

Grant Conditions

1. In this Annex:

“the Scheme” means the use by the Authority of as much of the grant money identified in Annex A as it deems necessary to provide support to households who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs (in exceptional circumstances of genuine emergency);

“the Department” means the Department for Work and Pensions;

“the Authority” means any local authority listed in **Annex A**;

“the Secretary of State” means the Secretary of State for Work and Pensions;

“the Grant Period” means the period of time set out in paragraph 4 of this Grant Determination;

“the Branding Manual” means the HM Government of the United Kingdom of Great Britain and Northern Ireland Branding Manual Funded by UK Government first published by the Cabinet Office in November 2022, and available at <https://gcs.civilservice.gov.uk/guidance/marketing/branding-guidelines/>, including any subsequent updates from time to time.

2. The grant is paid to the Authority to support eligible expenditure only (see paragraphs 4 to 7 below); and on the basis overall that the provision of grant funding remains subject to the Secretary of State’s ongoing satisfaction that all grant usage by the Authority complies fully with the relevant conditions.

3. The Authority must have regard to any guidance issued by the Department or sources of information and data available to it that may assist in the decision-making regarding the Scheme.

Eligible expenditure

4. Eligible expenditure means payments made, or committed to, by the Authority or any person acting lawfully on behalf of the Authority, during the Grant Period, under the Scheme.

5. Unless the Secretary of State decides otherwise (for all Authorities or any one Authority), the Authority must determine individual eligibility in its area for assistance under the Scheme and the means by which assistance will be provided (whether directly by the Authority or through a third party) and use the grant monies as follows:

a) the Authority is to ensure that the grant is primarily allocated to support with the costs of energy (for heating, lighting and cooking), food, water (for household purposes, including sewerage) and other essential living needs in accordance with the Scheme guidance;

b) by exception and where existing housing support has been exhausted, the Authority may allocate grant funds to support with housing costs as set out in the Scheme guidance;

c) the Authority, during the Grant Period, is to facilitate applications for assistance under the Scheme from individuals who are eligible for assistance in its area;

d) the Authority may, in accordance with the Scheme guidance, allocate a limited portion of the grant to fund the provision of advice to individuals that is likely to assist those individuals in meeting their essential living needs in the longer term and complements other assistance provided to those individuals under the Scheme.

6. If the Authority or any third party incurs any of the following costs, they must be excluded from eligible expenditure:

a) contributions in kind,

b) payments for activities of a political or exclusively religious nature,

c) depreciation, amortisation or impairment of fixed assets,

d) input VAT reclaimable from HM Revenue & Customs,

e) interest payments or service charge payments for finance leases,

f) gifts, other than promotional items with a value of no more than £10 in a year to any one person,

g) entertaining (entertaining for this purpose means anything that would be a taxable benefit to the person being entertained, according to current UK tax regulations), or

h) statutory fines, criminal fines or penalties,

and, for the avoidance of doubt, the exclusions at a) and f) above do not apply to the provision of direct assistance, including food, to the intended eligible beneficiaries of the Scheme.

7. The Authority must not deliberately incur liabilities for eligible expenditure before there is an operational need for it to do so.

Payment arrangements

8. The grant will be paid in arrears following receipt by the Department of the Statement of Grant Usage described in paragraph 10.

9. If at any time the Authority becomes aware that the payment in arrears will affect the delivery of the Scheme, the Authority must inform the Department as soon as possible. The Secretary of State reserves the right to alter the timing or amount of grant payments accordingly.

Statement of Grant Usage

10. The Authority must prepare a Statement of Grant Usage to be submitted to the Department at a time and in a form directed by the Secretary of State. The Statement of Grant Usage must provide details of eligible expenditure in the Grant Period. The Statement of Grant Usage must be certified by the Authority's Section 151 officer that, to the best of the officer's knowledge, the amounts shown on the Statement are all eligible expenditure and that the grant has been used for the purposes intended.

11. If the Statement of Grant Usage identifies any overpayment of grant, the Authority must, unless offset by the Department in accordance with paragraph 20, repay this amount within 30 days of being asked by the Secretary of State.

12. The Secretary of State may at any time require a validation or audit to be carried out by officers of the Department or an appropriately qualified independent accountant or auditor, on the use of the grant.

Progress Report and Management Information Return

13. The Authority must provide a Progress Report and Management Information Return with the Statement of Grant Usage in a form directed, and subject to any guidance issued by, the Secretary of State.

Financial management

14. The Authority must maintain a sound system of internal governance and financial controls in relation to the grant.

15. If the Authority has any grounds for suspecting financial irregularity in the use of any grant paid under this Determination, it must notify the Department immediately, explain what steps are being taken to investigate the suspicion and keep the Department informed about the progress of the investigation. For these purposes "financial irregularity" includes fraud or other impropriety, mismanagement, and the use of grant for purposes other than those for which it was provided.

Records to be kept

16. The Authority must maintain reliable, accessible and up to date accounting records with an adequate audit trail for all expenditure funded by grant monies under this Determination.

17. The Authority and any person acting on behalf of the Authority must allow:

- a) the Comptroller and Auditor General or appointed representatives, or
- b) the Secretary of State or appointed representatives,

free access at all reasonable times to all documents (including computerised documents and data) and other information as are connected to the grant, or to the purposes for which grant was used, subject to the provisions in paragraph 18.

18. The documents, data and information referred to in paragraph 17 include such which the Secretary of State or the Comptroller and Auditor General may reasonably require for the purposes of 'spot checking' administrative costs or significant amounts paid under the Scheme or a financial audit of any department or other public body or for carrying out examinations into the economy, efficiency and effectiveness with which any department or other public body has used its resources. The Authority must provide such further explanations as are reasonably required for these purposes.

19. Paragraphs 17 and 18 do not constitute a requirement for the examination, certification or inspection of the accounts of the Authority by the Comptroller and Auditor General under section 6(3) of the National Audit Act 1983. The Secretary of State and Comptroller and Auditor General will seek access in a measured manner to minimise any burden on the Authority and will avoid duplication of effort by seeking and sharing information with local auditors.

Breach of Conditions and Recovery of Grant

20. If the Authority fails to comply with any of these conditions, or if any overpayment or underpayment is made in relation to this grant or any amount is paid in error, or if any of the events set out in paragraph 21 occurs, the Secretary of State may reduce, suspend or withhold grant payments or require the repayment of the whole or any part of the grant monies paid, as may be determined by the Secretary of State and notified in writing to the Authority. Such sum as has been notified will immediately become repayable to the Secretary of State who may set off the sum against any future amount due to the Authority from central government.

21. The events referred to in paragraph 20 are:

- a) the Authority purports to transfer or assign any rights, interests or obligations arising under this Determination without the prior agreement of the Secretary of State,

b) any information provided in any application for grant monies payable under this Determination, or in any subsequent supporting correspondence is found to be significantly incorrect or incomplete in the opinion of the Secretary of State,

c) it appears to the Secretary of State that other circumstances have arisen or events have occurred that are likely to significantly affect the Authority's ability to deliver the Scheme,

d) the Authority's Section 151 officer is unable to provide reasonable assurance that the Statement of Grant Usage, in all material respects, fairly presents the eligible expenditure in the Grant Period in accordance with the definitions and conditions in this Determination, or

e) the Authority fails to provide the Statement of Grant Usage and a Progress Report and Management Information Return in accordance with the Grant Conditions.

Communications

22. The Authority shall at all times during and following the end of the Grant Period:

a) comply with requirements of the [Funded by UK Government Branding Manual](#) in relation to activity under the Scheme; and

b) cease use of the Funded by UK Government logo on demand if directed to do so by the Department.

23. The Authority must publish on their website, and by any other appropriate means, such information as it considers sufficient to enable the general public to understand the Scheme (including the Authority's eligibility criteria and how the Scheme can be accessed) in accordance with the Scheme guidance.