



Ministry of Defence



Armed Forces Covenant Fund
Level 6 Zone A Main Building
Ministry of Defence
Whitehall
London SW1A 2HB

Tracy Ricketts
Council Offices
Plough Lane
Hereford
Herefordshire
HR4 0LE

25 February 2018

Dear Tracy Ricketts

Offer of Funding

Priority: Strengthening Local Government Delivery of the Covenant
Applicant name: The County of Herefordshire District Council
Reference: CFLG17-231
Project length 2 years

This is to confirm that the Covenant Fund will provide **The County of Herefordshire District Council**, the accountable body, with a restricted grant of **£246,820** towards the costs of your Project.

1. Our Offer

1.1 This offer is subject to your acceptance of the Covenant Fund's terms and conditions and the conditions set out in this letter. The terms and conditions are included with this Offer Letter and form part of your Grant Agreement with the Covenant Fund.

1.2 Please read these terms and conditions and retain a copy of that document with your Offer Letter during the term of this grant. Make sure that appropriate members of your organisation are also aware that this funding is provided subject to these terms and conditions being met at all times.

2. The Project

2.1 The Project described in your Application Form is the Project we wish to fund in accordance with the Covenant Fund's terms and conditions. Your grant award includes £4,050 towards the costs of three individuals participating in the Digital Development Programme which is offered by the Fund's partners, Services Sound and Vision Corporation. If you do not wish to join this bespoke programme please contact us to discuss this.

2.2 We will monitor your delivery of the Project and how effectively the funding is being used. Our main monitoring will be against an agreed set of milestones as set out in your application and will form Schedule 1 to this Grant Agreement. We would expect you to review these now that the grant is awarded and return to us an amended version of these before any payment is released.

2.3 In addition, we need to work with you during the term of your grant to track and demonstrate outcomes for programme and therefore you will send us any information as we may in our sole discretion reasonably request from time to time relating to your activities, outputs and outcomes.

2.4 We would like to be invited to visit your Project whenever you felt it appropriate and would welcome invitations but we also reserve the right to visit projects for monitoring purposes by appointment and will ensure prior notice is given.

2.5 If your project includes funding for a Veterans' Hub or similar service we expect that you will liaise with any existing services such as those provided by the voluntary sector locally to ensure that there is no duplication. We would also suggest that you may want to consider making contact with the Association of ex-Service Drop-In Centres (ASDIC).

3. Accepting our Offer

3.1 To accept our offer, please print out a copy of this Offer Letter, ensure it is signed by two authorised signatories for your organisation (one of whom should be the main contact for the grant, and the other the chief executive, or equivalent, or another member of the senior management team), date it **return it by post in hard copy form to the address above.**

3.2 If you do not accept this Offer within four weeks of the date of this Offer Letter, it will lapse and no longer be valid.

4. Payment Conditions

4.1 Before we can pay any part of the grant to you, you need to complete the attached invoice with your organisation details, bank details and, for each payment, a detailed breakdown of the costs that the Covenant Fund will pay for.

4.2 Grant payments will be made 6 monthly, in advance, with the first grant invoice payable on acceptance of this offer. You will need to complete the invoice template for each claim, with the first invoice covering costs from April – September 2017 and subsequent invoices covering subsequent project expenditure for each 6 month of the project. **Please send us these as attachments to email to COVENANT-GrantTeamMailbox@mod.gov.uk with your organisation name and grant reference number in the subject line.**

4.3 Payments are conditional on us receiving and approving any additional monitoring information (or ‘payment conditions’) we have asked for. Please note that after you meet all the conditions for each payment it will normally take **up to 30 working days for us to process the request and our Finance team colleagues to release the funds.**

5. Partnership working

5.1 If you are going to work in partnership with other organisations to deliver the Project and you need to enter into a partnership agreement with them in accordance with our terms and conditions, please can you send us the proposed draft agreement(s) as soon as possible for our approval. **Please send us these as attachments to an email to COVENANT-GrantTeamMailbox@mod.gov.uk with your organisation name and grant reference number in the subject line.** We will not release your payment until we are satisfied with these documents. You must not make any payments to your Partner(s) until we have approved the partnership agreement(s) and you have finalised it with your Partner(s).

5.2 We will review your draft partnership agreement (s) and let you know whether the wording is satisfactory to the Covenant Fund. Thereafter, you can ask your Partner(s) to sign it and have it signed on behalf of your organisation and dated.

6. Project Monitoring

6.1 We expect you to monitor your Project’s progress towards, and achievement of, the outcomes and outputs detailed in your application form, as well as progress against the milestones. You will need to send us:

- Half yearly reports on your Project's progress against milestones and key outputs, which should accompany your second, and subsequent invoices
- An end of grant report

Further details on these requirements will be sent to you separately.

7. Acknowledging our funding

7.1 You will be required to use the Armed Forces Covenant branding in accordance with the terms and conditions of grant.

7.2 You are required to undertake publicity about your Project and this should reference the Covenant Fund and the Armed Forces Covenant. Please keep copies of media reports and make a log of where the media report came from and what date/edition it appeared in. Copies of all media coverage should be included in your six-monthly reports.

8. Freedom of Information

8.1 Any information we receive from you will be subject to the Freedom of Information Act 2000. By law, we may have to provide your information to a member of the public if they ask for it under the Freedom of Information Act.

Congratulations on your successful application.

Yours sincerely



Carol Stone
Covenant Fund Manager

Attached:

- 1. Terms and conditions of grant**
- 2. Managing your Grant**
- 3. Invoice template**

SCHEDULE ONE

Project Outcomes and Milestones - updated

Please complete the following table for each outcome (up to 6). If these have not changed since your application just copy the original information in here.

| Outcome 1 | |
|------------|------------|
| Milestones | Timescales |
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| | |

| Outcome 2 | |
|------------|------------|
| Milestones | Timescales |
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| Outcome 3 | |
|------------|------------|
| Milestones | Timescales |
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| Outcome 4 | |
|------------|------------|
| Milestones | Timescales |

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|-------------------|-------------------|
| Outcome 5 | |
| Milestones | Timescales |
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|-------------------|-------------------|
| Outcome 6 | |
| Milestones | Timescales |
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SCHEDULE TWO
Payment Schedule

| | | Payment due | |
|--------|--------------------|--------------------|----------------------------------|
| Year 1 | Mar/April 18 | £61,705 | on receipt of invoice |
| | Oct-18 | £61,705 | On receipt of invoice and report |
| Year 2 | Apr-19 | £61,705 | On receipt of invoice and report |
| | Oct-19 | £61,705 | On receipt of invoice and report |
| | by end June 2020 | 0 | Final report due |
| | TOTAL GRANT | <u>£246,820</u> | |



**Ministry
of Defence**



Acceptance of Grant:

We, as duly authorised signatories for and on behalf of

..... (organisation name)

accept this offer of a grant on the terms and conditions stated.

Signatory 1

PRINT NAME:

SIGNATURE:

POSITION:

DATE:

CONTACT DETAILS

Email..... Phone

Signatory 2

PRINT NAME:

SIGNATURE:

POSITION:

DATE:

CONTACT DETAILS

Email..... Phone



**Ministry
of Defence**



Covenant Fund

Local Authorities Programme - Standard terms and conditions

This Grant Agreement sets out the standard legal conditions of our grant offer to you. You accept that these standard terms and conditions are not negotiable.

1. Definitions

- 1.1 “You” and “your” means the organisation receiving a grant from the Covenant Fund subject to these terms and conditions.
- 1.2 “We”, “us” and “our” means the Covenant Fund and includes our employees and those acting for us.
- 1.3 “Partner” means an organisation specified in your application which will be working directly with you in delivering the Project.
- 1.4 The ‘Project’ means the activity or activities that we have agreed to support with a grant as set out in the Offer Letter and in accordance with this Grant Agreement.

The ‘Grant Agreement’ includes and incorporates:

- 1.1.1. these standard terms and conditions;
- 1.1.2. the Offer Letter which sets out any additional conditions;
- 1.1.3. your application form and any documentation confirming changes to these plans which may include a revised budget; and

1.1.4. Schedules 1 and 2 which will be finalised in discussions with you within 2 months of this Offer Letter. These will comprise the agreed milestones and payment schedule.

1.5 The “Funding Period” means the fixed term specified in the grant offer letter.

2. The Grant

2.1 You acknowledge that you are holding the grant on trust for the beneficiaries of the Project and therefore you must use the grant exclusively for the Project.

2.2 The amount of the grant is set out in the Offer Letter. We are not able to increase the amount of the grant. The amount of the grant may be different to the amount that you applied for.

2.3 You must accept our offer within four weeks of receiving it by signing and returning one copy of the Offer Letter. If you do not return the signed Offer Letter within four weeks the offer will be automatically withdrawn. The Offer Letter must be signed by two people who are authorised to sign on behalf of the organisation.

2.4 We will agree with you the terms of Schedule 1 which will include the details for the delivery of the Project and Schedule 2 which will detail the payment instalments. At that point we will issue you with the agreed Schedules and any additional terms and conditions we have agreed. In the unlikely event that we cannot agree the Schedules, the Offer will be automatically lapse.

2.5 The date of the Grant Agreement will be the date of our Offer letter.

2.6 You must tell us promptly about any changes to information you have given us, including any changes to your bank or building society details and you must make sure that the information we hold about your organisation is always true and up to date.

2.7 You will tell us immediately if any offer of match funding for this Project which you told us you would receive is withdrawn or reduced at any time during the Project or if additional funding is offered.

2.8 You must not use the grant to pay for any spending commitments you have made before the date of the Grant Agreement.

2.9 You must hold any unused part of the grant on trust for the beneficiaries of the Project at all times and if you spend less than the whole grant on the Project, you must return the unspent amount to us on demand.

2.10 If at any time we are not satisfied that you have met all the terms of our Grant Agreement, or we require extra information or documents, we will let you know and/or will request this information and we may postpone payment of the grant until we decide that the terms are met or until we receive the information we want.

3. The Project

3.1 You must start the Project within three months of the Project Start Date as shown in the Offer Letter.

3.2 You agree to deliver the Project within the time we have set you in Schedule 1.

3.3 If you want to enter into an agreement with any third party with a view to commercial exploitation of the Project or anything relating to it, you must contact us to obtain our prior written consent. Our consent may be subject to conditions, including conditions requiring the repayment of all or part of the grant.

3.4 If you are required by us to enter into a partnership agreement with another organisation or organisations acting as a Partner in order to deliver the Project then you will submit the proposed partnership agreement to us for our approval and understand that you cannot start the Project until you have a signed partnership agreement in place. The partnership agreement must ensure that you are named as the accountable body for delivering the Project. You should ensure that your Partner(s) act at all times in accordance with these terms and conditions of grant, so far as applicable to their role on delivering the Project, and in the event of conflict between the terms of the partnership agreement and these terms and conditions of grant, then these terms and conditions of grant must take precedence.

3.5 You must maintain adequate insurance at all times. This includes employee and public liability insurance. If any assets have been funded by the grant then you will keep them safely and in good repair and condition and will make sure you have adequate insurance cover for all of them. If the asset is damaged, destroyed or stolen, you must tell us in writing and you must repair or replace it as soon as reasonably practical.

3.6 You agree to comply with all laws regulating the way you operate, the work you carry out, the staff you employ or the goods you buy. You will ensure that you have an equal opportunities policy in place at all times, to help you comply with all relevant laws and good practice whilst the Grant Agreement remains in force. You will obtain any planning

permission and all approvals, copyright and other consents and licences required by law or by us. This includes but without limitation compliance with all employment legislation, equality legislation, health and safety requirements and all other relevant legal or regulatory approvals necessary for the Project to be delivered.

- 3.7 You will at all times comply with Data Protection Legislation. Data Protection Legislation shall mean (i) unless and until the General Data Protection Regulation ((EU) 2016/679) ('GDPR') is no longer directly applicable in the UK, the GDPR and any national implementing laws, regulations and secondary legislation, as amended or updated from time to time, in the UK and then (ii) any successor legislation to the GDPR or the Data Protection Act 1998.
- 3.8 If your Project involves work with children and adults at risk ("vulnerable people"), you will take all reasonable steps to ensure their safety. You will obtain the written agreement from the legal carer or guardian before having any direct contact with any vulnerable person. You will have and carry out an appropriate written policy and have a set of procedures in place at all times to safeguard vulnerable people, which will include procedures to check backgrounds and disclosures of all employees, volunteers, trustees or contractors who will supervise, care for or otherwise have significant direct contact with vulnerable people with the Disclosure and Barring Service.

4. Information, marketing and publicity

- 4.1 You must follow our branding and publicity guidelines at all times if practical and appropriate. You will acknowledge the Armed Forces Covenant and the Covenant Fund by following the guidelines we will provide. You should feature the required logos on any grant funded building or vehicle and on all information, marketing and publicity materials including digital media relating to the Project. You should also incorporate verbal and written acknowledgment of our support into your communications.
- 4.2 You hereby give us permission to use, in our sole discretion and as we think fit, any materials produced for or by the Project. You hereby grant us a non-exclusive, worldwide, royalty free perpetual licence to reproduce part or all of your Project or related documents as we may reasonably require for marketing, publicity, research and evaluation and reporting purposes.

5. Payment of the grant

- 5.1 Subject to satisfactory receipt of any information required from time to time, we agree to pay you the total grant in instalments according to Schedule 2.
- 5.2 We will pay the grant by way of instalments agreed in Schedule 2 by bank transfer (BACS) into a UK-based bank account in your name.
- 5.3 You understand and accept that we will not increase the grant if you spend more than the total grant awarded as stated in the Offer Letter.
- 5.4 We will not be liable for any losses or costs (including, but not only, bank charges) if we do not make grant payments on the dates agreed in Schedule 2. Payments agreed in Schedule 2 will be dependent upon the timely submission of, and our approval of, the information required under Schedule 1. If you do not do submit satisfactory information to us, the grant payments agreed in Schedule 2 may be suspended.
- 5.5 You will show the grant and related expenditure in your accounts under the description of “Covenant Fund Funding” as a restricted fund. If you have more than one restricted fund, it will include a note to the accounts identifying each restricted fund separately. If you have more than one grant from us, you will record each grant separately in the notes to the accounts. You will identify unspent funds and assets in respect of the grant separately in your accounting records and acknowledge our grant in your annual report and accounts.

6. VAT

- 6.1 You acknowledge that the grant is not consideration for any taxable supply for VAT purposes. You acknowledge that our obligation does not extend to paying you any amounts in respect of VAT in addition to the grant.
- 6.2 If you are registered for VAT, or subsequently become liable to register for VAT, you must keep proper and up to date records and you must make those records available to us and give us copies when requested.
- 6.3 If we have agreed to fund any or all of the VAT costs associated with your Project and you subsequently recover any VAT, you must pay us back immediately any of the VAT that has been paid for with the grant.

7. You agree that

- 7.1 You must meet any special or additional conditions which may have been agreed between us in writing from time to time and which will be deemed incorporated into this Grant Agreement.
- 7.2 You must ensure that the executive team responsible for delivering the Project, receive a copy of this Grant Agreement while it remains in force and will ensure that the receipt of this grant and the delivery of the Project are within the scope of your constitution and if asked by us you will provide a legal opinion from your solicitors confirming this.
- 7.3 You must tell us in advance if you want to make any significant changes to the Project or to the name of the Project being delivered under this Grant Agreement. We will not unreasonably withhold its consent to any such changes.
- 7.4 You must write to us as soon as possible if any legal claims are made or threatened against you which would adversely affect the Project during the period of the grant.
- 7.5 You must tell us in writing as soon as possible of any investigation concerning you, your employees or volunteers carried out by the Police, Charity Commission, the Office of the Scottish Charity Regulator, the Charity Commission for Northern Ireland, HM Revenue & Customs or any other regulatory body. .
- 7.6 You will inform us immediately in writing of anything that significantly delays, threatens or makes unlikely the Project's completion, including any delay or difficulty in fulfilling your obligations to work with others as specified in the Offer Letter.

8. Monitoring

- 8.1 You understand and accept that we will monitor the progress of the Project and require you to complete all the activities specified in Schedule 1 on time.
- 8.2 To enable this, you will need to send us all such information as we may in our sole discretion reasonably request from time to time. This includes the information, without limitation, set out in Schedule 1, and copies of all or any other relevant documentation about your financial details and operational systems and processes and any other information which we may deem relevant to our understanding of how the Project is being delivered and the funding used. If we ask, you must give us, or any person nominated by us, or the National Audit Office access to all records relating to the Project or subsequent profit

made by the Project upon demand, including (but not limited to) accounts and any other financial records, VAT and any other tax records. We can ask for access to these records for up to seven years after the Project has finished.

- 8.3 You will be available for meetings with us, as may be reasonably requested, relating to the Project.
- 8.4 You will provide us with a full report on the Project within three months of completing it, using our end of grant report form which we will send to you. We understand that the grant is finished only after we have completed this report to your satisfaction and you have received to your satisfaction the evidence of expenditure you have requested for the period of the Grant Agreement.

9. Conditions relating to assets or services purchased with the grant

- 9.1 If any part of the grant is used to buy any assets, such as vehicles, computer equipment or intellectual property or a series of related assets or services or a series of services costing more than £10,000, you will put out the order to competitive tender. If the grant is being used to purchase assets or services over the amount determined from time to time by OJEU, you will follow the OJEU regulations. If any part of the grant is to buy an asset or a series of assets which have an economic life of five years or more, regardless of cost you will keep all receipts and invoices for us to look at. If there are good reasons why you cannot tender, you will obtain our written agreement beforehand. You will comply with all anti-bribery and anti-corruption legislation.
- 9.2 You will not sell, give away or borrow against any assets, such as vehicles or intellectual property, bought with the grant during the period of their economic life without first receiving our written consent. As the grant comes from public funds, you understand and accept that if we do provide written consent we may require that the sale is at full market value and/or subject to conditions requiring you to repay all or part of the money you receive.
- 9.3 You understand that we will monitor assets bought with the grant amounting to over £100,000 for a period of up to ten years after the grant has ended unless varied by any capital conditions, which for the avoidance of doubt, will take precedence. If the assets were purchased for less than £100,000 we will monitor the assets for a period of five years or while the Grant Agreement remains in force, whichever is the

shorter. You will supply us with information that we ask for and will allow us to inspect the assets for that period.

9.4 During the grant monitoring period, you will provide an annual statement that the grant funded assets are still in use and insured by you.

10. General conditions

10.1 If you fail to meet any term and condition of the Grant Agreement and we do not enforce one or more of our rights straight away, this does not mean that we will not do so in the future. We will give up our right to enforce this Grant Agreement only if we tell you in writing.

10.2 We will not be held responsible for any action you take, any action you fail to take, or for your debts or liabilities. You are fully responsible for every part of the delivery and content of the Project or for your organisation and the decisions about them. We will not be responsible to anyone else who may take, or threaten to take, proceedings against you.

10.3 You accept that we may share information about your grant with any parties of our choice as well as with members of the public under the Freedom of Information Act 2000. Details of the grant may be broadcast on television, on our website, in newspapers and through other media.

10.4 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.

10.5 You may not transfer any part of the grant or this Grant Agreement or any rights under it to another organisation or individual, unless you have entered into an agreement, authorised by us in accordance with Clause 3.4.

10.6 We may reject any future application from you to other programmes we run if you do not comply with these terms and conditions or we judge that you did not handle the grant adequately or if you failed to complete any requests for information we made to you.

10.7 If you have other major revenue grants with us, then you are also under an obligation to keep to the terms and conditions of those Grant Agreements. If there is any conflict between those terms and conditions and the terms and conditions of this Grant Agreement, then these terms and conditions will take precedence so far as they relate directly to the delivery of this Project

11. Breach of these terms and conditions, and suspending or repaying the grant

11.1 If you fail to meet any of these terms and conditions, we may, in our absolute discretion:

11.1.1 require you to pay back all or part of the grant (regardless of how much you may have already spent if you have not spent it in accordance with these terms and conditions); and/or

11.1.2 end this Grant Agreement immediately.

11.2 We may recover the grant in our absolute discretion, if any of the following events occurs:

11.2.1 you make any changes to the Project without first getting our written permission;

11.2.2 you use the grant for anything other than the Project;

11.2.3 you do not follow our reasonable instructions;

11.2.4 you do not carry out the Project with reasonable care, thoroughness and competence;

11.2.5 you do not complete the Project on time;

11.2.6 you have supplied us with any information that is wrong or misleading, either by mistake or because you were trying to mislead us;

11.2.7 you act illegally or negligently at any time, and we believe it has significantly affected the Project, or is likely to harm our or your reputation; and/or

11.2.8 if without first getting our approval in writing, you sell or in some other way transfer the grant or the Project to someone else.

11.3 If you have other major revenue grants with us, then you are also under an obligation to keep to the terms and conditions of those Grant Agreements. If there is any conflict between those terms and conditions and the terms and conditions of this Grant Agreement, then these terms and conditions will take precedence so far as they relate directly to the delivery of this Project

11.4 If you breach any of the terms of this Grant Agreement, we can choose to treat that as if you had breached the terms of any other grant agreements we have with you. This will allow us to take the same actions under those agreements that we may take under this Grant Agreement.

12. Termination of the Grant Agreement

12.1 These terms and conditions and the Grant Agreement remain in force for whichever of these is the longest time:

- for one year following the payment of the last instalment of the grant;
- as long as any part of the grant remains unspent;
- as long as you do not carry out any of the terms and conditions of the Grant Agreement or any breach of them continues (this includes any outstanding reporting on grant expenditure or Project delivery).

13. Additional conditions

13.1 We have the right to impose additional terms and conditions on the grant if:

- You are in breach of the Grant Agreement;
- We withdraw any part of the funding for the Project;
- If we have reasonable grounds to believe that it is necessary to protect public money; and/or
- We believe such conditions are necessary or desirable to make sure that the Project is delivered as set out in the application form or following any agreed changes.