



# STANDARD TERMS OF GRANT

January 2022



**Armagh City  
Banbridge  
& Craigavon**  
Borough Council

## A. Purpose of The Letter of Offer and Standard Terms of Grant

1. The Letter of Offer and 'Standard Terms of Grant' form a contract between the Applicant and Armagh City, Banbridge and Craigavon Borough Council. These documents state;
  - the amount of Grant Aid which is available for the Applicant to claim;
  - the conditions which must be met by the Applicant in order to claim this Grant Aid; and
  - the period of the Letter of Offer during which the Standard Terms of Grant must be complied with.
2. The Letter of Offer provides the Council the right to recover Grant Aid from the Applicant if the conditions of the Letter of Offer are breached during the period within which the Letter of Offer conditions must be adhered to.
3. The Letter of Offer together with the 'Standard Terms of Grant' form a legally binding contract and you should read both carefully before accepting the offer of Grant Aid. If you are in doubt regarding the terms of the offer, you should discuss the matter with your legal representative. The offer and subsequent Grant Aid draw down is subject to strict adherence to the allocation for specific items and activities as detailed in the Letter of Offer; and all conditions detailed in this 'Standard Terms of Grant' booklet.
4. By accepting the Letter of Offer you are also accepting the Terms and Conditions set out in this 'Standard Terms of Grant' booklet. Failure to adhere to the Terms and Conditions of the offer may result in the full grant aid given under the Letter of Offer being deemed invalid and require any assistance already provided to be repaid.
5. In submitting claims for reimbursement of expenditure there is a need to adhere to the procurement requirements provided to you with the Letter of Offer. It is a strict requirement to have competitive tenders or quotations for project expenditure. Expenditure in breach of this requirement will be deemed ineligible and no Grant Aid will be payable.

## B. Definitions and Abbreviations

**‘we’, ‘us’, ‘our’** – Armagh City, Banbridge and Craigavon Borough Council.

**‘you’, ‘your’** – the Applicant(s) awarded the Grant as set out in the *Letter of Offer* and any organisation which agrees to comply with the *Grant Contract*.

**Additional Grant Conditions** – any additional grant conditions set out in your *Letter of Offer*.

**Application** – your completed Stage 1 Expression of Interest Application and Stage 2 Grant Application forms and any documents or information you send us to support your request for a *Grant*.

**Approved Project** – the *Approved Project* summarises the *Project* described in your *Application*.

**Approved Usage** – how you said you would use, market and seek a tenant for the *Property* in your *Application* (allowing for any changes that we may have agreed up to the release of any of the *Grant*) for at least 24 months following the *Project Completion Date* or until the *Property* is let if earlier than 24 months.

**Approved Work** – the construction works and fixtures and fittings we approve as set out in the *Application* and *Grant Contract*.

**Department** – the Department for Communities.

**Evaluation Report** – the report you must send us before we pay the last 10% of the *Grant* telling us the marketing activity, terms of any lease entered into in relation to the *Project*, any reasons why tenants did not want to lease the *Property*, its achievements and any lessons learned.

**Grant** – the amount set out in the *Letter of Offer*.

**Grant Contract** – made up of the

- *Letter of Offer*;
- *Standard Terms of Grant*;
- *Any Additional Grant Conditions*; and
- *Signed Permission to Start Form*.

**Grant Expiry Date** – the date by which you must achieve the *Approved Project* as set out in the *Letter of Offer*.

**Letter of Offer** – the letter confirming our *Grant* to you.

**Long Stop Date** – All capital works **must** be completed by 30 June 2024. No projects will be granted an extension past this date unless there are exceptional, unforeseen circumstances.

**Permission to Start Form** – the form you submit to us requesting permission to start the *Project*.

**Permission to Start Notice** – our written confirmation that you may start the *Project*.

**Project** – the *Approved Work* as set out in the *Application* (taking account of any changes we and you have agreed in writing up to the date of our decision to award you the *Grant* and any changes that we tell you about in the *Letter of Offer*). This includes the commitments made to actively market the *Property* and work with the Council and its advisors to seek a tenant for the *Property*.

**Project Completion Date** – the date of the letter we send you letting you know that the *Approved Works* for the *Project* is recorded as complete.

**Property** – the property as set out in your *Application* to which the *Grant* relates.

**Standard Terms of Grant** – the standard terms set out herein.

**Term of the Grant Contract** – the duration of the *Grant Contract* set out in the *Letter of Offer*.

## C. TERMS AND CONDITIONS

### Delivering the Project

1. You must use the *Grant* only for the *Approved Project*, unless you get our approval beforehand.
2. You must not start work to achieve the *Approved Project* before receiving the *Permission to Start Notice*. The Council will not retrospectively fund projects.
3. You must achieve the *Approved Usage* and make your final *Grant* drawdown by the *Grant Expiry Date*.
4. No projects will be extended past the *Long Stop Date*. Projects which fail to complete by this date may not receive grant payment for their project.
5. You must complete the *Approved Works* needed to achieve the *Approved Project* and actively market the *Property*, or let the *Property*, following completion of the *Approved Project*.
6. As well as these *Standard Terms of Grant*, you must follow the *Additional Grant Conditions* (if any) set out in the *Letter of Offer*, address any issues we identify in the course of monitoring, and meet the requirements set out in any other guidance we issue which is relevant to the *Grant Contract* or your *Approved Project*.
7. You must carry out the *Approved Project* in line with current best practice and to a standard that is appropriate to the *Project* and any statutory designations. You must follow all legislation and regulations that apply.
8. You acknowledge that the *Grant* comes from public funds and you will not use the *Grant* in a way that constitutes unapprovable State Aid. In the event that it is deemed to be unapprovable State Aid, then you will repay the entire Grant immediately.
9. The *Applicant* acknowledges the obligations of the *Council* and *Department* under Section 75 of the Northern Ireland Act 1998. In light of this, the Applicant agrees that, in applying the grant aid provided by the *Council* and the *Department* and in its use of the property, it shall have due regard to the need to promote equality of opportunity between persons of different religious belief, political opinion, racial groups, age, marital status or sexual orientation; between men and women generally; and between persons with a disability or a dependent and persons without. To this end, the *Applicant* shall have regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial groups.

### Project Monitoring

10. You must give us any progress reports and financial or other information and records we may need from time to time on the *Grant*, the *Property*, the *Approved Project* and the *Approved Usage* of the property.
11. You must allow us (or anyone we authorise) to have any access we may need to:

- a. inspect the *Property* and any work to it;
- b. monitor the conduct and progress of the *Approved Project*, and
- c. monitor the *Approved Usage*.

In these cases we will give you notice. You will report on the progress of the *Approved Project* at times agreed with us.

12. We may ask you to provide proof that you have taken action to reduce the risk of fraud. We may ask you to let us examine your accounting processes and procedures to check the effectiveness of anti-fraud measures.
13. We will monitor the progress of the *Approved Project* and will carry out checks at and after the end of the *Project* to confirm that it is delivering the outcomes expected. If we (or anyone we authorise) make any recommendations on matters relating to the *Approved Project*, you must take those recommendations into account when meeting your obligations to us.
14. You must take appropriate steps to monitor your own success in achieving the *Approved Usage* of the *Property*. On completing the *Approved Project*, you must submit your *Evaluation Report* before we will release the final *Grant* payment.

#### Procurement

15. Before you start any phase of the work needed to achieve the *Approved Project*, you must put in place all necessary contracts with appropriately qualified contractors and professional advisers to allow you to finish that phase of the work. Building contracts must contain a clause which allows you to retain part of the contractors' fees on practical completion of the works. If you want any contracts to be on different terms, you must get our approval beforehand.
16. If the *Approved Works* involve buying goods or services or getting work done, you must carry out a tendering exercise in line with the Council's procurement procedures.

#### Property

17. You must continue to own the *Property* and keep exclusive control over what happens to it for a minimum of five years following the final payment of the *Grant*. You must not sell, let or otherwise part with it or any interest in it, or give any rights over it to anyone else (or take any steps to do so) without our approval beforehand. If we give you our approval, it may depend on any of the following requirements.
  - that you pay us a share of the net proceeds of selling or letting the *Property* within one month;
  - that you sell or let the *Property* at its full market value;
  - any other conditions we think fit.

We may claim from you an amount in the same proportion to the sale price as the Grant is to the original cost of the *Approved Project*. You must pay whatever we decide is appropriate in the circumstances. We may decide not to ask you to repay the *Grant* (or any part of it as we think fit) for any reason but it is for us to decide that.

18. You must maintain the *Property* in good repair and condition after the work has been done.
19. The applicant, agent and/or contractor is responsible for all risks in connection with public or employer liability associated with the building works. All works funded through this grant will be required at all times to be fully covered by relevant insurance policies.
20. You must tell us, in writing, within five working days about any significant loss or damage to the *Property*.

#### Publicity and acknowledgement

21. We may make the purpose and amount of the *Grant* public in whatever way we think fit.
22. Once we have announced the *Grant*, you must meet any other acknowledgement or publicity requirements we may tell you about from time to time. Before we make any public announcement of the *Grant*, you must not issue any public statement, press release or other publicity in relation to the *Grant* or which refers to us, other than in a form we have approved beforehand.
23. You must also provide us with digital images in electronic format of the *Project* or hard-copy photographs or transparencies. You give us the right to use those you provide us with at any time, including putting them into a digital format and altering them. You must get all the permissions required for you and us to make use of them before you use them or send them to us.

#### Grant Payment and Repayment

24. We will, up to the *Grant Expiry Date*, pay you the *Grant* or any instalment of it in line with these *Standard Terms of Grant* and the procedures explained in the *Grant Contract* as long as we are satisfied that you are achieving (and will continue to achieve) or have achieved the *Approved Project* in line with these *Standard Terms of Grant* and that you are spending the *Grant* in proportion to any other funds you receive from other sources.
25. We will only pay you the *Grant* following inspection of the *Property* and upon issue of a Completion Certificate. You must notify us when works have been completed so they we can arrange an inspection.
26. We will only pay you the *Grant* when we have received a completed Claim Form accompanied by the following documentation or any other documentation or evidence we set out in the *Grant Contract*.

- a. Evidence of quotes sought and value for money in accordance with the Council Procurement thresholds.
  - b. Copies of original invoice/s for works and materials.
  - c. Evidence of cheque/BACS payment to contractor/s & supplier/s.
  - d. Copy of original bank statement showing associated cheque number/BACS payment leaving applicant's account.
  - e. Contractor's practical completion certificate.
  - f. Proof of statutory approvals and sign off.
  - g. Council's Advisory Team completion certificate and project report.
27. We will only pay the *Grant* to the *Applicant* via direct BACS payment.
28. You acknowledge that the *Grant* is the total amount of funds we will provide and will not be increased as the result of you overspending or for any other reason.
29. You must repay to us immediately any *Grant* that we have paid you (and we will stop any future instalments of the *Grant*) if:
- you no longer operate, or you are declared bankrupt or placed into administration, receivership or liquidation;
  - you have, in our opinion, given us fraudulent, incorrect or misleading information;
  - you have acted negligently in any significant matter or fraudulently in connection with the *Approved Project* or the *Approved Usage*;
  - any competent authority directs the repayment of the *Grant*;
  - there is a significant change in your status;
  - you knowingly withhold information that is relevant to the content of your *Application*;
  - you do or fail to do anything that brings us into disrepute, or which we consider for any reason puts public funds at risk, or we terminate or suspend any other grant we have given you;
  - you fail to make good progress with the *Project* or are unlikely in our view to complete the *Project* or achieve the *Approved Usage* agreed with us; or
  - you fail to keep to any of these *Standard Terms of Grant*.
30. If you complete the *Approved Project* without spending the full amount of the *Grant*, you must pay back the part of the *Grant* you have not spent. We will treat you as spending the *Grant* in proportion to other funds you were due to spend or receive from other sources for the *Approved Project*.
31. If you sell or otherwise part with all or part of the *Property* without our permission under paragraph 15, or you receive money in some other way as a result of you not following these *Standard Terms of Grant*, you may have to pay us immediately a



share of the net proceeds if that share is more than the amount we would otherwise be entitled to under paragraph 24.

32. We will only pay the *Grant* if the contractor used for the work needed to achieve the *Approved Project* is Constructionline Registered with active status and if all procurement has been carried out in accordance with our guidance.
33. You must pay for the work needed to achieve the *Approved Project* via BACS and not cash.

### General Terms

34. You may not, and must not claim to, transfer the *Grant* or any rights under these *Standard Terms of Grant*.
35. You must take all steps and sign and date any documents as may be necessary to carry out your obligations under these *Standard Terms of Grant* and to give us the rights granted to us under them.
36. If there is more than one of you, any liability under these *Standard Terms of Grant* will apply to you all together and separately.
37. We may rely on any of our rights under these *Standard Terms of Grant* at any time, even if we do not always choose to do so immediately. If we decide not to rely on one right, we may still rely on any of our other rights under these *Standard Terms of Grant*.
38. If you need our approval for anything, you must write to us to ask for it. You may only rely on any approval needed under these *Standard Terms of Grant* if we (or anyone we authorise) give it to you in writing.
39. Any notice, request or other document we or you send to each other under these *Standard Terms of Grant* shall be in writing and shall be deemed to have been given if personally delivered by hand or post (first class postage prepaid) to the address for service of the relevant party. If hand delivered all such communications shall be deemed to have been given when received (except that if received on a non-working day or after 5pm on any working day they shall be deemed received on the next working day) and if posted all such communications shall be deemed to have been given and received on the second working day following such posting.
40. Any documents you need to send us under these *Standard Terms of Grant* are for our own purposes only. If we approve or accept any documents, this does not mean that we have approved or accepted them for any other purpose.
41. The *Term of the Grant Contract* will last for five years following completion of the Project.

42. These *Standard Terms of Grant* cannot be enforced by anybody other than you or us.