



**CYNGOR SIR
YNYS MÔN
ISLE OF ANGLESEY
COUNTY COUNCIL**

CB

DAVID G ELIS-WILLIAMS, M.A.(Oxon), M.Sc., C.Stat.,
C.P.F.A.

Cyfarwyddwr Corfforaethol - Cyllid
Corporate Director - Finance

CYNGOR SIR YNYS MÔN
ISLE OF ANGLESEY COUNTY COUNCIL
Swyddfa'r Sir
LLANGFNI

Ynys Môn - Anglesey
LL77 7TW

ffôn/tel: (01248)752600 ffacs/fax: (01248) 752696

Gofynnwch am - Please ask for: Gwynant Roberts

ffôn/tel: (01248) 752607 ffacs/fax: (01248)

E-bost - E-mail:

Ein Cyf - Our Ref.

Eich Cyf - Your Ref.

13 July 2008

Baudewijn Morgan
Project Development Officer
Welsh European Funding Office
Government Buildings
Dinerth Road
Colwyn Bay
LL28 4UL

Dear Baudewijn

The Development of Anglesey Coastal Environment
Project Reference: 80004

ADRAN ECONOMAID
ECONOMIC DEVELOPMENT

15 JUL 2008

DERBYNIWYD/RECEIVED

Please find enclosed grant acceptances for the above project:-

ERDF - Grant
Targeted Match Funding

Yours sincerely

Einir Thomas
Head of Service (Finance)

copy Sasha Davies, Head of Economic Development

Swyddfa Cyllid Ewropeaidd Cymru
Welsh European Funding Office
Adran yr Economi a Thrafnidiaeth
Department for the Economy & Transport



Mr Christian Branch
Development Officer (Regeneration)
Anglesey Business Centre
Bryn Cefni Business Park
Llangefni
Anglesey
LL77 7XA

Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Dyddiad / Date: 23/06/2009

Programme Name: West Wales and the Valleys Convergence Operational
Programme ERDF 2007-2013
Project Number (Case ID): 80004
Project Name (Case Name): The Development of Anglesey's Coastal Environment
Welsh European Funding Office Reference: 80004
Principal contact for the Project in the Welsh European Funding Office:
Mr Baudewijn Morgan
01492 542608
Baudewijn.Morgan@cymru.gsi.gov.uk

Dear Mr Branch

- 1 WEFO is pleased to inform Isle of Anglesey County Council (the "Applicant") that the application for a Grant from the ERDF towards the Eligible Costs of the Project has been successful. The application is approved on the basis of the details of the Project set out in the Business Plan and the Delivery Profile.
- 2 The Applicant agrees to deliver the Project in accordance with the terms and conditions set out in the Agreement. In return, the Welsh Ministers, acting through WEFO, will provide the Grant in respect of the Project in accordance with the terms and conditions set out in the Agreement.
- 3 The offer of Grant contained in this letter is made by an official in the administrative division of the Welsh Assembly Government serving the Welsh Ministers known as WEFO under the authority of the Minister for the Economy and Transport, one of the Welsh Ministers. Decisions to grant funding from the Structural Funds are made by the Welsh Ministers and the process is administered by WEFO which was set up in order to administer the Structural Funds in Wales. The offer of Grant is made pursuant to the Structural Funds (National Assembly for Wales) Regulations 2006 (SI 2006/3282).



Adeiladau Llywodraethol - Government
Buildings
Bae Colwyn - Colwyn Bay
LL28 4UL

Ffon/Tel: 01492 542608
E-Bost/E-
Mail: Baudewijn.Morgan@cymru.gsi.gov.uk



The Welsh Ministers are the managing, certifying and audit authority in relation to the Structural Funds in Wales in accordance with the relevant Structural Funds Regulations. **The offer of Grant is subject to the Applicant's acceptance of the Agreement.**

- 4 If the Applicant wishes to accept the offer set out in this letter, it should sign and return the enclosed copy of this letter, (to which are attached **Annexes 1, 2, 3, 4, 5 and 6**), to be received at the following address no later than twenty (20) working days after the date of this letter:

**Welsh European Funding Office
Government Buildings
Colwyn Bay
LL28 4UL**

- 5 Signing and returning the enclosed copy of this letter to WEFO will signify the acceptance by the Applicant of the Agreement and will constitute a legally binding agreement between the Applicant and the Welsh Ministers. Please note that no Grant payments will be made by WEFO to the Applicant until the Applicant has signed and returned the enclosed copy of this letter to WEFO.
- 6 The Applicant should refer any queries regarding the Agreement to the principal contact for the Project in WEFO named at the beginning of this letter.
- 7 The Applicant's Project contact officer must be advised of the receipt of this letter and, if the Applicant is a local authority, a copy of this letter must be passed to the Applicant's designated section 151 officer. (Section 151 officers have their derivation from section 151 of the Local Government Act 1972).

DEFINITIONS

- 8 The following terms, which are used in this letter, are defined as follows:

the **Agreement** – means:

(i) this letter;

(ii) the Annexes 1, 2, 3, 4, 5 and 6 attached to this letter;

(iii) the various guidance documents and guidelines referred to in this letter and the Annexes 1, 2, 3, 4, 5 and 6 attached to this letter, copies of which can either be obtained from WEFO's website www.wefo.wales.gov.uk or by telephoning the WEFO helpline on 0845 010 3355. (The guidance documents and guidelines referred to in this sub-paragraph (iii) may be amended by WEFO from time to time. For the avoidance of doubt, it is the Applicant's responsibility to ensure the continued compliance of the Project with these guidance documents and

guidelines by taking account of any amendments to these guidance documents and guidelines);

(iv) the Business Plan;

(v) the Monitoring and Evaluation Plan; and

(vi) the Delivery Profile.

In the event of any conflict between any of the documents referred to in subparagraphs (i) to (vi) above, WEFO shall determine which document shall take precedence and such determination shall be final.

Asset – means an item acquired, built or improved, financed in whole or in part by the Grant. Please refer to paragraphs 26 and 27 for further details regarding 'Inventory of Assets'.

the **Business Plan** – means version 2 of the business plan relating to the Project prepared by the Applicant and agreed between the Applicant and WEFO on 21 November 2008.

the **Community Principles** – means the principles, upon which the Procurement Legislation is based, of transparency, non-discrimination, equality of treatment, proportionality, mutual recognition, free movement of goods, the right of establishment and the freedom to provide services contained in the EC Treaty (as amended from time to time). Please refer to **Annex 4** for further details.

Cross Fund Flexibility – means the ERDF and ESF may finance, in a complementary manner, actions falling within the scope of assistance from the other fund, provided that they are necessary for the satisfactory implementation of the Project and are directly linked to it.

Defray/Defrayed – means paid; for the purposes of this letter, 'paid' means when a cheque has been cashed or a payment transaction has been cleared from the Applicant's or a third party's bank account.

the **Delivery Profile** - means version 2 (expenditure) and 3 (Income) of a document agreed in February 2009 between the Applicant and WEFO which includes financial and physical targets relating to the Project.

Eligible Costs – means the costs of the Project that qualify for funding from the Structural Funds and which are to be determined in accordance with the guidance document issued by WEFO entitled 'Eligibility Rules: Guidance for Project Sponsors'.

the **ERDF** – means the European Regional Development Fund.

the **ESF** – means the European Social Fund.

the **Financial Completion Date** – means the date specified in the Delivery Profile on which the final Project expenditure will be Defrayed and/or Project income received.

the **Grant** – means the ERDF funding payable in respect of the Project in accordance with the terms and conditions contained in the Agreement. The Grant is comprised of either a capital or revenue element or both.

an **Insolvency Event** - means the occurrence of any of the following:

(i) any general meeting of the Applicant's creditors (or any section of them) is summoned for any purpose, or any proposal is made to the Applicant's creditors generally (or any section of them) for any moratorium, composition, voluntary arrangement or scheme of arrangement of the Applicant's debts or any of them, or any application or report is made to a Court with a view to a voluntary arrangement in relation to the Applicant, or any other proceedings are commenced before any Court or body under any procedure for the suspension reconstruction or adjustment of debts; or

(ii) any receiver is appointed over, or possession is taken or any encumbrance is enforced, by or on behalf of any creditor, in relation to all or any of the Applicant's assets; or

(iii) any distress execution seizure or other process is levied or made by any person on or against any of the Applicant's assets; or

(iv) any judgment or order is made against the Applicant by any Court, tribunal or administrative body, which is not promptly paid or satisfied in full; or

(v) the Applicant stops (or threatens to stop) trading or stops payment of its debts, or is unable to pay its debts as they fall due, or is declared or deemed for the purposes of any statutory provision to be unable to pay its debts; or

(vi) the Applicant fails to repay when due any financial indebtedness or fails to perform any obligation incurred by way of surety for, or indemnity in relation to, any obligation owed by any other person; or

(vii) the Applicant goes into administration, or a moratorium comes into effect in relation to it, or any resolution is passed (or any meeting is convened or form of written resolution circulated with a view to passing a resolution), or any petition or application is presented to a Court, or any notice is given or any other procedure is commenced or any order is made, for winding up, dissolution or striking off or for the appointment of a provisional liquidator, or for, or with a view, to it going into administration or obtaining a moratorium; or

(viii) any event similar or analogous to any of the events described above occurs, whether in England and Wales or elsewhere, and whether under English and Welsh Law or pursuant to any other jurisdiction whatsoever.

the **Key Milestone Dates** – means the milestones to achieve the Project outlined in the Delivery Profile.

the **Monitoring and Evaluation Plan** – means the monitoring and evaluation plan prepared by the Applicant and agreed between the Applicant and WEFO on 21 November 2008.

the **Operational Programme** – means the documents prepared by WEFO and adopted by the European Commission which set out the Welsh Assembly Government's strategy and priorities for the economic, social and environmental regeneration of West Wales and the Valleys and East Wales over the period 2007-2013 with the support of the Structural Funds. Aligned to each of the priorities are strategic framework documents which set out the context for individual project proposals. For the purposes of the Agreement, the relevant operational programme is the West Wales and the Valleys Convergence Operational Programme ERDF 2007-2013

Preliminary Expenditure – means costs which, subject to WEFO's approval may be considered as Eligible Costs, the Applicant has incurred and Defrayed prior to the Start Date which enable the Applicant to obtain a realistic estimate of Project expenditure. Preliminary Expenditure is distinct from Retrospective Expenditure.

the **Procurement Legislation** – means the Public Contracts Regulations 2006 (SI 2006/5), the Utilities Contracts Regulations 2006 (SI 2006/6), the European Commission's Interpretive Communication (2006/C 179/02), Directive 2004/18/EC of the European Parliament and Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public services contracts and Directive 2004/17/EC of the European Parliament and Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors (all as amended from time to time). Please refer to **Annex 4** for further details regarding procurement.

the **Project** - means the activity or activities for which the Applicant has applied for funding from the ERDF , as described in detail in the Business Plan.

the **Project Completion Date** – means the date specified in the Delivery Profile on which the Project will be completed.

[ERDF] Regulation 1080/2006 – means the European Parliament and Council Regulation (EC) No 1080/2006 of 5 July 2006, OJ L210/1, on the ERDF and repealing Regulation (EC) No 1783/1999 (as amended from time to time).

[ESF] Regulation 1081/2006 – means the European Parliament and Council Regulation (EC) No 1081/2006 of 5 July 2006, OJ L210/12, on the ESF and repealing Regulation (EC) No 1784/1999 (as amended from time to time).

Regulation 1083/2006 – means Council Regulation (EC) No 1083/2006 of 11 July 2006, OJ L210/25, laying down general provisions on the ERDF, the ESF and the Cohesion Fund (as amended from time to time).

Regulation 1828/2006 – means Commission Regulation (EC) No 1828/2006 of 8 December 2006, OJ L371/1, setting out rules for the implementation of Council Regulation 1083/2006 and of European Parliament and Council Regulation 1080/2006 (as amended from time to time).

Retrospective Expenditure – means Project implementation costs which, subject to WEFO's approval may be considered as Eligible Costs, the Applicant has incurred and Defrayed prior to the Applicant's acceptance of the Agreement. Retrospective Expenditure is distinct from Preliminary Expenditure.

the **Special Conditions** – means the special conditions the Applicant must comply with in respect of the Project, details of which are contained in **Annex 5**.

the **Start Date** – means the date which, in accordance with the Delivery Profile, the Applicant will first incur expenditure in respect of the Project.

the **State Aid Rules** – means the rules set out in Articles 87 to 89 of the Treaty establishing the European Community (or in those Articles that may succeed Articles 87 to 89), secondary legislation such as frameworks, guidelines and block exemptions produced by the European Commission derived from Articles 87 to 89, case law of the European Courts and decisions of the European Commission regarding the application of Articles 87 to 89.

the **Structural Funds** – means the ERDF and the ESF.

[ERDF] Structural Funds Regulations – means Regulation 1080/2006, Regulation 1083/2006 and Regulation 1828/2006.

[ESF] Structural Funds Regulations – means Regulation 1081/2006, Regulation 1083/2006 and Regulation 1828/2006.

WEFO – means the Welsh European Funding Office, an administrative division of the Welsh Assembly Government serving the Welsh Ministers.

the **Welsh Ministers** – means the Welsh Ministers appointed under section 48 and the First Minister appointed under section 46 of the Government of Wales Act 2006.

AMOUNT OF GRANT PAYABLE

- 9 The amount of Grant payable is calculated as a proportion of the Eligible (capital and/or revenue) Costs up to the maximum level(s) as set out below. The capital and/or revenue elements of the Grant shown below are the

maximum payable regardless of any increase in the total Eligible Costs which result from changes to the Project:

Capital element of the Grant

Capital Eligible Costs : £4,590,000

Maximum Grant payable: £2,203,200

Grant rate (as a percentage of the Capital Eligible Costs): 48.00%

Revenue element of the Grant

Revenue Eligible Costs: £992,000

Maximum Grant payable: £476,160

Grant rate (as a percentage of the Revenue Eligible Costs): 48.00%

Total Grant

Total Eligible Costs: £5,582,000

Maximum Grant payable: £2,679,360

Grant rate (as a percentage of the Total Eligible Costs): 48.00%

- 10 The Delivery Profile contains full details of the Eligible Costs of the Project, the phasing of the income and expenditure of the Project and the agreed funding arrangements for the Project. The Applicant should refer to **Annex 1** for further details.
- 11 Subject to the terms of the Agreement the Grant will only be paid in respect of Eligible Costs Defrayed.
- 12 The offer of Grant contained in this letter is conditional upon no expenditure having been incurred or Defrayed prior to the Start Date, unless specifically agreed and formally confirmed in writing by WEFO and identified as Retrospective Expenditure or Preliminary Expenditure in the Delivery Profile.
- 13 Whilst the amount of Grant referred to above is stated as being a maximum, the total Grant payable will be reduced to reflect any underspend in relation to the Project and/or if there is a change in the overall funding package which reduces the need for Grant.

PAYMENT OF GRANT

- 14 The Applicant must follow the rules on how to claim Grant payments as set out in **Annex 1**.

LIABILITY

- 15 WEFO will make every effort to pay claims promptly but does not accept any liability in respect of loss attributable to any delay in the payment of claims or attributable to any suspension, reduction or cancellation of Grant.

WITHHOLDING AND REPAYMENT OF GRANT

16 WEFO may withhold, vary or terminate any part of or all of the Grant and/or require all or part of the Grant to be repaid if, in its reasonable opinion, any one or more of the events set out in sub-paragraphs (i) to (xxii) inclusive below occurs (or has occurred):

- (i) the Applicant does not comply with any of the terms, conditions and provisions of the Agreement;
- (ii) the Grant, in full or in part, has not been or is not being used for the purposes of the Project;
- (iii) the Project is not being (or has not been) carried out in accordance with the terms and conditions of the Agreement and/or the Structural Funds Regulations and/or the Procurement Legislation and/or the Community Principles and/or any other rule of law which applies to the Applicant in respect of the Project;
- (iv) there has been a material change in the match funding, nature, scale, costs, funding, ownership or timing of the Project (see paragraph 50 below regarding changes to the Project);
- (v) from the Start Date until the expiry of five years from the Project Completion Date the Project undergoes a substantial modification:
 - (a) affecting its nature or its implementation conditions, or giving to a firm or a public body or a person any undue advantage; and
 - (b) resulting either from a change in the nature of ownership in an item of infrastructure or the cessation of a productive activity;
- (vi) the Applicant has entered into a contract with a third party in relation to the Project prior to the Start Date;
- (vii) from the Start Date until the expiry of five years from the Project Completion Date the Asset is used for purposes other than the purposes of the Project;
- (viii) any of the information provided in the Business Plan or in supporting or subsequent correspondence is found to be incorrect or incomplete;
- (ix) if it becomes apparent that the Grant exceeds the relevant ceiling on contributions from the Structural Funds, as set out in Article 53 of Regulation 1083/2006;
- (x) in the event that either WEFO considers or the European Commission finds that the provision of Grant constitutes unlawful State aid and requires any part of the Grant to be withheld or repaid;

- (xi) there has been an overpayment of Grant;
 - (xii) there is unsatisfactory progress towards completing the Project;
 - (xiii) there is unsatisfactory progress towards meeting the requirements of the Delivery Profile;
 - (xiv) the Applicant has failed to take sufficient measures to investigate and resolve any reported irregularity;
 - (xv) the Applicant fails to provide information about the Project requested by the Welsh Ministers, WEFO, the European Commission or the European Court of Auditors, or any of their auditors, agents or representatives;
 - (xvi) the Project is at risk of not fulfilling its objectives;
 - (xvii) any part of the Project has already been paid for out of funds originating from the European Commission (other than this Grant);
 - (xviii) if the European Commission decides that any Grant paid should not have been paid or if a decision of the European Court of Justice requires payment of the Grant to be withheld, reduced, cancelled or recovered;
 - (xix) in the event that any audit check identifies circumstances whereby a full or partial de-commitment of Grant is due;
 - (xx) the Applicant owes money to WEFO or any European Community institution in respect of any other project;
 - (xxi) the Applicant is the subject of an Insolvency Event; or
 - (xxii) there is any suspicion that the Applicant and/or any of its officers is/are involved in fraudulent activity.
- 17 The Applicant must inform WEFO in writing immediately if any of the situations at paragraph 16 above apply to the Applicant and/or the Project. For the avoidance of doubt, the Applicant must inform WEFO as soon as it becomes aware that an Insolvency Event may occur.
- 18 Any part or all of the Grant that is required to be repaid in any of the circumstances listed at paragraph 16 above must be repaid to WEFO on demand. If the amount payable is not paid when due, the Applicant shall pay to WEFO interest on such amount starting on the due date until payment at the rate of 1½ % (one and a half percentage points) above the rate applied by the European Central Bank in its main refinancing operations on the first working day of the month in which the due date falls.

COMPLIANCE WITH THE STATE AID RULES

- 19 The Applicant must ensure that, for the purposes of the Project, it complies with the State Aid Rules. Further details on the specific State Aid Rules applicable to the Project and the identification numbers of any relevant State aid approvals are set out in **Annex 5**. The Applicant is responsible for ensuring that the Project is delivered in line with the State aid criteria on which the Grant is awarded.

SPECIAL CONDITIONS

- 20 The Applicant must ensure that the Project complies with the Special Conditions referred to in **Annex 5**. If there are no Special Conditions with which the Applicant must comply, **Annex 5** will be blank.

AUDIT AND MONITORING REQUIREMENTS

Audit

- 21 The Applicant must comply with the audit requirements set out in **Annex 1** and **Annex 2**.

Accounting and Retention of Records

- 22 In accordance with Article 60(d) of Regulation 1083/2006, the Applicant must maintain either a separate accounting system or an adequate accounting code for all transactions relating to the Project, in order to facilitate the verification of expenditure by the European Community and national control authorities. All payments must be supported by appropriate documentation as set out in WEFO's 'Project Monitoring, Management & Control Systems Guidance'; appropriate documentation includes, but is not limited to, receipted invoices, bank statements and organisational ledgers.
- 23 The Applicant must retain all original documents (or in versions certified to be in conformity with the originals on the commonly accepted data carriers listed in paragraph 4 of Article 19 of Regulation 1828/2006) relating to the implementation of the Project and its financing for three years after the European Commission has made the final payment for the ERDF to WEFO. This means at least until 2021 but since it is unclear when WEFO will receive final payment from the European Commission the Applicant must retain all documents until WEFO informs the Applicant in writing that it is safe to destroy them.
- 24 A Project with Cross Fund Flexibility must have an accounting system for all expenditure relating to the award of Grant which distinguishes between the ERDF and the ESF actions.
- 25 If the Applicant intends to claim Grant in respect of Eligible Costs Defrayed by third parties acting on the Applicant's behalf the Applicant must ensure

that it has a legally binding agreement with such third parties which specifies what information is to be provided by such third parties and when.

Inventory of Assets

26 The Applicant must establish and maintain an inventory of all Assets acquired, built, or improved wholly or partly using the Grant, whether owned by the Applicant or a third party.

27 The inventory should show the:

- i) date of purchase of the Asset;
- ii) description of Asset;
- iii) price paid net recoverable VAT;
- iv) amount of Grant paid;
- v) location of the title deeds;
- vi) serial or identification numbers;
- vii) location of the Asset;
- viii) date of disposal; and
- ix) sale proceeds net of VAT.

Financial Corrections

28 WEFO is entitled to make financial corrections in accordance with Article 98 of Regulation 1083/2006 and any guidelines issued by the European Community regarding Articles 98-102 inclusive of Regulation 1083/2006. Where WEFO makes such corrections it reserves the right to apply either a flat-rate or extrapolated correction in the same way that the European Commission applies a flat-rate or extrapolated correction pursuant to Article 99 of Regulation 1083/2006. WEFO also reserves the right to take into account the principles regarding financial corrections contained in the Commission's guidelines on the principles, criteria and indicative scales to be applied by Commission departments in determining financial corrections under Article 39(3) of Regulation (EC) No 1260/1999 (C(2001)476).

Monitoring

29 **Annex 3** contains a summary of WEFO's general monitoring responsibilities regarding the Structural Funds. The Applicant must assist WEFO whenever and however reasonably required in order to enable WEFO to discharge these responsibilities by complying with reasonable deadlines set by WEFO for any requests for information in whatever form concerning the progress of the Project.

Research and Evaluation

- 30 The Applicant must undertake an evaluation of the Project as agreed in its Monitoring and Evaluation Plan and provide WEFO with a copy of the evaluation by the date specified in the Delivery Profile.
- 31 In addition, WEFO or independent contractors acting on behalf of WEFO may ask the Applicant to co-operate with it or them in carrying out research and evaluation in respect of the Project. The Applicant must comply with all such reasonable requests. In particular, the Applicant must, upon request, supply WEFO, or the contractor conducting the study, with basic details about the Project.
- 32 The Applicant may be required to provide WEFO with information, including personal data (as defined in the Data Protection Act 1998), about any third party participants assisted/supported by the Project. Participant contact details are required so that WEFO, or any contractor, will be able to contact participants for research and evaluation purposes.
- 33 The Applicant must comply with the provisions of the Data Protection Act 1998. The Applicant must not do anything which causes or may cause WEFO to be in breach of its obligations under the Data Protection Act 1998. The Applicant must inform all participants assisted/supported by the Project, in writing, that:
- (i) their details will be passed to WEFO for the purposes of research and evaluation regarding funding from the Structural Funds. In the event that a participant does not give consent for personal data to be passed to WEFO, the Applicant must ensure that the personal data are anonymised before being passed to WEFO;
 - (ii) they may then be invited to take part in a research study carried out by WEFO or a contractor acting on WEFO's behalf;
 - (iii) WEFO or a contractor acting on WEFO's behalf will follow appropriate ethical guidance in any research or evaluation study undertaken (for example, in relation to research with individuals under the age of 16);
 - (iv) although co-operation in research and evaluation studies is voluntary WEFO will encourage the Applicant to co-operate and all information the Applicant provides to WEFO or a contractor acting on WEFO's behalf will be treated in the strictest confidence
 - (v) the findings of research and evaluation studies will not identify individual participants; and
 - (vi) the results of research and evaluation studies will not identify the Project without the Applicant's consent.

PUBLICITY

- 34 The Applicant must comply with:

(i) the information and publicity guidelines published by WEFO; and

(ii) the information and publicity requirements set out in Article 69 of Regulation 1083/2006 and Chapter II of Regulation 1828/2006.

35 The Applicant must assist WEFO whenever and however reasonably required in order to enable WEFO to ensure that the information and publicity requirements referred to in paragraph 34 (ii) above are complied with.

36 Paragraphs 37 to 40 below contain a **summary only** and are not a substitute for the guidelines referred to in paragraph 34 (i) above and the requirements referred to in paragraph 34 (ii) above.

37 In accordance with Article 7 of Regulation 1828/2006, the Applicant acknowledges that its name, the name of the Project, the aim(s) and purpose(s) of the Project, the outputs and results of the Project and, following the Financial Completion Date, the total amount of Grant paid in respect of the Project, will be published, electronically or otherwise, by WEFO.

38 In accordance with Article 8 of Regulation 1828/2006, where the Project receives funding from the ESF and, in appropriate cases, from the ERDF, the Applicant must ensure that those taking part in the Project have been informed of that funding.

39 The Applicant must display WEFO's permanent explanatory plaque (provided free of charge by WEFO), which features the emblems of the European Union and the Welsh Assembly Government, reference to the ERDF and the statement in Welsh and English 'Wales and Europe: Investing in your future'.

40 In accordance with Article 8 of Regulation 1828/2006, where the total public contribution to the Project exceeds EUR 500 000 and the Grant is being used to finance infrastructure or construction works, the Applicant must display a billboard which features WEFO's Structural Funds logo (featuring the emblems, reference to the ERDF and the statement, all of which are referred to in paragraph 39 above) at the Project site from the Start Date until the Project Completion Date. No later than six months after the Project Completion Date, the billboard referred to in this paragraph 40 shall be replaced by the permanent explanatory plaque referred to in paragraph 39 above.

41 Upon request by WEFO, the Applicant agrees to provide WEFO with photographs (as defined in the Copyright, Designs and Patents Act 1988) (content, style and format to be specified by WEFO) relating to the Project to enable WEFO to compile a library of photographs to be used in publicity material from time to time, the aim of which is to promote how the Structural Funds are creating benefits for the people and communities of Wales.

(i) for the avoidance of doubt, WEFO acknowledges that the entire copyright in the photographs is retained by the Applicant

KEY INDIVIDUALS AND SYSTEMS

- 42 The Applicant confirms that the individuals listed below are principally responsible for managing the Project on the Applicant's behalf:

Christian Branch, Development Officer (Regeneration); Dylan Williams, Strategic Development and Funding Manager

- 43 The Applicant must inform WEFO immediately if any of the individuals named above cease to be responsible for managing the Project on the Applicant's behalf, whether on a temporary or permanent basis.
- 44 The Applicant must ensure that the individuals named in paragraph 41 above are fully aware of the requirements, including but not limited to technical and accounting requirements, involved in the implementation of the Project on the Applicant's behalf.
- 45 The Applicant confirms that it has the necessary systems, including but not limited to technical and accounting systems, in place to enable it to fully comply with the terms and conditions contained in the Agreement.

RELATIONSHIP WITH THIRD PARTIES

- 46 The Applicant, as the organisation accountable to the Welsh Ministers under the Agreement, must ensure that:

(i) the relationship between all third parties involved in the Project is fully documented and sets out the role and functions each organisation will undertake in progressing the Project; and

(ii) any third party involved in the Project complies with the requirements of paragraphs 22 and 23 of this letter.

- 47 For the avoidance of doubt, the Applicant must not delegate any of its responsibilities under the Agreement to any third party involved in the Project.

MATCHFUNDERS

- 48 The Applicant must inform any match-funders of the Project from whom it has received funding or to whom an application for funding has been made that it has received a Grant in relation to the Project.

- 49 The Applicant must inform WEFO of any match-funders of the Project who will directly benefit from the Grant.
- 50 The Applicant must inform any match-funders of the Project immediately of any changes to the match funding provided (or to be provided) arising from changes and/or virements within the Project.

CHANGES TO THE PROJECT

- 51 The Applicant must seek the prior written consent of WEFO before implementing any of the following changes to the Project:
- (i) any change that alters the nature of the Project;
 - (ii) a change to the Delivery Profile;
 - (iii) any change to the Project's use, its financing or ownership; and
 - (iv) any change to the Milestone Dates of the Project.
- 52 Full details of and an explanation for such changes should be communicated to WEFO by the Applicant as soon as the Applicant is aware of the changes. WEFO will advise the Applicant in writing of its decision on the eligibility of expenditure arising from changes to the Project.

ASSIGNMENT

- 53 The Applicant must not, in any manner, assign, hold on trust, sub-contract or otherwise dispose of its rights, benefits, obligations or duties under the Agreement without the prior written consent of WEFO.

AMENDMENTS TO THE AGREEMENT

- 54 No amendment to or variation of the Agreement will be effective without the prior written consent of WEFO. If the Applicant notifies WEFO that the Project has changed in any way, WEFO will write to the Applicant informing it how WEFO will treat the changes.
- 55 WEFO reserves the right to unilaterally amend the terms of the Agreement at any time by giving reasonable notice in writing to the Applicant and/or by informing the Applicant of any amendments to the terms of the Agreement via WEFO's website www.wefo.wales.gov.uk.

DATA PROTECTION

- 56 Any personal data provided by the Applicant to WEFO in relation to the Project will be held by WEFO and processed in accordance with the requirements of the Data Protection Act 1998. The Welsh Ministers are registered as a data controller on the Information Commissioner's public register of data controllers under the registration number Z7107446.

- 57 The personal data provided will be held on a database and will be processed by WEFO for the purposes of progressing applications and claims for funding from the Structural Funds. The information provided may be shared with UK Government Departments, Assembly Government Sponsored Bodies or agencies within Wales for the purposes of audit, research, meeting statutory obligations and for the prevention and detection of fraud. Personal data will not, without consent, be made public in any way that identifies individuals. Certain data will be passed to the European Commission in compliance with Structural Funds Regulations.
- 58 Data may also be passed to Welsh Assembly Government support contractors for the purpose of resolving system problems. These contractors will not be permitted to make any other use of these data.
- 59 If any person on whom data are held wishes to request details of their personal data being held on WEFO's central database they may contact the WEFO Helpline on 0845 010 3355.
- 60 Nothing in the Agreement shall override the provisions of the Data Protection Act 1998.

FREEDOM OF INFORMATION

- 61 WEFO may disclose any information regarding the Applicant and/or the Project which WEFO in its absolute discretion considers it is required to disclose in accordance with the Freedom of Information Act 2000 and/or any other statutory requirements whether or not existing at the date of this letter.

INSURANCE

- 62 The Applicant shall ensure that it takes all reasonable steps to insure against any risks which may arise in connection with any property or any activity undertaken for which the Grant has been provided in whole or in part. WEFO reserves the right to require the Applicant to submit for inspection any relevant documents relating to insurance policies.

RECISSION OF AGREEMENT

- 63 The Applicant must notify WEFO in writing as soon as it becomes aware that it may not be able to comply with the Start Date. Following the receipt of such notification, WEFO reserves the right to rescind the Agreement with immediate effect by giving notice in writing to the Applicant. WEFO's right to rescind the Agreement contained in this clause 62 will apply even if the Applicant has accepted the offer of Grant contained in this letter.

¹ The Applicant should refer to the Welsh Assembly Government's Code of Practice on Access to Information which can be found on the Welsh Assembly Government's website at <http://new.wales.gov.uk/publications/accessinfo/?lang=en>

INTERPRETATION

- 64 In the event that a dispute of any nature arises in connection with the interpretation of any provision of the Agreement, WEFO shall determine the meaning to be given to the disputed provision and such determination shall be final.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ken Cook', with a stylized, cursive script.

Ken Cook

Under the authority of the Minister for the Economy and Transport, one of the Welsh Ministers



ACCEPTANCE OF THE AGREEMENT

European Regional Development Fund

Project Number (Case ID): 80004

Welsh European Funding Office Reference: 80004

The Applicant confirms that it wishes to accept the offer of Grant contained in this letter dated ~~23/06/2009~~ ~~18/05/2009~~ ~~16/02/2009~~ in respect of the Project upon the terms and conditions set out in the Agreement, the entirety of which the Applicant confirms it has read and understood.

1. Where the Applicant is a partnership or unincorporated association (including charities that are unincorporated)

Signed by _____

Name _____
(please print)

By and on behalf of _____
(print name of partnership / unincorporated association).

Date _____

2. Where the Applicant is a company (including charitable companies incorporated under the Companies Act 1985)²:

(i) Name _____
(please print)

Signed _____

(Director/Company Secretary)

² Companies should ensure that two signatures are provided, as set out at 2 (i) and (ii) above (i.e. either two company directors or a company director and the company secretary).

For and on behalf of _____ Ltd

(please print)

Date _____

AND

(ii) Name _____
(please print)

Signed _____
(Director)

For and on behalf of _____ Ltd

(please print)

Date _____

3. Where the Applicant is a charity incorporated under the Charities Act 1993:

The common seal of _____

Was affixed to this

letter in the presence of _____ a duly authorised
officer

(please print)

OR

Signed by the following trustees of _____ (who represent the majority of the trustees) and, as such, executed by the charity:

<i>Name (please print)</i>	<i>Signed</i>	<i>Date</i>
1.		
2.		
3.		
4.		
5.		

OR

Signed by the following trustees of _____, who have authority to sign on behalf of the organisation in accordance with the Charities Act 1993.

(i) Signed by _____

Name _____
(please print)

Date _____

(ii) Signed by _____

Name _____
(please print)

Date _____

4. Where the Applicant is a local authority

The Applicant's Project contact officer must be advised of the receipt of this letter and a copy of this letter must be passed to the Applicant's designated section 151 officer. (Section 151 officers have their derivation from section 151 of the Local Government Act 1972).

The common seal of _____

Was affixed to this

letter in the presence of _____ a duly authorised
officer

(please print)

OR

Name ENIK WYN THOMAS SASHA W. DAVIES
(please print)

Signed



(a duly authorised officer of ISLE OF ANGLISEY CC)

Date 8/7/09 12/7/09.

ANNEX 1

HOW TO CLAIM GRANT PAYMENTS

THE DELIVERY PROFILE

- 1 The Applicant's agreed funding package and Project details are set out in the Delivery Profile. Under the Structural Funds Regulations, to avoid automatic de-commitment of resources, it is essential that the Applicant spends and delivers in accordance with the Delivery Profile. Performance against the Delivery Profile will be closely monitored by WEFO against claims submitted for payment of Grant. The Applicant must inform WEFO as soon as possible if it appears that any requirements of the Delivery Profile cannot be met.

Expenditure and income streams

- 2 The categories/sub categories of expenditure and income streams against which the Project has been approved to spend are detailed in the Delivery Profile. The Delivery Profile also contains details of the match funding sources for the Project. The Project is expected to Defray expenditure and receive income in line with the approved Delivery Profile. This will be closely monitored by WEFO as part of the claims process and the Applicant must explain and justify instances where categories/sub categories of expenditure and income streams fall outside the tolerances specified in the Delivery Profile.
- 3 Virement between the categories/sub categories of approved Eligible Costs within the tolerances set within the Delivery Profile (normally up to 15%) will be allowed. Any changes above this level will involve a re-evaluation of the Project by WEFO and the Applicant must approach WEFO with such a request. The request should include details of the proposed change and a full explanation of the reasons behind it. WEFO will advise the Applicant of its decision on the eligibility of such expenditure.
- 4 In the event of a shortfall in match funding contributions to the Project the Applicant will need to provide additional funding from its own resources to enable Grant payments to be drawn down. The level of Grant will not increase.
- 5 If the acquisition of an Asset has been included in the Eligible Costs, the serial number of the Asset for which Grant has been awarded should be forwarded with the payment claim form on which it appears and it must be available for inspection on the Project site.
- 6 The Applicant must inform WEFO of the actual date on which expenditure was incurred and Defrayed when submitting its first payment claim and subsequently of any proposed change to either the Project Completion Date or the Financial Completion Date. Any change that impacts upon the delivery of the Project as

reflected in the Delivery Profile will involve a re-evaluation of the Project by WEFO.

- 7 Where Cross Fund Flexibility has been approved in respect of the Project the Applicant must maintain an accurate record of spend against each Structural Fund and report that on its claim forms.

Indicators

- 8 The indicator targets (including category and criteria breakdown) set for the Project and the timetable for delivery of the Project are contained in the Delivery Profile.
- 9 For the purposes of this paragraph 9, 'Enterprise Database' and 'Participants Database' shall have the following meanings:

'Enterprise Database' means contact details and category data, such as equal opportunities information in respect of each enterprise/social enterprise/organisation/employer assisted, financially supported or created by the Project. The data required will be dependent on the indicators selected by the Applicant.

'Participants Database' means contact details and category data, such as equal opportunities information in respect of each participant and individual assisted or financially supported by the Project. The data required will be dependent on the indicators selected by the Applicant.

The Applicant will need to report on achievement against these targets as part of the Applicant's claim forms, together with data to fulfil the requirements of the Enterprise Database and the Participants Database. The claim form must be submitted showing progress made against each indicator even if no Grant payment is being claimed. The Applicant must also retain records and report progress against the various indicator criteria reflected in the Delivery Profile. Progress against the Delivery Profile will be closely monitored by WEFO as part of the claims process in accordance with the tolerances set for each indicator.

- 10 If it becomes apparent that any of the indicator targets need to be amended this will involve the need for a re-evaluation of the Project by WEFO. A written explanation detailing the proposed change(s), the reason(s) for it/them and the impact on the Project must be submitted for consideration by WEFO before such changes may be approved by WEFO in writing.

PAYMENT ARRANGEMENTS

Eligible Costs

- 11 Eligible Costs must:

(i) not exceed the amounts stated in the Delivery Profile;

- (ii) not include ineligible costs as detailed in the Delivery Profile; and
- (iii) include only Project costs which have been Defrayed by the Applicant and/or by any third parties involved in the Project.

How to claim Grant

- 12 The Applicant will be invited to claim grant at the frequency (either quarterly or monthly) specified in the Delivery Profile. Claim forms will be issued by WEFO and must be submitted to WEFO by the date specified on the claim form which will normally be within 3 weeks of the relevant claim period. Claims must reflect expenditure Defrayed for the relevant claim period.
- 13 **It is essential that claim forms are submitted on time to WEFO to ensure that WEFO is in a position to declare regular expenditure returns to the European Commission in order to meet annual expenditure targets. Failure to meet these will involve a loss of Structural Funds to Wales.**
- 14 The Applicant must fully complete and submit claims at the specified intervals even if no new expenditure has been Defrayed and no Grant payment is being claimed. This is to ensure that WEFO receives regular information on progress in terms of achievement against the Project indicators contained in the Delivery Profile and is able to monitor the Project's activities.
- 15 Claim forms will seek information on each entry in the Delivery Profile (i.e expenditure, income, programme and Project indicators) together with a short description of progress on the Project during the relevant claim period. The Applicant must also submit a transaction schedule to support expenditure claimed and must report progress against any Special Conditions. The Applicant must provide a full explanation when progress of the Project (expenditure, income or indicators) is not in line with the Delivery Profile and/or exceeds the tolerances set out in the Delivery Profile.
- 16 Payment of Grant will only be made if the Applicant provides evidence that the Project is progressing in accordance with the Delivery Profile.
- 17 The total Grant payable will be restricted to the total amounts of capital and/or revenue elements of the Grant detailed in paragraph 9 of this letter (Amount of grant payable) and in the Delivery Profile.
- 18 Grant will generally be paid on a "rate" basis with payments calculated at the approved percentage of the Applicant's eligible capital and/or revenue expenditure for each claim period. In exceptional circumstances WEFO may agree to pay on a "need" basis whereby payments will reflect the difference between eligible project income and eligible project expenditure for the claim period. The approved payment method for the Project will be reflected in the Delivery Profile.
- 19 In the event that the Applicant fails to submit a fully completed claim form and/or audit certificate (see **Annex 2**) and any associated documentation to the satisfaction of WEFO on time, payment of Grant will be suspended until a

satisfactory claim form and/or audit certificate and any associated documentation is received by WEFO.

- 20 WEFO will retain 10% of the Grant (unless specified otherwise in the Delivery Profile) until the Project has been completed to WEFO's satisfaction and a satisfactory final claim form and audit certificate have been provided to WEFO. The final claim form and audit certificate must be submitted to WEFO within three months following the Financial Completion Date.

Advance payments

- 21 Voluntary and private non-profit distributing organisations may be entitled to claim Grant payments monthly or quarterly in advance. If this applies to the Applicant it will be reflected in the Delivery Profile.

- 22 The Applicant will be entitled to apply for the first advance Grant payment in accordance with the Delivery Profile from the Start Date. The appropriate claim form will be issued by WEFO when WEFO has received a duly signed copy of this letter and should be returned by the Applicant to:

Payments Branch
Welsh European Funding Office
Welsh Assembly Government
Rhydycar
Merthyr Tydfil
CF48 1UZ.

- 23 The claim for the first advance Grant payment should reflect the Eligible Costs approved in the Delivery Profile. The Applicant must provide explanations behind any variations and this may result in the need for WEFO to re-evaluate the Project.
- 24 Future claim forms will be issued at the beginning of the relevant month/quarter. The Applicant will be required to confirm Defrayed expenditure against Grant received for the previous claim period and to confirm the estimated forward expenditure for the next claim period against which the advance is being requested. The estimated expenditure for the next claim period should be based on that contained in the Delivery Profile and must reflect expenditure and income patterns in respect of the Project to date. Any unspent Grant from previous payments will be offset against the next Grant payment.

ANNEX 2

AUDIT REQUIREMENTS

Introduction

- 1 The Applicant must comply with any reasonable deadlines that WEFO sets regarding requests for information that WEFO makes in whatever form, concerning the progress of the Project.
- 2 The Welsh Ministers, WEFO, the Welsh Assembly Government's Corporate Governance and Assurance Division, the Auditor General for Wales, the Wales Audit Office, the European Commission and the European Court of Auditors or their agents or representatives have the right at any time (on reasonable notice), to:
 - (i) inspect the Project and require such further information including documents or other items relating to the Project as they think fit;
 - (ii) request and be provided with original documents or other information relating to the Project;
 - (iii) be provided with copies of such documents or other information as may be required; and
 - (iv) carry out on-the-spot audits of the Project.
- 3 The Applicant must co-operate with all such reasonable requests for documents or other information relating to the Project.
- 4 The Applicant acknowledges that the European Anti-Fraud Office shall have access to the information/documents referred to above.
- 5 Guidance regarding audits of projects by WEFO is listed in **Annex 6**.

Audit certificates

- 6 The Applicant must submit annual and final audit certificates to WEFO to certify expenditure claimed in respect of the Project. Audits must be undertaken by a suitably qualified external auditor and it is the Applicant's responsibility to commission and pay for this work (although audit costs are eligible for funding from the Structural Funds if approved as part of the Project). However, WEFO reserves the right to commission quality assurance work in respect of auditors who undertake Structural Funds audits. **The Applicant must seek advice from WEFO before appointing/commissioning an auditor.**
- 7 The Applicant's audit timetable is reflected in the Delivery Profile. This will be based on the anniversary of the Start Date or the anniversary of the date on which any Preliminary Expenditure or Retrospective Expenditure was Defrayed. However, the Applicant may request a different annual audit timetable provided that the first audit is due within 12 months of either the

Start Date or the date on which any Preliminary Expenditure or Retrospective Expenditure was Defrayed. Annual audit certificates must be submitted within 6 weeks of the period that is subject to audit. Final audit certificates must be submitted within 3 months of the Financial Completion Date. It is therefore essential that the Applicant makes early arrangements for auditors to visit/inspect the Project in order to comply with these requirements.

- 8 It is the Applicant's responsibility to provide auditors with the annual/final claim for audit purposes and to ensure that auditors respect the Delivery Profile's timetable for submission of audit certificates. Failure to submit an audit certificate on time will result in suspension of Grant payments. (See paragraphs 19 and 20 of **Annex 1** for further details).
- 9 Full details of the audit requirements and the testing to be undertaken by external auditors is contained in guidance listed in **Annex 6**. The Applicant must ensure that its auditor has a copy of this guidance.
- 10 In order to carry out an audit in respect of the Project, auditors must hold an accountancy qualification and be a member of a professional accounting body which is a member of the Consultative Committee of Accountancy Bodies. These include:
 - The Institute of Chartered Accountants in England and Wales (ICAEW)
 - The Institute of Chartered Accountants in Scotland (ICAS)
 - The Institute of Chartered Accountants in Ireland (ICAI)
 - The Association of Chartered Certified Accountants (ACCA)
 - The Chartered Institute of Management Accountants (CIMA)
 - The Chartered Institute of Public Finance and Accountancy (CIPFA)
- 11 Auditors must be independent of the Applicant and therefore must not be, for example, employees, relatives or partners.
- 12 If so requested by WEFO, voluntary organisations, local enterprise agencies and companies must submit copies of annual audited accounts within 6 months of the end of their financial year. The notes to the accounts must specifically itemise Grant receipts.

ANNEX 3

SUMMARY OF MONITORING REQUIREMENTS

- 1 Regulation 1083/2006 sets out general provisions for financial control of the Structural Funds.
- 2 The general responsibilities of the Welsh Ministers as the managing and certifying authorities (which are exercised by WEFO) and as the audit authority (which are exercised by the Welsh Assembly Government's Corporate Governance and Assurance Division) for the Structural Funds are set out in detail in Regulation 1083/2006, Regulation 1828/2006 and the Operational Programme.
- 3 The following text is a **summary only** of the monitoring requirements of the Structural Funds and is not a substitute for Regulation 1083/2006, Regulation 1828/2006 or the Operational Programme.
- 4 The general measures that WEFO shall take in carrying out its responsibilities in accordance with the principles of sound financial management shall include but are not limited to or by the following:
 - (i) carrying out verifications to cover administrative, financial, technical and physical aspects of the Project, as appropriate. Verifications will ensure that the expenditure declared by the Applicant is real, that the Project has been delivered in accordance with the Agreement, that the applications for reimbursement by the Applicant are correct and that the Project and expenditure comply with European Community and national rules. Verifications will include procedures to avoid double financing of expenditure with other European Community or national schemes, administrative checks in respect of each application for reimbursement by the Applicant and on-the-spot checks of the Project;
 - (ii) ensuring that on-the-spot verifications are carried out on a sample basis. WEFO will keep records which describe and justify the sampling method and identifying the Projects selected for verification. WEFO will review the sampling method each year;
 - (iii) ensuring that the Applicant and third parties involved in the Project maintain either a separate accounting system or an adequate accounting code for all transactions relating to the Project;
 - (iv) ensuring that audit trails comply with the requirements of Article 15 of Regulation 1828/2006;

(v) drawing up and submitting to the Commission certified statements of expenditure and applications for Grant payment;

(vi) certifying that the statement of expenditure is accurate, results from reliable accounting systems, is based on verifiable supporting documents, expenditure declared complies with the applicable European Community and national rules and has been defrayed in respect of the Project in accordance with the criteria applicable to the Operational Programme;

(vii) ensuring audits are carried out on the Project to verify expenditure declared;

(viii) preventing, detecting and correcting irregularities and recovering amounts unduly paid together with interest on late payments where appropriate; and

(ix) ensuring that the Applicant has adequate monitoring systems in place so that the Applicant's claim forms in respect of the Project only include Eligible Costs Defrayed in the periods to which the claim forms relate.

ANNEX 4

COMPLIANCE

- 1 It is the Applicant's responsibility to ensure that the Project complies with the Structural Funds Regulations. The Applicant may also have to comply with the Procurement Legislation or the Community Principles in respect of the Project. Please see below, under the heading 'Procurement Legislation and Community Principles' for further details.
- 2 **The Applicant must obtain its own legal advice if it requires advice regarding its duties and responsibilities under the Structural Funds Regulations, the Procurement Legislation and the Community Principles in respect of the Project.**

Structural Funds Regulations

- 3 The terms and conditions of the Agreement have been prepared so that they reflect, so far as possible, the Applicant's responsibilities under the Structural Funds Regulations. Copies of the Structural Funds Regulations can be obtained from WEFO's website.

Procurement Legislation and Community Principles

- 4 The Procurement Legislation applies to contracts for works, supplies, services and utilities financed in whole or in part by the Structural Funds, where applicants are contracting authorities (as defined in the Procurement Legislation).
- 5 The Procurement Legislation requires contracts above certain thresholds to be advertised in the Official Journal of the European Communities. Bids for contracts must be assessed on an objective basis and contract awards should be published in the Official Journal of the European Union.
- 6 If the Applicant is a contracting authority and the contract is below the thresholds stipulated in the Procurement Legislation, the Applicant must comply with the Community Principles.
- 7 If the Applicant is not a contracting authority, the Applicant must use fair and open practices, including competitive tendering, when entering into contracts of any kind for which it intends to claim funding from the Structural Funds.
- 8 In addition to the requirements outlined in paragraphs 4, 5, 6 and 7 above, the Applicant must use the Welsh Assembly Government's buy4wales website (buy4wales.co.uk) in respect of the Project when

appropriate. The Applicant must refer to the guidance issued by WEFO regarding the use of this website.

- 9 Further guidance regarding procurement is available on the following websites:

[www.ogc.gov.uk/Resource Toolkit procurement resources.asp](http://www.ogc.gov.uk/Resource_Toolkit_procurement_resources.asp); and

www.buy4wales.co.uk.

ANNEX 5

SPECIAL CONDITIONS

(refer to paragraph 20 of this letter)

1. The applicant is to ensure that State Aid arrangements/controls are in place for each element or that there is no aid, as appropriate.
2. A copy of the agreed works programme to be sent to WEFO and forwarded to Value Wales (Capital & Property) for review.
3. Following procurement a copy of the construction tender reports showing the tenderers and explaining the choice of the successful contractor is to be sent to WEFO for review.
4. The Applicant will agree a quarterly schedule to meet with WEFO to discuss progress, including review of the delivery profile.
5. Over the life of the project the Applicant will work with WEFO to maximise the project's contribution to the cross cutting themes.

ANNEX 6

(refer to the definition of Agreement in paragraph 8 of the letter)

Copies of the guidance documents listed below can either be obtained from WEFO's website www.wefo.wales.gov.uk or by telephoning the WEFO helpline on 0845 010 3355.

- Welsh European Funding Office, West Wales and the Valleys Convergence Programme, Operational Programme for the European Regional Development Fund 2007-2013. CCI Number: 2007UK161PO002. May 2007.
- Sustainable Regeneration - ERDF Convergence P3T2;P4T3;P5T1; ERDF Competitiveness P4 18/10/2007
- State aid – General Guidance in relation to the delivery of Structural Funds in Wales 2007-2013. Version 1. August 2007.
- 'Draft' Structural Funds in Wales: 2007-2013 Eligibility Rules: Guidance for Project Sponsors. Version 7. September 2007.
- WEFO Environmental Sustainability Guidance Key Document. Version 2. 26 March 2008.
- *Environment for Growth Version 2 26/03/08*
- Welsh European Funding Office – Equal Opportunities Guidance Key Document: West Wales and the Valleys Convergence Programme and East Wales Regional Competitiveness and Employment Programme 2007-2013. Version 3. May 2008.
- *Creating an Attractive Business Environment Version 3 May 08*
- Information and Publicity Guidelines 2007-2013 for the Convergence Programmes and Regional Competitiveness and Employment Programmes 2007-2013. Version 1. February 2008.
- Project and Programme Monitoring and Evaluation Guidance. Version 1.01. December 2007.
- Project Monitoring, Management & Control Systems Guidance. Version 1. October 2007.
- ERDF Indicators, Definitions and Evidence Requirements. Version 1.01. December 2007.
- ESF Indicators, Definitions and Evidence Requirements. Version 1.01. December 2007.

- Category Breakdown Guidance. Version 1.01. December 2007.
- Monitoring and Evaluation Plan Template. Version 1.01. December 2007.
- Terms of Reference Template. Version 1.01. December 2007.
- Sample Participant Information Form. Version 1.01. January 2008.
- Sponsorship, Partnership, Procurement and Grants. Version 2.1. June 2008.
- Welsh European Funding Office 2007 to 2013 Structural Fund Programmes: Instructions for Reporting Accountants.
- Welsh European Funding Office Claiming Arrangements: Instructions for Project Sponsors.

