**ANNEX A – CONDITIONS OF OFFER**

1. The following is a list of the standard conditions of offer. Applicants who receive an offer of grant aid must adhere to the conditions listed. Project specific conditions may also be added.

**Definition of Words and Expressions of Words used in this Annex.**

1. “The Applicant” applies to the organisation listed in the letter of offer.
2. “The Project” means the Project as specified in the application for financial assistance under the provisions of DAERA grant aid and as approved by the Department.
3. “Financial Assistance” means the grant funding, or any part or parts thereof as the case may be, specified in paragraph 1 of the letter of offer.

**Standard Conditions**

1. Provision of this funding will be dependent upon sufficient receipts being received by the Department from the Carrier Bag Levy.
2. The appendix of the Letter of Offer outlines the breakdown of expenditure allocated under each heading.
3. The offer is a maximum and will not be increased in the event of an increase in costs. The offer provides no guarantee of follow on funding for the same project once this offer expires.
4. The Department shall only provide financial assistance for eligible project expenditure incurred from the start date of the project.
5. The grant is only awarded for the year specified (2017-18). Claims for a given year must be submitted as early as possible, and not later than **15 March** for the financial year in question. Estimates can be used for March however final evidence to support the March claim must be submitted ASAP but no later than **22 April**.
6. The Department’s Client Officer for this project xxx can be contacted on 028 905 xxxxx or at xxx@daera-ni.gov.uk. All correspondence relating to this grant must be copied to nhgrants@daera-ni.gov.uk or posted to the NED Grants Team.
7. The claim must contain a detailed breakdown of costs and full evidence of expenditure incurred. This must take the form of receipted invoices or copy bank/BACS statements with the appropriate payments highlighted. It may be possible to have all the documentary evidence for the project expenditure verified by way of a visit, particularly for projects that involve a large amount of paperwork for evidence of expenditure. The Department may request this option for your project or, if you feel that your organisation might benefit from this option, please contact the Department. If you have been awarded a “Robust” rating under the Financial Systems and Controls Assessment process, only the claim amount on headed paper is required (updated appendices 1-3 must be submitted with each claim). However the Department may periodically request claims to be submitted with all supporting evidence.
8. The Applicant must disclose details of any other financial assistance or match funding (for example in the form of grant, payment for services, loan or gift, from whatever source, public or private) towards eligible project costs as these could affect the financial assistance offered in your Letter of Offer.
9. The Applicant must submit details of any other funding provided by the Department or any other body towards this project within one month of confirmation of the funding.
10. The Applicant has the responsibility of meeting its own contractual obligations regarding salaries. In our award of grant aid, however, the Department will implement the same level of pay restraint as is implemented for the Public Sector. However there will be no increase in the total level of grant aid offered.
11. The Department reserves the right to reduce or discontinue funding in the event that the project is not successfully meeting its objectives, if budgetary constraints arise or due to other unforeseen circumstances. Should the Department decide to reduce or discontinue funding; the Department will provide at least three months notice.
12. Where appropriate, the Applicant must ensure that the Applicant’s constitution and other required information has been uploaded and is maintained as required on the Government Funders Database.
13. The grant offer has been allocated as per the breakdown of expenditure shown in **Appendix 1**. The grant claim must be submitted under the headings outlined. The annual award will not exceed the maximum amount allocated under each heading. If you wish the Department to consider re-profiling elements of this breakdown, you must submit this request as soon as possible to the Department (Client Officer and the Grant Team) for consideration prior to expenditure.
14. Financial assistance will only be paid in respect of actual eligible costs and provided that progress reports demonstrate that the outcomes stated in your application, agreed amendments and agreed annual work plan have been achieved. If outcomes have not been achieved, financial assistance may be reduced.
15. This offer of financial assistance is not transferable to any other project or organisation without prior agreement of the Department.
16. The Applicant must comply with the provisions of all enactments, statutory provisions and other laws operating in Northern Ireland including, but not only, those relating to planning, nature conservation, animal welfare, access, equal opportunities, fair employment and health and safety. European law, where applicable, must also be followed.
17. This grant is being awarded on a no State Aid basis. However, if required to do so by a decision of the European Commission, the Department reserves the right to require that the Applicant repays any State Aid that the Commission deems to be incompatible. The following clauses in relation to State Aid may apply;

De minimis clause:

This grant is being awarded under the auspices of Commission Regulation (EU) No 1407/2013 (the de minimis Regulation) which entered into force on 1st January 2014 and will continue to apply until 31st December 2020. This grant is being awarded on the understanding that this grant will not result in a breach of the €200,000 de minimis aid ceiling. However, if required to do so by a decision of the European Commission, the Department reserves the right to require that the Applicant repays any State aid that the Commission deems to be incompatible.

GBER clause:

This grant is being awarded under the auspices of Commission Regulation (EU) No 651/2014 (the General Block Exemption Regulation) which deems certain categories of State aid compatible with the internal market.

**Procurement and Tendering**

1. The Department shall be notified of the outcome of tendering exercises connected with the Project (above a threshold of £5,000). The Applicant shall forward copies of tender appraisal summary sheets relating to the evaluation and selection of tenders. A contract may only be awarded following appropriate competition. The Applicant shall comply with and, in the letting of any contract, implement the provisions of all enactments, regulations, statutory provisions and working rules related to legislation as it pertains in Northern Ireland, including that related to equal opportunities, fair employment, environmental protection and health and safety.
2. The Applicant shall implement the procurement procedures as set out in the table below. The actions related in the table should be implemented by the Applicant based on the estimated value (excl. VAT) of each contract at pre-tender stage. Procurement decisions must demonstrate best value for money and the Applicant must keep records, which support its decisions.

|  |  |
| --- | --- |
| **Estimated Value** | **Tender Action Required** |
| **Up to £5,000** | 2/3 Oral quotations – with fax or email confirmation. Every attempt should be made to obtain more than one quotation. |
| **£5,001 - £30,000** | 4 Selected Tenders |
| **>£ 30,000 < EU Thresholds** | Publicly advertised tender competition and completed Economic Appraisal |

1. It may not always be possible to obtain the required number of quotations, although reasonable effort to do so must be demonstrated. In this event a detailed reason must be noted on the relevant documentation.
2. For purchases of between £30,000 and EU Thresholds, the tendering process must be conducted in line Procurement Guidance Note PGN 05/12: Simplified Approach to Procurements over £30,000 and Below EU Thresholds ([www.finance-ni.gov.uk/sites/default/files/publications/dfp/PGN-05-12-Simplified-Approach-to-Procurements-May-2016.PDF](https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/PGN-05-12-Simplified-Approach-to-Procurements-May-2016.PDF)). Details of EU Thresholds can be found at [www.ojec.com/Threshholds.aspx](http://www.ojec.com/Threshholds.aspx). For purchases over EU Thresholds, procurement procedures must follow the requirements of the relative EU directives, which can be found at [www.ojec.com/Directives.aspx](http://www.ojec.com/Directives.aspx). All purchases over £30,000 must be advertised on the eSourcingNI website. It should be noted that councils fall under the “Other public sector contracting authorities” heading.
3. Organisations that are not financed or supervised by public sector bodies and commercial organisations in the private sector may not be covered by the European Union procurement rules but are nonetheless expected to use fair and open practices including competitive tendering when letting contracts.

**Project Manager**

1. The day to day management of the Project shall be the responsibility of the Applicant who will appoint a Project Manager to act as a contact point with the Department. The Department must be informed of the Project Manager before the project begins.

**Post Project Evaluation (PPE) Report**

1. The Applicant shall submit a post project evaluation report on the standard form in accordance with the letter of offer within 1 month of the completion of the project. The report will consider if the original objectives of the Project have been met, in accordance with the commitment stated in the economic appraisal document which formed part of the application. It also provides an opportunity to document any changes to the original proposal costs. In addition it allows identification of additional funding requirements on new equipment and services. Guidance notes and a PPE report template will be provided for completion of this report.

**Changes in the Project**

1. The grant shall only be used for the purposes of the project as defined in your Grant Application and approved for financial assistance by the Department under the terms and conditions detailed in the Letter of Offer.
2. Any proposed or anticipated changes over the lifetime of the project must be notified in writing at an early stage to the Department. Continuation of financial assistance will be subject to the written approval of the Department and formal amendment to this Letter of Offer.
3. Failure to inform the Department of any changes may result in the termination of the grant and the Department may require the Applicant to repay any grant paid. Examples of significant changes, which must be notified and approved, include:
4. Change to the start or end date of the project;
5. Change to the content of the project from that set out in the original approved application, for example changing the scope, delivery or aim;
6. Change to the estimated expenditure or revenue; claims for extra items of expenditure.

The above list is not exhaustive and you must contact the Department if any doubt exists as to the need to report proposed changes.

**Change in Funding**

1. The Applicant shall notify the Department in writing of any change in the source(s) or the amount(s) of funding from those listed in the letter of application. The Department shall be entitled to review and, if necessary, amend or withdraw this offer of Financial Assistance in consequence of any such change.

**Withdrawal of Grant/Withholding Payment**

1. The Department also reserves the right to suspend, defer or withhold or clawback any or all of the payments and/or require the Applicant to repay part or all of the financial assistance if:
2. The conditions of this offer are not met; or
3. Any information given to the Department on behalf of the Applicant in connection with the application or claims for Financial Assistance is found to be false or misleading or there has been a failure to disclose any material fact which would have had a bearing on the Department’s consideration of the application; or
4. There is a substantial or material change in the nature, scale or timing of the project; if the project is used for purposes other than those specified in the application; or if the project has in any other way not been implemented in accordance with these conditions of offer.

**Political Uses**

1. No aspect of the Project being funded shall be party political in intention, use or presentation; or be likely to be perceived as discriminatory on grounds of religion, colour, race, gender or disability.

**Indemnity**

1. The Applicant shall indemnify and keep indemnified the Department against all actions, proceedings, costs, claims, demands and liabilities howsoever arising out of or resulting from the implementation of the Project.

**Insurance**

1. The Applicant shall maintain such insurances as are necessary to cover all possible liabilities and will ensure that adequate appropriate insurance is obtained for any asset purchased and is maintained in force during its lifetime, and shall arrange to have the interest of the Department noted thereon. The Applicant should ensure it has appropriate employee liability insurance if applicable. The need for insurance cover should be fully justified and fully recorded. Satisfactory written evidence that all such insurance cover has been affected shall be supplied to the Department as and when required by the Department.

**Statutory Approvals**

1. The Applicant shall obtain all necessary statutory and other approvals to the carrying out of the proposed work in connection with the Project in advance of carrying out any works for which they are required.

**Inspection**

1. The Department and its agents, the Northern Ireland Audit Office, and accountable Departments and their agents, shall have the right to:-
2. Inspect the Project at any time; and
3. Require such further information to be supplied as they think fit and to be provided with such documents or items as they shall require.

Without prejudice to the foregoing generality, the Applicant must keep and make available on request financial records relating to the project.

**Provision of Information**

1. The Applicant shall comply within 7 days with any requests by or on behalf of the Department for financial or other information concerning the progress, administration, monitoring and evaluation of the project.
2. The Applicant shall on request by the Department, provide all information necessary to monitor the rate of implementation of the Project and to assess its effect in relation to its objectives.
3. The Applicant must meet the data standards and format required by the Department. In relation to spatial GIS data, the Applicant must make available spatial data and associated metadata in an agreed consistent format, within the scope of EU INSPIRE Directive (2007). Full details of the EU INSPIRE Directive can be found at <http://inspire.jrc.ec.europa.eu/index.cfm>.

**Retention of Documents**

1. The Applicant must retain all original documents relating to the implementation of the project and its financing for 7 years after the date of the final claim. The Department may periodically carry out grant verification visits to view the accounts for this project and verify original invoices and other records at this time. These visits will be carried out at a time and venue agreed by both parties. If, however, the contract under this Letter of Offer is terminated or closed for any reason or the Applicant ceases, either voluntarily or for any other reason, to carry on its business, then the full documentation associated with the Project shall be returned to the Department. In no circumstances should any documentation be destroyed or otherwise disposed of without the written permission of the Department.

**Publications and Promotions**

1. The following conditions apply in regard to publications and promotions:
2. The Department reserves the right to publish details of the project and financial assistance referred to in the Letter of Offer at any time.
3. Drafts of any materials to be printed or published (in paper, signage or web format) must be approved by the Department.

1. The funding role of the Department must be acknowledged on any promotional or interpretative material or signage associated with this project. The Department’s logos must be used and are available on request. The Applicant must seek approval and obtain the correct logo(s) and user guidelines, by contacting the Department, each time the logos are to be used. For logos for use after 8 May 2016, the logo templates for DAERA will be made available from the DAERA Graphic Design Unit ([graphic.design@daera-ni.gov.uk](mailto:graphic.design@dardni.gov.uk)).

1. The Applicant must notify the Department of any significant promotion or celebration of this project at least 2 months in advance of the event and co-ordinate publicity with the Department if requested to do so. The Department’s support must be recognised when the project is promoted.
2. Electronic copies, where available, or three complimentary copies of publications should be sent to the Department within 1 month or publication.
3. The Department requires shared ownership of all data produced. The Department reserves the right to use and publish any information collected, collated and produced through the Department’s financial support of this project.
4. In the event of the Applicant ceasing to exist or transferring responsibility for this project, the Department has the right to make any information collected available to another organisation. Information may include:

* Data collected, both in the raw format and incorporated into reports;
* GIS data and information;
* Photographs;
* Research and reports; and
* Domain names.

**Financial Management Systems**

1. The Applicant shall maintain either a separate accounting system or an adequate accounting codification of all transactions relating to this offer of Financial Assistance. The financial management system, established by the Applicant must demonstrate effective controls and present clear audit trails of all transactions of project expenditure.

**Assignment**

1. The Applicant shall not, without the written consent of the Department, assign or in any way encumber any rights to receive Financial Assistance or other benefit or entitlement under this letter. The Applicant shall not without the prior written consent of the Department transfer any of its rights or obligations under this letter.

**Employment Legislation**

1. The Applicant shall comply with the requirements of all EC Directives and legislation as amended from time to time in force relating to working conditions, health and safety at work etc. The Applicant shall comply with the requirements of the Sex Discrimination (NI) Orders 1976 and 1988, the Fair Employment (NI) Acts 1976 and 1989, The Disability Discrimination Act 1995 (as modified by Schedule 8), the Race Relations (NI) Order 1997, and any enactment amending, extending or replacing the same. Projects shall also demonstrate compliance with the requirements of Section 75 of the Northern Ireland Act 1998. Section 43 of the Fair Employment (NI) Act 1989 provides that a Department may refuse to award financial assistance to any person unqualified under this Act. Where the Department has given or agreed to give assistance to any such unqualified person, it may refuse or cease to make any payments to the individual in pursuance of the assistance.
2. The Applicant is responsible for the legal implications of employing staff associated with delivery of the project, including those on short-term or fixed term contracts. In the event of the project terminating early, for whatever reason, the Applicant, and not the Department, will be responsible for any redundancy or contractual obligations.

**Fraud**

1. The Applicant is required to act at all times with honesty and integrity and to safeguard the resources for which it is responsible. Effective controls must be developed and maintained to mitigate the risk of fraud occurring; and should it occur, to ensure that it will be detected promptly and appropriate disciplinary / legal action taken. In the event of the discovery of any acts of fraud the Department must be informed immediately.

**Retention of Assets**

1. Fixed infrastructure assets which are financed or part-financed under this letter of offer must be retained in the ownership of the Applicant for a minimum period of 10 years. Other Project Assets which are similarly assisted must be retained for periods which reflect their economic life.

**Inventory of Assets**

1. The Applicant must seek approval in advance of any expenditure over the value of £500 not specified in the Grant Application.
2. The Applicant must establish and maintain an inventory of all fixed assets acquired, built, or improved wholly or partly using the financial assistance provided under this Letter of Offer, whether owned by the Applicant or third parties. An asset is defined as an item which will be used by the organisation for a period of more than 12 months (e.g. land, buildings, equipment, IT equipment) and which is not intended to be sold before the end of its useful life.

Assets below £500 can be excluded. The inventory should show the following:-

1. date of purchase;
2. Description of asset;
3. Price paid net recoverable VAT;
4. Location of the title deeds;
5. Serial or identification numbers;
6. Location of the asset;
7. Date of disposal; and
8. Sale of proceeds net of VAT.

**Disposal of Assets**

1. The Applicant shall inform the Department of any proposal to sell, transfer or otherwise dispose of any Project Asset. If the Applicant requires disposing of any interest in or assets associated with the Project any such disposal shall be on terms and in accordance with arrangements approved by the Department. If a Project Asset is sold, transferred or otherwise disposed of or ceases to be used for the purpose stated in the letter of application or if the Applicant ceases, either voluntarily or for any other reason, to carry on its business, the Department shall be entitled to require the Applicant to repay to the Department the aggregate of all payments of financial assistance made under this letter of offer or such lesser amount as the Department at its discretion may determine.

**Default**

1. If the Applicant:
2. Is in breach of any of its obligations under the Letter of Offer or these terms and conditions;
3. Fails to repay to the Department any sum due by it whether under these terms and conditions or otherwise;
4. Is for any reason no longer able to implement the Project;
5. Ceases to carry out its business;
6. Is unable to pay its debts within the meaning of Article 103 of the Insolvency (NI) Order 1989;

then in any such event the Department may suspend or terminate the agreement made between the Department and the Applicant by the Letter of Offer and its acceptance and the Department shall be entitled to require the Applicant to repay to the Department the aggregate of all payments of financial assistance in relation to the project, or such lesser amount as the Department at its discretion may determine.

1. Training and conference costs are capped at a maximum of £200 per financial year for any individual funded under this grant offer (e.g. if offered 50% funding by NIEA, you may claim for up to £200 per full time post) (pro rata for posts where the Department is only partially contributing), unless an exceptional case for an increased amount is agreed by the Client Officer.
2. An annual work plan identifying priorities to be achieved over the project period must be submitted to, and agreed with, the Client Officer prior to the start of the project and each financial year. Precise targets must be agreed, on which reporting and monitoring will be based.
3. A project specific annual report must be submitted to the Department within 2 months of the end of each year. It must clearly describe progress in relation to the agreed project outcomes and annual targets. Your annual report must include quantitative progress against the following:
4. Project Objectives (as set out in Q11 in your Grant Application Form);
5. Targets (as set out in Q11 in your Grant Application Form);
6. Additional Project Benefits (as set out in Q26 in your Grant Application Form);
7. Your annual work plan as agreed with your Client Officer.

A list of the elements you will be required to report on under a, b and c above is shown in **Appendix 2.**

1. A final report including the outcomes of the project must be submitted to the Department within 2 months of the end of the project. The report must include:
2. Digital photographs illustrating the achievements of the project and promotion events.
3. A map (or GIS layer) showing the location and extent of project work undertaken as a result of this funding.
4. As there is a significant biodiversity element to the project, the Applicant must record quantitative information on any work contributing to the targets of the NI Biodiversity Strategy or Local Biodiversity Action Plans (LBAPs). You must ensure that this information is inputted to the CEDaR database.

**Staffing**

1. Before an officer takes up a post, a job description showing roles and priorities to be achieved in the coming year must be submitted to and agreed with the Client Officer.
2. Within one month of a post being filled, the Applicant must inform the Department of the post holder’s name, start date and salary.

**Claims for Financial Assistance and Payments**

1. Financial assistance will be paid quarterly in arrears following the Department’s review of eligible costs incurred. Grant claims are to be submitted to the Grant Team with the Grant Claim Summary Form and all required evidence. Grant claims must be submitted in a timely manner. Claims for a given year must be submitted as early as possible, but not later than **15 March** for the financial year in question. Estimates can be used for March however final evidence to support the March claim must be submitted ASAP but no later than **22 April**, except in exceptional circumstances which must be approved by the Grant Team in writing.

1. The Department requires audited Annual Report and Accounts at the end of each financial year, detailing full evidence of income and expenditure relating to core activities. These accounts should be submitted no later than 30 September in the following financial year.
2. As the Department may provide support towards more than 1 post holder (including line management and support services time), a list of all of the staff supported across the organisation by the Department must be provided with each claim. This must identify the amount of support from the Department and detail the other financial assistance towards these posts.

**SITE WORKS**

1. The award of this grant confers consent for the Applicant to carry out specific work (subject to any mitigation measures detailed below) in designated ASSIs. This work is limited to activities and sites specified in Appendix 2.
2. The Applicant is responsible for obtaining and complying with statutory approvals in advance of the conduct of any activities in designated sites that have not been defined in Appendix 2.
3. The Applicant is responsible for obtaining and complying with all other necessary statutory approvals, including those relating to planning permission in advance of carrying out any works for which they are required.

**ACCEPTANCE OF OFFER**

1. If the Applicant is prepared to accept the foregoing offer on the terms and conditions stated, the Grant Acceptance Form appended hereto should be completed and returned to the Department. The offer may be deemed to be withdrawn if not accepted within one month of the date of this letter.