- Supporting smaller organisations to build skills and capacity for the future delivery of public services via the commissioning process.
- Small, flexible, one-off grants to encourage community cohesion, resilience and local action reducing social isolation and providing events and cultural opportunities.
- Targeted grants for specific purposes such as encouraging sustainable travel initiatives.
- A grant may be defined as “the payment of money to an organisation to support a particular project or purpose without firm entitlement to specific goods, works or services in return”.
- Grants provide financial support in an area of work, designed and proposed by the recipient organisation which the local authority wishes to sponsor and is in line with the authority's objectives / commissioning framework.
- This Grant Funding Protocol has been developed to provide further guidance on grant funding and should be read in conjunction with paragraphs 6.29 to 6.33 of the Authority's Finance Procedure Rules. Please note that in accordance with the Constitution the making of grants which fall within existing approved grant policy up to £50,000 only is delegated to Officers. Grants between £50,000 and £100,000 shall be approved by the relevant Portfolio Holder and grants over £100,000 shall be approved by Cabinet.

## 2. Definitions

|                                |   |
|--------------------------------|---|
| <b>Commissioning</b>           | Commissioning in Cheshire East Council is achieving positive outcomes through the best use of resources, to meet the needs of citizens, communities and service users   |
| <b>Commissioning Framework</b> | Sets out Cheshire East Council's approach to commissioning. This is our approach to achieving better out-comes for Cheshire East residents, businesses and visitors.  |
| <b>CPU</b>                     | The Corporate Procurement Unit  |
| <b>Contract for Services</b>   | A contract for services is a legally binding agreement where one party promises to the other to do, (or not to do) certain acts in return for consideration, which is usually but not necessarily payment in the form of money. Usually a contract is entered into where you wish to have a high level of control to avoid the risk of failure to deliver and you wish to monitor the performance of the supplier or service provider in order to be able to address under-performance. |
| <b>Grant</b>                   | The payment of money to a person or an organisation to support a particular purpose or project, without firm entitlement to specific goods or services in return  |
| <b>Procurement</b>             | Process of acquiring goods, works or services from (usually) external providers or suppliers, and managing these through to the end of the contract   |
| <b>Outcomes</b>                | The result of our changes on residents, businesses and the wider community. Outcomes are what we want to achieve as a result of our actions   |
| <b>Outputs</b>                 | The 'amount' of provision that is provided in the community. For example '12 weeks of cookery classes, 10 falls prevention classes or 6 gym sessions'.  |

## 3. Grant or Competitive Procurement

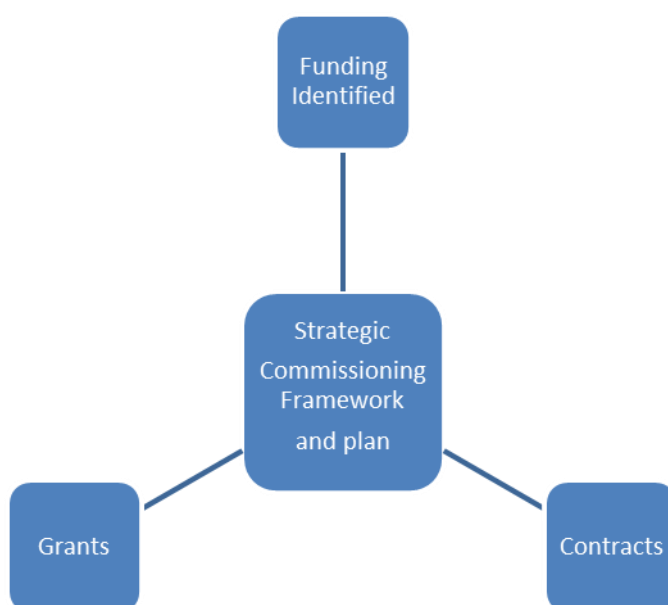
- When funding services provided by organisations, officers must consider the most appropriate means of securing the desired outcomes and decide which of the following applies:
  - a. Is the Authority making a contribution to an organisation to fund a specific project or activity?
  - b. Is the Authority investing in the voluntary, community and faith sector or a social enterprise to build capacity or deliver services?
  - c. Is the Authority in effect commissioning services from the organisation to enable the organisation to deliver services as part of the Authority's business?

- Funding which falls within (a) above will be most appropriately dealt with by way of a grant process in accordance with this Protocol.
- Funding that falls within (b) above will be either a grant or a competitive procurement process. Officers should seek further advice from CPU and Legal services.
- Funding that falls within (c) above will be most appropriately dealt with as a competitive procurement process.
- The table below outlines further the differences between a grant and a procurement of a contract for services.

| Grant  | Procurement  |
|--|--|
| Grant funding is voluntarily made to further the activities of the grant recipient rather than to secure services (or goods).  | Services delivered under a contract which, if the service provider were not delivering those services the Council would need to deliver itself or pay another body to deliver are likely to be services under contract and not grant funded. |
| Commitment by the grant recipient to ring fence funding for a particular purpose but there is no legally binding commitment from the grant recipient to provide a service.<br>NB: Funding is usually provided upfront by the Council.  | Legally binding commitment on the service provider to provide specified services to the Council.<br>NB: The contract price is usually paid in arrears by the Council.  |
| Grant to be refunded if not used for the specified purpose within a given period of time.  | If services are not provided as agreed then the Council can claim for the sum already paid and for any additional loss suffered by the Council as set out in the services contract.  |
| Funding criteria may set out how the money may be spent but it will not include a detailed specification or performance commitments. In effect the grant recipient does not have to spend the money, if they do it must be spent on the specified purpose only and if they don't it has to be returned to the Council. | A contract will contain a full specification detailing the services to be provided together with requirements relating to how the services are to be provided.   |
| Should there be output/outcomes attached to the payment of the grant then a failure to reach/deliver the output/outcomes may result in further monies being withheld or clawed back.   | Receipt of payment may be subject to the satisfactory completion of the services or achievement of targets and the Service Provider has a legally enforceable right to be paid for the works.  |
| A grant will often involve a single payment.   | Payment for the services is likely to involve multiple payments made over the duration of the contract (which may be a period of several months or years).   |
| Grant recipients do not make a profit from the grant; the entirety of the grant will be dedicated to producing benefits.   | Service providers are likely to expect to make a profit / surplus to reinvest from the payments made to them.  |
| Grant recipients often benefit fairly directly   | Apart from the profits earned on the contract  |

|   |   |
|---|---|
| as a result of the grant being made and the Council may not receive a benefit from that activity. E.g. a community group may apply to improve its community centre which would mostly benefit people in that particular area. | the benefits produced by the contracted service are not enjoyed by the service provider themselves.<br>For example care services benefit elderly people not the companies that are paid to provide the care services. |
| The grant sum may only cover part of the project with the grant recipient receiving contributions from other source(s).   | In the event that the delivery of the service costs more than the Contract Price then the Service Provider is likely to be liable for that shortfall.   |
| It may be appropriate to invite bids for grant funding which should be submitted and assessed in accordance with the publicised criteria for the grant scheme.  | Service contracts must be tendered in accordance with the Council's Finance and Contract Procedure Rules (which ensure compliance with all relevant public procurement legislation).                                  |

#### 4. Policy for Grant Funding – link in to Commissioning Framework and any Policy documentation



- The grants process enables the voluntary, community and faith sector (VCFS) and other organisations to access smaller amounts of funding to support their activities. Any funding amounts less than £25,000, are issued outside of The Chest (the North West's local authority procurement portal, used to procure contracts). However, it is still important that grant programmes are used to achieve our corporate priorities, outlined in the Corporate Plan.

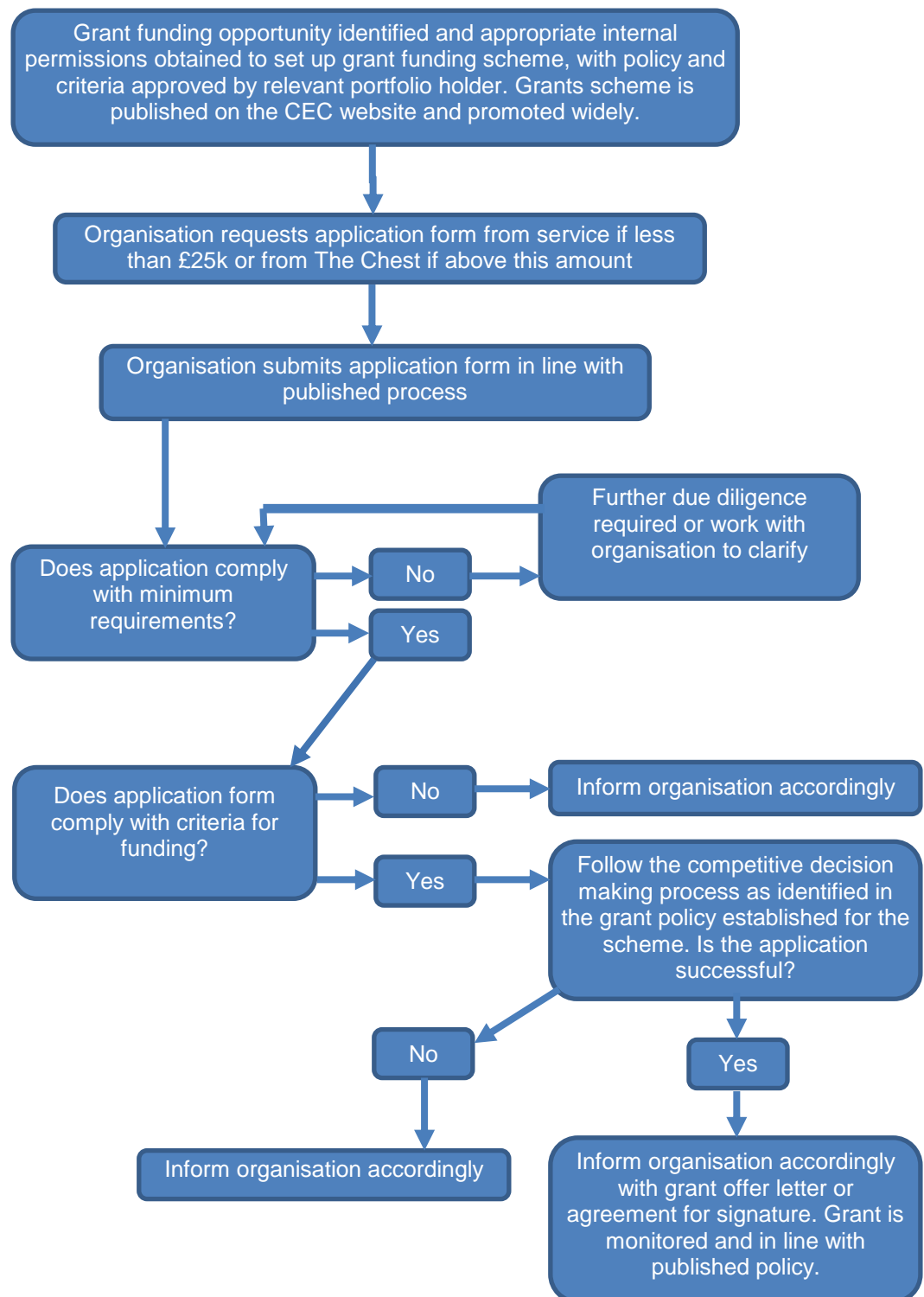
#### 5. Policy and Process

- Each grant scheme must have a scheme that is approved by Cabinet or the relevant Portfolio Holder as appropriate, and should be reviewed annually. Once approved, the policy, along with supporting guidance which clearly outlines the process for applications and the decision making process, should be published on the Council's website.

## 6. Transparent Advertising

- It is recommended that all opportunities to bid for funding are advertised as widely as possible and the Council's Communities Team can help with this. Officers may also want to consider use of The Chest where opportunities for funding are likely to be for £25,000 or above. Further advice can be sought from the Corporate Procurement Unit.

## 7. Application Process



## **8. Application Form**

- Individual organisations will need to complete an application form (substantially based on the application form at Appendix 1) to apply for grant funding. The information given in the application form and any supporting documentation submitted will be assessed and a decision made as to whether the organisation is deemed eligible for grant funding, before it progresses into the competitive process. Consideration should be given to the requirement to submit policies on safeguarding, health and safety and compliance with equalities duties which should be tailored according to the project or purpose being funded.
- The application form should be rejected if it is incomplete or lacks the required supporting documentation stipulated in the checklist (see Appendix 1). Consider whether further due diligence relating to the organisation needs to be carried out or whether the organisation requires further assistance to complete the application form and re-submission.

## **9. Criteria**

- Criteria against which the funding will be allocated to achieve the corporate outcomes, must be developed. The criteria must be fair and transparent to ensure that organisations are dealt with consistently and provided along with the application form when being advertised.

## **10. Conditions that can apply**

- Conditions that can apply to grant funding must be kept to a minimum. The monitoring of performance to the extent of specifying service levels or KPIs would give rise to a Contract for Services.

## **11. Decision Making**

- Each grant scheme needs a clear decision making process, which outlines how the competitive process will work. Officers should consider developing a scoring matrix, and an example is given in Appendix 2.

## **12. Monitoring Requirements**

- Grant funding must be monitored, reviewed and assessed to ensure that the outcomes stated for the project in the application form or purpose for which the grant funding was allocated have been met. An example grant monitoring form is given in Appendix 6.
- Officers should consider the need for submission of Annual Accounts from the recipient organisation and access required for audit purposes.

## **13. Sample grant funding agreement**

- Appendix 3 contains a sample grant funding letter for small grants (up to £5,000 in value) and Appendix 4 gives a sample grant agreement that should be entered into between the Authority and the recipient organisation for any applications for

funding of over £5,000. Advice should be sought from Legal Services if you wish to deviate from this form of agreement.

#### **14. State Aid Considerations**

- State Aid is any advantage granted by public authorities through state resources on a selective basis to any organisation that could potentially distort competition and trade in the European Union. The definition of state aid is very broad because “an advantage” can take many forms, it is anything which an undertaking (an organisation engaged in economic activity) could not get on the open market. The Authority as a public authority is responsible for ensuring that its projects / grant funding is not in contravention of the rules. The rules can be complex and any aid illegally granted can be recovered from the recipient. Please always seek advice from the Legal team as to whether there are any state aid implications.

#### **15. Sample State Aid de minimis letter**

- Appendix 5 contains a sample de minimis letter that should be sent out to the recipient organisation if the grant could potentially amount to state aid but is under the current de minimis levels of 200,000 Euros in any rolling three year period. Services should ensure that the declaration is signed and returned by the organisation.



**Appendix 1**  
**Sample Grants Application Form**  
**Grant Application Form**

This application form should be completed in conjunction with the Guidance Notes

| Please tick the type of grant you are applying for (one per application) | Max.Grant | Tick |
|--|-----------|------|
|  |           |      |
|  |           |      |
|  |           |      |

### 1. Contact Details

|   |           |
|---|-----------|
| Organisation name:  |           |
| Address:  |           |
|   | Postcode: |
| Main contact for this application (name):   |           |
| Position in organisation:   |           |
| Contact address (if different from above):  |           |
|   | Postcode: |
| Telephone No:   |           |
| Email:  |           |
| Website:  |           |
| Senior contact for this application (name):   |           |
| This must be your chair, secretary, treasurer or a senior member of your management committee and different from above. |           |
| Contact address   |           |
|   | Postcode: |
| Telephone No:   |           |
| Email:  |           |
| Position in organisation:   |           |

### 2. Organisation Profile

How would you describe your organisation? Please tick all boxes that apply

Registered Charity ☐ Voluntary Organisation ☐ Community Group ☐

Please supply your Registration Number

Company Limited by Guarantee ☐ Not-for-Profit Organisation ☐ Social Enterprise ☐

Other ☐ Please describe:

|  |                                |  |                             |
|--|--------------------------------|--|-----------------------------|
| How long has your organisation been in existence?  |                                |  |                             |
| What does your organisation do? (A summary of this information will be used on our website if your application is successful) Maximum 50 words |                                |  |                             |
| Does your organisation:  |                                |  |                             |
| Own its own land/premises/facilities   | <input type="checkbox"/>       | (please give details of lease expiry date/length of lease below) |                             |
| Hire private land/premises/facilities  | <input type="checkbox"/>       |  |                             |
| Hire Local Authority land/premises/facilities  | <input type="checkbox"/>       |  |                             |
| Lease the land/premises/facilities   | <input type="checkbox"/>       |  |                             |
| How many people are involved in your organisation? (include your committee, staff and members in this figure)                                  |                                |  |                             |
| Number of paid staff   | <input type="text"/> Full Time | <input type="text"/> Part Time                                   | <input type="text"/> Casual |
| Number of unpaid staff/volunteers  | <input type="text"/> Full Time | <input type="text"/> Part Time                                   | <input type="text"/> Casual |
| Number of members / participants   | <input type="text"/>           | Total  | <input type="text"/>        |

|  |                             |                           |
|--|-----------------------------|---------------------------|
| <b>3. Previous Funding</b>   |                             |                           |
| Has your organisation received a Grant or other funding from Cheshire East Council before? |                             |                           |
| Yes <input type="checkbox"/>   | No <input type="checkbox"/> |                           |
| If yes, please state what the grant was for, when it was awarded and how much was awarded. |                             |                           |
| Amount £   | Awarded in (date):          | Type of grant or funding: |
|  |                             |                           |
| How did you hear about the Grant Scheme?   |                             |                           |

|  |  |
|--|--|
| <b>4. Your Project</b>   |  |
| Start date of project:   |  |
| Name of project: Maximum 10 words  |  |
| Briefly describe what the grant you are requesting is required for and why it is needed: Maximum 150 words |  |
|  |  |

If you receive a grant, describe what outcomes your project will achieve, what difference it will make to your organisation/area and how it will extend/develop community activity Maximum 150 words

How have you consulted your members and/or wider community to establish the community need for your project? Maximum 50 words.

How will you evaluate your project and its outcomes upon project completion? Maximum 50 words.

How will your project or service be sustained and provide a lasting benefit to the community after the grant funding has been used? Maximum 50 words

## 5. Projected Expenditure

Please estimate your total project costs and provide brief details. Use a separate sheet if necessary and provide quotes.

|   |   |  |
|---|---|--|
| New build/refurbishment   | £ |  |
| Furniture, fixtures/fittings ( <i>details</i> )                 | £ |  |
| Equipment purchase ( <i>details</i> )                           | £ |  |
| Equipment hire ( <i>details</i> )                               | £ |  |
| Premises/facility hire (please give breakdown by cost per week) | £ |  |
| Materials (please give details)                                 | £ |  |
| Advertising/marketing/publicity                                 | £ |  |
| Workshops/seminars/training                                     | £ |  |
| Other ( <i>details</i> )  | £ |  |
| <b>TOTAL COST:</b>  | £ |  |

## 6. Projected Income

Please specify match funding from other sources (external grants, own contribution etc). Cheshire East Council will take into account your ability to obtain funding from other sources and from your own existing funds when recommending an award. **We cannot guarantee to award the full amount requested.**

|  | Amount | Applied to (name) and expected to hear (date) | Confirmed? (✓) |
|--|--------|---|----------------|
| <b>Total Project Cost</b>                          |        |   |                |
| Own existing funds/fundraising                     |        |   |                |
| Projected income from ticket sales etc.            |        |   |                |
| Town / Parish Council                              |        |   |                |
| Sponsorship (Please specify)                       |        |   |                |
| Donations (please specify)                         |        |   |                |
| Grants i.e. Lottery, WREN etc (Please specify)     |        |   |                |
| Non-Cash or In-Kind contributions                  |        |   |                |
| <b>Total projected income</b>                      |        |   |                |
| <b>Amount requested from Cheshire East Council</b> |        |   |                |
| <b>Balance Outstanding</b>                         |        |   |                |

If there is a balance outstanding or you are not awarded the full amount requested from Cheshire East Council please state how the shortfall will be covered or whether the project will be delayed:

If you receive all of your expected income which then exceeds your total project costs, or you make a profit, please state how this surplus will be spent:

Please provide a summary of your most recent accounts and whether the figures below are:

- ☐ A projection because the organisation has been running for less than 15 months
- ☐ Information from the organisation's latest accounts

|   |  |
|---|--|
| Account Year Ending:  |  |
| Total Income for the year   | £  |
| Total expenditure for the year  | £  |
| Surplus or deficit  | £  |
| Total savings or reserves at bank at year end (please state what reserves are held for) | £  |
| Please state organisation's bank account name, sort code and account number:            | If your organisation is VAT registered please supply your VAT number |

## 7. Your Project Beneficiaries

This information is for data collection purposes only and will not be used to assess your application unless you unfairly restrict access to your organisation or activity.

Please tell us the total number of people you expect to access your activity or facility

Please tell us who will benefit from your project Maximum 150 words

Does your organisation restrict access on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation?

Yes ☐ No ☐

If yes, please give us more information about why you restrict access:

Please tell us which geographical area will benefit most from your project (town/village).

## 8. Supporting Documentation

Please tick if you have the following documents. You do not need to send these documents in with your application, apart from your Governing Document and Safeguarding Policies, but we may request copies at a later date.

Up to date Annual accounts

☐

Safeguarding Policies

☐

Copy of your Governing Document (signed)

☐

Quotes/Estimates for equipment\*\*

☐

Planning Permission

☐

Affiliation to a Governing Body\*\*

☐

Disclosure and Barring Service Checks

☐

Equalities and Inclusion Policy

☐

## 9. Data Protection

**Please ensure that you read this section before submitting your application.**

Part or all of the information you supply to us will be held on computer. This information will be used for the administration of grant applications and for statistical analysis. Copies of this information will be given, where necessary, to individuals we consult with when assessing applications and for monitoring grants. You have the right to view information we hold on you and to have any errors or inaccuracies corrected.

We would like to contact you from time-to-time to provide information relevant to you such as funding bulletins and our newsletter. The General Data Protection Regulation requires us to ask for consent to contact you by email. If you are happy for us to do this please tick this box ☐ If you do not tick this box we will not include your details on our database.

## 10. Declaration

I hereby certify that to the best of my knowledge all the information contained within this application is correct and I confirm that I understand, agree and accept the terms and conditions of the grant as set out in the [insert grants policy name].

|                                     |                           |
|-------------------------------------|---------------------------|
| 1 <sup>st</sup> Signature:<br>Date: | Position in organisation: |
| 2 <sup>nd</sup> Signature:<br>Date: | Position in organisation: |

## 11. Submitting Your Application

Before submitting your application you must tick all the boxes below to confirm that:

- ☐ You have answered all questions on the application form.
- ☐ You have included a signed copy of your Governing Document
- ☐ You have included copies of your Safeguarding Policies.
- ☐ You have included relevant quotes / estimates.
- ☐ You (the main contact named in section 1 of this application form) are authorised to apply for a grant from Cheshire East Council on behalf of your organisation.
- ☐ You understand that if you make any seriously misleading statements (whether deliberate or accidental) at any stage during the application process, or knowingly withhold any information, this could make your application invalid and you could be liable to repay the grant to the Council.
- ☐ If we make a conditional offer to your organisation you will supply all relevant documents or information within 20 working days and accept that we may withdraw the grant offer if this is not adhered to.
- ☐ You have read and are able to comply with the terms and conditions of the grant, which are the terms and conditions set out in the [*insert grants policy name*], and further that you understand that any grant offer will be made subject to your confirming that you understand, agree and accept those terms and conditions.

### Application forms should be returned:

By post: [*insert address to return application form to*]  
By email: [*insert email address*]

If you have any questions concerning your application please visit [www.cheshireeast.gov.uk](http://www.cheshireeast.gov.uk)/\*\*insert link use the contact details above or phone [*insert contact name*].

**Closing dates for receipt of applications are [*insert dates*]**

You will be informed of the outcome of your application approximately 6 weeks after the closing date.

## Appendix 2

**Sample Grants Scoring Matrix – each scheme needs to develop a matrix – below is an example taken from the Council’s Early Help Community Grants Scheme.**

| <b>Grants Decision Scoring Matrix</b>  |                 |                |                     |                 |
|--|-----------------|----------------|---------------------|-----------------|
| <b>Organisation Name:</b>  |                 |                |                     |                 |
|  | Matches Greatly | Matches Partly | Makes no difference | Negative impact |
| <b>Scoring Criteria</b> assessed against application form  | 3 points        | 2 points       | 1 point             | 0 points        |
| Demonstrates how the project meets the criteria set out in the Policy  |                 |                |                     |                 |
| Clearly identified outcomes of the project   |                 |                |                     |                 |
| Consultation completed and community need clearly described  |                 |                |                     |                 |
| Method of evaluation of the project outcomes is identified and clearly stated  |                 |                |                     |                 |
| Demonstrates how the project or service will be sustained after the grant funding has been used and provide a lasting benefit to the community   |                 |                |                     |                 |
| Have funding contributions from own funds or other funding sources (0% = 0 points, 1-25% = 1 point, 26-50% = 2 points, above 51% = 3 points)   |                 |                |                     |                 |
| Number of previous successful grant applications within the last 5 years (above 5 = 0 points, 3-4 = 1 point, 1-2 = 2 points, none = 3 points)  |                 |                |                     |                 |
| Total amount of previous successful grant applications within the last 5 years (over £12,000 = 0 points, £3,000 to £12,000 = 1 point, under £3,000 = 2 points, none = 3 points)  |                 |                |                     |                 |
| Monitoring information submitted for previous grant award (fully completed and strong evaluation of project = 3 points, fully completed and weak evaluation of project = 2 points, = incomplete 1 point, not submitted = 0 points) |                 |                |                     |                 |
|  | 0               | 0              | 0                   | 0               |

## Appendix 3

### Sample grant funding letter (grants up to £5,000)

Dear

#### **Grant fund – insert name of fund**

With regards to your recent Grant application, I am pleased to advise you that your application has been successful and you have been awarded £        towards your project.

This grant offer is made in accordance with and subject to the terms and conditions of the Policy for [insert relevant grant policy name], a copy of which is attached to this letter and forms part of the grant offer.

If you wish to accept the grant offer please sign and date two copies of this letter, keep a copy for your records and return a copy to the address above. Grant offers are only valid for a period of 6 months from the date of this letter for grants of £1,000 and under, which will be paid once the acceptance has been received and 12 months for those over £1,000, which will be paid upon project completion.

It is a condition of the grant that you provide a report and photographs within six months of the grant being awarded for grants of £1,000 and under and within 12 months for grants over £1,000. Please complete and return the monitoring form provided, together with copies of invoices/receipts for the total project amount on your application.

|  |  |
|--|--|
| Name of authorised signatory ( <i>in capitals</i> )  |  |
| Position within Organisation:  |  |
| I understand, agree and accept the terms and conditions of the grant as set out in the Policy [insert relevant grant policy name]. |  |
| Signature:   |  |
| Date:  |  |

Please do not hesitate to contact me if you have any queries.

Yours sincerely



## **Appendix 4**

### **Sample grant funding agreement (grants over £5,000)**

**Dated**

-----

**Grant Agreement**

**between**

**CHESHIRE EAST BOROUGH COUNCIL**

**And**

**XXXXX Organisation**

THIS AGREEMENT is dated .....

Parties

- (1) **CHESHIRE EAST BOROUGH COUNCIL**, whose principal address is at Westfields Middlewich Road Sandbach CW11 1HZ (**“Council”, “Us”, “We” or “Our”**).
- (2) [NAME OF RECIPIENT], [RELEVANT DETAILS OF LEGAL STRUCTURE] whose principal address is at [ADDRESS] (**“Recipient” or “You”**).

Background

- (A) We have agreed to pay the Grant to You to assist You in carrying out the Project.
- (B) This Agreement sets out the terms and conditions on which the Grant is made by Us to You.
- (C) These terms and conditions are intended to ensure that the Grant is used for the purpose for which it is awarded.

Schedule 1: The Project

The Grant has been awarded to You for the purposes detailed below: -

**Xxxx**

Xxxxx

Schedule 2: Payment Schedule

| Amount of Grant Payable | Date of Payment |
|-------------------------|-----------------|
|                         |                 |
|                         |                 |
|                         |                 |

This agreement is entered into and takes effect on the date stated at the beginning of it.

Signed For And On Behalf Of

**CHESHIRE EAST BOROUGH COUNCIL**

By an Authorised Signatory

.....  
[Name of Authorised Signatory]

.....  
**Signature of Authorised Signatory**

.....  
.....

.....  
.....

[Name and position of Organisation  
Representative]  
**AUTHORISED TO BIND THE  
ORGANISATION**

**Signature of Representative**

.....  
.....

.....  
.....

[Name of position Organisation  
Representative]  
**AUTHORISED TO BIND THE  
ORGANISATION**

**Signature of Representative**

## SCHEDULE 3: Agreed Terms

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## 1. Definitions

In this Agreement the following terms shall have the following meanings:

|                                      |   |
|--------------------------------------|---|
| <b>Bribery Act:</b>                  | The Bribery Act 2010 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant government department concerning the legislation.   |
| <b>GDPR:</b>                         | means EU General Data Protection Regulation 2016/679;   |
| <b>Governing Body:</b>               | Your governing body including its directors or trustees.  |
| <b>Grant:</b>                        | The sum of £xxxxxx to be paid to You in accordance with this Agreement.   |
| <b>Grant Period:</b>                 | the period for which the Grant is awarded starting on the Starting Date and ending on xxxxxxxx  |
| <b>Intellectual Property Rights:</b> | all patents, copyrights and design rights (whether registered or not) and all applications for any of the foregoing and all rights of confidence and Know-How however arising for their full term and any renewals and extensions.  |
| <b>Know-How :</b>                    | information, data, know-how or experience whether patentable or not and including but not limited to any technical and commercial information relating to research, design, development, manufacture, use or sale.  |
| <b>Prohibited Act: means;</b>        | <p>(a) offering, giving or agreeing to give to any servant of the Council any gift or consideration of any kind as an inducement or reward for:</p> <p style="padding-left: 40px;">(i) doing or not doing (or for having done or not having done) any act in relation to the obtaining or performance of this Agreement or any other contract with the Council; or</p> <p style="padding-left: 40px;">(ii) showing or not showing favour or disfavour to any person in relation to this Agreement or any other contract with the Council;</p> <p>(b) entering into this Agreement or any other contract with the Council where a commission has been paid or has been agreed to be paid by You or on its behalf, or to its knowledge, unless before the relevant contract is entered into particulars of any such commission and of the terms and conditions of any such contract for the payment thereof have been disclosed in writing to the Council;</p> <p>(c) committing any offence:</p> <p style="padding-left: 40px;">(i) under the Bribery Act;</p> <p style="padding-left: 40px;">(ii) under legislation creating offences in respect of fraudulent acts;</p> <p style="padding-left: 40px;">or</p> <p style="padding-left: 40px;">(iii) at common law in respect of fraudulent acts in relation to this Agreement or any other contract with the Council; or</p> <p>(d) defrauding or attempting to defraud or conspiring to defraud the Council.</p> |
| <b>Project:</b>                      | the project described in Schedule 1.  |
| <b>Project Manager:</b>              | the individual who has been nominated to represent You for the purposes of this Agreement.  |
| <b>Start Date:</b>                   | [insert date]   |

## 2. Purpose of Grant

- 2.1 You shall use the Grant only for the delivery of the Project and in accordance with the terms and conditions set out in this Agreement. The Grant shall not be used for any other purpose without Our prior written agreement.
- 2.2 You shall not make any significant change to the Project without Our prior written agreement.
- 2.3 Where You intend to apply to a third party for other funding for the Project, You will notify Us in advance of Your intention to do so and, where such funding is obtained, You will provide Us with details of the amount and purpose of that funding.

## 3. Payment of Grant

- 3.1 Subject to clause 0, We shall pay the Grant to You in accordance with **Error! Reference source not found.**, subject to the necessary funds being available when payment falls due.
- 3.2 The amount of the Grant shall not be increased in the event of any overspend by You in the delivery of the Project.
- 3.3 The Grant shall be paid into a separate bank account in Your name which must be an ordinary business bank account. All cheques from the bank account must be signed by at least two of Your individual representatives.
- 3.4 You shall promptly repay to Us any money incorrectly paid to You either as a result of an administrative error or otherwise. This includes (without limitation) situations where either an incorrect sum of money has been paid or where Grant monies have been paid in error before all conditions attaching to the Grant have been complied with by You.

## 4. Use of Grant

- 4.1 The Grant shall be used by You for the delivery of the Project in accordance with the agreed budget set out in **Error! Reference source not found.**
- 4.2 You shall not use the Grant to:
  - (a) make any payment to members of Your Governing Body;
  - (b) purchase buildings or land; or
  - (c) pay for any expenditure commitments You entered into before the Start Date, unless this has been approved in writing by Us.
- 4.4 Should any part of the Grant remain unspent at the end of the Grant Period, You shall ensure that any unspent monies are returned to Us or, if agreed in writing by Us, You shall be entitled to retain the unspent monies to use for charitable purposes as agreed.
- 4.5 Any liabilities arising at the end of the Project including any redundancy liabilities for staff employed by You to deliver the Project must be managed and paid for by You using the Grant or Your other resources. There will be no additional funding available from Us for this purpose.

## 5. Accounts and Records

- 5.1 The Grant shall be shown in Your accounts as a restricted fund and shall not be included under general funds.
- 5.2 You shall keep separate, accurate and up-to-date accounts and records of the receipt and expenditure of the Grant monies received by You.
- 5.3 You shall keep all invoices, receipts, and accounts and any other relevant documents relating to the expenditure of the Grant for a period of at least six years following receipt of any Grant monies to which they relate. We shall have the right to review, at Our

reasonable request, Your accounts and records that relate to the expenditure of the Grant and shall have the right to take copies of such accounts and records.

- 5.4 You shall provide Us with a copy of Your annual accounts in respect of each year in which the Grant is paid.
- 5.5 You shall comply and facilitate Our compliance with all statutory requirements as regards accounts, audit or examination of accounts, annual reports and annual returns.

## **6. Monitoring and Reporting**

- 6.1 You shall closely monitor the delivery and success of the Project throughout the Grant Period to ensure that the aims and objectives of the Project are being met and that this Agreement is being adhered to. Annual payment of the Grant may be dependant on satisfactory monitoring of the Project.
- 6.2 You shall on request provide Us with such further information, explanations and documents as We may reasonably require in order to establish that the Grant has been used properly in accordance with this Agreement.
- 6.3 You shall permit any person authorised by Us such reasonable access to Your employees, agents, premises, facilities and records, for the purpose of discussing, monitoring and evaluating Your fulfilment of the conditions of this Agreement.
- 6.4 You shall provide Us with a final report on completion of the Grant Period which shall confirm whether the Project has been successfully and properly completed.

## **7. Acknowledgment and Publicity**

- 7.1 You shall acknowledge the Grant in Your annual report and accounts, including an acknowledgement of Us as the source of the Grant.
- 7.2 You shall not publish any material referring to the Project or Us without Our prior written agreement. You shall acknowledge the support of the Council in any materials that refer to the Project and in any written or spoken public presentations about the Project.

## **[8. Optional clause – Intellectual Property Rights]**

- 8.1 The parties agree that all rights, title and interest in or to any information, data, reports, documents, procedures, forecasts, technology, Know-How and any other Intellectual Property Rights whatsoever owned by either You or Us before the Start Date or developed by either party during the Grant Period, shall remain the property of that party.
- 8.2 Where We have provided You with any of Our Intellectual Property Rights for use in connection with the Project (including without limitation Our name and logo) You shall, on termination of this Agreement, cease to use such Intellectual Property Rights immediately and either return or destroy such Intellectual Property Rights as requested by Us. ]

## **8 [or renumber from here if 8 above used]. Confidentiality**

- 8.1 Subject to clause 0 (Freedom of Information), each party shall during the term of this Agreement and thereafter keep secret and confidential all business, technical or commercial information disclosed to it as a result of the Agreement and shall not disclose the same to any person save to the extent necessary to perform its obligations in accordance with the terms of this Agreement or save as expressly authorised in writing by the other party.
- 8.2 The obligation of confidentiality contained in this clause shall not apply or shall cease to apply to any Intellectual Property Rights, Know-How or other business, technical or commercial information which:

- (a) at the time of its disclosure by the disclosing party is already in the public domain or which subsequently enters the public domain other than by breach of the terms of this Agreement by the receiving party;
- (b) is already known to the receiving party as evidenced by written records at the time of its disclosure by the disclosing party and was not otherwise acquired by the receiving party from the disclosing party under any obligations of confidence; or
- (c) is at any time after the date of this Agreement acquired by the receiving party from a third party having the right to disclose the same to the receiving party without breach of the obligations owed by that party to the disclosing party.

## **9. Freedom of Information**

- 9.1 You acknowledge that We are subject to the requirements of the Freedom of Information Act 2000 (FOIA) and the Environmental Information Regulations 2004, and shall assist and co-operate with Us to enable Us to comply with these information disclosure requirements.
- 9.2 You shall:
- (a) transfer the request for information to Us as soon as practicable after receipt and in any event within two Working Days of receiving a request for information;
  - (b) provide Us with a copy of all information in its possession or power in the form that We require within five working days (or such other period as We may specify) of Us requesting that information; and
  - (c) provide all necessary assistance as reasonably requested by Us to enable Us to respond to a request for information within the time for compliance set out in section 10 of the FOIA or regulation 5 of the Environmental Information Regulations 2004.
- 9.3 We shall be responsible for determining in Our absolute discretion whether the information:
- (a) is exempt from disclosure in accordance with the provisions of the FOIA or the Environmental Information Regulations 2004;
  - (b) is to be disclosed in response to a request for information, and in no event shall You respond directly to a request for information unless expressly authorised to do so by Us.
- 9.4 You acknowledge that We may, acting in accordance with the Secretary of State for Constitutional Affairs' Code of Practice on the discharge of public authorities' functions under Part 1 of FOIA (issued under section 45 of the FOIA, November 2004), be obliged under the FOIA or the Environmental Information Regulations 2004 to disclose information:
- (a) without consulting You; or
  - (b) following consultation with You and having taken Your views into account, provided always that where clause 0 applies We shall, in accordance with any recommendations of the Code, take reasonable steps, where appropriate, to give You advanced notice, or failing that, to draw the disclosure to Your attention after any such disclosure.
- 9.5 You shall ensure that all information produced in the course of the Agreement or relating to the Agreement is retained for disclosure and shall permit Us to inspect such records as requested from time to time.

## **10. Data Protection**



You shall (and shall procure that any of Your staff involved in connection with the activities under the Agreement shall) comply with any notification requirements under the Data Protection Act 1998 (DPA) and both Parties will duly observe all their obligations under the DPA and from 25<sup>th</sup> May 2018 any obligations arising under the GDPR, which arise in connection with the Agreement. [Consider whether specific data processing occurs / data sharing arrangements need to be put in place and seek advice from Legal services]

## **11. Withholding, Suspending and Repayment of Grant**

- 11.1 Our intention is that the Grant will be paid to You in full. However, without prejudice to Our other rights and remedies, We may at Our discretion withhold or suspend payment of the Grant and/or require repayment of all or part of the Grant if:
- (a) You use the Grant for purposes other than those for which they have been awarded;
  - (b) We consider that You have not made satisfactory progress with the delivery of the Project;
  - (c) You are, in Our reasonable opinion, delivering the Project in a negligent manner;
  - (d) You obtain duplicate funding from a third party for the Project;
  - (e) You obtain funding from a third party which, in Our reasonable opinion, undertakes activities that are likely to bring the reputation of the Project or the Council into disrepute;
  - (f) You provide Us with any materially misleading or inaccurate information;
  - (g) You commit or committed a Prohibited Act;
  - (h) any member of Your governing body, employee or volunteer has (a) acted dishonestly or negligently at any time and directly or indirectly to the detriment of the Project or (b) taken any actions which, in Our reasonable opinion, brings or is likely to bring the Council's name or reputation into disrepute;
  - (i) You cease to operate for any reason, or You pass a resolution (or any court of competent jurisdiction makes an order) that You are to be wound up or dissolved (other than for the purpose of a bona fide and solvent reconstruction or amalgamation);
  - (j) You become insolvent, or You are declared bankrupt, or placed into receivership, administration or liquidation, or a petition has been presented for Your winding up, or You enter into any arrangement or composition for the benefit of Your creditors, or You are unable to pay Your debts as they fall due; or
  - (k) You fail to comply with any of the terms and conditions set out in this Agreement and fail to rectify any such failure within 30 days of receiving written notice detailing the failure.
- 11.2 Should You be subject to financial or other difficulties which are capable of having a material impact on the effective delivery of the Project or compliance with this Agreement You will notify Us as soon as possible so that, if possible, and without creating any legal obligation, We will have an opportunity to provide assistance in resolving the problem or to take action to protect the Council and the Grant monies.

## **12. Anti-Discrimination**

- 12.1 You shall not unlawfully discriminate within the meaning and scope of any law, enactment, order, or regulation relating to discrimination (whether in race, gender, religion, disability, sexual orientation, age or otherwise) in employment.
- 12.2 You shall take all reasonable steps to secure the observance of clause 0 by all Your servants, employees or agents and all suppliers and sub-contractors engaged on the Project.

### **13. Human Rights**

- 13.1 You shall (and use Your reasonable endeavours to procure that Your staff shall) at all times comply with the provisions of the Human Rights Act 1998 in the performance of this Agreement as if You were a public body (as defined in the Human Rights Act 1998).
- 13.2 You shall undertake, or refrain from undertaking, such acts as We request so as to enable Us to comply with Our obligations under the Human Rights Act 1998.

### **14. Safeguarding**

- 14.1 You will ensure that any person employed by You has, where required, been subject to a valid disclosure check through the Disclosure and Barring Service.
- 14.2 You will ensure that you have and implement robust up-to-date policies and procedures in place for avoiding and responding to actual or suspected physical, sexual, racial, psychological, financial or other discriminatory abuse and acts of neglect or omission. Such policies and procedures are to be reviewed at least annually and produced to the Council on request.
- 14.3 You will comply with any safeguarding policies issued by the Council including the by the Local Safeguarding Boards, details of which are on the following websites: [www.cheshireeastlscb.org.uk](http://www.cheshireeastlscb.org.uk); [www.stopadultabuse.org.uk](http://www.stopadultabuse.org.uk).

### **15. Limitation of Liability and Insurance**

- 15.1 We accept no liability for any consequences, whether direct or indirect, that may come about from You running the Project, the use of the Grant or from withdrawal of the Grant. You shall indemnify and hold Us harmless, Our employees, agents, officers or sub-contractors with respect to all claims, demands, actions, costs, expenses, losses, damages and all other liabilities arising from or incurred by reason of the actions and/or omissions of You in relation to the Project, the non-fulfilment of Your obligations under this Agreement or Your obligations to third parties.
- 15.2 Subject to clause 15.1, Our liability under this Agreement is limited to the payment of the Grant.
- 15.3 You shall effect and maintain with a reputable insurance company a policy or policies in respect of all risks which may be incurred by You, arising out of Your performance of the Agreement, including death or personal injury, loss of or damage to property or any other loss (the **Required Insurances**).
- 15.4 The Required Insurances referred to above include (but are not limited to):
  - (a) public liability insurance with a limit of indemnity of not less than five million pounds (£5,000,000) in relation to any one claim or series of claims arising from the Service; and
  - (b) employer's liability insurance with a limit of indemnity of not less than five million pounds (£5,000,000) in relation to any one claim or series of claims arising from the Service.

You shall (on request) supply to Us such information as We may reasonably require relating to the insurance policies and evidence that the relevant premiums have been paid.

### **16. Warranties**

- 16.1 You warrant, undertake and agree that:

- (a) You have all the necessary resources and expertise to deliver the Project (assuming due receipt of the Grant);
- (b) You have not committed, nor shall You commit, any Prohibited Act;
- (c) all financial and other information which has been disclosed by You to Us is to the best of Your knowledge and belief, true and accurate;
- (d) You are not subject to any contractual or other restriction imposed which may prevent or materially impede You from meeting Your obligations in connection with the Grant;
- (e) You have and shall keep in place adequate procedures for dealing with any conflicts of interest;
- (f) You have and shall keep in place systems to deal with the prevention of fraud and/or administrative malfunction;
- (g) all financial and other information You have disclosed to Us is to the best of Your knowledge and belief, true and accurate;

## **17. Duration**

Except where otherwise specified, the terms of this Agreement shall apply from the date of this Agreement until the anniversary of expiry of the Grant Period or for so long as any Grant monies remain unspent by You, whichever is longer.

## **18. Termination**

We may terminate this Agreement and any Grant payments on giving You three months written notice should We be required to do so by financial restraints, or for any other reason.

## **19. Dispute Resolution**

- 19.1 In the event of any complaint or dispute (which does not relate to Our right to withhold funds or terminate) arising between Us in relation to this Agreement the matter should first be referred for resolution to the Project Manager or any other individual nominated by Us from time to time.
- 19.2 Should the complaint or dispute remain unresolved within 14 days of the matter first being referred to the Project Manager or other nominated individual, as the case may be, either party may refer the matter to Our Principal Manager, Partnerships and Communities and Your Chair with an instruction to attempt to resolve the dispute by agreement within 28 days, or such other period as may be mutually agreed by Us and You.
- 19.3 In the absence of agreement under clause 0, the parties may seek to resolve the matter through mediation under the CEDR Model Mediation Procedure (or such other appropriate dispute resolution model as is agreed by both parties). Unless otherwise agreed, the parties shall bear the costs and expenses of the mediation equally.

## **20. General**

- 20.1 You may not, without Our prior written consent, assign, transfer, sub-contract, or in any other way make over to any third party the benefit and/or the burden of this Agreement or, except as contemplated as part of the Project, transfer or pay to any other person any part of the Grant.
- 20.2 No failure or delay by either party to exercise any right or remedy under this Agreement shall be construed as a waiver of any other right or remedy.

- 20.3 All notices and other communications in relation to this Agreement shall be in writing and shall be deemed to have been duly given if personally delivered, e-mailed, or mailed (first class postage prepaid) to the address of the relevant party, as referred to above or otherwise notified in writing. If personally delivered or if e-mailed all such communications shall be deemed to have been given when received (except that if received on a non-working day or after 5.00 pm on any working day they shall be deemed received on the next working day) and if mailed all such communications shall be deemed to have been given and received on the second working day following such mailing
- 20.4 This Agreement shall not create any partnership or joint venture between Us, nor any relationship of principal and agent, nor authorise any party to make or enter into any commitments for or on behalf of the other party.
- 20.5 Where You are not a company nor an incorporated entity with a distinct legal personality of Your own, the individuals who enter into and sign this Agreement on your behalf shall be jointly and severally liable for Your obligations and liabilities arising under this Agreement.
- 20.6 This Agreement does not and is not intended to confer any contractual benefit on any person pursuant to the terms of the Contracts (Rights of Third Parties) Act 1999.
- 20.7 This Agreement shall be governed by and construed in accordance with the law of England and the parties irrevocably submit to the exclusive jurisdiction of the English courts.

## Appendix 5

### **Sample De minimis letter** : Eligibility to receive De minimis aid.

This letter can be used to determine the value of any De Minimis aid previously received by a beneficiary, in order to ascertain whether there is scope to give (further) De minimis aid.

Dear

[SCHEME TITLE (IF APPLICABLE)] STATE AID: DE MINIMIS AID

In order to minimise distortion of competition the European Commission sets limits on how much assistance can be given without its prior approval to organisations operating in a competitive market. This letter sets out what is needed to ensure compliance with those limits. You should note carefully the requirements and the obligations. If you have any queries please discuss them with the aid administrator.

Under EC Regulation 1407/2013 (De Minimis Aid Regulation) as published in the Official Journal of the European Union 24 December 2013<sup>42</sup>, the support provided is a De minimis aid. There is a ceiling of €200,000 for all De minimis aid provided to any one organisation over a three fiscal year period (i.e. your current fiscal year and previous two fiscal years). Any De minimis aid provided to you under this scheme will be relevant if you wish to apply, or have applied, for any other De minimis aid. The value of the aid under this scheme is (or estimated to be by calculating the gross grant equivalent). You will need to declare this amount to any other aid awarding body who requests information from you on how much De minimis aid you have received.

For the purposes of the De minimis regulation, you must retain this letter for 10 years from the date on which the aid is granted and produce it on any request by the UK public authorities or the European Commission. (You may need to keep this letter longer than 10 years)

Please advise us now of any other De minimis aid which your enterprise and any enterprises linked to it may have received during your current and previous two fiscal years, as we need to check that our support added to that previously received, will not exceed the threshold of €200,000 over the last 3 fiscal years. De Minimis Aid includes not only grant but also assistance such as free or subsidised consultancy services, marketing advice etc. If you are in any doubt about whether previous assistance received classes as De minimis assistance please include it.

Please sign the attached statement confirming your eligibility for support. ☐

Statement of De minimis aid received

I confirm that (I/ name of organisation) have received the following De minimis aid during the previous 3 fiscal years (i.e. current fiscal year and the previous two fiscal years):

| Body providing the assistance/aid | Value of assistance (calculating the Gross Grant Equivalent) | Date of assistance |
|-----------------------------------|--|--------------------|
|                                   |  |                    |
|                                   |  |                    |
|                                   |  |                    |
|                                   |  |                    |

DECLARATION:

Company.....  
Client Name .....  
Signature .....  
Date .....

I acknowledge that if I fail to meet the Eligibility Requirements, I/we shall become liable to pay the full price that would otherwise be payable in respect of the grant/ services received.

Yours Sincerely,

## Appendix 6

### Sample Grant Monitoring Form

#### 1. Contact Details

|                    |  |        |  |
|--------------------|--|--------|--|
| Organisation name: |  |        |  |
| Address:           |  |        |  |
| Tel. No:           |  | Email: |  |

#### 2. Grant Information

|                         |   |                         |   |
|-------------------------|---|-------------------------|---|
| Grant Reference Number: |   | Date grant was awarded: |   |
| Total project cost:     | £ | Amount Awarded:         | £ |

#### 3. Budget

| Has the grant been spent in line with your original application?                          | Yes <input type="checkbox"/> | No <input type="checkbox"/> |   |
|---|------------------------------|-----------------------------|---|
| Please detail any changes to the grant expenditure:                                       |                              |                             |   |
| Has there been an underspend on the grant?  |                              |                             |   |
| Yes <input type="checkbox"/>  |                              | No <input type="checkbox"/> |   |
| If so, how much? £ and what is the reason for the underspend?                             |                              |                             |   |
| Receipt Amount:£ Original or copies of your receipts / invoices must be included          |                              |                             |   |
| Please list both income and expenditure for your event with corresponding receipts below: |                              |                             |   |
| Income  |                              | Expenditure                 |   |
|   | £                            |                             | £ |
|   | £                            |                             | £ |
|   | £                            |                             | £ |
|   | £                            |                             | £ |
|   | £                            |                             | £ |
|   | £                            |                             | £ |
|   | £                            |                             | £ |
|   | £                            |                             | £ |





## 5. Promotion

Please send an electronic photograph of your project. Is this attached? Yes ☐ No ☐

Do you give permission for these photographs to be used on the Council's web site and in newsletters? (Please ensure that you seek permission for anybody photographed). Yes ☐ No ☐

How was the grant funding from Cheshire East Council acknowledged? (i.e. on your website, event programme, tickets, etc)

## 6. Feedback

What is your experience of using the Grant Scheme? Are there any comments or suggestions for improvements that you would like to make?

How did you apply? Online ☐ Email ☐ Post ☐

Did you encounter any problems in submitting your application?

Do you feel that you understood the process? Yes ☐ No ☐

Please rate the following elements:

|  | Excellent | Good | OK | Poor |
|--|-----------|------|----|------|
| Completing the application form  |           |      |    |      |
| Relevance of guidelines  |           |      |    |      |
| Length of the process from submitting an application to receiving notification |           |      |    |      |
| Evaluation requirements  |           |      |    |      |
| Advice given from the Grants Team (if applicable)                              |           |      |    |      |