



GRANTS POLICY

Version control

This version (1) of Qualifications Wales' Grants Policy was approved on 8th June 2016 by the Management Board.

A formal review of this document will take place at least once a year, and will include a review of the effectiveness of the policy, and its currency. Its next review is due to take place no later than 30th June 2017. Feedback on this policy is welcomed in the meantime. Please send your comments to procurement@qualificationswales.org.

This policy is for Qualifications Wales staff, its grant recipients and potential recipients of grants from Qualifications Wales. This policy sets out the general principles Qualifications Wales will follow when considering making a grant available.

INTRODUCTION

1. Section 50 of the Qualifications Wales Act 2015 (the Act) enables Qualifications Wales to:

“make grants to a person if Qualifications Wales considers it is appropriate to do so in connection with any of Qualifications Wales' functions”

Qualifications Wales may award grants to help deliver its principal aims:

- ensuring that qualifications, and the Welsh qualification system, are effective for meeting the reasonable needs of learners in Wales;
- promoting public confidence in qualifications and in the Welsh qualification system

In considering what is appropriate for the purpose of achieving its principal aims, we will have regard to the eight matters referred to in the Act

GENERAL PRINCIPLES

2. Why might Qualifications Wales provide grant funding?

As a regulator with responsibility for the effective operation of the Welsh qualifications system, we may choose to use grant funding as part of our policy toolkit to intervene so as to improve overall effectiveness.

For example, the Regulatory Welsh Medium and Bilingual Qualifications Policy, in considering the desirability of promoting and facilitating the use of the Welsh language, states that Qualifications Wales may be able to provide support, such as financial assistance, to awarding bodies to assist them in meeting the demand for qualifications that are assessed through the medium of Welsh.

As a further example, when we've introduced new qualifications, we may provide support to help learners.

3. How will Qualifications Wales allocate and monitor grant funding?

We will award and control our grants in accordance with the best practice principles set out in Annex 5.1 of 'Managing Welsh Public Money'.

[Managing Welsh Public Money](#)

Specifically:

- grant funding must be paid in accordance with the terms of the grant agreement
- grant recipients must submit satisfactorily completed claims with supporting evidence
- payments should be against a timetable
- the accounting officer (Chief Executive) is responsible for ensuring that grant recipients are eligible and use the grant in the way intended under the grant agreement
- have a good understanding of the other sources of income of the grant recipient to avoid duplication of funding
- ensure that the statutory rights of access of the Auditor General Wales are stated in the grant agreement
- the sustainability of the grant recipient
- clear objectives, outcomes and outputs for the funding

The reason for all grant schemes will be considered by the Qualifications Wales Management Board before officials commence seeking proposals from potential recipients. Management Board must approve each grant scheme prior to offer letters being issued to recipients. They will also consider the prioritisation of schemes and individual grants where necessary.

Additionally, where the value of a proposed grant is over £550,000, approval to proceed to award must be given by the Sponsorship Unit of the Welsh Government as stated in the Qualifications Wales Financial Authorities Schedule:

[QW Financial Authorities Schedule](#)

4. What are the key considerations for setting up Grants?

In setting up grants we will take into consideration the following principles of good grant management (as identified by the Wales Audit Office).

i. **Clarity of criteria and objectives**

We will ensure that each grant:

- identifies how it contributes to Qualifications Wales' policies and priorities
- has clearly defined project outcomes or outputs with associated quality standards
- states how Qualifications Wales will measure the outcomes or outputs and how these meet the needs of learners
- includes project management standards
- includes financial management standards

- has robust conditions attached to it
- defines 'poor performance' and the measures to be taken to remedy it
- details the resources required
- where appropriate identifies how it supports Qualifications Wales' duties under the Wellbeing of Future Generations (Wales) Act 2015 relating to sustainable development and social cohesion
- where appropriate identifies how it supports Qualifications Wales' duties under the Equalities Act 2010
- identifies how Welsh Language Standards have been considered.

ii. **Minimisation of complexity**

We will aim to make the grant agreement and its management

- simple and proportionate
- consistent
- coordinated clearly and effectively
- transparent and accountable

This will ensure that we do not place any unnecessary burden on grant recipients.

iii. **Consideration of the viability, capacity and capability of recipients**

At the bidding or proposal stage we will assess the viability, capacity and capability of potential grant recipients and mitigate any risks identified by increased monitoring during project delivery. A financial standing assessment may be made on all potential recipients to provide assurance regarding their ability to deliver the outcomes or outputs required from the grant award. We may assess financial risk using a credit reference agency in the first instance. Where the credit report raises concerns regarding the viability of the organisation requesting the grant, the opinion of the Head of Finance will be sought and where it is deemed proportionate to the size of the grant and any risks identified, further checks may be made such as review of audited accounts, management accounts, cash-flow forecasts and business plan forecasts.

iv. **Good planning and management.**

We will plan and manage grants to ensure that intended outcomes or outputs are delivered in a way that delivers value for money for the public purse. We must be able to demonstrate to the public that the funding is being administered and spent in a fair and transparent way.

v. **Robust conditions of grant**

We will develop robust conditions of grant and include these in the proposal application pack and the grant offer letter.

vi. **Assessment and mitigation of risk**

Grant recipients must demonstrate good governance and sound financial control. Grant recipients must inform us immediately if any of its officers involved in handling public funds is suspected of fraudulent activity. Qualifications Wales staff who are responsible for the oversight of grant funding will be given risk management training on a periodic basis. They will make use of risk registers covering the full life cycle of each grant scheme and review them at least quarterly.

We will consider the sustainability of funded activities and ask the grant recipient to provide an exit strategy for each grant at the start of the process which will highlight any risks to both Qualifications Wales and the recipients that may be present at the end of the grant period. We will endeavour to provide notice of our future intentions at least three months before the end of the grant period

vii. **Ongoing monitoring**

The level and frequency of our monitoring will be proportionate to risk. As a minimum, recipients will be asked to report at least three times per year, possibly linked to school and college terms, on progress towards achieving the stated outcomes or outputs along with any issues that may impact upon delivery, including their financial position. This will allow us to take timely remedial action where required.

We will take robust action when grants have been misused by suspending funding, where necessary recovering appropriate sums and, where funding is continued, strengthening requirements on recipients and monitoring arrangements before releasing further funding.

Performance reporting by the grant recipients should include the extent to which the grant is securing Qualifications Wales' principal aims (published on our web-site) as well as addressing the immediate achievement of measurable outcomes or outputs. Appropriate measures of outcomes or outputs for learners will be defined in the grant offer letter.

viii. **Record keeping**

We will ensure that we maintain good record management and expect grant recipients to do the same. We will utilise our customer relationship management and document management system to provide visibility of all communication and our finance system to record all payments of grants. We will develop templates to record claims, monitoring, variation and evaluation.

ix. **Evaluation - interim and final**

We will undertake a final evaluation at the end of the life of every grant and, where appropriate, an interim evaluation during its life where the grant exceeds twelve months and

/ or where issues relating to delivery of the agreed outcomes or outputs have been highlighted from the monitoring regime.

x. **Addressing poor performance**

We will actively tackle poor performance and incorrect or inadequately evidenced claims. We will require the submission of a correctly completed claim with all required evidence before any payment is made. Lack of progress towards the agreed outcomes or outputs will be highlighted to the recipient in writing or face to face (confirmed in writing) with an agreed action plan with deadlines to remedy the situation. Repeated poor performance may result in the withdrawing of the grant. The definition of poor performance will be stated in the conditions of grant along with what remedies are available to us. We may share information relating to persistent poor performers with other public bodies that contribute to the funding of the grant recipient.

xi. **Independent assurance**

The administration of grants may form part of the annual audit plan

In the event that we consider that external assurance of claims is necessary, we will consider with our auditors the need for grant recipients to provide auditor certificates to Qualifications Wales as part of the claim process and if so, which auditors we will specify as able to certify claims.

Policy owner	Elizabeth Frizi, Head of Procurement
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