

Buidheann-Stiùiridh an Ionnsachaidh
Learning Directorate
Aonad Ro-Innleachd agus Coileanaidh
Strategy and Performance Division

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Dana O'Dwyer
Chief Executive
Capability Scotland
11 Ellersly Road
Edinburgh
EH12 6SY



23 March 2016

Dear Dana

Stanmore House Grant Aided Special School

I am writing to provide an update on reporting requirements for this year's grant, to offer you capital and revenue support and to approve your fee levels for **2016/2017**.

Having considered the estimates of expenditure and income detailed in your business plan, I am writing to inform you that the Scottish Ministers are able to offer a **revenue grant** of up to **£1,712,419**, and **capital grant** of up to **£32,600** for 2016/2017. This should be targeted at delivering specialist provision that helps children and young people with additional support needs overcome barriers to learning and realise their potential.

It is intended that we will move to strategic commissioning of services for children with complex additional support needs in the financial year 2017/18. You will be kept informed of developments in this respect.

Finance for 2015/16

As you will be aware, there are still some reporting requirements in respect of your grants for 2015/16. I have outlined these and the date we expect them below:

- Final quarterly report – to be submitted with your first quarterly claim for 2016/17 in April. This will also satisfy one of the requirements of the grant offer letter, set out in section 7, part 2 of schedule 1 to advise in writing, the amount of the Grant actually expended up to and including 1 April 2016 – by 30 April 2016.
- This should be accompanied by a signed copy of statement of compliance as set out in schedule 3 of both the revenue and capital grant offer letters.

- Annual report on outcomes – as soon as possible after the end of the financial year.
- Draft set of accounts including a report showing all the activities undertaken and the expenditure incurred by the Grantee during the grant period - as soon as possible after the end of the financial year in which grant is payable (section 3.5 of the grant offer letter)

Revenue Grant for 2016/17

Please find attached your grant offer letter for 2016/17 at Annex A. If you wish to accept this offer please sign and date the Grant Acceptance contained within the grant offer, send a scanned copy to Deborah Walker and retain the original.

Furthermore, please be aware that £1,304 of your overall grant is funded by Qualifications and Assessment Unit. The specific purpose of the latter amount is support the implementation of quality assurance and moderation of assessment activities. You will be aware that the funding for the last two years (2013/2014 and 2014/15) and this year, was agreed by the Cabinet Secretary for Education and Lifelong Learning following consideration of advice by the Curriculum for Excellence (CfE) Management Board that additional resources would be required for authorities and schools to support the implementation of assessment approaches for CfE. Further information on quality assurance and moderation can be viewed on the Curriculum for Excellence website: <http://bit.ly/yYPVuo>

Capital Grant for 2016/17

I also attach your capital grant offer letter for 2016/17, at Annex B. Again, if you wish to accept this offer please sign and date the Grant Acceptance contained within the grant offer, send a scanned copy to Deborah Walker and retain the original.

Fee levels

I am pleased to inform you that Scottish Ministers have approved your fee levels for 2016/17, as outlined in Annex C.

Changes to grant letters

I would be grateful if you could send us scanned copies of all documentation relating to the grants, such as the grant acceptance, grant claim forms, statements of compliance or receipts for capital purchases. It will be your responsibility to retain the originals for the five years required in the grant condition in Section 4.4, Annex A.

Yours sincerely



Donna Bell
Deputy Director
Strategy & Performance Division

ANNEX A

OFFER OF GRANT FOR STANMORE HOUSE GRANT-AIDED SPECIAL SCHOOL

The Scottish Ministers in exercise of their powers under the Special Schools (Scotland) Grant Regulations 1990 hereby offer to give to Capability Scotland, 11 Ellersly Road, Edinburgh, EH12 6SY (“the Grantee”) a grant of up to £1,712,419 STERLING in financial year 2016-17, which is more particularly described in Part 1 of Schedule 1 (the “Project”) and subject to the following terms and conditions.

1. Definitions and Interpretation

1.1 In these Conditions, the words and expressions set out in **Schedule 4** shall have the meanings ascribed to them in that Schedule.

1.2 In these Conditions unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders.

1.3 The headings in these Conditions are for convenience only and shall not be read as forming part of the Conditions or taken into account in their interpretation.

1.4 Except as otherwise provided in these Conditions, any reference to a clause, paragraph, sub-paragraph or schedule shall be a reference to a clause, paragraph, subparagraph or schedule of these Conditions. The schedules are intended to be contractual in nature. They form part of the Agreement and should be construed accordingly.

1.5 This Agreement shall not be varied except by an instrument in writing signed by both parties.

2. Purposes of the Grant

2.1 The Grant is made to enable the Grantee to carry out the Project.

2.2 The Grant shall only be used for the purposes of the Project and for no other purposes whatsoever.

2.3 No part of the Grant shall be used to fund any activity or material which is party political in intention, use, or presentation or appears to be designed to affect support for a political party.

2.4 The main objectives / expected outcome of the Grant are:

2.4.1 **Objective 1:** Provide high quality education and/or care that helps children and young people with additional support needs overcome barriers to learning and realise their potential.

2.4.2 **Objective 2:** To implement Strategic Recommendations following review of Capability Scotland Education by Peter Doran by:

- Implementing new Teaching and Classroom support establishment
- Implementing new Ancillary and support service
- Review of care structure and implement recommendations from the review into a new care structure

2.4.3 **Objective 3:** Proactive engagement with Scottish Government and other agencies to influence the development of the strategic commissioning framework and ensure Stanmore's ability to successfully operate in the future arena.

2.4.4 **Objective 4:** Implement GIRFEC Framework and develop an Outcomes Framework by:

- Reviewing the effectiveness of the GIRFEC Framework
- Developing an Outcomes Framework
- Reviewing the effectiveness of the Outcomes Framework

2.4.5 **Objective 5:** Provide personalised learning and teaching, allied health intervention and care and support by:

- Reviewing effectiveness of individualised time tables and services for pupils
- Allied health fully integrated into planning, delivery, outcome measurement and review
- Reviewing Care Services, resources, accommodation and develop new delivery models.

2.4.6 **Objective 6:** Implement new holistic education, health and care service under the Learning Provision model.

2.4.7 **Objective 7:** Develop Services to meet unmet need

2.5 The targets / milestones against which progress in achieving objectives / expected outcomes shall be monitored in 2016-17 are:

2.5.1 **Objective 1 milestones are:**

- Improved outcomes for children around the Curriculum for Excellence four capacities, which enable every child and young person to be *a successful learner, a confident individual, a responsible citizen and an effective contributor.*

2.5.2 **Objective 2 milestones are:**

- By December 2016 have new teaching and classroom support in place.
- Progress towards the implementation of the new ancillary and support services is well under way to ensure completed by August 2017.
- By August 2016 have completed the review of the care structure and work towards implementation of recommendations has begun.
- By December 2016 the new care structure has been implemented.

2.5.3 **Objective 3 milestones are:**

- Attendance at GASS collective meetings in 2016/17

- Continued contribution to the process set by the Scottish Government in developing a National Commissioning Framework.

2.5.4 **Objective 4 milestones are:**

- By end of June 2016 completed the review into the effectiveness of GIRFEC framework.
- By December 2016 have developed an Outcomes Framework
- By the end of March 2017 have commenced a review into the effectiveness of Outcomes Framework

2.5.5 **Objective 5 milestones are:**

- By August 2016 completion of the review into the effectiveness of individualised time tables and services for pupils and that individual plans are in place with full system of recording and measuring outcomes in line with GIRFEC and utilising the SHANARRI indicators.
- By June 2016 Allied health will be fully integrated into planning, delivery, outcome measurement and review.
- By December 2016 completion of the review into Care Services, resources, accommodation and have developed new delivery models. A Care and Support Development Plan will be produced.

2.5.6 **Objective 6 milestones are**

- By the end of August 2016 the new holistic education, health and care service under the Learning Provision model will have been implemented.

2.5.7 **Objective 7 milestones are**

- By August 2016 market research will have been undertaken to establish gaps in the market place for early years and transitions and have developed a strategic response.

2.6 **The eligible costs for which the Grant can be claimed are:**

- Delivering specialist provision that helps children and young people with additional support needs overcome barriers to learning and realise their potential.
- Office expenditure (postage, telephone, travel, audit fees, stationery, ICT and inclusion expenses, mailing, dissemination, printing, small items of equipment, materials and files).
- Staff costs.
- Other costs (heating, lighting and infrastructure).

2.7 **The eligible costs exclude:**

- Reclaimable Value Added Tax.

3. Payment of Grant

3.1 The Grant shall be paid by the Scottish Ministers to the Grantee in accordance with the terms of **Schedule 1** attached.

3.2 The Grantee shall, within four weeks of submitting their final quarterly report, submit to the Scottish Ministers a statement of compliance with the Conditions of the Grant using the form of words provided in **Schedule 3**. The statement shall be signed by the Grantee's Head of Finance.

3.3 In the event that the amount of the Grant paid by the Scottish Ministers to the Grantee at any point in time is found to exceed the amount of the expenses reasonably and properly incurred by the Grantee in connection with the service, the Grantee shall repay to the Scottish Ministers the amount of such excess within 14 days of receiving a written demand for it from or on behalf of the Scottish Ministers. In the event that the Grantee fails to pay such amount within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand from the date of the written demand until payment in full of both the sum and the interest.

3.4 The Scottish Ministers shall not be bound to pay to the Grantee, and the Grantee shall have no claim against the Scottish Ministers in respect of, any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year as set out in **Schedule 1**, unless otherwise agreed in writing by the Scottish Ministers.

4. Inspection and Information

4.1 The Grantee shall keep the Scottish Ministers fully informed of the progress of the service in the form of quarterly updates via email/meetings and bi-annual reports (September 2016 and March 2017); meetings may include Scottish Government Officials attending Grantee Board Meetings, if required. Details shall include actual expenditure to date compared with profiled expenditure and any change to estimated expenditure for the financial year and/or the Project as a whole, the reasons for any such changes and progress in achieving objectives / outcomes.

4.2 Revisions to targets/milestones against which progress in achieving objectives/outcomes are monitored shall be subject to the written agreement of the Scottish Ministers.

4.3 The Grantee shall, on completion of the Project, submit a report to the Scottish Ministers summarising the outcomes and performance of the Project. Such a report shall include such statistical and other information relating to the impact of the Project as shall be required by the Scottish Ministers.

4.4 The Grantee shall also provide any other information that the Scottish Ministers may reasonably require to satisfy themselves that the service is consistent with the Agreement. The Grantee shall provide the Scottish Ministers with prompt access to any information they reasonably require to ensure compliance with these Conditions.

4.5 The Grantee shall keep and maintain for a period of 5 years after the expenditure occurs, adequate and proper records and books of account recording all receipts and expenditure of monies paid to it by the Scottish Ministers by way of the Grant. The Grantee shall afford the Scottish Ministers, their representatives, the Auditor General for

Scotland, his/her representatives and such other persons as the Scottish Ministers may reasonably specify from time to time, such access to those records and books of account as may be required by them at any reasonable time in response to a written request for such access from the person seeking it. The Grantee shall provide such reasonable assistance and explanation as the person carrying out the inspection may from time to time require.

4.6 In the event of the Grantee becoming aware of or suspecting any irregular or fraudulent activity that may have any impact on the Project or on the use of the Grant, or any part of it, the Grantee shall immediately notify the Scottish Ministers of such activity and provide such other information as the Scottish Ministers may reasonably require in relation to the impact on the Project and the use of the Grant.

4.7 The grantee shall immediately inform the Scottish Ministers of any change in its constitution for example, but not limited to, a change in status from one type of body corporate to another.

5. Confidentiality and Data Protection

5.1 The Grantee will respect the confidentiality of any commercially sensitive information that they have access to as a result of the Project.

5.2 Notwithstanding the above, the Grantee may disclose any information as required by law or judicial order. All information submitted to the Scottish Ministers may need to be disclosed and/or published by the Scottish Ministers. Without prejudice to the foregoing generality, the Scottish Ministers may disclose information in compliance with the Freedom of Information (Scotland) Act 2002, any other law, or, as a consequence of judicial order, or order by any court or tribunal with the authority to order disclosure. Further, the Scottish Ministers may also disclose all information submitted to them to the Scottish or United Kingdom Parliament or any other department, office or agency of Her Majesty's Government in Scotland, in right of the Scottish Administration or the United Kingdom, and their servants or agents. When disclosing such information to either the Scottish Parliament or the United Kingdom Parliament it is recognised and agreed by both parties that the Scottish Ministers shall if they see fit disclose such information but are unable to impose any restriction upon the information that it provides to Members of the Scottish Parliament, or Members of the United Kingdom Parliament; such disclosure shall not be treated as a breach of this agreement.

5.3 The Grantee shall ensure that all requirements of the Data Protection Act 1998 are fulfilled in relation to the service.

5.4 To comply with section 31(3) of the Public Services Reform (Scotland) Act 2010, the Scottish Ministers publish an annual statement of all payments over £25,000. In addition, in line with openness and transparency, the Scottish Government publishes a monthly report of all payments over £25,000. The Grantee should note that where a payment is made in excess of £25,000 there will be disclosure (in the form of the name of the payee, the date of the payment, the subject matter and the amount of grant) in the both the monthly report and the annual Public Services Reform (Scotland) Act 2010 statement.

6. Disposal of Assets

The Grantee shall not, without prior written consent of the Scottish Ministers, dispose of any asset funded, in part or in whole, with Grant funds within 5 years of the asset being acquired or developed or during the lifetime of the asset. During that period the Scottish Ministers shall be entitled to the proceeds of the disposal – or the relevant proportion of the proceeds based on the percentage of grant funding used in connection with the acquisition or improvement of the asset against the whole proceeds. The Scottish Ministers shall also be entitled to the relevant proportion of any proceeds resulting from any provision included as a condition of sale. Recovery by the Scottish Ministers shall not be required where the value of the asset is less than £1,000.

7. Publicity

The Grantee shall where reasonably practicable acknowledge in all publicity material relating to the Project the contribution of the Scottish Ministers to its costs. The Scottish Ministers may require to approve the form of such acknowledgement prior to its first publication.

8. Intellectual Property Rights

8.1 All Intellectual Property Rights are hereby assigned to and shall vest in the Crown or its assignees.

8.2 The Grantee shall ensure that nothing contained in any materials produced or submitted to the Scottish Ministers by the Grantee or anyone acting on its behalf nor the reproduction of such materials, shall constitute an infringement of any third party copyright or intellectual property right and shall indemnify the Scottish Ministers against all actions, proceedings, claims and demands made by reason of any such infringement.

9. Default and Recovery etc. of Grant

9.1 The Scottish Ministers may re-assess, vary, make a deduction from, withhold, or require immediate repayment of the Grant or any part of it in the event that:

9.1.1 The Grantee commits a Default;

9.1.2 The Scottish Ministers consider that any change or departure from the purposes for which the Grant was awarded warrants an alteration in the amount of the Grant;

9.1.3 The Grantee fails to carry out the Project;

9.1.4 In the Scottish Ministers' opinion, the progress on the Project is not satisfactory; or

9.1.5 In the Scottish Ministers' opinion, the future of the Project is in jeopardy;

9.2 If, in the Scottish Ministers' opinion, the Grant or any part of it is state aid and they consider that they are required to recover such sum in order to ensure compliance with

their obligations under EU law Scottish Ministers may require immediate repayment of the Grant or any part of it together with interest at such rate and on such basis as may be determined from time to time by the Commission of the European Union.

9.3 The Scottish Ministers may withhold the payment of the Grant if at any time within the duration of the Agreement:

9.3.1 The Grantee passes a resolution that it be wound up, or a court makes an order that the Grantee be wound up, in either case otherwise than for the purposes of reconstruction or amalgamation, or circumstances arise which would enable a court to make such an order or the Grantee is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;

9.3.2 Where the Grantee is an individual, if a petition is presented for the Grantee's bankruptcy or the sequestration of his estate or a criminal bankruptcy order is made against the Grantee; or the Grantee makes any composition or arrangement with or for the benefit of creditors, or makes any conveyance or assignation for the benefit of creditors, or if an administrator or trustee is appointed to manage his affairs; or

9.3.3 A receiver, manager, administrator or administrative receiver is appointed to the Grantee, or over all or any part of the Grantee's property, or circumstances arise which would entitle a court or a creditor to appoint such a receiver, manager, administrator or administrative receiver.

9.4 In the event that the Grantee becomes bound to pay any sum to the Scottish Ministers in terms of clause 9.1, the Grantee shall pay the Scottish Ministers the appropriate sum within 14 days of a written demand for it being given by or on behalf of the Scottish Ministers to the Grantee. In the event that the Grantee fails to pay the sum within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand, from the date of the written demand until payment in full of both the sum and interest.

9.5 Notwithstanding the provisions of this clause 9, in the event that the Grantee is in breach of any of the Conditions, the Scottish Ministers may, provided that the breach is capable of a remedy, postpone the exercise of their rights to recover any sum from the Grantee in terms of clause 9 for such period as they see fit, and may give written notice to the Grantee requiring it to remedy the breach within such period as may be specified in the notice. In the event of the Grantee failing to remedy the breach within the period specified, the Grantee shall be bound to pay the sum to the Scottish Ministers in accordance with the foregoing provisions.

9.6 Any failure, omission or delay by the Scottish Ministers in exercising any right or remedy to which they are entitled by virtue of clauses 9.1 to 9.3 shall not be construed as a waiver of such right or remedy.

10. Assignment

The Grantee shall not be entitled to assign, sub-contract or otherwise transfer its rights or obligations under the Agreement without the prior written consent of the Scottish Ministers.

11. Termination

The Agreement may be terminated by the Scottish Ministers giving not less than 3 months' notice in writing from the date of the notice being sent.

12. Corrupt Gifts and Payments of Commission

The Grantee shall ensure that its employees shall not breach the terms of the Bribery Act 2010 in relation to this or any other grant. The Grantee shall ensure that adequate controls are in place to prevent bribery.

13. Continuation of Conditions

13.1 These Conditions, except for Condition 6, shall continue to apply for a period of 5 years after the end of the financial year in which the final instalment of the Grant was paid.

13.2 Condition 6 shall continue to apply until the end of the period referred to in that Condition.

14. Compliance with the Law

The Grantee shall ensure that in relation to the service, they and anyone acting on their behalf shall comply with the relevant law, for the time being in force in Scotland.

15. Governing Law

This contract is governed by the Law of Scotland and the parties hereby prorogate to the exclusive jurisdiction of the Scottish Courts.

If you wish to accept the offer of this Grant on the whole terms and conditions as set out in the letter and annexed Schedules, you should sign and date the Grant Acceptance below and return a scanned copy of the offer of Grant and Schedules to Deborah Walker at Deborah.Walker@scotland.gsi.gov.uk. You should retain the original for your own records.

Yours sincerely



Donna Bell
Deputy Director
Strategy & Performance Division
(Acting on behalf of Scottish Ministers)

GRANT ACCEPTANCE

OFFER OF GRANT FOR STANMORE HOUSE SCHOOL – 2016/17

On behalf of Capability Scotland I accept the foregoing offer of Grant by the Scottish Ministers dated 23 March 2016 on the whole terms and conditions as set out in the letter and annexed Schedules. I confirm that Capability Scotland is solvent. I confirm that I hold the relevant signing authority.

Signed:



[Director/Company Secretary/Authorised Signatory]

Print Name:

GEORGE FINNIGAN

Position in Organisation of Person Signing:

CHIEF OPERATING OFFICER

Date:

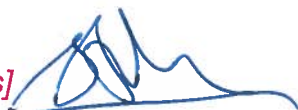
29TH MARCH 2016

Place of Signing:

EDINBURGH

Signed:

[Witness]



Witness Name:

SMART THOMSON

Address: 11 ELLERSLY ROAD

EDINBURGH
EH12 6HY

Date:

29/03/16

Place of Signing: EDINBURGH

SCHEDULE 1

PART 1: THE PROJECT

The payment of grant will be made to Stanmore House Grant-Aided Special School in order that they deliver specialist provision to support children and young people with additional support needs overcome their barriers to learning and realise their potential. The grant covers all aspects of running the school.

PART 2: PAYMENT OF GRANT

1. The total Grant of £1,712,419 in 2016/17 shall be payable by the Scottish Ministers to the Grantee quarterly in advance on receipt of a completed claim for Grant in the form set out in **Schedule 2** together with the associated monitoring information set out in paragraph 4.1 of the Offer of Grant.
2. The total Grant shall be payable over the financial year 2016/17. The Grant for the financial year has been allocated as set out in **Schedule 5** and will be paid in accordance with this schedule. The Scottish Ministers shall not be bound to pay any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year, unless otherwise agreed in writing by the Scottish Ministers.
3. The Grantee shall provide a quarterly profile of expenditure of the Grant before the start of each financial year. Any change to the profile or to the overall costs of the Project shall be notified to the Scottish Ministers at the earliest opportunity via the claims for Grant and monitoring reports.
4. Each claim shall be for an amount equal to the estimated amount of the Grant required to meet the reasonable and proper costs and expenses of the Grantee in connection with the Project until the next claim is due to be submitted.
5. Each claim shall be submitted together with such explanatory or supplementary material as the Scottish Ministers may from time to time require whether before or after submission of the claim.
6. On receipt of each claim (and any required documentation and information), the Scottish Ministers shall determine the amount of expenditure which they consider the Grantee shall reasonably and properly incur in connection with the Project having regard to that claim. The determination shall be based on the information provided by the Grantee in accordance with this Schedule. The Scottish Ministers shall use their best endeavours (but shall be under no obligation or duty) to pay the amount determined to the Grantee within one week of receiving a claim and any required documentation and information relevant to the claim.
7. In order to facilitate the accrual of expenditure of the Grant for the financial years the Grantee shall, where appropriate, advise the Scottish Ministers in writing by Mid-April the amount of the Grant actually expended up to and including 31 March.

SCHEDULE 2
GRANT CLAIM FORM

Organisation: *[Name and address]*

Bank details: *[Name and address, sort code, account number]*

Project: *[Name / Description]*

Total agreed grant for 20xx-xx: *[Amount]*

Latest forecast of expenditure of grant for 20xx-xx: *[Amount]*

Grant claimed to date: *[Amount]*

[Unexpended grant: *where grant is paid in advance*] *[Amount]*

[Claim for grant] *or* [Estimate of grant required] for the period [from xxxx to xxxx] *or* [to xxxx]:
[Amount]

We hereby claim [total] grant of [£] in respect of the above period in accordance with the terms and conditions of the offer of Grant dated [] and the Schedules attached thereto.

Completed by:

Position:

Contact Details:

Date:

Items of Expenditure

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that [has been submitted] *or* [will be made available on request] to substantiate each amount.

A Item	B Amount (£)	C Paid Invoice [Y/N]	D Other (please specify, e.g. certificate of payment in kind)
TOTAL			

SCHEDULE 3

STATEMENT OF COMPLIANCE WITH CONDITIONS OF GRANT

**THE SPECIAL SCHOOLS (SCOTLAND) GRANT REGULATIONS 1990
STANMORE HOUSE GRANT-AIDED SPECIAL SCHOOL –GRANT 2016-17**

This is to confirm that the grant claimed by Capability Scotland in relation to the running of Stanmore House Grant-Aided Special School during the financial year ended 31 March 2017 was properly due and was used for its intended purpose in accordance with the terms and conditions of the Grant. This statement is supported by the records of Capability Scotland.

Signed:

Name in block capitals:

Position:

Date:

SCHEDULE 4

DEFINITIONS

“Agreement” means the agreement constituted by the Scottish Ministers’ invitation to apply for a grant, the Grantee’s Application, these Conditions and the Grantee’s acceptance of these Conditions;

“Conditions” means these grant conditions;

“Default” means:

(a) Any breach of the obligations of either party under this Agreement (including, but not limited to, any breach of any undertaking or warranty given under or in terms of this Agreement);

(b) Any failure to perform or the negligent performance of any obligation under this Agreement;

(c) Any breach of any legislation; or

(d) Any negligence or negligent or fraudulent mis-statement or misappropriation of Grant, or any other default,

In all cases by either party, its employees, agents or representatives;

“Financial Year” means a period from 1 April in one year until 31 March in the next;

“Grant” means the grant offered by the Scottish Ministers to the Grantee as specified in the Award Letter, as varied from time to time in accordance with these Conditions;

“Grantee” means the person, organisation or body to which the Grant will be payable as specified in these Conditions. Where two or more persons, organisations or bodies are the Grantee, references to the “Grantee” are to those persons, organisations or bodies collectively and their obligations under the Agreement are undertaken jointly and severally;

“Intellectual Property Rights” means all rights of ownership, including all copyrights and other intellectual property rights in books, leaflets and other printed and published materials in whatever form produced as part of the Project by or on behalf of the Grantee including all reports and any such published materials stored in or made available by means of an information technology system and the computer software relating thereto and all patents, trademarks, registered designs and other rights in the nature of intellectual property;

“Project” means the purpose for which the Grant has been awarded as described in the Offer of Grant;

“Payment” means each of the payments specified in Schedule 1 hereto.

SCHEDULE 5

GRANT PAYMENT SCHEDULE

DATE	Payment date	£ Profiled payment	Actual claim
April 2016	April 2016	£429,105	
July 2016 (Balanced against actual in Quarter one)	July 2016	£356,242	
October 2016 (Balanced against actual in Quarter two)	October 2016	£499,120	
January 2017 (Balanced against actual in Quarter three)	January 2017	£427,952	
		TOTAL £1,712,419	Total £

Cidhe Bhictòria, Dùn Èideann, EH6 6QQ
 Victoria Quay, Edinburgh EH6 6QQ
www.scotland.gov.uk



ANNEX B

OFFER OF CAPITAL GRANT FOR STANMORE HOUSE GRANT-AIDED SPECIAL SCHOOL

The Scottish Ministers in exercise of their powers under the Special Schools (Scotland) Grant Regulations 1990 hereby offer to give to Capability Scotland, 11 Ellersly Road, Edinburgh, EH12 6SY (“the Grantee”) a grant of up to £32,600 STERLING, payable over the financial year 2016-17, in connection with capital which is more particularly described in Part 1 of Schedule 1 (“the Project”) and subject to the terms and conditions set out below.

1. Definitions and Interpretation

1.1 In these Conditions, the words and expressions set out in **Schedule 4** shall have the meanings ascribed to them in that Schedule.

1.2 In these Conditions unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders.

1.3 The headings in these Conditions are for convenience only and shall not be read as forming part of the Conditions or taken into account in their interpretation.

1.4 Except as otherwise provided in these Conditions, any reference to a clause, paragraph, sub-paragraph or schedule shall be a reference to a clause, paragraph, subparagraph or schedule of these Conditions. These schedules are intended to be contractual in nature. They form part of the Agreement and should be construed accordingly.

1.5 This Agreement shall not be varied except by an instrument in writing signed by both parties.

2. Purposes of the Grant

2.1 The Grant is made to enable the Grantee to carry out the Project.

2.2 The Grant shall only be used for the purposes of the Project and for no other purpose whatsoever.

2.3 No part of the Grant shall be used to fund any activity or material which is party political in intention, use, or presentation or appears to be designed to affect support for a political party.

2.4 The main objective of the Grant is:

- Resurface the main entrance road to the school, main car park and cross junction of car parks with the introduction of additional speed bumps, cleaning out and renewing drains where required. The resurfacing will aid with the safe transportation of the children and young people within the school grounds both in their mini buses and in their wheelchairs.

- Renewal of the flooring in the main school corridors and in the school dining room which will make the school bright and welcoming for the children and young people and take away any risks associated with worn flooring.

2.5 The milestones against which progress in achieving the objective will be measured are:

- The works are expected to be completed by end of January 2017.
- Receipted expenditure should be submitted by 1 March 2017.

2.6 The eligible costs for which the Grant can be claimed are:

- Design, construction and purchase costs

2.7 The eligible costs exclude:

- Reclaimable Value Added Tax.

3. Payment of Grant

3.1 The Grant shall be paid in arrears by the Scottish Ministers in accordance with the terms of **Schedule 1** attached.

3.2 The Grantee shall within four weeks of receiving the final instalment of the Grant submit to the Scottish Ministers a statement of compliance with the Conditions of the Grant using the form of words provided in **Schedule 3**. The statement shall be signed by the Grantee's Head of Finance.

3.3 In the event that the amount of the Grant paid by the Scottish Ministers to the Grantee at any point in time is found to exceed the amount of the expenses reasonably and properly incurred by the Grantee in connection with the Project, the Grantee shall repay to the Scottish Ministers the amount of such excess within 14 days of receiving a written demand for it from or on behalf of the Scottish Ministers. In the event that the Grantee fails to pay such amount within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand from the date of the written demand until payment in full of both the sum and the interest.

3.4 The Scottish Ministers shall not be bound to pay to the Grantee, and the Grantee shall have no claim against the Scottish Ministers in respect of, any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year as set out in **Schedule 1**, unless otherwise agreed in writing by the Scottish Ministers.

4. Inspection and Information

4.1 The Grantee shall keep the Scottish Ministers fully informed of the progress of the service in the form of quarterly updates via email/meetings and bi-annual reports

(September 2016 and March 2017); meetings may include Scottish Government Officials attending Grantee Board Meetings, if required. Details shall include actual expenditure to date compared with profiled expenditure and any change to estimated expenditure for the relevant financial year and/or Project as a whole, the reasons for any such changes and progress in achieving outcomes.

4.2 Revisions to targets/milestones against which progress in achieving objectives/outcomes are monitored shall be subject to the written agreement of the Scottish Ministers.

4.3 The Grantee shall, on completion of the Project, submit a report to the Scottish Ministers summarising the outcomes and performance of the Project. Such a report shall include such statistical and other information relating to the impact of the Project as shall be required by the Scottish Ministers.

4.4 The Grantee shall also provide any other information that the Scottish Ministers may reasonably require to satisfy themselves that the Project is consistent with the Agreement. The Grantee shall provide the Scottish Ministers with prompt access to any information they reasonably require to ensure compliance with these Conditions.

4.5 The Grantee shall keep and maintain for a period of 5 years after the expenditure occurs, adequate and proper records and books of account recording all receipts and expenditure of monies paid to it by the Scottish Ministers by way of the Grant. The Grantee shall afford the Scottish Ministers, their representatives, the Auditor General for Scotland, his/her representatives and such other persons as the Scottish Ministers may reasonably specify from time to time, such access to those records and books of account as may be required by them at any reasonable time in response to a written request for such access from the person seeking it. The Grantee shall provide such reasonable assistance and explanation as the person carrying out the inspection may from time to time require.

4.6 In the event of the Grantee becoming aware of or suspecting any irregular or fraudulent activity that may have any impact on the Project or on the use of the Grant, or any part of it, the Grantee shall immediately notify the Scottish Ministers of such activity and provide such other information as the Scottish Ministers may reasonably require in relation to the impact on the Project and the use of the Grant.

4.7 The grantee shall immediately inform the Scottish Ministers of any change in its constitution for example, but not limited to, a change in status from one type of body corporate to another.

5. Confidentiality and Data Protection

5.1 The Grantee will respect the confidentiality of any commercially sensitive information that they have access to as a result of the Project.

5.2 Notwithstanding the above, the Grantee may disclose any information as required by law or judicial order. All information submitted to the Scottish Ministers may need to be disclosed and/or published by the Scottish Ministers. Without

prejudice to the foregoing generality, the Scottish Ministers may disclose information in compliance with the Freedom of Information (Scotland) Act 2002, any other law, or, as a consequence of judicial order, or order by any court or tribunal with the authority to order disclosure. Further, the Scottish Ministers may also disclose all information submitted to them to the Scottish or United Kingdom Parliament or any other department, office or agency of Her Majesty's Government in Scotland, in right of the Scottish Administration or the United Kingdom, and their servants or agents. When disclosing such information to either the Scottish Parliament or the United Kingdom Parliament it is recognised and agreed by both parties that the Scottish Ministers shall if they see fit disclose such information but are unable to impose any restriction upon the information that it provides to Members of the Scottish Parliament, or Members of the United Kingdom Parliament; such disclosure shall not be treated as a breach of this agreement.

5.3 The Grantee shall ensure that all requirements of the Data Protection Act 1998 are fulfilled in relation to the service.

5.4 To comply with section 31(3) of the Public Services Reform (Scotland) Act 2010, the Scottish Ministers publish an annual statement of all payments over £25,000. In addition, in line with openness and transparency, the Scottish Government publishes a monthly report of all payments over £25,000. The Grantee should note that where a payment is made in excess of £25,000 there will be disclosure (in the form of the name of the payee, the date of the payment, the subject matter and the amount of grant) in the both the monthly report and the annual Public Services Reform (Scotland) Act 2010 statement.

6. Disposal of Assets

The Grantee shall not, without prior written consent of the Scottish Ministers, dispose of any asset funded, in part or in whole, with Grant funds within 5 years of the asset being acquired or developed or during the lifetime of the asset. During that period the Scottish Ministers shall be entitled to the proceeds of the disposal – or the relevant proportion of the proceeds based on the percentage of grant funding used in connection with the acquisition or improvement of the asset against the whole proceeds. The Scottish Ministers shall also be entitled to the relevant proportion of any proceeds resulting from any provision included as a condition of sale. Recovery by the Scottish Ministers shall not be required where the value of the asset is less than £1,000.

7. Publicity

The Grantee shall where reasonably practicable acknowledge in all publicity material relating to the Project the contribution of the Scottish Ministers to its costs. The Scottish Ministers may require to approve the form of such acknowledgement prior to its first publication.

8. Intellectual Property Rights

8.1 All Intellectual Property Rights are hereby assigned to and shall vest in the Crown or its assignees.

8.2 The Grantee shall ensure that nothing contained in any materials produced or submitted to the Scottish Ministers by the Grantee or anyone acting on its behalf nor the reproduction of such materials, shall constitute an infringement of any third party copyright or intellectual property right and shall indemnify the Scottish Ministers against all actions, proceedings, claims and demands made by reason of any such infringement.

9. Default and Recovery etc. of Grant

9.1 The Scottish Ministers may re-assess, vary, make a deduction from, withhold, or require immediate repayment of the Grant or any part of it in the event that:

9.1.1 The Grantee commits a Default;

9.1.2 The Scottish Ministers consider that any change or departure from the purposes for which the Grant was awarded warrants an alteration in the amount of the Grant;

9.1.3 The Grantee fails to carry out the Project;

9.1.4 In the Scottish Ministers' opinion, the progress on the Project is not satisfactory; or

9.1.5 In the Scottish Ministers' opinion, the future of the Project is in jeopardy;

9.2 If, in the Scottish Ministers' opinion, the Grant or any part of it is state aid and they consider that they are required to recover such sum in order to ensure compliance with their obligations under EU law Scottish Ministers may require immediate repayment of the Grant or any part of it together with interest at such rate and on such basis as may be determined from time to time by the Commission of the European Union.

9.3 The Scottish Ministers may withhold the payment of the Grant if at any time within the duration of the Agreement:

9.3.1 The Grantee passes a resolution that it be wound up, or a court makes an order that the Grantee be wound up, in either case otherwise than for the purposes of reconstruction or amalgamation, or circumstances arise which would enable a court to make such an order or the Grantee is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;

9.3.2 Where the Grantee is an individual, if a petition is presented for the Grantee's bankruptcy or the sequestration of his estate or a criminal bankruptcy order is made against the Grantee; or the Grantee makes any composition or arrangement with or for the benefit of creditors, or makes any conveyance or assignation for the benefit of creditors, or if an administrator or trustee is appointed to manage his affairs; or

9.3.3 A receiver, manager, administrator or administrative receiver is appointed to the Grantee, or over all or any part of the Grantee's property, or circumstances arise which would entitle a court or a creditor to appoint such a receiver, manager, administrator or administrative receiver.

9.4 In the event that the Grantee becomes bound to pay any sum to the Scottish Ministers in terms of clause 9.1, the Grantee shall pay the Scottish Ministers the appropriate sum within 14 days of a written demand for it being given by or on behalf of the Scottish Ministers to the Grantee. In the event that the Grantee fails to pay the sum within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand, from the date of the written demand until payment in full of both the sum and interest.

9.5 Notwithstanding the provisions of this clause 9, in the event that the Grantee is in breach of any of the Conditions, the Scottish Ministers may, provided that the breach is capable of a remedy, postpone the exercise of their rights to recover any sum from the Grantee in terms of clause 9 for such period as they see fit, and may give written notice to the Grantee requiring it to remedy the breach within such period as may be specified in the notice. In the event of the Grantee failing to remedy the breach within the period specified, the Grantee shall be bound to pay the sum to the Scottish Ministers in accordance with the foregoing provisions.

9.6 Any failure, omission or delay by the Scottish Ministers in exercising any right or remedy to which they are entitled by virtue of clauses 9.1 to 9.3 shall not be construed as a waiver of such right or remedy.

10. Assignment

The Grantee shall not be entitled to assign, sub-contract or otherwise transfer its rights or obligations under the Agreement without the prior written consent of the Scottish Ministers.

11. Termination

The Agreement may be terminated by the Scottish Ministers giving not less than 3 months' notice in writing from the date of the notice being sent.

12. Corrupt Gifts and Payments of Commission

The Grantee shall ensure that its employees shall not breach the terms of the Bribery Act 2010 in relation to this or any other grant. The Grantee shall ensure that adequate controls are in place to prevent bribery.

13. Continuation of Conditions

13.1 These Conditions, except for Condition 6, shall continue to apply for a period of 5 years after the end of the financial year in which the final instalment of the Grant was paid.

13.2 Condition 6 shall continue to apply until the end of the period referred to in that Condition.

14. Compliance with the Law

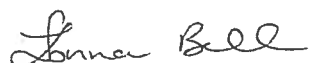
The Grantee shall ensure that in relation to the Project, they and anyone acting on their behalf shall comply with the relevant law, for the time being in force in Scotland.

15. Governing Law

This contract is governed by the Law of Scotland and the parties hereby prorogate to the exclusive jurisdiction of the Scottish Courts.

If you wish to accept the offer of this Grant on the whole terms and conditions as set out in the letter and annexed Schedules, you should sign and date the Grant Acceptance below and return a scanned copy of the offer of Grant and Schedules to Deborah Walker at Deborah.Walker@scotland.gsi.gov.uk. You should retain the original for your own records.

Yours sincerely



Donna Bell
Deputy Director
Strategy & Performance Division
(Acting on behalf of Scottish Ministers)

GRANT ACCEPTANCE

OFFER OF GRANT FOR STANMORE HOUSE SCHOOL – 2016/17

On behalf of Capability Scotland I accept the foregoing offer of Grant by the Scottish Ministers dated 23 March 2016 on the whole terms and conditions as set out in the letter and annexed Schedules. I confirm that I hold the relevant signing authority.

Signed:



[Director/Company Secretary/Authorised Signatory]

Print Name:

GEORGE FINNIGAN

Position in Organisation of Person Signing: CHIEF OPERATING OFFICER

Date:

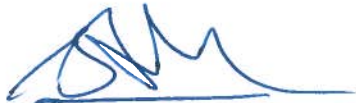
29TH MARCH 2016

Place of Signing:

EDINBURGH

Signed:

[Witness]



Witness Name: STUART THOMSON

Address: 11 ELLENBURN ROAD
EDINBURGH
EH12 6HY

Date: 29/03/16

Place of Signing: EDINBURGH

SCHEDULE 1

PART 1: THE PROJECT

The payment of grant will be made to Stanmore House Grant-Aided Special School in order that they deliver capital improvements which support children and young people with additional support needs overcome their barriers to learning and realise their potential through:

- Resurface the main entrance road to the school, main car park and cross junction of car parks with the introduction of additional speed bumps, cleaning out and renewing drains where required. The resurfacing will aid with the safe transportation of the children and young people within the school grounds both in their mini buses and in their wheelchairs.
- Renewal of the flooring in the main school corridors and in the school dining room which will make the school bright and welcoming for the children and young people and take away any risks associated with worn flooring.

PART 2: PAYMENT OF GRANT

1. The total Grant of £32,600 in 2016/17 shall be payable by the Scottish Ministers to the Grantee in arrears on receipt of a completed claim for Grant in the form set out in **Schedule 2** together with the associated monitoring information set out in paragraph 4.1 of the Offer of Grant.
2. The total Grant shall be payable over the financial year 2016/17. The Grant for the financial year has been allocated as set out in **Schedule 5** and will be paid in accordance with this schedule. The Scottish Ministers shall not be bound to pay any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year, unless otherwise agreed in writing by the Scottish Ministers.
3. The Grantee shall provide a quarterly profile of expenditure of the Grant before the start of the financial year. Any change to the profile or to the overall costs of the Project shall be notified to the Scottish Ministers at the earliest opportunity via the claims for Grant and monitoring reports.
4. Each claim shall be for an amount equal to the estimated amount of the Grant required to meet the reasonable and proper costs and expenses of the Grantee in connection with the Project until the next claim is due to be submitted.
5. Each claim shall be submitted together with such explanatory or supplementary material as the Scottish Ministers may from time to time require whether before or after submission of the claim.
6. On receipt of each claim (and any required documentation and information), the Scottish Ministers shall determine the amount of expenditure which they consider the Grantee shall reasonably and properly incur in connection with the Project having regard to that claim. The determination shall be based on the information provided by the Grantee in accordance with this Schedule. The Scottish Ministers shall use their best

endeavours (but shall be under no obligation or duty) to pay the amount determined to the Grantee within one week of receiving a claim and any required documentation and information relevant to the claim.

7. In order to facilitate the accrual of expenditure of the Grant for the financial year the Grantee shall, where appropriate, advise the Scottish Ministers in writing by Mid-April the amount of the Grant actually expended up to and including 31 March.

SCHEDULE 2
GRANT CLAIM FORM

Organisation: *[Name and address]*

Bank details: *[Name and address, sort code, account number]*

Project: *[Name / Description]*

Total agreed grant for 20xx-xx: *[Amount]*

Latest forecast of expenditure of grant for 20xx-xx: *[Amount]*

Grant claimed to date: *[Amount]*

[Unexpended grant: *where grant is paid in advance*] *[Amount]*

[Claim for grant] *or* [Estimate of grant required] for the period [from xxxx to xxxx] *or* [to xxxx]:
[Amount]

We hereby claim [total] grant of [£] in respect of the above period in accordance with the terms and conditions of the offer of Grant dated [] and the Schedules attached thereto.

Completed by:

Position:

Contact Details:

Date:

Items of Expenditure

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that [has been submitted] *or* [will be made available on request] to substantiate each amount.

A	B	C	D
Item	Amount (£)	Paid Invoice [Y/N]	Other (please specify, e.g. certificate of payment in kind)
TOTAL			

SCHEDULE 3

STATEMENT OF COMPLIANCE WITH CONDITIONS OF GRANT

THE SPECIAL SCHOOLS (SCOTLAND) GRANT REGULATIONS 1990 |
STANMORE HOUSE GRANT-AIDED SPECIAL SCHOOL CAPITAL GRANT 2016-17

This is to confirm that the grant claimed by Capability Scotland in relation to the above Project during the financial year ended 31 March 2017 was properly due and was used for its intended purpose in accordance with the terms and conditions of the Grant. This statement is supported by the records of Capability Scotland.

Signed:

Name in block capitals:

Position:

Date:

SCHEDULE 4

DEFINITIONS

“Agreement” means the agreement constituted by the Scottish Ministers’ invitation to apply for a grant, the Grantee’s Application, these Conditions and the Grantee’s acceptance of these Conditions;

“Conditions” means these grant conditions;

“Default” means:

(a) Any breach of the obligations of either party under this Agreement (including, but not limited to, any breach of any undertaking or warranty given under or in terms of this Agreement);

(b) Any failure to perform or the negligent performance of any obligation under this Agreement;

© Any breach of any legislation; or

(d) Any negligence or negligent or fraudulent mis-statement or misappropriation of Grant, or any other default,

In all cases by either party, its employees, agents or representatives;

“Financial Year” means a period from 1 April in one year until 31 March in the next;

“Grant” means the grant offered by the Scottish Ministers to the Grantee as specified in the Award Letter, as varied from time to time in accordance with these Conditions;

“Grantee” means the person, organisation or body to which the Grant will be payable as specified in these Conditions. Where two or more persons, organisations or bodies are the Grantee, references to the “Grantee” are to those persons, organisations or bodies collectively and their obligations under the Agreement are undertaken jointly and severally;

“Intellectual Property Rights” means all rights of ownership, including all copyrights and other intellectual property rights in books, leaflets and other printed and published materials in whatever form produced as part of the Project by or on behalf of the Grantee including all reports and any such published materials stored in or made available by means of an information technology system and the computer software relating thereto and all patents, trademarks, registered designs and other rights in the nature of intellectual property;

“Project” means the purpose for which the Grant has been awarded as described in the Offer of Grant;

“Payment” means each of the payments specified in Schedule 1 hereto.

SCHEDULE 5

GRANT PAYMENT SCHEDULE

DATE	Payment date	£ Profiled payment	Actual claim
Expected Completion by end of January 2017	1 March 2017	£32,600	
		TOTAL £32,600	Total £

ANNEX C

FEE LEVELS FOR 2016/17 AS APPROVED BY SCOTTISH MINISTERS

Service	Fee level 2015/16	Fee level 2016/17	% Increase
School per week	£826.00	£867.30	5%
Residential 4 day	£477.00	£500.85	5%
Residential weekend 3 day	£358.00	£375.90	5%
Respite per night	£499.00	£523.95	5%

