



CCDC Board Meeting 24th March 2022 – Special

Document Pack

Public

Please note that not all items on the agenda have supporting papers

Confidential items (e.g. relating to staffing) are not published in public

Colonsay Community Development Company

Campsite for Colonsay - Update

Report to CCDC Board – Special Meeting 24th March 2022

Background

A Colonsay campsite has been a community aspiration for many years. It was first formalised in CCDC's Business Strategy of 2018, drafted with advice from consultant Duncan MacPherson. Initial preparatory work was one of the responsibilities of the HIE-funded Project Coordinator post shared by Carrie Seymour & Roz Jewell, which was set up at about the same time.

In the spring of 2021 potential for funding a pilot project was identified, and CCDC sought expressions of interest from landowners and/or crofters who were able and interested in hosting a short term "pop-up" campsite. A previous community survey in January 2021 led by the Community Council had shown broad support for a managed tent site on Colonsay. The Board agreed to support the project, but unfortunately the bid was not successful.

In July 2021 HIE alerted the company to anticipated Scottish Government funds for tourism-related infrastructure, likely to be made via Argyll & Bute Council later in the year. In November 2021 discussions began directly with the Council regarding a potential bid and at very short notice it was confirmed that a permanent campsite would be an eligible project, but an application would have to be submitted by the end of January 2022. Many elements of the project remained the same as in the previous 'pop-up' proposal, and some elements were developed in response to the new fund. The Council later confirmed that any offer made would need to be committed to no later than the end of March 2022.

Expressions of interest were sought again between December 2021 and January 2022 highlighting the potential funding only this time for a permanent site. Only one individual came forward – Helen Mann – proposing a site on her croft at Lower Kilchattan, 'Croft 3, Baile Lochdrach'.

Accordingly, and aware of the potential conflict of interest, Helen (who had joined CCDC as a Director after the AGM, and formalised on 26th August 2021) took no part in CCDC's formal decision making associated with the project.

The bid timescale was so short that the terms and conditions were not available when the grant was announced. The Board reviewed progress at the February 2022 meeting when a proposal for CCDC to commit to deliver the campsite in partnership with Helen was rejected, although the Board re-affirmed its support for a campsite in principle. The Board decided it could not make a binding decision until the terms and conditions of the grant were clarified which would in turn define how any partnership with Helen would need to work. Without that understanding, it felt unable to commit.

However, the Board agreed that CCDC should continue to progress the project drawing on the earlier work and should continue to provide in-kind support to help Helen secure funding and deliver the site as a private development, if possible. This would be in both CCDC's and the wider community interest, and consistent with the recommendations of the CCC working Group and CCDC's strategic objectives. CCDC would then have no further input.

The project and grant bid were progressed and promoted in Helen's name and were successful. A provisional award offer of £40,000 was made and publicised by Argyll and Bute Council, and formally acknowledged on 28th February 2022. However, the grant offer was made not to Helen but to CCDC as the trusted and established community body. The terms of the grant were still not available at that time.

The terms of the grant were finally published on 16th March 2022, and confirmed that the grant cannot be made to Helen directly. For the project to continue, CCDC would have to take an active role.

This report recommends a way forward.

Grant Conditions

For information the full grant Letter is attached at **Appendix 1**. A commentary by the project team is attached at **Appendix 2**.

The key conditions are as follows:

- The grant is for a single campsite on a community-owned croft, delivered by March 2023
- The grant cannot be made to a private individual. It must be paid to CCDC
- The terms cannot be varied (e.g. grant opened up to other landowners, or shared)
- ABC will monitor and review over 5 years
- In the event of any sale or disposals, proceeds from anything funded by the investment return to ABC (not CCDC or the crofter)
- The grant does not allow for assignation (transfer) without written permission from the Council. We have sought clarification on this point, but ABC are unlikely to agree to assign.
- Consequently, CCDC will need to enter into a formal contract with ABC and agree to deliver the project, as is normally the case for publicly funded projects and has applied in previous project grants to CCDC. The agreement must be signed off no later than 28th March 2022
- Grant payment is to be made in full on final delivery. We have explained we cannot meet this requirement. ABC are prepared to accept monthly claims, and have committed to quick settlement.

Grant allocation

At previous Board meetings some Directors expressed concerns about what may be perceived as an unfair grant allocation to just one landowner or crofter.

Expressions of interests were sought between December 2021 – January 2022 by public advertisement, including the potential for grant funding. The only response was from Helen.

Since then, the terms of the grant have been made available and restricts eligibility to community-owned crofts, and for a single site.

On Colonsay, there 5 crofts that would be eligible including Helen's, so for the avoidance of doubt the remaining 4 crofters were approached again w/c 21st March 2022 to check their position.

All 4 crofters have confirmed that they have no aspirations to develop a grant-funded campsite and all have supported the proposal that the grant is used to develop a site on Helen's croft.

No other sites on Colonsay are eligible for this grant.

Potential Conflict of Interest

In such a small population as Colonsay there will inevitably be potential conflicts of interest – real or perceived – particularly in ventures that involve grant funding for community-oriented projects. The issue is not that the conflict may exist but that any such conflict is identified, then managed properly and effectively.

In this case, Helen is both a Director of the Company and as one of CCDC's crofters is a potential beneficiary of the grant award.

It is worth noting that a similar potential conflict of interest could have occurred had any of the other eligible crofters offered to host the campsite project. All but one have connections to CCDC either as employees, past Directors, or contractors – and in some cases a mix of these.

Helen declared her interest when the grant was first announced, and has not taken part in any formal CCDC discussions or decisions about the project at Board level unless invited. In most cases she has absented herself for that part of any meeting.

Helen has participated in the early stages of assembling the bid as it is in her name. At that stage it was anticipated that if the bid was successful the grant would be made to her direct and for the purposes of the bid a specific site had to be identified.

It is considered that the potential conflict of interest has been identified correctly and that proper measures have been taken to ensure that no-one has been disadvantaged and no undue influence has been brought to bear on project development or Board decisions to date, nor will it be through to project conclusion.

Options

With clarification of the grant terms and conditions, a conflict of interest properly addressed and confirmation from other crofters who are themselves eligible for the award that they support the development on Helen's croft, many of the previous concerns have been addressed.

The Board now has the following options:

- Accept the award from ABC, and develop a formal agreement with Helen for how the campsite will be developed and run on her croft
- Decline the award and mothball the project until the next funding opportunity.

With an expectation that public funding for community projects is likely to become increasingly scarce in future, a decision to decline the award should not be taken lightly. Failure to take up the project may lead to reputational damage and prejudice future funding award decisions, and not just for a campsite.

Clearly, and as the Board has already identified, if the project is to go ahead the details of the relationship between CCDC and Helen in the development and operation of a campsite will be critical.

A draft of a formal agreement with Helen is set out at **Appendix 3**

Proposal

It is proposed that CCDC accept the award from ABC, and enter into a formal agreement with Helen on the basis of the draft set out at **Appendix 3**

The objectives of this agreement are ...

- To establish a campsite on Colonsay, in line with CCDC's strategic objectives and the recommendations of the 2021 CCC working group;
- To enable a crofter to develop a new business and generate new opportunities for Colonsay;

Recommendation

It is recommended that the Board:

- Note the terms of the ABC grant offer at Appendix 1;
- Agree to accept the ABC grant on the conditions described, and enter into an agreement with Helen Mann to develop a campsite on her croft based on the draft agreement at Appendix 3;
- Delegate authority to the Projects Director to complete the agreement taking legal and other advice as necessary, subject to final authorisation of the agreement by the Board.

Dannie Onn	Projects Director / Chair
Callum Hay	Director / Treasurer
Lizzie Keenaghan	Project Coordinator

March 2022

ABC Grant offer letter and terms circulated as a separate document

ABC Campsite Grant Offer Letter – Project Team commentary (in blue)

Grantee is CCDC (Schedule 4)

Can't pay Helen direct

Grant can only be used for the project as bid (Clause 2.2)

Can't share funds with others. Grant is for one campsite, not several.

Choosing another site would be a departure.

Grant is specifically for a community owned croft campsite – not other croft or landholdings (2.4)

This limits scope, as only CCDC croft tenants are eligible

None have offered to host the site, except Helen

Grantee must demonstrate good procurement practice, and value for money (2.6)

Procurement regs (applying to public bodies) allow departures when competition impractical

Recoverable VAT not claimable (2.9)

CCDC has decided to exclude crofts from VAT

Need to be sure there is no VAT gap between funding and costs

Material condition is that details are accurate and conditions do not change (2.10)

Can't change scope once underway.

Legal agreement of compliance with terms (3.2)

CCDC will be tied in, legally – but this is normal

Grant claimed after 31/3/23 will not be paid (3.4)

OK – delivery must be complete by end March 2022/23

ABC have confirmed they will accept monthly claims, to help CCDC for cashflow

Project accounting and data to be available for inspection / audit for 5 years (4.5)

OK – need to ensure transparency in record keeping

If assets sold or disposed of, proceeds greater than £10,000 go to ABC (6.1)

Neither CCDC nor Helen will "own" anything – asset in public ownership

Grantee liable

If default (9.1.1)

Default = any departure from grant award contract

If funding used for other purposes, ABC will demand repayment of some or all of the grant (9.1.2)

As before: can't offer funding to others. One campsite, not several.

Project not delivered (9.1.3)

Who is liable for sunk costs if project falters – e.g. access track upgrade

Progress unsatisfactory (9.1.4)

Clarify “unsatisfactory”

Project in jeopardy (9.1.5)

What is “jeopardy” and who decides.

Would this be judged during development phase, 5 yr operation or both?

Contract can't be assigned without ABC agreement (10)

This would be the way to do a “pass-through” to Helen, and limit CCDC liability

However, ABC have not agreed to this this, and seem unlikely to do so

5 year liability, including proper disposal or sale of assets (13)

In effect, ABC own the assets

Draft Agreement between CCDC and Helen Mann circulated as separate document



Development and Economic Growth

Lizzie Keenaghan
Colonsay Community Development
Company Limited
Colonsay Village Hall
Scalasaig
Isle of Colonsay
PA61 7YW

Development and Economic Growth
Whitegates Office, Whitegates Road, Lochgilphead,
Argyll, PA31 8SY

Tel: 01546 604382
e mail : leanne.stewart@argyll-bute.gov.uk
Website: www.argyll-bute.gov.uk

Ask For: Leanne Stewart
Our Ref: IIF08
Date: 16th March 2022

Dear Sirs

ISLANDS INFRASTRUCTURE FUND OFFER OF GRANT FOR COLONSAY COMMUNITY DEVELOPMENT COMPANY LIMITED

Argyll and Bute Council hereby offer to give to COLONSAY COMMUNITY DEVELOPMENT COMPANY LIMITED incorporated under the Companies Acts in Scotland with Company Number SC208892 and a registered charity (Charity Number SC030317) and having its Registered Office at Colonsay Village Hall, Scalasaig, Isle of Colonsay, Argyll, PA61 7YW, a grant of up to **£40,000 STERLING**, payable in the financial year 2022/23 in connection with the Islands Infrastructure Fund project IIF08 – Creation of campsite, which is more particularly described in Condition 2.4 of this offer 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, sub-paragraph 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 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 objectives/expected outcomes of the Grant are:
- To develop a community owned croft site into an operational campsite.
 - To sustain, enhance and develop transformational and critical infrastructure projects based on local priorities that align with the National Islands Plan and its Strategic Objectives which are:
 - To address population decline and ensure a healthy, balanced population profile
 - To improve and promote sustainable economic development
 - To improve transport services
 - To improve housing
 - To reduce levels of fuel poverty
 - To improve digital connectivity
 - To improve and promote health, social care and wellbeing
 - To improve and promote environmental wellbeing and deal with biosecurity
 - To contribute to climate change mitigation and adaptation and promote clean, affordable and secure energy
 - To empower diverse communities and different places
 - To support arts, culture and language
 - To promote and improve education for all throughout life
 - To support effective implementation of the National Islands Plan
- 2.5 The targets/milestones against which progress in achieving objectives/expected outcomes shall be monitored are:
- To meet the overall objectives of the Project Fund (the key objectives of which are set out in Condition 2.4 above).
 - To link directly to at least one of the National Islands Plan Strategic Objectives.
 - To demonstrate project readiness, collaborative and partnership delivery models, project viability and long term sustainability.
- 2.6 The Grantee shall provide Argyll and Bute Council with evidence that any procurement exercise in respect of the Project is fair, open and transparent and demonstrates value for money. Unless otherwise agreed in writing, the Grantee will ensure that at least three suitably qualified competent suppliers are invited to bid for the works associated with the Project. The Grantee shall provide Argyll and Bute Council with a summary of the process to identify the preferred bidder prior to award, which summary should include details of the procurement process and the details of how the most economically advantageous bidder in each case has been identified by the Grantee.
- 2.7 The contracts entered into by the Grantee in carrying out the Project must be in terms which do not differ materially from those which would be entered into by a reasonably experienced building employer engaging contractors to provide similar work for projects of the size and value of the Project.
- 2.8 The eligible costs for which the Grant can be claimed are capital costs incurred. The Grantee shall not be permitted to use any of the Grant funds to meet ongoing revenue expenditure.
- 2.9 The eligible costs exclude any Value Added Tax (VAT) reclaimable by the Grantee.

- 2.10 It is a material condition of this Offer of Grant that the information provided by the Grantee to Argyll and Bute Council in connection with obtaining the Grant is accurate and complete in all material respects. The Grantee shall be obliged to notify Argyll and Bute Council immediately in the event that the Grantee becomes aware of any inaccuracy or deficiency in the information provided by the Grantee or in the event of any material change in circumstances in relation to the Project or the Grantee or otherwise affecting the continued accuracy and completeness of the information provided by the Grantee.

3. Payment of Grant

- 3.1 The Grant shall be paid by Argyll and Bute Council to the Grantee in accordance with the terms of SCHEDULE 1 attached.
- 3.2 The Grantee shall within seven days following the end of the financial year in respect of which the Grant has been paid submit to Argyll and Bute Council 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 Chief Executive or Director of Finance or equivalent.
- 3.3 In the event that the amount of the Grant paid by Argyll and Bute Council to the Grantee at any point in time is found to exceed the amount of the expenses reasonably and properly incurred or required by the Grantee in connection with the Project, the Grantee shall repay to Argyll and Bute Council the amount of such excess within 14 days of receiving a written demand for it from or on behalf of Argyll and Bute Council. In the event that the Grantee fails to pay such amount within the 14-day period, Argyll and Bute Council 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 Argyll and Bute Council shall not be bound to pay to the Grantee, and the Grantee shall have no claim against Argyll and Bute Council 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 Argyll and Bute Council.

4. Inspection and Information

- 4.1 The Grantee shall keep the Argyll and Bute Council fully informed of the progress of the Project in the form of progress and end of year reports as detailed in SCHEDULE 1. 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 Argyll and Bute Council. The Grantee shall immediately inform Argyll and Bute Council of any difficulties or delays with the delivery of the Project or claiming the Grant.
- 4.3 The Grantee shall, on completion of the Project, submit a report to Argyll and Bute Council 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 Argyll and Bute Council.

- 4.4 The Grantee shall also provide any other information that Argyll and Bute Council may reasonably require to satisfy themselves that the Project/Programme is consistent with the Agreement. The Grantee shall provide Argyll and Bute Council 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 **five years** after the expenditure occurs, adequate and proper records and books of account recording all receipts and expenditure of monies paid to it by Argyll and Bute Council by way of the Grant. The Grantee shall afford Argyll and Bute Council, their representatives, the Auditor General for Scotland, his/her representatives and such other persons as Argyll and Bute Council 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 Argyll and Bute Council of such activity and provide such other information as Argyll and Bute Council may reasonably require in relation to the impact on the Project and the use of the Grant.
- 4.7 The Grantee shall immediately inform Argyll and Bute Council 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/Programme.
- 5.2 Notwithstanding the above, the Grantee may disclose any information as required by law or judicial order. All information submitted to Argyll and Bute Council may need to be disclosed and/or published by Argyll and Bute Council and/or The Scottish Ministers. Without prejudice to the foregoing generality, Argyll and Bute Council 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, Argyll and Bute Council may also disclose all information submitted to them to the Scottish or United Kingdom Parliament or any 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 Argyll and Bute Council 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 Laws are fulfilled in relation to the Project.
- 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. As funding for the Grant is being provided by the Scottish Government, the Grantee should note that where a payment is made in excess of £25,000

there will be disclosure by the Scottish Ministers (in the form of the name of the payee, the date of the payment, the subject matter and the amount of grant) in both the monthly report and the annual Public Services Reform (Scotland) Act 2010 statement.

6. Disposal of Assets

- 6.1 The Grantee shall not, without prior written consent of the Argyll and Bute Council, dispose of any asset funded, in part or in whole, with Grant funds during the lifetime of the asset. During that period Argyll and Bute 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. Argyll and Bute Council shall also be entitled to the relevant proportion of any proceeds resulting from any provision included as a condition of sale. Recovery by Argyll and Bute Council shall not be required where the value of the asset is less than £10,000.

7. Publicity

- 7.1 The Grantee shall where reasonably practicable acknowledge in all publicity material relating to the Project the contribution of Argyll and Bute Council and the Scottish Government to its costs. Argyll and Bute Council may require to approve the form of such acknowledgement prior to its first publication.
- 7.2 The confirmation of Islands Infrastructure Fund support must be reflected in any new publicity material on at least an equal basis with that of any other financial contributor to the Project, and the acknowledgement material provided to the Grantee by Argyll and Bute Council must be displayed in a prominent location.
- 7.3 Argyll and Bute Council will be entitled to publicise the property in any publication or on the website of the Argyll and Bute Council.

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 Argyll and Bute Council 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 Argyll and Bute Council against all actions, proceedings, claims and demands made by reason of any such infringement.

9. Default and Recovery etc. of Grant

- 9.1 Argyll and Bute Council 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 Argyll and Bute Council 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 Argyll and Bute Council's opinion, the progress on the Project is not satisfactory; or
- 9.1.5 In Argyll and Bute Council's opinion, the future of the Project is in jeopardy.
- 9.2 Argyll and Bute Council do not give any warranty, express or implied, to the Grantee that the Grant or any part of the Grant or any condition relating to its payment to the Grantee will not breach applicable Subsidy Control obligations. It shall be the responsibility of the Grantee to consider the terms of the Guidance on the UK's international subsidy control commitments and to obtain appropriate professional advice in order that the Grantee may be satisfied as to the position. If, in Argyll and Bute Council's opinion, the Grant (or any part or condition thereof) does not comply with applicable Subsidy Control obligations, Argyll and Bute Council 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 in accordance with law.
- 9.3 Argyll and Bute Council 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 assignment 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 Argyll and Bute Council in terms of clause 9.1, the Grantee shall pay Argyll and Bute Council the appropriate sum within 14 days of a written demand for it being given by or on behalf of Argyll and Bute Council to the Grantee. In the event that the Grantee fails to pay the sum within the 14 day period, Argyll and Bute Council 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, Argyll and Bute Council 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 Argyll and Bute Council in accordance with the foregoing provisions.
- 9.6 Any failure, omission or delay by Argyll and Bute Council 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.

9.7 A certificate by Argyll and Bute Council as to the amount of the Grant due to be repaid shall, in the absence of manifest error, be conclusive evidence in any legal proceedings of the sum to be repaid by the Grantee to Argyll and Bute Council.

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 Argyll and Bute Council.

11. Termination

The Agreement may be terminated by Argyll and Bute Council giving not less than 3 months' notice in writing from the date of the notice being sent.

12. Corrupt Gifts and Payments of Commission

12.1 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.

12.2 The Grantee shall not offer or give or agree to give any person any gift or consideration of any kind as an inducement or reward in relation to the Grant.

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.

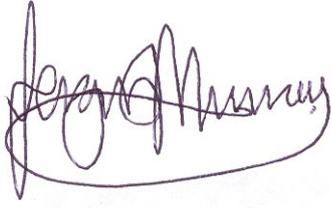
14. Compliance with the Law

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.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Fergus Murray'. The signature is fluid and cursive, with a large loop at the end.

Fergus Murray
Head of Development and Economic Growth

GRANT ACCEPTANCE

COLONSAY COMMUNITY DEVELOPMENT COMPANY LIMITED

On behalf of Colonsay Community Development Company Limited I accept the foregoing offer of Grant by Argyll and Bute Council dated 16th March 2022 on the whole terms and conditions as set out in the letter and annexed Schedules. I confirm that Colonsay Community Development Company Limited is solvent. I confirm that I hold the relevant signing authority.

Signed:

Print Name:

Position in Organisation of Person Signing:

Date:

Place of Signing:

Signed:

Witness Name:

Address:

Date:

Place of Signing:

Please enclose with your acceptance of Grant, a letter on headed paper, which provides details of the bank account the Grant should be paid into, including account name, bank address with post code, sort code and account number.

This letter should be signed by an authorised signatory.

THIS IS THE SCHEDULE REFERRED TO IN THE FORGOING OFFER OF GRANT DATED 16TH MARCH 2022

SCHEDULE 1

PART 1: THE PROJECT

COLONSAY COMMUNITY DEVELOPMENT COMPANY LIMITED – GRANT AWARDED - £40,000

PART 2: PAYMENT OF GRANT

1. The total Grant of up to £40,000 shall be payable by Argyll and Bute Council in arrears to the Grantee 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. Payment will only be made by Argyll and Bute Council after the satisfactory completion of the work and the submission of all relevant paid, receipted invoices.
2. Argyll and Bute Council 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 Argyll and Bute Council.
3. Any change to the profile or to the overall costs of the Project shall be notified to Argyll and Bute Council at the earliest opportunity via the claims for Grant and monitoring reports.
4. Each claim shall be for an amount equal to the actual reasonable and proper costs and expenses incurred by the Grantee in connection with the Project since the submission by it of the last claim for an instalment of the Grant.
5. Each claim shall be submitted together with such explanatory or supplementary material as Argyll and Bute Council 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), Argyll and Bute Council shall determine the amount of expenditure which they consider the Grantee has reasonably and properly incurred or 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. Argyll and Bute Council shall use their best endeavours (but shall be under no obligation or duty) to pay the amount determined to the Grantee within 4 weeks 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 Argyll and Bute Council in writing by 10 April the amount of the Grant actually expended up to and including 31 March.



THIS IS THE SCHEDULE REFERRED TO IN THE FORGOING OFFER OF GRANT DATED 16TH MARCH 2022

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 2022-23: «Amount»

Latest forecast of expenditure of grant for 2022-23: «Amount»

Grant claimed to date: «Amount»

Claim for grant for the period from « Date ». to « Date ».: «Amount»

We hereby claim «total» grant of «£XX» in respect of the above period in accordance with the terms and conditions of the offer of Grant dated « Date » 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 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*			
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* Note the total should add up to the total expenditure claimed for the period.



SCHEDULE 3

STATEMENT OF COMPLIANCE WITH CONDITIONS OF GRANT

Project Lead	
Project title	

This is to confirm that the grant claimed by Colonsay Community Development Company Limited in relation to the above Project during the financial year ended 31 March 2023 was properly due and was used for its intended purposes in accordance with the terms and conditions of the Grant. This statement is supported by the records of Colonsay Community Development Company Limited.

Signature	
Name in block capitals	
Designation	
Date	



THIS IS THE SCHEDULE REFERRED TO IN THE FORGOING OFFER OF GRANT DATED 16TH MARCH 2022

SCHEDULE 4

DEFINITIONS

“Agreement” means the agreement constituted by the Grantee’s Application, these Conditions and the Grantee’s acceptance of these Conditions;

“Capital Expenditure” means that expenditure on the Infrastructure Investment Fund

“Conditions” means these grant conditions;

“Data Protection Laws” means any law, statute, subordinate legislation, regulation, order, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body including the Data Protection Act 1998, the Data Protection Act 2018 and any statutory modification or re-enactment thereof and the UK GDPR.

“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 Argyll and Bute Council 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 copyright, patent, trademark, design right, database right and any other right in the nature of intellectual property whether or not registered, in any materials or works in whatever form (including but not limited to any materials stored in or made available by means of an information technology system and the computer software relating thereto) which are created, produced or generated as part of the Project by or on behalf of the Grantee.

“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.

“Proper accounting practices” is to be construed in accordance with section 12 of the Local Government in Scotland Act 2003



“Subsidy Control” means the United Kingdom’s international commitments on subsidy control arising from, amongst others, the EU-UK Trade and Cooperation Agreement, World Trade Organisation Membership and commitments arising from the international treaties and agreements to which the United Kingdom is a party.

“UK GDPR” means the retained EU law version of the General Data Protection Regulation ((EU) 2016/679) as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018 and as amended by Schedule 1 to the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019 (SI 2019/419).



DRAFT Heads of terms (or maybe a memorandum of understanding) for a development agreement between Colonsay Community Development Company (CCDC) and Helen Mann for the establishment of a campsite at Croft 3, Port Mor, Isle of Colonsay.

1. CCDC is the landlord of the Croft. Helen Mann is the tenant.
2. Helen was allocated the croft at Port Mor based on a business plan to develop a campsite as part of the use of the croft.
3. CCDC has attracted funding from Argyll and Bute Council to support the development of a camping business on Helen's croft. The funding is specifically to develop a community owned croft into an operational campsite.
4. CCDC has provided staff time for the project to support the application for funding. CCDC will continue to support the project until the business is operating.
5. Helen will apply for planning permission and other consents required to establish the campsite. She will organise the installation of the necessary infrastructure in accordance with the planning and other consents.
6. CCDC will apply the whole of grant to the infrastructure required to develop the campsite in accordance with the attached schedule.
7. Helen will own, manage and insure the campsite business on the croft for a minimum of five years. Proof of insurance to be supplied to CCDC annually.
8. In the first 5 years of operation:
 - a. If Helen surrenders the croft, the camping business must be passed to the development company.
 - b. If the croft is assigned the business must be passed on to the new tenant with the same conditions.
 - c. If the campsite ceases to operate, it must be offered to another operator.
 - d. If Helen is no longer able to run the business, it must be made available to another operator.
9. Each party will bear their own costs in relation to the legal agreement made between them.

Possible schedule

Construction of an access road and parking area from the existing track into the site

Installation of composting toilets and a hand wash station with composting bins

installation of a pot wash shelter

construction of a water storage area

signage

fire safety equipment

DRAFT