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.

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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 six weeks, to agree and implement a written improvement plan.

(b) If matters do not improve within the agreed period, ATC may, following a decision of Full Council, on the recommendation of the Grants Committee, 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.

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(b) This agreement may only be varied in writing, signed by both parties, and, where the variation is material, following the same Full Council approval, on the recommendation of the Grants Committee, 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

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ANDOVER TOWN COUNCIL
SERVICE PROVIDER GRANT POLICY

Grant Funding for an Identified Service Need: up to £10,000 per year, three-year term

Policy title	Service Provider Grant Policy: Grant Funding for an Identified Service Need
Nature of award	Discretionary grant, awarded at ATC's discretion, not a procurement contract (see Section 2.2)
Policy owner	Town Clerk
Approving body	Full Council (on recommendation of Grants Committee – 29 September 2026)
Legal basis	Localism Act 2011, s.1 (General Power of Competence), together with any specific statutory power relevant to the service (see Section 2.1)
Maximum grant value	Up to £10,000 per year; no more than £30,000 in total over the three-year term
Date adopted	
Version	1.2 - Draft for Committee/Council consideration
Version history	1.1: draft considered by Grants Committee, 29 September 2026. 1.2 (16 October 2026): minimum period for agreeing and implementing an improvement plan reduced from one quarter to six weeks, with a progress review at the end of that period (Section 7). Community and Events Officer to issue written notice of non-compliance following approval from the Grants Committee, with the Chair calling an extraordinary meeting of the Grants Committee if necessary to consider the notice; and Community and Events Assistant (with Grants) to review progress and report the outcome in writing to the Grants Committee (Sections 5 and 7). References to the relevant Committee replaced with the Grants Committee throughout.
Date of next review	Annually, or sooner if legislation or the funding cap changes

1. Purpose and Scope

This policy sets out how Andover Town Council ("ATC" or "the Council") identifies a gap in local service provision that it wishes to see filled, and makes a discretionary Service Provider Grant to a provider to support delivery of that service to the community, over a three-year term. ATC's intention throughout this policy, and in every grant agreement made under it, is that funding awarded is grant funding in support of an identified community need, not payment made in return for a service supplied to ATC itself, and not a procurement contract. Section 2.2 sets out how this policy is drafted to achieve that.

This policy applies alongside, not instead of, ATC's Combined Grant Funding Policy and Procedure, which continues to govern Small, Medium and Large grants awarded on application. An organisation may not receive funding under both this policy and the Combined Grant Funding Policy and Procedure for the same activity or the same costs.

This policy does not apply to capital grants, to one-off grants considered under the existing Small/Medium/Large tiers, or to procurements for goods or works, which remain governed by ATC's Financial Regulations and Standing Orders.

Definitions

- **Service gap:** a service that ATC has assessed, through engagement with providers and the community, is not currently being adequately delivered within the parish.
- **Service Provider Grant:** recurring annual grant funding, of up to £10,000 per year and no more than £30,000 in total, awarded at ATC's discretion to a single provider to support the ongoing delivery of a service that fills an identified gap, as distinct from a one-off project grant.
- **Grant application:** a written proposal submitted by a provider in response to ATC's invitation, setting out how it would use grant funding to fill the identified service gap.
- **Grant term:** the three-year period for which a successful provider is offered funding, subject to annual reconfirmation under Step 8 of Section 3.

2. Legal Framework and Powers

This policy, and the model grant agreement used under it, are designed so that a Service Provider Grant operates in law as a discretionary grant, not a public services contract. Section 2.2 sets out the features that support that position and the drafting points officers should carry through into the grant agreement. Because a Service Provider Grant of up to £30,000 in total also sits well below the main statutory thresholds discussed below, the wider compliance burden is modest.

2.1 Power to spend

ATC has resolved that it meets the eligibility conditions for the General Power of Competence ("GPC") under section 1 of the Localism Act 2011 and the Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, namely that at least two-thirds of its seats are filled by elected councillors and its Clerk holds a qualification prescribed by the Order (such as CiLCA) and has completed the training the Order requires. The GPC gives ATC the power to do anything an individual may generally do, which is capable of covering grant-making of this kind, subject to the limits in sections 2 to 4 of the Act and those described below. A resolution of eligibility remains effective until the next relevant annual meeting (the annual meeting following ordinary elections), at which it must be made again; as good practice, ATC also confirms at each Annual Meeting that the conditions continue to be met. If eligibility is ever lost, the Council would need to rely instead on section 137 of the Local Government Act 1972 (power to incur expenditure, not otherwise authorised, that is in the interests of and will bring direct benefit to the area or its inhabitants, subject to a statutory spending limit per elector; section 137(3) also expressly permits contributions to charities and to bodies providing a public service otherwise than for gain), and this policy would need to be reviewed accordingly. A £10,000 annual grant is well within the kind of expenditure either power supports.

Specific statutory powers: where the identified service gap falls within a specific statutory power (for example recreation under section 19 of the Local Government (Miscellaneous Provisions) Act 1976, crime prevention under section 31 of the Local Government and Rating Act 1997, transport schemes under section 26 of that Act, or tourism under section 144 of the Local Government Act 1972), the Full Council resolution approving the award should cite that power alongside the GPC. The GPC does not override prohibitions, restrictions or limitations contained in legislation made before it (Localism Act 2011, section 2), so any conditions attached to a relevant specific power must still be observed.

GPC is a power, not a source of funds: any grant made under this policy must still be affordable, provided for in the budget and precept, and consistent with ATC's fiduciary duty to its precept payers.

2.2 Ensuring this operates as a grant, not a contract

Designed as a grant: features to carry through into the grant agreement

The deciding factor is enforceability. The arrangement operates as a grant because the provider takes on no legally enforceable obligation to deliver a specified service to ATC, and ATC has no right to sue for performance: its remedies are limited to withholding, suspending, withdrawing or clawing back funding under the grant conditions. The features below support that position, but a court, HMRC or a challenger will look at the substance of the arrangement, not its label, so the model grant agreement must contain no clause that could be read as an obligation to deliver a specified service in return for payment.

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- ATC is not the recipient or beneficiary of the service: the community is. The provider delivers the service to local residents, not to ATC, and ATC receives no direct service benefit itself. This is a relevant indicator for VAT purposes (see HMRC's guidance on grants and consideration for supplies, including VAT Notice 701/1 and HMRC's VAT Business/Non-Business Manual), but it is not decisive on its own for procurement purposes, because services delivered to the public on an authority's behalf can still amount to services supplied to that authority. It supports, rather than replaces, the enforceability point above.
- The agreement made with the provider should be issued and referred to throughout as a "grant agreement" or "grant offer", not a "contract for services". It should record ATC's decision to award grant funding subject to conditions, not a purchase of a specified service. The label supports the intended characterisation but does not by itself determine it.
- Payment is expressed as a discretionary grant made subject to grant conditions, with a right for ATC to withhold, suspend or withdraw funding for non-compliance, not as consideration owed in exchange for a specified, enforceable deliverable. The provider should not be able to sue ATC for the grant as a contractual debt owed in return for delivering a specified output; ATC's obligation is to exercise its funding discretion properly (following this policy and public law principles of proportionality, equal treatment and giving reasons), not a contractual promise to pay for a specified service.
- The KPIs at Section 4 are used as grant conditions, to monitor how public funds are used and the community outcomes achieved, not as contractual milestones that trigger payment as consideration for a specified deliverable.
- The open, competitive application process at Section 3 exists so that ATC exercises its discretion to award public grant funding fairly, transparently and with regard to value for money, not because procurement law requires a tender for this arrangement.

2.3 Procurement Act 2023: not engaged

The Procurement Act 2023 governs "public contracts": agreements for pecuniary consideration under which a supplier undertakes to provide a specified good, service or works to a contracting authority. A grant, drafted and administered as set out in Section 2.2, falls outside that definition: the provider undertakes no legally enforceable obligation to supply a specified service to ATC in exchange for payment, and ATC is instead making a discretionary award of public funds to support a provider's delivery of a service to the community, subject to grant conditions rather than contractual consideration. On that basis, the Act's competitive tendering procedures, standstill period, contract award notices and below-threshold notice regime do not apply to a Service Provider Grant.

For completeness: a contingency only

If this arrangement were ever treated, in substance, as a contract despite the drafting safeguards above, it would still sit well below the Procurement Act's £207,720 sub-central services threshold. The one figure worth noting is that the Act's below-threshold notice regime is triggered by a contract valued at £30,000 or more, and a Service Provider Grant taken right up to the £10,000-per-year cap totals exactly £30,000 over three years. This is not a live requirement given the grant characterisation above. In any event, ATC will publicly advertise each application round (Section 3) and, if an arrangement were ever treated as a contract of £30,000 or more, would publish any notice the below-threshold regime requires. ATC will not set or adjust grant values for the purpose of avoiding a procurement threshold.

2.4 Subsidy control

Legal basis available: comfortably within Minimal Financial Assistance

A grant of this kind to a provider carrying on an economic activity is likely to be a "subsidy" for the purposes of the Subsidy Control Act 2022. This applies regardless of whether the award is characterised as a grant or a contract, because a "subsidy" under that Act is defined by its

economic effect, not its legal label. At up to £30,000 in total, it sits well within the Minimal Financial Assistance (MFA) route, which allows public authorities to award up to £315,000 to a single recipient, cumulative across the current financial year and the two preceding financial years, without a full subsidy control assessment, and is far below the £100,000 threshold at which an individual award must be published on the UK subsidy database. The only step ATC still needs to take is procedural, and it takes place at the point of award. For a multi-year grant, the MFA is given when the provider becomes legally entitled to the funding, so at the grant offer ATC must obtain the provider's written declaration that the full award (up to £30,000) will not take it over the £315,000 cumulative cap (taking into account MFA and comparable assistance it has already received from any public authority), and issue ATC's own written MFA notice covering the full award. As good practice, ATC will also ask the provider to confirm, before each annual instalment, that its position has not changed. This is a light-touch, one-page exchange of letters at this value, not a full assessment.

2.5 Equality, VAT, Financial Regulations and Transparency

- **Equality Act 2010:** application criteria, assessment and the resulting service must not discriminate, directly or indirectly, against any protected group, and ATC should have regard to the Public Sector Equality Duty when deciding which service gaps to prioritise and how to assess applications.
- **VAT:** because this policy is designed and intended to operate as a grant (ATC receives no direct service benefit itself, and payment is not consideration for a specified deliverable owed to ATC, see Section 2.2), the grant should fall outside the scope of VAT as non-business grant funding.
- **Financial Regulations:** ATC's Financial Regulations should be checked for any provisions specific to the award of grants, as distinct from the quotation/tender thresholds that apply to ATC procuring goods, services or works for its own use (a different exercise from this policy). The open, competitive application process at Section 3 is recommended as good practice for transparency and value for money in awarding public grant funding, even though it is not a procurement exercise.
- **Transparency:** ATC will publish payments made under this policy in line with the Local Government Transparency Code 2015, including grants to voluntary, community and social enterprise organisations, recording each award, its value and its recipient.
- **Multi-year budget commitment:** a three-year award commits future years' budgets, even at £10,000 a year. Full Council should expressly note, when approving each award, that years two and three are subject to the relevant year's budget and precept being set to provide for it, and that the grant agreement includes a right to review or discontinue funding (on notice) if the precept cannot sustain it.

3. Identifying Need and Awarding the Grant

The process below is summarised in sequence; detailed procedure (assessment criteria, minimum number of applications considered, delegated authority) should be set out in an accompanying procedure note or the application pack, consistent with ATC's Financial Regulations.

1	**Identify the service gap**	The Town Clerk (or a delegated officer) engages with local service providers, voluntary and community sector organisations, and relevant Committees to identify gaps in service provision across the parish, and records the evidence considered.
2	**Select priority need**	Having reviewed that evidence, the Grants Committee recommends, and Full Council resolves, which identified service need ATC wishes to support in that funding round, confirming the indicative annual grant available (up to £10,000).
3	**Invite grant applications**	ATC publicly invites providers to apply for grant funding, setting out how they would use it to fill the identified need, in line with ATC's Financial Regulations for grant awards (Section 2.5).

4	**Assess applications and select**	Applications are assessed against published, objective criteria (for example community benefit, deliverability, value for money, safeguarding arrangements, insurance and financial standing) by the Grants Committee. Before an award is recommended, officers confirm that the proposed service falls within the applicant's charitable or governing objects. The decision and reasons are minuted.
5	**Offer the grant**	ATC offers the successful provider a Service Provider Grant of up to £10,000 per year for a term of three years (no more than £30,000 in total), on the basis of a signed grant agreement (Section 2.2), satisfactory due diligence (Section 2.4), and annual budget provision.
6	**Agree grant conditions**	ATC and the provider jointly agree a small set of SMART grant conditions (KPIs), proportionate to the size of the grant, tied to the community outcomes it is intended to support. These are appended to the grant agreement before the first payment is released.
7	**Quarterly review**	ATC and the provider meet quarterly to review progress against the agreed grant conditions, using a short standard reporting template appropriate to the scale of the grant. Concerns are addressed through the process at Section 7.
8	**Annual reconfirmation**	At each anniversary, ATC confirms continued budget provision and satisfactory compliance with the grant conditions before releasing the next year's instalment (up to £10,000). The grant may be suspended or withdrawn in line with the agreement for sustained non-compliance.

4. Grant Conditions (KPIs) and Quarterly Review

Before any funding is released, ATC and the provider will jointly agree a small set of grant conditions (KPIs) that are Specific, Measurable, Achievable, Relevant and Time-bound (SMART), directly linked to the community outcomes the grant is intended to support, not simply activity counts, and not framed as a specified deliverable owed to ATC in return for payment. Given the modest size of a Service Provider Grant, conditions and reporting should be kept proportionate: a small, focused set of measures is preferable to an extensive reporting burden that costs the provider more in administration than the grant is worth. Conditions, review frequency and the data the provider must supply are set out in a schedule to the grant agreement, so they can be updated without re-signing the whole agreement.

ATC and the provider will meet quarterly to review progress against the agreed grant conditions. Each meeting will be minuted and will cover: progress against conditions and trends since the last meeting; any emerging risks or barriers to delivery; spend against budget; and any safeguarding, complaints or compliance matters. A short written summary will be reported to the Grants Committee at least annually, and sooner if a material concern arises.

5. Roles and Responsibilities

- **Full Council:** adopts and reviews this policy; resolves which service gap(s) to prioritise in each funding round; approves the final grant award and any decision to suspend or withdraw a grant.
- **Grants Committee:** oversees the assessment of grant applications, recommends the preferred provider to Full Council, and receives quarterly/annual reporting; it also approves the issue of each non-compliance notice (at an extraordinary meeting called by the Chair if necessary) and receives the outcome of each improvement plan review.

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- **Town Clerk (as RFO) and/or Chair of the Grants Committee:** runs the application round, drafts the grant agreement and conditions schedule, confirms budget provision and the MFA confirmation, and chairs quarterly review meetings.
- **Community and Events Officer:** issues written notice to the provider, following approval from the Grants Committee, where quarterly review identifies that a grant condition is not being met, setting out the shortfall and the period for agreeing and implementing an improvement plan (Section 7).
- **Community and Events Assistant (with Grants):** reviews the provider's progress against an agreed improvement plan at the end of the six-week period and reports the outcome in writing to the Grants Committee (Section 7).
- **Provider:** delivers the service in line with the grant agreement and conditions, attends quarterly review meetings, and reports promptly any material risk to delivery.

6. Risk Management

- **Non-compliance with grant conditions:** ATC's response is the remedial process at Section 7 (written notice, agreed improvement plan, right to withhold or claw back an instalment) before any decision to withdraw funding. This is a grant-conditions compliance process, not a contract-breach claim, so that funding is not withdrawn abruptly from a service residents rely on.
- **Provider dependency / market capacity:** where very few or only one provider is capable of delivering a given service, ATC should record how it has nonetheless tested value for money, and consider the implications for competition if the application round attracts only one bid.
- **Conflicts of interest:** councillors and officers involved in assessing applications must declare any interest in an applicant organisation in line with ATC's Code of Conduct and standing orders, and withdraw from the relevant decision where required.
- **Budget and precept risk:** see Section 2.5 on multi-year budget commitment: a break clause tied to annual budget-setting protects the Council from being bound beyond what a future precept can sustain, even at this modest value.
- **Exit and continuity:** the grant agreement should address what happens to any ATC-funded assets, service users or data at the end of the term or on early withdrawal of funding.

7. Remedial Process for Non-Compliance

Where quarterly review identifies that a provider is not meeting an agreed grant condition, the Community and Events Officer will, following approval from the Grants Committee, notify the provider in writing, setting out the shortfall and a reasonable period (normally not less than six weeks) to agree and implement a written improvement plan. If necessary, so that notice is not delayed until the next scheduled meeting, the Chair of the Grants Committee will call an extraordinary meeting of the Grants Committee to consider the notice. As the six-week period will normally end before the next quarterly review meeting, the Community and Events Assistant (with Grants) will review the provider's progress against the improvement plan at the end of that period, and report the outcome in writing to the Grants Committee, rather than waiting for the next quarterly review. If matters do not improve within the agreed period, this is reported to the Grants Committee, which may recommend to Full Council that the grant be suspended, reduced, or withdrawn in accordance with the grant agreement. Any decision to withhold, suspend or withdraw funding is minuted, with reasons, and the provider is given the opportunity to make representations beforehand.

8. Equality, Diversity and Inclusion

In identifying service gaps and assessing applications, ATC will have regard to the needs of protected groups under the Equality Act 2010 and to reducing inequality of access across the parish. Application guidance will ask providers to describe how their proposed service will be accessible and inclusive, and assessment panels will score this as a distinct criterion rather than treating it as implicit.

9. Policy Review

This policy will be reviewed annually by the Grants Committee, and sooner if there is a material change in subsidy control or local government finance legislation, or if ATC wishes to raise the £10,000 per year /

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£30,000 total cap (which would re-engage the legal checks in Section 2 at a higher value), or following the first full three-year cycle of a grant made under it, to capture any lessons learned.

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Service Provider Grant Documents: Schedule of Changes

Oct 27, 2026

The remedial period for non-compliance has been reduced from one quarter (three months) to six weeks. Responsibilities, Grants Committee approval and Full Council decision-making have been aligned across the Service Provider Grant documents. All amendments are shown below in an easy to read table. The clean amended copies are supplied with this schedule.

Service Provider Grant Policy (v1.1 to v1.2)

Section	What has changed	Why
Summary table: Version	1.1 changed to 1.2	The changes are substantive and affect providers' rights, so a new version number is needed
Summary table: Version history (new row)	New row recording v1.1 and the v1.2 amendments	The policy had no version history; this gives an audit trail of what changed and when
Sections 3, 4, 5 and 7	"Relevant Committee" changed to "Grants Committee" (five places)	Names the decision-making committee clearly and removes any doubt about which committee acts
Section 5: Grants Committee	Adds that it approves each non-compliance notice (at an extraordinary meeting if necessary) and receives the outcome of each improvement plan review	Records the Committee's new role in the remedial process
Section 5: Community and Events Officer (new role)	Issues written notice of non-compliance, following Grants Committee approval	The role was not previously listed but now has a defined task in Section 7
Section 5: Community and Events Assistant (with Grants) (new role)	Reviews progress at the end of the six-week period and reports the outcome in writing to the Grants Committee	The role was not previously listed but now has a defined task in Section 7
Section 7: improvement period	"Not less than one quarter" changed to "not less than six weeks"	Allows non-compliance to be addressed more quickly while still giving the provider a fair period to improve
Section 7: who	Town Clerk replaced by the Community	Places the task with the officer who

Section	What has changed	Why
issues notice	and Events Officer, following Grants Committee approval	administers the grant and keeps the decision with members
Section 7: extraordinary meeting (new)	The Chair of the Grants Committee will call an extraordinary meeting if necessary to consider the notice	Avoids waiting for the next scheduled meeting before notice can be issued, without using delegated authority
Section 7: progress review (new)	The Community and Events Assistant (with Grants) reviews progress at the end of the six weeks and reports to the Grants Committee	The six weeks will usually end before the next quarterly review, so a separate check is needed

Grant Agreement, Application Pack and Monitoring Report

Document and clause	What has changed	Why
Grant Agreement, clause 8(a)	"Not less than one quarter" changed to "not less than six weeks"	Matches the reduced improvement period in Section 7 of the Policy
Grant Agreement, clause 8(b)	"A decision of the relevant Committee or Full Council" changed to "a decision of Full Council, on the recommendation of the Grants Committee"	Suspending, reducing or withdrawing funding could affect Full Council's commitments and the service residents rely on, so the decision rests with Full Council, as the Policy requires
Grant Agreement, clause 15(b)	Material variations now need "the same Full Council approval, on the recommendation of the Grants Committee" as a new award	Removes the reading that the Committee alone could approve a material change to the agreement
Application Pack, scoring matrix	"Relevant Committee" changed to "Grants Committee"	Consistent with the Policy
Quarterly Monitoring Report	No change	Its references to clause 8 of the Agreement remain correct

Points to note on adoption

- An extraordinary Grants Committee needs three clear days' notice and a quorum, so allow about a week from the quarterly review to notice being issued.

- Check that ATC's adopted Standing Orders allow the Chair of a committee to call an extraordinary meeting of that committee.
- The amended documents take effect once Full Council adopts Policy v1.2 Any agreement already signed keeps its original terms unless it is formally varied.

ANDOVER TOWN COUNCIL

SERVICE PROVIDER GRANT APPLICATION PACK

Guidance and application form for the Service Provider Grant Policy

Document type	Application pack (guidance and form)
Used with	Service Provider Grant Policy
Service area invited	[to be completed for each grant round]
Maximum grant available	Up to £10,000 a year for up to 3 years (up to £30,000 in total)
Closing date	[to be completed for each grant round]
Contact for queries	[officer name, role, email]

1. Introduction

Andover Town Council (ATC) has identified a gap in local service provision, described in the brief for this grant round below. ATC is inviting applications from organisations that can deliver a service to fill that gap. This is a grant application process under ATC's Service Provider Grant Policy, not a procurement tender: ATC is not purchasing a service for its own use, but funding an external provider to deliver a service that benefits the local community.

The successful applicant will be offered a grant of up to £10,000 a year for up to 3 years (up to £30,000 in total), subject to annual budget provision and satisfactory delivery against jointly agreed grant conditions. Full details of how the grant will operate, including monitoring and the circumstances in which it may be withdrawn, are set out in the grant agreement that the successful applicant will be asked to sign.

Service gap identified for this round: *[ATC insert a short description of the need, drawn from the provider engagement carried out under Section 3 of the Policy]*

2. Eligibility Criteria

To apply, an organisation must, at the closing date:

- Be a constituted organisation: a registered charity, community interest company, company limited by guarantee, or unincorporated association or club with a written constitution.
- Be able to deliver the service to residents of the Andover town area (or demonstrate how residents will benefit where delivery extends beyond the area).
- Have been operating, or be able to demonstrate an established track record in a comparable field, for at least 12 months.
- Have no unresolved safeguarding, insolvency or governance concerns known to ATC.
- Not be an ATC councillor or officer acting in a personal capacity, and have no undeclared conflict of interest with an ATC councillor or officer (see Section 5).

ATC may, at its discretion, consider applications from organisations that do not fully meet these criteria where there is a clear public benefit case, but reserves the right to decline any application without giving further reasons.

3. How to Apply

- Read this pack and the Service Provider Grant Policy in full before applying.
- Complete the application form at Section 6 and return it, with any supporting evidence requested, by the closing date shown in the control table above.

- ATC officers will check applications for eligibility and completeness, and may contact applicants to clarify points raised.
- Shortlisted applicants may be invited to a short interview or site visit before a recommendation is made.
- The award decision will be made in accordance with ATC's Financial Regulations and the Service Provider Grant Policy, and all applicants will be notified of the outcome in writing.
- The successful applicant will be asked to agree grant conditions (KPIs) with ATC and sign a grant agreement before the grant starts.

4. What to Include in Your Application

Your application should address each of the following, as clearly and concisely as possible:

- **Understanding of the need:** how your organisation understands the service gap identified by ATC, and the evidence behind your approach.
- **Proposed delivery model:** what you will deliver, to whom, how often, and how this fills the identified gap.
- **Proposed grant conditions (KPIs):** the outcomes and measures you propose ATC use to monitor delivery each quarter (these will be finalised jointly with ATC if you are successful).
- **Track record and capacity:** your organisation's relevant experience, governance, and capacity to deliver over a 3-year term.
- **Budget and value for money:** a breakdown of how the grant would be spent, and any other funding or in-kind support contributing to the service.
- **Risk and continuity:** the main risks to delivery and how you would manage them, including what would happen to service users if the grant ended.

5. Assessment Criteria

Applications will be assessed against the following criteria. This scoring matrix is used by officers and, where applicable, the Grants Committee to compare applications fairly and consistently.

Assessment criterion	What we are looking for	Weighting	Score (0-5)
Understanding of need	Clear evidence the applicant understands the identified service gap and local context.	20%	
Delivery plan and KPIs	A realistic, well-evidenced plan with meaningful, measurable proposed KPIs.	25%	
Track record and capacity	Relevant experience, sound governance, and capacity to deliver reliably over 3 years.	20%	
Value for money	Efficient use of grant funding, and any additional funding or in-kind support secured.	20%	
Risk and sustainability	Realistic risk management and a credible plan for continuity of service to users.	15%	

Conflicts of interest in assessment

Any officer or councillor involved in assessing applications who has a personal, financial or organisational connection to an applicant must declare it and take no further part in that application's assessment or decision, in line with ATC's code of conduct and standing orders.

6. Declarations Required

Before a grant can be awarded, the successful applicant must confirm the following, which are also set out as declarations in the grant agreement:

- **Equality Act 2010:** that the service will be delivered without unlawful discrimination against any protected group, and that the organisation has policies in place to that effect.
- **Safeguarding:** where the service involves children or adults at risk, that a current safeguarding policy is in place and has been provided to ATC.
- **Insurance:** that the organisation holds, or will hold before the grant starts, public liability insurance of at least the level specified in the grant agreement.
- **Financial standing:** that the organisation is not insolvent or subject to insolvency proceedings, with recent accounts or a financial statement provided on request.
- **Conflicts of interest:** any relationship between the applicant and an ATC councillor or officer, declared in full.
- **Subsidy control:** confirmation, ahead of award, that the grant together with other Minimal Financial Assistance received will not exceed £315,000 across the current and two preceding financial years (Subsidy Control Act 2022).

7. Data Protection

Information provided in this application will be processed by ATC in accordance with the UK GDPR and the Data Protection Act 2018, for the purposes of assessing this application and, if successful, administering the resulting grant. It will not be used for any other purpose without your consent.

ANDOVER TOWN COUNCIL

SERVICE PROVIDER GRANT APPLICATION FORM

Please complete all sections. Continue on a separate sheet if needed.

Section A: Organisation Details

Organisation name	
Legal status	
Registered/charity number (if any)	
Registered address	
Main contact name and role	
Contact email and phone	
Year established	

Section B: The Service You Are Proposing

Describe the service gap you are addressing and how you understand the need (please refer to the brief at Section 1).

Understanding of the need

Describe what you will deliver, to whom, and how often.

Proposed delivery model

Set out the outcomes and measures you propose ATC use to monitor delivery each quarter.

Proposed grant conditions (KPIs)

Section C: Track Record, Budget and Risk

Relevant experience and governance

Budget breakdown (how the grant would be spent, and any other funding or in-kind support)

Main risks to delivery and how you would manage them, including continuity for service users if the grant ended

Section D: Declarations

Please initial to confirm each declaration. Full confirmation will be required before a grant is awarded.

Declaration	Initial
We will deliver the service without unlawful discrimination against any protected group (Equality Act 2010).	
Where applicable, we hold a current safeguarding policy covering this service.	
We hold, or will hold before the grant starts, public liability insurance at the level required.	
We are not insolvent or subject to insolvency proceedings.	
We have declared any relationship between our organisation and an ATC councillor or officer (state below, or write "none").	
Taking this grant into account, our total Minimal Financial Assistance will not exceed £315,000 across the current and two preceding financial years.	

Details of any conflict of interest declared (or "none")

Section E: Signature

Name	
Position	
Signature	
Date	

What happens next

Return this form to the contact shown in the control table on page 1 by the closing date. ATC officers will confirm receipt and contact you if any information is missing before assessment begins.