

Guidance for funding applicants - Standard Terms and Conditions of Funding

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

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

Definitions

- 'we', 'us', 'our' – Scottish Natural Heritage, hereinafter referred to as "NatureScot"
- 'you', 'your' – the individual or organisation(s) awarded the Grant as set out in our Grant Offer
- Approved Activities – the agreed project activities to be completed as part of the Project as detailed in the Grant Offer.
- Contract Period – the period of time specified under 'Contract Period' in the Grant Offer. This includes any maintenance or monitoring period following completion of the actual grant project.
- Grant - the grant award offered to you by us in the Grant Offer
- Grant Contract - the Grant Offer together with these Terms and Conditions and the requirements referred to in the Grant Offer, these Terms and Conditions, and the Guidance
- Grant Offer – the formal letter offering our Grant to you

- Guidance – the documents we publish to guide you about our grants
- Project – the project set out in the grant proposals, adjusted by any changes agreed in writing between you and us and/or any changes contained in the Grant Offer. The Project includes the purposes for which you applied for a grant and how you intend carrying out those purposes
- Property – any assets such as buildings, land, equipment, vehicles, documents or other assets such as intellectual property rights that you buy, create, restore, conserve or otherwise fund with the Grant
- Writing and Written shall incorporate the use of Electronic Forms of writing

1. Use of Grant for specified purposes

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

2. Starting the Project

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

3. Contract documents to be followed

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

4. Permissions and consents

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

5. Buying goods and services

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

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

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

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

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

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

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

6. Standard and sustainability of project

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

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

7. Overspend and underspend

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

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

We will not allow any underspend to be carried forward into a new financial year. Any underspend at the end of a financial year will be retained by NatureScot. It will

not be carried forward to any future years of the Grant, where these exist. Notwithstanding the foregoing, we may consider carrying forward underspend in exceptional circumstances where NatureScot considers it is in the public interest. This must be formally agreed in writing.

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

8. Evidence of satisfactory delivery

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

9. Ongoing conditions

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

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

10. Maintenance and restoration

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

11. Sale and transfer of goods and services

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

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

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

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

12. Period of Grant

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

13. Insurance

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

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

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

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

14. Other Project funding

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

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

15. Acknowledgement of Grant

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

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

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

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

16. Right to inspect

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

17. Financial Information & Records

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

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

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

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

18. Repayment of Grant

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

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

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

19. Transfer of Grant

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

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

20. Use of Property for security

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

21. Indemnity provision

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

22. Grant correspondence

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

NatureScot is the operating name of Scottish Natural Heritage.

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

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

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