



Llywodraeth Cymru
Welsh Government

Office of the Chief Executive,
Local Authority

cc

Western Bay APB Chair, Director of Public Health, ABMU Health Board;
Interim Substance Misuse Lead Officer;
Substance Misuse Lead Officer;
APB Capital Group Chair, Local Authority
Property Management Local Authority;
Head Substance Misuse Strategy Delivery, Welsh Government;
Head of Substance Misuse Policy Development & Finance, Welsh
Government;
Deputy Director, Substance Misuse Policy, Corporate & Ministerial Business,
Welsh Government;
Substance Misuse Finance Manager, Welsh Government.

22nd January 2015

Dear Sir

**Award of Funding in relation to the Provider, for the delivery of
Substance Misuse Treatment Services in a fit for purpose multi agency
treatment premises. Additional Funding request (linked to WB01
awarded in 2013/14) 2015-16 – WB21**

1. Award of Funding

- (a) We are pleased to inform you that your Application has been successful and funding of up to £150,000,000 (One Hundred and Fifty Thousand Pounds) (“the Funding”) is awarded to you for the Purposes (as defined in Condition 4(a)).
- (b) The Funding relates to the period **1st April 2015 to 31st March 2016** and must be claimed in full by 31st March 2016 otherwise any unclaimed part of the Funding will cease to be available to you.
- (c) This award of funding has been made subject to confirmation that the Local Authority can demonstrate that all avenues in ensuring value for money of the project have been explored and considered and will work to ensure that savings on the project is

explored throughout the projects delivery. This will include providing on request, colleagues within Welsh Government ongoing reports on progress and how value for money is continually considered throughout project.

- (d) 'This award of funding has been made subject to adhering to commitments made within the application and subsequent email correspondence in relation to Community Benefits'.
- (e) If you have any queries in relation to this award of Funding or the Conditions please contact the Welsh Government Official who will be happy to assist you.

2. Statutory Authority and State Aid

- (a) This award of Funding is made on and subject to the Conditions and under the authority of the Minister for Health and Social Services, one of the Welsh Ministers, acting pursuant to sections 2, 3 and 10 of the NHS Wales Act 2006 and 70 and 71(1) of the Government of Wales Act 2006.
- (b) You must comply with the European Commission's State Aid Rules.

3. Interpreting these Conditions

Any reference in these Conditions to:

'you', 'your' is to the Local Authority;

'we', 'us', 'our' is to the Welsh Ministers;

'**Application**' is to your application dated 15th January 2015 as submitted by the Western Bay Area Planning Board for additional funding for refurbishment of the Provider for the delivery of Substance Misuse Treatment Services in a fit for purpose multi agency treatment premises – WB21.

'**Welsh Government Official**' is to

Substance Misuse Assistant Regional Advisor Dyfed, Powys and
Information of the Substance Misuse Assistant Regional
or such other Welsh Government official as we may notify you.

'Project Manager' is to

Information of Project Manager

'Conditions' is to the terms and conditions set out in this letter;

'Schedule' is to the schedules attached to this letter;

'Payment Profile' is to the payment profile set out in Schedule 4;

'APB' is to the **Western Bay** Substance Misuse Area Planning Board and all organisations, bodies and persons comprising it;

'Costs Incurred' is to the cost of goods and services you have received regardless of whether you have paid for them by the date of your claim.

'Notification Event' is to any of the events listed in Schedule 3;

'State Aid Rules' is to the rules set out in Articles 107 to 109 of the Treaty on the Functioning of the European Union (or in those Articles that may succeed Articles 107 to 109), secondary legislation such as frameworks, guidelines and block exemptions produced by the European Commission derived from Articles 107 to 109, case law of the European Courts and decisions of the European Commission regarding the application of Articles 107 to 109; and

any legislation will include all amendments to and substitutions and re-enactments of that legislation in force from time to time;

4. What you must use the Funding for

- (a) You must use the Funding solely for the purposes set out in Schedule 1 (the "**Purposes**").
- (b) You must achieve the targets and outcomes set out in Schedule 2 (the "**Targets**").
- (c) Any change to the Purposes or Targets will require our written consent which must be obtained from us in advance of implementing any change. Please note that we are not obliged to give our consent but we will consider all reasonable written requests.
- (d) You must not use any part of the Funding for: (1) party political purposes; (2) the promotion of particular secular, religious or political views; (3) gambling; (4) pornography; (5) offering sexual

services; (6) purchasing capital equipment (other than as specified in the Purposes); (7) your legal fees in relation to this letter; (8) Costs Incurred or costs incurred and defrayed by you in the delivery of the Purposes prior to the period referred to in Condition 1 (b); (9) any kind of illegal activities; or (10) any kind of activity which in our opinion could bring us into disrepute.

5. Funding Pre-Conditions

- (a) We will not pay any of the Funding to you until you have provided us with the following information and documentation:
 - (i) documentary evidence that the signatories who have signed this letter on your behalf are duly authorised to do so;.
 - (ii) documentary evidence that you have put in place all staff and other resources detailed in the Application as required to commence the Purposes;
- (b) Where you are required to provide information and documentation to us as evidence that you have satisfied a particular pre-condition, Condition or in support of a claim, the information and documentation must be in all respects acceptable to us. We reserve the right to reject any information and documentation which is for any reason not acceptable to us.

6. How to claim the Funding

- (a) The Funding will be paid to you in arrears based on Costs Incurred by you in the delivery of the Purposes as detailed in the Payment Profile.
- (b) You must claim the Funding in accordance with the dates set out in the Payment Profile. You must claim the Funding promptly. We reserve the right to withdraw any part of the Funding that you do not claim promptly.
- (c) You must submit your claims for payment of Funding to Finance Officer, Substance Misuse Policy and Finance Team, Welsh Government, or such other person and address that the Welsh Government may stipulate from time to time.
- (d) You must use our current claim pro-forma (which is available from Finance Officer) and attach the following information to each claim
 - (i) a declaration from you that the Costs Incurred are in accordance with the Expenditure Profile and have been properly incurred;

(ii) a progress report on the delivery of the Project. The progress report must identify and explain any slippage in the delivery of the Project.

(iii) the Expenditure Profile. In the event of any slippage in the delivery of the Project, you must provide an updated Expenditure Profile for approval by us;

(e) We will aim to pay all valid claims as soon as possible and typically within 21 days.

7. Your general obligations to us

You must:

- (a) safeguard the Funding against fraud generally and, in particular, fraud on the part of your management, employees and/or suppliers and notify us immediately if you have reason to suspect that any fraud has occurred or is occurring or is likely to occur. You must also participate in such fraud prevention initiatives as we may require from time to time.
- (b) comply with all applicable laws or regulations or official directives whether derived from domestic, EU or international law;
- (c) put in place and maintain adequate insurances to cover against the risks which may arise in connection with any property or any activity undertaken in delivery of the Purposes. We reserve the right to require you provide proof of your insurance;
- (d) co-operate fully with the Welsh Government Official and with any other employee of the Welsh Government or consultant appointed by us to monitor your use of the Funding and your compliance with these Conditions.

8. Declarations

You declare that:

- (a) you have the power to enter into and to perform the obligations set out in these Conditions and you have taken all necessary action to authorise the entry into and performance of the obligations under these Conditions;
- (b) no litigation or arbitration is current or pending or, so far as you are aware, threatened, which have or could have an adverse effect on your ability to perform and comply with any of these Conditions;

- (c) the information contained in your Application is complete, true and accurate;
- (d) you have disclosed to us all material facts or circumstances which need to be disclosed to enable us to obtain a true and correct view of your business and affairs (both current and prospective) or which ought to be provided to any person who is considering providing funding to you;
- (e) you have discussed and agreed the Targets with us and you are confident that they are realistic and achievable.

9. Notification Events and their consequences

- (a) You must notify us immediately if a Notification Event has occurred or is likely to occur but we also reserve the right to notify you where we believe a Notification Event has occurred or is likely to occur.
- (b) We will seek to discuss the Notification Event with you and to agree a course of action to be taken to address the Notification Event and in doing so we will consider both the seriousness of the Notification Event and whether or not it can be remedied.
- (c) We will be entitled to take any of the actions listed in Condition 9(d) if:
 - (i) despite our reasonable efforts we have been unable to discuss the Notification Event with you, or
 - (ii) we notify you that the Notification Event is not capable of remedy, or
 - (iii) a course of action is agreed with you but you fail to follow it, or any conditions attached to it are not met (including without limitation the timescale for such course of action), or
 - (iv) the course of action fails to remedy the Notification Event to our satisfaction.
- (d) If any of the circumstances set out in Condition 9(c) occurs we may by notice to you:
 - (i) withdraw the award of Funding; and/or
 - (ii) require you to repay all or part of the Funding immediately; and/or
 - (iii) suspend or cease all further payment of Funding; and/or
 - (iv) make all further payments of Funding subject to such conditions as we may specify; and/or
 - (v) deduct all amounts owed to us under these Conditions from any other funding that we have awarded or may award to you; and/or

- (vi) exercise any other rights against you which we may have in respect of the Funding.
- (e) All repayments of Funding must be made to us within 28 days of the date of our demand. You must pay interest on any overdue repayments at a rate of 1.5% per annum above the Bank of England base rate from time to time or at such other rate as may be required by the State Aid Rules. Interest will accrue on a daily basis from the date the repayment is due until actual repayment of the Funding, whether before or after judgment. You must pay the interest together with the overdue repayment.

10. Monitoring Requirements

You must:

- (a) provide us with such documents, information and reports which we may reasonably require from time to time in order for us to monitor your compliance with the Conditions including without limit:
 - i) provide a completed Statement of Capital Expenditure by 30 November 2016;
- (b) meet with the Welsh Government Official and such other of our representatives as we may from time to time reasonably require;
- (c) ensure that the Project Manager (or such other person as we may agree) attends all meetings with the Welsh Government Official.

11. Audit Requirements

- (a) You must:
 - (i) maintain clear accounting records identifying all income and expenditure in relation to the Purposes;
 - (ii) without charge, permit any officer or officers of the Welsh Government, Wales Audit Office or European Commission at any reasonable time and on reasonable notice being given to you to visit your premises and/or to inspect any of your activities and/or to examine and take copies of your books of account and such other documents or records as in such officer's reasonable view may relate in any way to your use of the Funding. This undertaking is without prejudice and subject to any other statutory rights and powers exercisable by the

Welsh Government, Wales Audit Office or the European Commission or any officer, servant or agent of any of the above;

- (iii) retain this letter and all original documents relating to the Funding until we inform you in writing that it is safe to destroy them;

- (b) Under paragraph 17 of Schedule 8 to the Government of Wales Act 2006 the Auditor General for Wales has extensive rights of access to documents and information relating to monies provided by the Welsh Government. He and his officials have the power to require relevant persons who control or hold documents to give any assistance, information and explanation that they may require; and to require those persons to attend before them for such a purpose. The Auditor General and his staff may exercise this right at all reasonable times.

12. Third Party Obligations

- (a) Nothing in the Conditions imposes any liability on us in respect of any liability incurred by you to any third party (including, without limit, employees and contractors).

- (b) You must indemnify us against any liabilities, claims, proceedings, demands, losses, costs and expenses suffered or incurred by us directly or indirectly arising as a result of or in connection with any failure by you to perform fully or in part any obligation you may have to a third party.

13. Intellectual Property Rights & Publicity

- (a) Nothing in these Conditions transfers to us any rights in any intellectual property created by you as a result of the Purposes.

- (b) You must acknowledge our support on all publicity, press releases and marketing material produced in relation to the Purposes. Such acknowledgement must be in a form approved by us and must comply with the Welsh Government's branding guidelines.

- (c) You must provide the Welsh Government Official with a copy of all material listed in Condition 13(b) for our approval before any such material is published and you may not publish such material without our prior written approval. We will endeavour to respond to all written requests for approval within 10 working days.

- (d) You agree that from the date of this letter until 5 years from the date of the final payment of Funding we may include details about your organisation and business, the Funding and the Purposes in Welsh Government promotional materials and you further agree to cooperate with our reasonable requests to achieve the production of such materials.

14. Access to Information

- (a) You acknowledge that we are subject to the requirements of the Code of Practice on Public Access to Information published by the Welsh Government (the “Code”), the Freedom of Information Act 2000 (the “FOIA”), the Environmental Information Regulations 2004 (the “EIR”) and the Data Protection Act 1998 (the “DPA”).
- (b) You acknowledge that we are responsible for determining in our absolute discretion whether:
 - (i) to disclose any information which we have obtained under or in connection with the Funding to the extent that we are required to disclose such information to a person making a disclosure request under the FOIA or the EIR; and/or
 - (ii) any information is exempt from disclosure under the Code, the FOIA or the EIR.

15. Buying Goods and Services

You must buy all goods and services required for the Purposes in a competitive and sustainable way so as to demonstrate that you have achieved best value in the use of public funds.

16. Giving Notice

- (a) Where notice is required to be given under these Conditions it must be in writing (this does not include email but may include a letter attached to an email) and must prominently display the following heading:

“Notice in relation to the Additional Funding Request for the Provider for the delivery of Substance Misuse Treatment Services in a fit for purpose multi agency treatment premises (linked to WB01 awarded in 2013/14) 2015-16 – WB21”.

- (b) The address and contact details for the purposes of serving notice under these Conditions are as follows

You: the Project Manager at the address stated in Condition 3.

Us: the Welsh Government Official at the address stated in Condition 3.

(c) A notice will be deemed to have been properly given as follows:-

Prepaid first class post: on the second working day after the date of posting.

By hand: upon delivery to the address or the next working day if after 4pm or on a weekend or public holiday.

By email attachment: upon transmission or the next working day if after 4pm or on a weekend or public holiday.

17. Equal Opportunities

You must apply a policy of equal opportunities as employers, as users of volunteers, and as providers of services, regardless of race, gender/gender identification, sexual orientation, religion and belief, age or any disability.

18. Welsh Language

Where the Purposes include or relate to the provision of services or written materials (including signage and information published online) in Wales, they must be provided in Welsh and English, unless it would be unreasonable or disproportionate to do so. Guidance about providing services and written materials in Welsh can be obtained from the Welsh Language Commissioner on 0845 6033 221 or by visiting www.comisiynyddygybraeg.org.

19. Sustainability

Your use of the Funding must (where reasonably practicable) meet the Welsh Government's current agenda for sustainable development and the environment.

20. Welsh Ministers' Functions

You acknowledge that the Welsh Ministers have a range of functions which will continue to accrue and be amended and that decisions in relation to each such function are obliged to be taken in the light of all relevant and to the exclusion of all irrelevant considerations. You agree that nothing contained or implied in , or arising under or in connection with, these Conditions will in any way prejudice, fetter or

affect the functions of the Welsh Ministers or any of them nor oblige the Welsh Ministers or any of them to exercise, or refrain from exercising, any of their functions in any particular way.

21. General

- (a) If at any time any of these Conditions is deemed to be or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired.
- (b) No failure or delay on our part to exercise any power, right or remedy under these Conditions will operate as a waiver of any such power, right or remedy or preclude its further exercise or the exercise of any other power, right or remedy. The powers, rights or remedies hereby provided are cumulative and not exclusive of any powers, rights or remedies provided by law.
- (c) Any amendment or variation these Conditions must be in writing and signed by us and you in the same manner as this letter.
- (d) You may not assign or otherwise dispose of in any way your rights, benefits, obligations or duties under these Conditions.
- (e) Conditions 7, 9, 11, 13, 14, and 21(e) and such other Conditions which by implication need to continue in force beyond the final payment of Funding will so continue in full force and effect.
- (f) The award of the Funding is to you alone and no one else is entitled to make any claim in respect of the Funding or seek to rely on or enforce any of these Conditions.
- (g) These Conditions are to be governed by and construed in accordance with the laws of Wales and England as applied in Wales and the parties hereto submit to the exclusive jurisdiction of the courts of Wales and England.

22. How to accept this offer of Funding

- (a) To accept this award of Funding you must sign and return a copy of this letter to Finance Officer, Substance Misuse Policy and Finance Team, Welsh Government. None of the Funding will be paid to you until we have received your signed letter.
- (b) We must receive your signed letter within 21 days of the date of this letter, or this award of Funding will automatically be withdrawn.

Yours faithfully,

Signed by, Substance Misuse Regional Advisor
South Wales Substance Misuse Advisory Regional Team;
under authority of the Minister for Health and Social Services,
one of the Welsh Ministers.

**SCHEDULE 1
The Purposes**

Eligible Costs	Value (£)
Additional Contract Sum Costs – Additional costs to approval WB01 (below) related to the need for additional counselling rooms and more team offices within the building as well as the need to move the entrance at the front of the building which is a new build in order to provide a fit for purpose building multi agency building.	£150,000

To be claimed during 2015/16

Please see approval letter for WB01 for the existing cost breakdown 2013/14.

In accordance with Condition 10, we may from time to time request information about the Project and any grant paid under it. The information you provide must comply with your Application. Any failure by you to provide satisfactory information will be deemed a Notification Event.

Nothing in this Schedule shall relieve you of any of your obligations to us as set out in the Conditions.

SCHEDULE 2 The Targets

Proposed Outcomes to the Project:

- To house both the local treatment providers and independent service users group which will advance the development of the integrated service delivery model.
- To develop onsite dispensing and daily pabrinex clinics. Over time it is envisaged that 30 service users will receive substitute medication and pabrinex injections daily from the premises.
- Reduce supervised consumption costs with onsite dispensing.
- To house the GP virtual surgery (which is a CDAT led service that has a case load of patients) currently operating from the Hospital, this will reduce the demand at this NHS delivery site.
- To ensure children and young people have a specialised and accessible centre that will be inaccessible to adult service users. This will be made possible by a separate entrance to the building, which isolates this service from the main area of the building, and can only be accessed by staff that has the appropriate key fob access.
- This provision will also be adjacent to the Youth Offending Service building which will ensure greater integrated working and a more effective utilisation of resources.
- To expand the Provider volunteer, student counsellor and social work placement programme, enabling the Provider to optimise upon their volunteer resource and incrementally increase service capacity.
- To develop an IT suite to provide essential skills to service users.
- Explore the possibilities of delivering ambulatory detox services from the premises. The premise has the potential to detoxify 20 patients per year, with the integrated support of Provider.

SCHEDULE 3 Notification Events

The Notification Events referred to in Condition 9 are listed below:

1. repayment of any part of the Funding is required under European Law (whether under State Aid Rules or otherwise);
2. you fail to comply with any of the Conditions;
3. you fail to achieve any or all of the Targets;
4. we have made an overpayment of Funding to you;
5. any declaration made in Condition 8 is incorrect in any respect or, if repeated at any time with reference to the facts and circumstances then existing, would be incorrect;
6. any petition is presented or resolution passed or other action taken for your bankruptcy or winding-up or a petition is presented for an administration order against you;
7. a receiver or an administrative receiver is appointed in respect of you or in respect of all or any part of your assets;
8. a moratorium in respect of all or any of your debts or a composition or an agreement with your creditors is agreed, applied for, ordered or declared;
9. you are unable, or admit in writing your inability, to pay your debts as they fall due;
10. any distress, execution, attachment or other process affects any of your assets;
11. a statutory demand is issued against you;
12. you take steps to dispose or dispose of all or part of your interest in any assets Funded by us under this agreement; within **25 Years** of the last payment of Funding
13. you cease, or threaten to cease, to carry on all or a substantial part of your business;
14. there is a change in your constitution, status, control or ownership and/or your external auditors resign;
15. there is a change in your shareholders, directors, trustees or partners;

16. any event occurs or circumstances arise which in our opinion gives reasonable grounds for believing that you may not, or may be unable, to perform or comply with any of your obligations under these Conditions.

SCHEDULE 4 Payment Profile

The sum of Funding available to you in each financial year (i.e. 1 April – 31 March) is:

2015/2016 - £150,000 (as per schedule 1)

The Funding will be paid to you in arrears in periodic instalments (payments can be claimed monthly if required) in the sum of the Costs Incurred by you in connection with the Purposes.

You shall not be entitled to claim in a financial year any amount of Funding which is more than the amount set out above for that financial year without our prior written agreement even if this results in the maximum level of Funding not being paid.

We hereby accept the award of Funding in relation to the Provider for the delivery of Substance Misuse Treatment Services in a fit for purpose multi agency treatment premises. Additional Funding request (linked to WB01 awarded in 2013/14) for 2015-16 – WB21 and the Conditions relating to the Funding.

Award of Funding

An authorised signatory of **the Local Authority** Signature

Name

Job Title

Date

An authorised signatory of **the Local Authority** Signature

Name

Job Title

Date