



ANDOVER TOWN COUNCIL

SERVICE PROVIDER GRANT AGREEMENT*Template grant agreement made under the Service Provider Grant Policy*

Document type	Template grant agreement (draft, for legal review before use)
Used with	Service Provider Grant Policy (v1.0)
Grant reference	[ATC to insert reference, e.g. SPG-2027-01]
Parties	Andover Town Council ("ATC") and [Provider legal name] ("the Provider")
Grant value	Up to £10,000 per year; no more than £30,000 in total over the three-year term

Before use

This is a drafting template, not a finished legal document. Officers should ask ATC's legal advisers to review and, where needed, adapt the wording before it is issued to any provider, and should complete every bracketed placeholder. It is designed to carry through the grant, not contract, features set out in Section 2.2 of the Service Provider Grant Policy; if that Policy is amended, this template should be checked against it.

Background

- (a) Andover Town Council ("ATC") has adopted a Service Provider Grant Policy ("the Policy") setting out how it identifies gaps in local service provision and awards grant funding to support a provider in filling an identified gap.
- (b) ATC has identified the following service gap that it wishes to support: [describe the service gap, e.g. after-school youth provision in the [ward] area].
- (c) Following the competitive application process described in Section 3 of the Policy, ATC has resolved, in the exercise of its discretion under the Policy and its General Power of Competence (Localism Act 2011, s.1), to award [Provider legal name] ("the Provider") a Service Provider Grant on the terms of this agreement.
- (d) This agreement, including its Schedules, records the terms on which that grant is made. It takes effect from the date of the last signature below ("the Start Date").

1. Nature of This Agreement

- (a) This is a grant agreement. It records ATC's discretionary award of grant funding to support the Provider's delivery of a service that fills an identified community need. It is not a contract for the purchase of services, and the Provider is not engaged to supply a specified service to ATC in return for payment.
- (b) ATC is not the recipient or beneficiary of the service funded by this grant. The service is delivered to the community, and ATC receives no direct service benefit itself.
- (c) Payment under this agreement is made subject to the grant conditions in Schedule 1 being met, not as consideration owed in exchange for a specified, enforceable deliverable. ATC's obligation is to exercise its funding discretion properly, following the Policy and public law principles of proportionality, equal treatment and giving reasons, and this agreement, once signed, is binding on ATC on that basis.
- (d) Nothing in this agreement creates a partnership, joint venture, agency or employment relationship between ATC and the Provider, and neither party may hold itself out as having authority to bind the other.



2. Grant Amount and Term

- (a) ATC will award the Provider a grant of up to £10,000 in each of three consecutive grant years, and no more than £30,000 in total, on the terms of this agreement.
- (b) The grant term runs from [start date] to [end date] ("the Term"), made up of Grant Year 1 ([dates]), Grant Year 2 ([dates]) and Grant Year 3 ([dates]).
- (c) The Grant Year 1 instalment is confirmed by this agreement. The Grant Year 2 and Grant Year 3 instalments are subject to: (i) ATC's annual reconfirmation under clause 6; (ii) the Provider continuing to meet the grant conditions in Schedule 1; and (iii) ATC's budget and precept for the relevant year making provision for it, as described in clause 9.

3. Purpose and Use of the Grant

- (a) The Provider will use the grant solely to deliver the service described in its application, attached as Schedule 2 (Approved Proposal), and will not use it for any other purpose without ATC's prior written consent.
- (b) The Provider will keep separate, accurate financial records of how the grant is spent, and will make them available to ATC on reasonable request.

4. Grant Conditions

- (a) The Provider will deliver the service in accordance with the grant conditions (key performance indicators) set out in Schedule 1, which ATC and the Provider have agreed reflect the outcomes the grant is intended to support.
- (b) Schedule 1 may be updated by written agreement between ATC and the Provider, for example at an annual reconfirmation under clause 6, without the need to re-sign this agreement.

5. Payment

- (a) Subject to clause 6, ATC will pay each year's instalment to the Provider by bank transfer, in [one instalment in advance of the grant year / quarterly instalments in advance, delete as applicable], to the bank account notified in writing by the Provider.
- (b) Before releasing the Grant Year 1 instalment, ATC may require evidence of the matters declared in Schedule 4 (safeguarding, insurance, financial standing and other declarations).

6. Monitoring and Annual Reconfirmation

- (a) ATC and the Provider will meet quarterly to review progress against the grant conditions in Schedule 1, using ATC's standard quarterly monitoring report template. The Provider will supply the information reasonably requested for that report at least five working days before each meeting.
- (b) Before releasing the Grant Year 2 and Grant Year 3 instalments, ATC will confirm: (i) that the Provider has satisfactorily met the grant conditions to date; and (ii) that ATC's budget and precept for the relevant year provide for the instalment. ATC will notify the Provider of the outcome in writing at least [20 working days] before the relevant grant year begins.
- (c) ATC may, on reasonable notice, request additional information or inspect records relating to the Provider's use of the grant.

7. Unspent Funds

- (a) If, at the end of a grant year, the Provider has not spent the full instalment for that year, the Provider will notify ATC of the unspent balance within [20 working days] of the year end.
- (b) An unspent balance may only be carried forward into the next grant year with ATC's prior written agreement, and, where the underlying project is only partially complete, with the formal approval of Full Council to carry the sum forward into an earmarked reserve, consistent with ATC's Financial Regulations (s.4.4). Absent that agreement, the Provider will return the unspent balance to ATC within [20 working days] of ATC's request.



8. Non-Compliance with Grant Conditions

- (a) If ATC reasonably considers the Provider is not meeting a grant condition in Schedule 1, ATC will notify the Provider in writing, setting out the shortfall and a reasonable period, normally not less than one quarter, to agree and implement a written improvement plan.
- (b) If matters do not improve within the agreed period, ATC may, following a decision of the relevant Committee or Full Council, suspend, reduce or withdraw the grant under clause 9. Any such decision will be notified to the Provider in writing, with reasons, and the Provider will be given the opportunity to make representations beforehand.

9. Withdrawal of the Grant

- (a) ATC may withdraw or discontinue the grant, on the notice set out below, if: (i) the Provider does not remedy non-compliance with a grant condition following the process in clause 8; (ii) the Provider becomes insolvent, ceases to operate, or is no longer able to deliver the service; (iii) the Provider breaches a declaration in Schedule 4; (iv) ATC's budget or precept for a grant year does not provide for the instalment; or (v) ATC ceases to be eligible for the General Power of Competence and no longer has power to make the grant.
- (b) Except where clause 9(a)(ii) applies, ATC will give the Provider not less than [three months'] written notice of withdrawal, or such shorter notice as is reasonable in the circumstances, and will discuss with the Provider how to support continuity for service users during that notice period.
- (c) On withdrawal or at the end of the Term, the Provider will: (i) return any unspent balance in accordance with clause 7; (ii) provide ATC with a short closing report against the grant conditions in Schedule 1; and (iii) cooperate with ATC on the arrangements set out in Schedule 2 (or agreed separately) for any ATC-funded assets, service user records or data held in connection with the service.

10. Subsidy Control

- (a) The parties intend that this grant is Minimal Financial Assistance for the purposes of the Subsidy Control Act 2022. Before the Start Date, the Provider has completed the Minimal Financial Assistance confirmation at Schedule 3, and ATC has issued the corresponding award confirmation.
- (b) If the Provider's circumstances change during the Term such that this grant, together with other Minimal Financial Assistance or comparable support received, would exceed £315,000 across the current and two preceding financial years, the Provider will notify ATC promptly.

11. Equality and Safeguarding

The Provider will comply with the Equality Act 2010 in delivering the service, and will maintain the safeguarding arrangements confirmed in Schedule 4 for the duration of the Term.

12. Insurance

The Provider will maintain public liability insurance of at least £[amount] for the duration of the Term, and will provide evidence of cover to ATC on request.

13. Data Protection

Each party will comply with the UK GDPR and the Data Protection Act 2018 in respect of any personal data shared under this agreement, and will use it only for purposes connected with the grant and the service.

14. Conflicts of Interest

The Provider confirms the position declared in Schedule 4 regarding any relationship between the Provider and an ATC councillor or officer, and will notify ATC promptly if that position changes during the Term.

15. Assignment, Variation and Publicity

- (a) The Provider will not assign, sub-contract or otherwise transfer delivery of the service without ATC's prior written consent.



- (b) This agreement may only be varied in writing, signed by both parties, and, where the variation is material, following the same Committee or Full Council approval that would apply to a new award under the Policy.
- (c) The Provider may acknowledge ATC's grant funding in publicity relating to the service, in a form agreed with ATC.

16. Governing Law

This agreement is governed by the law of England and Wales, and the parties submit to the exclusive jurisdiction of the courts of England and Wales.

Signatures

By signing below, each party agrees to be bound by this agreement, including its Schedules.

Signed for and on behalf of	Andover Town Council
Name	
Position	
Signature	
Date	

Signed for and on behalf of	[Provider legal name]
Name	
Position	
Signature	
Date	

Schedule 1: Grant Conditions

These grant conditions monitor how public funds are used and the community outcomes achieved. They are not contractual milestones that trigger payment as consideration for a specified deliverable; they are the basis on which ATC and the Provider review progress under clause 6.

Grant condition (outcome)	Target	How measured	Review frequency
			Quarterly
			Quarterly
			Quarterly
			Quarterly

Schedule 2: Approved Proposal

The service to be delivered under this agreement is as described in the Provider's application dated [date], reference [application reference], which is attached to this agreement and forms part of it.

Arrangements for any ATC-funded assets, service user records or data at the end of the Term or on early withdrawal of the grant: [to be completed, or "none applicable"].



Schedule 3: Minimal Financial Assistance

Part A: ATC's notification to the Provider

Andover Town Council intends to award [Provider legal name] Minimal Financial Assistance ("MFA") under the Subsidy Control Act 2022, of up to £30,000 in total over the three-year Term of this agreement. Before this award can be made, ATC needs the Provider's written confirmation below.

Part B: Provider's confirmation

- (a) I confirm that, taking into account this award, the total amount of Minimal Financial Assistance and comparable assistance (including de minimis EU State aid and Trade and Cooperation Agreement small amounts of financial assistance) received by [Provider legal name] will not exceed £315,000 across the current financial year and the two financial years before it.
- (b) I confirm the details of any such assistance already received are as follows: [details, or "none received"].

Signed (Provider) / Date

Part C: ATC's award confirmation

Andover Town Council confirms that the grant described in this agreement, of up to £30,000 in total, is awarded as Minimal Financial Assistance under the Subsidy Control Act 2022.

Signed (ATC) / Date

Schedule 4: Declarations

The Provider confirms the following as at the Start Date:

- **Equality Act 2010:** the Provider will deliver the service without unlawful discrimination against any protected group, and has policies in place to that effect.
- **Safeguarding:** [the Provider has a current safeguarding policy covering children and/or adults at risk, appropriate to the service, and it has been provided to ATC / not applicable to this service, delete as applicable].
- **Insurance:** the Provider holds public liability insurance of at least £[amount], and evidence has been provided to ATC.
- **Financial standing:** the Provider is not, to the best of its knowledge, insolvent or subject to insolvency proceedings, and has provided ATC with [recent accounts / a financial statement] as requested.
- **Conflicts of interest:** [state any relationship between the Provider and an ATC councillor or officer, or "none declared"].

Signed (Provider) / Position / Date
