**When we may withdraw a grant**

A guide for grant recipients

# Introduction

Arts Council England’s aim is for all our grants to achieve the intended outcomes. Where this is not possible and we believe that the grant recipient cannot meet, or breaches the terms and conditions of the grant agreement, we (Arts Council England) may follow a procedure that involves withdrawing the grant and suspending grant payments.

If we think that the problem is sufficiently serious and cannot be resolved, we may;

* withdraw any grant funding that you have not yet received from us

- **and / or -**

* recover all or some of the grant that you have already received from us

# When we might consider withdrawing a grant

Reasons for withdrawing a grant may include, but are not limited to, the following situations:

* You have not sent monitoring reports to us within the agreed timescales
* Your project has not progressed within a reasonable time
* Your project has changed and no longer meets the requirements for the funding programme under which it was awarded
* You have misused the grant or acted illegally or negligently

Before withdrawing a grant, we may contact you and/or others to try to resolve problems with the grant on several occasions.

We may also temporarily suspend your grant payments.

# If we recommend withdrawing a grant

If we feel that the identified issues have not been resolved satisfactorily, we will recommend withdrawing your grant. If so, we will send you;

* a letter to tell you that your grant payments have been suspended or stopped, and that any further expenditure from this date will be at your own risk
* a Proposed Grant Withdrawal Report explaining which terms and conditions we believe you have not met or breached and the reasons why we feel that the grant should be withdrawn

The letter will include a copy of the terms and conditions of your grant that we refer to in both the report and the letter.

# Responding to our recommendation

You will have four weeks to respond to the comments raised in the Proposed Grant Withdrawal Report and send us any further information that you think will be helpful. The exact deadline for you to respond will be in the letter.

We will review any information you send us before deciding whether to keep the grant open, add new monitoring conditions or recommend the grant is withdrawn.

If we decide to keep the grant open at this stage, we will tell you about any additional monitoring requirements and tell you when your next grant payment will be made.

# If we decide to withdraw the grant

If, after reviewing your information, we decide to withdraw the grant we will send you;

* a Final Grant Withdrawal Report explaining why, including evidence about the ways we have tried to resolve this with you
* a covering letter, the terms and conditions of your grant and any other relevant documents

A copy of this report, including your responses to the original report (if they were sent), will be submitted to the Decision Maker or the relevant Decision Making Body who will decide whether to withdraw the grant.

Depending on the seriousness of the circumstances, we may proceed to send you just the Final Recommendation to Withdraw Report and a covering letter. If this happens we will tell you.

The Decision Maker, or the relevant Decision Making Body, will make one of the following decisions:

* Defer the final decision and request additional monitoring information or other action from you
* Keep the grant open, with or without additional conditions
* Withdraw any unpaid grant and/or recommend whether you must pay back any funds we have already paid you in part or in full.

The Decision Maker, or the relevant Decision Making Body’s decision will be based solely on the evidence of the unmet or breached terms and conditions of the grant as evidenced in the Final Recommendation to Withdraw Report and attachments.

Once the Decision Maker, or the relevant Decision Making Body has confirmed their decision, we will notify you of the outcome. We will also explain to you what will happen next.

**When we may Fast-track a Grant Withdrawal**

There may be a reason for us to withdraw the grant immediately when a breach of the terms and conditions presents a significant reputational risk to the Arts Council or an immediate risk to our grant. This means we will make the final decision to withdraw the grant immediately and not give you the opportunity to respond. We might decide to do this if a company receiving the grant is being liquidated or has already been wound up, or is unable to deliver the activity due to unforeseen circumstances. We will also consider a Fast-Track grant withdrawal if we are made aware of a serious misconduct or a safeguarding failure, so we can act fast to protect other people.

# Requesting a review of the decision

You can request a review of the decision using our Complaints procedure if you can demonstrate that either:

* the facts on which the decision was based contained errors
* the process on which the decision was made was not followed correctly

You must send this request to the Complaints Manager at the address below within **three months** of the **date of the withdrawal decision**:

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| --- | --- |
| **Email**:  | complaints@artscouncil.org.uk |
| **Website**:  | [artscouncil.org.uk/contact-us](https://www.artscouncil.org.uk/contact) |
| **Post**: | Arts Council England,The Hive, 49 Lever Street,Manchester M1 1FN |

# If you have further questions

If you have comments or further questions on the process explained in this document, you can contact us directly:

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| **Phone**:  | 0161 934 4317 |
| **Email**:  | enquiries@artscouncil.org.uk |
| **Website**:  | [artscouncil.org.uk/contact-us](https://www.artscouncil.org.uk/contact) |
| **Post**: | Arts Council England,The Hive, 49 Lever Street,Manchester M1 1FN |