

Standard Terms and Conditions

Capital Investment (grants up to £499,999) 2018-2022

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1. Definitions

The “Agreed Project” means the activity or activities that have been agreed with the Arts Council and for which the Arts Council is giving the Organisation the Grant as set out in the offer letter and in accordance with this Funding Agreement.

The “Agreed Use” means how you will use the Project Assets that are purchased, renovated, created or improved using the Grant as set out in the offer letter.

The “Arts Council” means the Arts Council England and includes its employees and those acting for it.

The “Funding Agreement”, which the Organisation has accepted and signed, includes and incorporates these standard terms and conditions, the application and attachments, and the offer letter, together with any other conditions the Organisation has agreed. For the avoidance of doubt, the reference ‘the date of the Funding Agreement’ shall mean the date on which the Organisation accepted the offer of grant on the Arts Council’s Grantium system.

The “Funding Period” means the fixed term specified in the offer letter.

“The Grant” means the grant detailed in the Funding Agreement.

The “Organisation” means the organisation receiving the Grant bound by these terms and conditions.

“Partnership Funding” means the funding from other sources needed in addition to our Grant to complete the Agreed Project.

The “Project Assets” means any property (whether real, moveable or intellectual) that is purchased, renovated, created, improved or equipped using the Grant in the course of the Agreed Project.

The “Start Date” means the date on which your organisation will make a commitment, financial or otherwise, to undertake the Agreed Project.

“Total Project Cost” means the total projected or actual cost of the Agreed Project.

2. The Agreed Project

- 2.1 The Organisation will deliver the activities as defined in the Agreed Project. The Organisation acknowledges that the Grant is paid on trust to the Organisation for the sole purpose of delivering the Agreed Project.
- 2.2 The Agreed Project will form part of the basis for the reporting, monitoring and assessment of performance under this Funding Agreement.
- 2.3 If the Agreed Project contains a Start Date and you have not started the Agreed Project by that date, then the Arts Council may withdraw from this Funding Agreement without any further liability on the part of the Arts Council under this Funding Agreement.
- 2.4 The Organisation will tell the Arts Council immediately in writing of anything that significantly delays, threatens or makes unlikely the successful delivery of the Agreed Project or any key part of it.
- 2.5 In carrying out the Agreed Project, the Organisation must obtain all approvals, consent, planning consents, building regulation approvals, licences and any other necessary approvals and consents required by law to deliver the Agreed Project.
- 2.6 The Organisation will use the Project Assets or allow them to be used, only for the approved purposes set out in the Agreed Project.
- 2.7 The Organisation will maintain the Project Assets in good repair and condition.

3. Funding

- 3.1 Subject to satisfactory receipt of the information required to pay the Grant, the Arts Council agrees to pay to the Organisation the total Grant as shown in the offer letter.
- 3.2 The Arts Council will not make any payments under this Funding Agreement until it has evidence that the terms and conditions have been accepted by the Organisation's board or equivalent, and the Funding Agreement is properly signed by a board member or equivalent.
- 3.3 The Organisation accepts that these standard terms and conditions are not negotiable and the Organisation shall have no right to amend or vary the provisions of this Funding Agreement (unless with the prior written

agreement of the Arts Council) which, for the avoidance of doubt, includes the Agreed Project and the Funding Period as specified in the offer letter.

- 3.4 The Organisation accepts that the Arts Council will not increase the Grant if the Organisation spends more than the total Grant shown in the offer letter.
- 3.5 The Arts Council will be under no obligation to pay the Grant beyond the Funding Period.
- 3.6 The Organisation will ensure that it obtains sufficient Partnership Funding to meet any part of the Total Project Cost that we do not fund.
- 3.7 The Organisation will notify us in writing as soon as Total Project Cost is expected or anticipated to increase explaining the reason for any overrun, and how it is intended that any overrun will be funded, together with an updated budget or any other information we request.
- 3.8 The Organisation will comply with all relevant laws regarding the submission of accounts, audit or examination of accounts, annual reports, and annual returns. The Organisation will maintain an appropriate depreciation policy and the Project Assets will be depreciated in line with this agreed policy.
- 3.9 The Organisation will acknowledge the Arts Council's Grant in the annual reports and accounts covering the Funding Period.
- 3.10 The Organisation will show the Arts Council Grant and related expenditure as restricted funds under the description "Arts Council Capital Grant" in the Organisation's annual accounts. The Organisation will identify unspent funds and assets in respect of the Grant separately in accounting records. If the Organisation has more than one restricted fund, it will include a note to the accounts identifying each restricted fund separately. If the Organisation has more than one Grant from the Arts Council, it will record each Grant separately in the notes to the accounts. The Organisation will identify unspent funds and assets in respect of the Grant separately in its accounting records.

4. VAT

- 4.1 The Grant is not consideration for any taxable supply for VAT purposes. The Organisation acknowledges that the Arts Council's obligation does not extend to paying any amounts in respect of VAT in addition to the Grant.
- 4.2 If the Organisation is registered for VAT, or subsequently becomes liable to register for VAT, it must keep proper and up to date records and it must make those records available and give copies to the Arts Council when requested.

- 4.3 If the Grant includes any or all of the VAT costs associated with the Agreed Project and the Organisation subsequently recovers any VAT, it must pay back immediately any of the VAT that has been paid for with the Grant.

5. Monitoring

- 5.1 The Arts Council will designate a relationship manager for the Organisation in relation to this Funding Agreement. The relationship manager is the main point of contact between Arts Council England and the Organisation. The relationship manager will:
- 5.1.1 act as the main contact with the Organisation for all matters relating to the Grant and the Agreed Project;
 - 5.1.2 monitor the Organisation ensuring it complies with the terms of this Funding Agreement and other requirements in accordance with the Arts Council's monitoring requirements, identify issues and share these with relevant colleagues;
 - 5.1.3 attend the Organisation's board meetings (or equivalent) as an observer on a regular or an occasional basis; and
 - 5.1.4 act as a "critical friend" to the Organisation by engaging with its Programme, and questioning its self-monitoring, direction, operations and activities.
- 5.2 The Organisation must take appropriate steps to monitor their own success in achieving the Agreed Project. The Arts Council may request you to undertake an evaluation to demonstrate that the outcomes for the Agreed Project have been met.
- 5.3 The Arts Council may monitor the progress of your Agreed Project and may carry out checks after the final payment has been made to confirm it is delivering the expected project outcomes.

6. The Organisation's Obligations

- 6.1 The Arts Council requires the Organisation to meet any special or additional conditions which may have been agreed between the Arts Council and the Organisation in writing from time to time and which will be deemed incorporated into this Funding Agreement.
- 6.2 In addition, the Arts Council requires the Organisation to meet the following requirements:

- 6.2.1 The Arts Council will monitor and assess the Organisation's delivery of the Agreed Project and how effectively the funding is being used. To enable this, the Organisation will send the Arts Council all such information as the Arts Council may in its sole discretion reasonably request from time to time. This includes the information, without limitation, set out in the offer letter, and copies of all or any other relevant documentation about the financial and operational running of the Organisation, to include business plans, board papers or equivalent, reserves policies and any other information which the Arts Council deems relevant to its understanding of how the Agreed Project is being delivered and the funding used.
- 6.2.2 The Organisation must tell the Arts Council in advance if it wants to make any significant changes to its legal status or to the Agreed Project under this Funding Agreement.
- 6.2.3 The Organisation will follow the Arts Council's branding and publicity guidelines at all times and will acknowledge the grant in press, marketing and communications materials, verbally and in writing and on the Grant funded land and buildings. The Organisation will use the Arts Council's grant award logo, and lottery grant award logo as may be required, appropriately on all published material including:
- 6.2.3.1 printed and online material and;
 - 6.2.3.2 site boards and hoardings during construction and;
 - 6.2.3.3 after the building work has been completed on a permanent basis in a public area.
- Our requirements may change from time to time and you must adopt our changes as and when they occur.
- 6.2.4 The Organisation consents to any publicity about the Grant and the Agreed Project as the Arts Council may from time to time require. The Arts Council can carry out any forms of publicity and marketing to promote the award of the Grant as it sees fit and the Organisation will do whatever is reasonably required in order to assist with any form of publicity and marketing, including any press or media related activities.
- 6.2.5 The Organisation will take all reasonable steps to minimise the environmental impact of the Agreed Project.
- 6.2.6 The Organisation is fully responsible for every part of its business. This includes, without limitation:
- 6.2.6.1 the Organisation must ensure that all current and future members of its governing body receive a copy of this Funding Agreement while it remains in force and will ensure that the

- receipt of this Grant and the delivery of the Agreed Project are within the scope of the governing documents;
- 6.2.6.2 the Organisation is responsible for getting its own management and business advice. This includes considering whether it needs to get financial, accounting, tax, solvency, legal, insurance or other types of professional advice;
 - 6.2.6.3 the Organisation must tell the Arts Council immediately of any changes in the Organisation that may threaten its solvency and inform the Arts Council if it is proposing to enter into any arrangement with any of its creditors;
 - 6.2.6.4 the Organisation must tell the Arts Council in writing as soon as possible if any legal claims or any regulatory investigations are made or threatened against it and/or which would adversely affect the Agreed Project during the period of the Grant (including any claims made against members of its governing body or staff).
- 6.2.7 In carrying out its business and funded activity the Organisation must obtain all approvals, consents and licences required by law to deliver the Agreed Project, will comply with any relevant laws or government requirements and comply with best practice in governance, reporting and operation. This includes (but is not limited to):
- 6.2.7.1 taking all reasonable steps to ensure the safety of the children and adults at risk it will work with. The Organisation will follow best practice in having appropriate policies and procedures in place to ensure the protection of children, young people and vulnerable adults and in complying with those procedures, which will include procedures to check backgrounds and disclosures of all employees, volunteers, trustees, partners or contractors who will supervise, care for or otherwise have significant direct contact with children and adults at risk with the Disclosure and Barring Service (DBS);
 - 6.2.7.2 following best practice in having appropriate and effective policies and procedures in place concerning equality and diversity, harassment and bullying and in complying with those policies and procedures;
 - 6.2.7.3 having in place at all times and acting in accordance with, appropriate and effective disciplinary, grievance and whistle-blowing policies;
 - 6.2.7.4 having an equal opportunities policy in place at all times and act at all times without distinction and in compliance with all relevant equality legislation;
 - 6.2.7.5 at all times complying with Data Protection Legislation. Data Protection Legislation shall mean (i) unless and until the General Data Protection Regulation ((EU) 2016/679) (“GDPR”)

is no longer directly applicable in the UK, the GDPR and any national implementing laws, regulations and secondary legislation, as amended or updated from time to time, in the UK and then (ii) any successor legislation to the GDPR or the Data Protection Act 1998;

- 6.2.7.6 adhering to all relevant legal obligations relating to offering internships;
- 6.2.7.7 ensuring that salaries, fees and subsistence arrangements are as good as or better than those agreed by any relevant trade unions and employers' associations;
- 6.2.7.8 maintaining all main financial records including profit and loss accounts, management statements, personnel and payroll records for staff funded under this Funding Agreement for seven years after the Grant has ended. The Organisation will complete all statutory returns for employees and make all relevant payments to cover their pensions and salary deductions, such as income tax and National Insurance contributions;
- 6.2.7.9 buying goods or services in a way that will give value for money. This means getting the best price for goods or services and having appropriate policies and procedures for obtaining quotes or competitive tendering in place for purchasing any capital items or services, or a series of capital items or services costing more than £10,000. If there are good reasons why the Organisation cannot obtain quotes or put out the order to competitive tender, then it will obtain the Arts Council's prior written consent. The Organisation understands that it must meet the relevant UK and European procurement legislation. It will comply with all anti-bribery and anti-corruption legislation. You must provide to us any information which we request in order to satisfy ourselves that you have done so; and
- 6.2.7.10 considering any possible risks involved in its funded activities and taking appropriate action to protect everyone involved and maintaining adequate and appropriate insurance at all times.

6.3 The Organisation accepts that the Arts Council's staff, council members and advisers cannot give the Organisation professional advice and will not take part in carrying out the Organisation's business. The Arts Council cannot be held responsible for any action the Organisation takes, or fails to take, or for the Organisation's debts or liabilities. The Arts Council will not be liable for any losses or charges if it does not make any grant payment on the agreed date. The Arts Council will not be responsible to anyone else who may take, or threaten to take, proceedings against the Organisation.

6.4 The Organisation will not sell, give away, licence or borrow against any

grant funded assets (including any intellectual property rights) without first receiving the Arts Council's prior written consent. As the Grant has come from public funds, the Organisation understands and accepts that if the Arts Council provides the consent it may require that the disposal is at full market value and/or subject to conditions requiring the Organisation to repay all or part of the grant money received. The Organisation must maintain adequate insurance at all times for any grant funded asset which must include the full replacement value if any such assets.

- 6.5 If the Organisation wants to use the Project Assets to raise further funding, the Organisation will first need to obtain the Arts Council's consent in writing, which may be subject to conditions and which the Organisation will have to meet. The Organisation undertakes that:
 - 6.5.1 any loan secured on the Project Assets will be used entirely for the benefit of the Agreed Project; and,
 - 6.5.2 the maximum security for the loan will be no higher than the amount of money being put up by the new lender.
- 6.6 The Organisation must give the Arts Council, the National Audit Office or any of their agents access to meetings, events and any/all financial records, other information and/or premises, as may be reasonably requested, relating to the Agreed Project, the Organisation or to any other matter arising under this Funding Agreement and the Arts Council may postpone payment of the Grant or an instalment of the Grant until the Arts Council has received the material it has requested.
- 6.7 The Organisation must immediately tell the Arts Council about any changes to bank or building society details or any other changes to information provided to the Arts Council.
- 6.8 The Arts Council may share information about the Grant and/or the Agreed Project with third parties. The Arts Council is also subject to the provisions of the Freedom of Information Act 2000 ('the Act'). This means that any information provided by the Organisation could be released to any person who asks for it under the Act. The Organisation may tell the Arts Council if it thinks that any of the information should be confidential under any of the exemptions of the Act. However the Arts Council will make the final decision in accordance with the Act.
- 6.9 The Arts Council may request to be consulted on the process of recruitment and invited to attend interviews when the Organisation is recruiting trustees and/or senior staff.

- 6.10 The Grant may be made up of funds received from Parliament and/or the National Lottery. The Organisation understands that the Arts Council can only guarantee future instalments of the Grant as long as funds are available to the Arts Council.
- 6.11 The Organisation acknowledges that the Grant comes from public funds and it will not use the Grant in a way that constitutes unapprovable State aid. In the event that it is deemed to be unapprovable State aid, then it will repay the entire Grant immediately.
- 6.12 The Organisation will ensure that no other organisation or individual acquires any third party rights under this Funding Agreement.
- 6.13 The Arts Council may impose additional terms and conditions on the Grant either in the offer letter and/or if the Organisation is at any time in breach of this Funding Agreement and/or if the Arts Council believes it is necessary to make sure that the Agreed Project is delivered as agreed between the Organisation and the Arts Council and/or the Arts Council has reasonable grounds to believe it is necessary to protect public money.

7. Building Work

- 7.1 If all or any part of your Agreed Project is to be used for building work, the Organisation must ensure that:
- 7.1.1 you employ a lead professional(s) with appropriate building experience to manage the design and tender process, the post contract works and to certify that the building works have been properly carried out;
 - 7.1.2 you appoint design, cost, management and other specialist consultants and advisors as appropriate to and with appropriate experience for the project value, size and complexity;
 - 7.1.3 that you have received any planning permission, listed building consent and building regulations consent (or other applicable consents or regulations) required for the building work;
 - 7.1.4 if structural work is necessary, you must employ a structural engineer;
 - 7.1.5 you will use building professionals that are fully qualified members of an approved professional body and have all necessary professional indemnity insurance cover;
 - 7.1.6 if building works come under the Construction (Design and Management) Regulations 2015, you will confirm that you have appointed a principle designer;
 - 7.1.7 that you put in place all necessary contracts with contractors and professional advisors on standard terms and conditions that an employer with appropriate experience would enter into for projects of the same value, size and complexity; and,

7.1.8 you must ensure that satisfactory arrangements are made for the retention of all key construction documents for a term of seven years from the last instalment of Grant payment. This is to include but not limited to:

- 7.1.8.1 Contract drawings and specifications;
- 7.1.8.2 As built drawings;
- 7.1.8.3 Health and safety files;
- 7.1.8.4 Building contract with the main build contractor and key sub or specialist contractors;
- 7.1.8.5 Other building contracts as appropriate
- 7.1.8.6 Planning and/or listed building consent including the confirmations of the discharge of the conditions of consents;
- 7.1.8.7 Discharge of reserved building control completion certificate;
- 7.1.8.8 Fire officer approval;
- 7.1.8.9 Contracts of engagement for professional teams; and,
- 7.1.8.10 Any other documents we may request.

8. Security

8.1 The Organisation understands and accepts that the Arts Council requires security over the Project Assets funded by the Grant. Usually this will be by way of a deed of covenant in standard form along with an undertaking from your solicitor to register a restriction at the Land Registry within 28 days of completion of the deed.

8.2 The Arts Council reserves the right to request any type of security or additional security (now or in the future) or consolidated security if it is considered necessary and desirable given the circumstances of the Agreed Project. We will also consider past capital projects funded by us in reaching a decision as to our requirements. If the Arts Council has asked for security, the Organisation understands that no payments of the Grant will be made until the Arts Council has received the requested documents completed to the Arts Council's satisfaction.

8.3 The type of security the Arts Council initially requires from you is set out in the offer letter.

9. Land and Legal Requirements

9.1 Pursuant to Clause 8 above and prior to the release of the Grant, the Arts Council will require the following conditions to be met:

- 9.1.1 confirmation (by way of a Certificate of Title, in the Arts Council's Standard form) from your solicitors that you are the freehold owner or a lessee under a registered and assignable lease on terms acceptable to the Arts Council, of the Project Assets to which the Grant relates and that the Project Assets may be used for the Agreed Project;
 - 9.1.2 a deed of covenant and solicitors undertaking to lodge the restriction at the Land Registry upon completion of the land transfer; or,
 - 9.1.3 if the property is unregistered, a deed of undertaking to effect first registration of the restriction thereafter; and,
- 9.2 If any part of the Grant is to buy land (whether freehold land or leasehold land), the Organisation is to send the Arts Council when asked the following documents:
 - 9.2.1 a surveyor's report on the condition of the property, its value for the purpose of the Agreed Project and whether it is suitable for the Agreed Project;
 - 9.2.2 confirmation by the Organisation's solicitors that all necessary consents for the use of the property for the purposes of the Grant have been obtained;
 - 9.2.3 for the purchase of leasehold land, a copy of the future lease and agreement for lease;
 - 9.2.4 an undertaking to satisfy all other requirements as set out in Clause 8 and 9.1 upon completion of the purchase of the freehold or leasehold interest; and,
 - 9.2.5 any other documents or requirements that the Arts Council may request in order to meet the legal requirements.
- 9.3 If any part of the Grant is to buy or involves leasehold land, then the Organisation must send the Arts Council a copy of the lease and ensure that the lease meets Arts Council standard lease requirements and ensure that the lease is for the minimum term of:
 - 9.3.1 For capital grants used for refurbishment works of up to and including £499,999: a lease of at least 10 years, without a break clause.
 - 9.3.2 For capital grants used for an asset purchase of up to and including £499,999: a registered and assignable lease of at least 10 years, without a break clause, no forfeiture on insolvency provision and a permitted user provision that is compliant with the Agreed Use.
 - 9.3.3 For capital grants used for refurbishment works as well as asset purchase of up to and including £499,999: a registered and assignable lease of at least 10 years, without a break clause, no forfeiture on insolvency provision and a permitted user provision that is compliant with the Agreed Use.

10. Dealings with Project Assets

- 10.1. Without prejudice to the terms of any security over the Project Assets that you give the Arts Council pursuant to Clauses 8 and 9, you must seek the Arts Council's prior written consent if you wish to sell, let, sub-let or otherwise deal with or dispose of any Project Assets within:
- 10.1.1. Five (5) years from the date of the Funding Agreement for a grant up to and including £499,999 for the purchase of goods and services; or,
 - 10.1.2. Ten (10) years from the date of the Funding Agreement for a grant up to and including £499,999 for refurbishment works and/ or asset purchase.
- 10.2 If consent is given and you sell or dispose of the Project Assets, you may have to repay the Arts Council all or part of the money received from the Arts Council. The amount you must repay will be in direct proportion to the share of the project costs that came from the Arts Council. If, with the Arts Council's consent, you sell the Project Assets wholly or partly bought with the Grant, it will be at full market value and the Arts Council may impose conditions upon the transfer or disposition.

11. Termination of this Agreement

- 11.1 If the Organisation breaches any of the terms and conditions of this Funding Agreement, then the Arts Council in its absolute discretion may withhold or demand repayment of all or part of the Grant. The Organisation will repay any grant requested immediately upon demand.
- 11.2 The Arts Council may suspend payment of the Grant if it wishes to investigate any matters concerning the Grant (or any other grants given by the Arts Council to the Organisation). The Organisation understands and accepts that the Arts Council will accept no liability for any consequences, whether direct or indirect, that may arise from a suspension even if the investigation finds no cause for concern.
- 11.3 The Arts Council may also withhold or demand repayment of all or part of the Grant if the Organisation:
- 11.3.1 closes down its business (unless, with the Arts Council's prior consent, it joins with, or is replaced by, another Organisation that can take over this Funding Agreement and carry out the purposes of the Grant to the Arts Council's satisfaction);
 - 11.3.2 makes significant changes to the Agreed Project without the prior written approval of the Arts Council;

- 11.3.3 does not fulfil the purpose of the Grant with reasonable care, thoroughness, competence and to a standard that the Arts Council expects from the Organisation with its level of experience in its practice, profession or line of work;
 - 11.3.4 provides any information to the Arts Council that is wrong or misleading, either by mistake or because it is trying to mislead the Arts Council during the application process or during the period of this Funding Agreement;
 - 11.3.5 becomes insolvent, any order is made, or resolution is passed, for it to go into administration, be wound up or dissolved; an administrator or other receiver, manager, liquidator, trustee or similar officer is appointed over all or a considerable amount of the Organisation's assets; or the Organisation enters into or proposes any arrangement with its creditors;
 - 11.3.6 acts illegally or negligently at any time;
 - 11.3.7 acts in such a way that the Arts Council believes it has significantly affected the Agreed Project, or is likely to harm the Arts Council's or the Organisation's reputation or it is in the Arts Council's discretion necessary to protect public money;
 - 11.3.8 sells or in some other way transfers any part of the Grant, the business or the activity funded under the Agreed Project to someone else without first getting the Arts Council's approval in writing; and/or
 - 11.3.9 uses the Grant or any part of it for any activity that is intended to influence or attempt to influence Parliament, Government or political parties, or attempts to influence the awarding or renewal of contracts and grants, or attempts to influence legislative or regulatory action.
- 11.4 If the Organisation is in breach of any of the terms of this Funding Agreement and the Arts Council does not enforce one or more of its rights straight away, this does not mean that it will not do so in the future. The Arts Council will give up its right to enforce this Funding Agreement only if it tells the Organisation in writing.
- 11.5 If the Organisation has other major revenue or capital grants with the Arts Council, then it is also under an obligation to keep to the terms and conditions of those Funding Agreements. If there is any conflict between those terms and conditions and the terms and conditions of this Funding Agreement, then these terms and conditions will take precedence so far as they relate directly to the delivery of this Agreed Project.
- 11.6 If the Organisation breaches any of the terms of this Funding Agreement, the Arts Council can choose to treat that as the Organisation breaching the terms of any other grant agreements the Arts Council has with the Organisation. This will allow the Arts Council to take the same actions under those agreements that the

Arts Council may take under this Funding Agreement, including making the Organisation pay back the Grant and stopping any future payments.

- 11.7 This Funding Agreement and these terms and conditions remain in force for whichever period is the longest time:
- 11.7.1 five (5) years after the date of the Funding Agreement for a grant up to and including £499,999 for the purchase of goods and services; or,
 - 11.7.2 ten (10) years from the date of the Funding Agreement for a grant up to and including £499,999 for refurbishment works and/ or asset purchase; or
 - 11.7.3 as long as the Organisation does not carry out any of the terms and conditions of this Funding Agreement or any breach of them continues (this includes any outstanding reporting on grant expenditure or the delivery of the Agreed Project).

12. Additional terms and conditions

- 12.1. The Arts Council has the right to impose additional terms and conditions on the Grant if:
- 12.1.1. the Organisation is in breach of the Funding Agreement;
 - 12.1.2. the Arts Council withdraws any part of the funding for the Agreed Project;
 - 12.1.3. the Arts Council judges that members of the Organisation's governing body, volunteers or staff or any person or organisation closely involved in carrying out the Agreed Project act in a way that may have a detrimental effect on the Agreed Project or on the Arts Council's reputation as a distributor of public money or as a Government sponsored body;
 - 12.1.4. if the Arts Council has reasonable grounds to believe that it is necessary to protect public money; and/or
 - 12.1.5. the Arts Council believes such conditions are necessary or desirable to make sure that the Agreed Project is delivered as agreed by the parties.