

January 2017

Circular/DCYA/YAU/02/2017

**To: National Organisations in receipt of grant funding under
Department of Children and Youth Affairs Youth Service Grant
Scheme**

**Re: Conditions and Procedures for grant funding allocated under the
above DCYA Scheme 2017**

1. Youth Affairs Funding Allocations 2017

The Department of Children and Youth Affairs advises that overall funding of €57.395m is being made available to support the provision of youth services in 2017. An amount of €10.652m has been allocated under the **Youth Service Grant Scheme**. This represents a 5% increase in the allocation to the scheme in 2017.

2. Need for on-going efficiencies to secure savings

All bodies in receipt of grant funding under the Department of Children and Youth Affairs **Youth Service Grant Scheme** are reminded of the on-going requirement to ensure the design and delivery of better and more cost effective services for young people as outlined in the Public Service Reform Plan 2014-2016.

3. Management and Accountability for Grants from Exchequer Funds

Each body in receipt of grant funding under the Department of Children and Youth Affairs **Youth Service Grant Scheme** should be aware that this funding scheme is governed by the terms set out in this **Circular (DCYA/YAU/02/2017)** and **Department of Public Expenditure and Reform Circular 13/2014**.

Each body in receipt of grant funding under the Department of Children and Youth Affairs **Youth Service Grant Scheme** is expected to take a proactive approach to ensuring that the terms and conditions for grants are met. The overall principle is that there should be transparency and accountability in the management of public money, in line with economy, efficiency and effectiveness. A copy of **Department of Public Expenditure and Reform Circular 13/2014** is attached to this Circular.

4. Terms and Conditions of Funding 2017

4.1 Award of Grants

Grant funding is awarded on the basis of a completed Renewal of Application Form 2017 returned to the Department of Children and Youth Affairs.

It is the responsibility of the body in receipt of funding to ensure that:

- services are delivered in line with the objectives of the grant scheme and with the allocation provided by the Department of Children and Youth Affairs
- all services are compliant with Children First – National Guidance for the Protection and Welfare of Children
- the terms and conditions of **Circular DCYA/YAU/02/2017** and **Department of Public Expenditure and Reform Circular 13/2014** are fully met
- appropriate governance arrangements, including financial management capacity, are in place
- the body has provided a Tax Clearance Access Number along with the Tax Reference Number and Charity Number, where appropriate. A copy of the relevant document/number must be submitted to the grant administering body (Pobal) in advance of any payment being made and held on record for inspection if required.
- All bodies in receipt of grant funding may be subject to audit by Internal Audit Unit of the Department of Children and Youth Affairs and the Comptroller and Auditor General or any agent of the Department or agent of the grant administering body. A condition for funding of organisations, agencies, bodies and projects is that books/accounts/records relating to public funding (from all sources) must be made available for examination to audit authorities, as requested.

All of these conditions should be met in advance of any grant being disbursed in 2017.

4.2 Payment procedures for 2017

The **Youth Service Grant Scheme** funding will be administered by Pobal on behalf of the Department of Children and Youth Affairs. Grant funding will be paid in four quarterly instalments. It will be necessary for the body in receipt of funding to submit a drawdown form to Pobal in advance of each quarterly payment. A copy of the drawdown form is enclosed.

The forms may be sent to Pobal electronically (pmccool@pobal.ie) followed by a signed hard copy for the attention of:

Paul Mc Cool,
Finance Co – Ordinator,
Financial Operations Directorate,
Pobal,
Holbrook House,
Holles Street,
Dublin 2

Failure to submit the forms will result in a delay in issuing the instalments.

Quarterly payments thereafter will be made on the basis of submission of a drawdown form with any other information as requested at that time.

4.3. Savings and surpluses

Any savings/surpluses arising due to closures, unfilled posts, redundancies, etc. which arose during 2016 or over the course of 2017 should be notified to the Department of Children and Youth Affairs in writing by the body in receipt of funding under the **Youth Service Grant Scheme**. In this context, no commitments in relation to new projects or expansion of any existing projects should be made without reference to, and with the prior approval of the Youth Affairs Unit.

Non-compliance with any of the above requirements will require a written letter of explanation acceptable to the Department before final payment can be considered.

5. Accounting and Auditing Requirements

The following requirements must be met by organisations, agencies, bodies and projects in receipt of funding from the Department of Children and Youth Affairs:

- Annual signed audited accounts/financial statements¹ must be submitted.
- Management in organisations, agencies, bodies and projects in receipt of funding from Department of Children and Youth Affairs are responsible for the preparation of the audited accounts/financial statements in accordance with applicable law and accounting standards.
- The signed audited accounts/financial statements should be submitted to the Department of Children and Youth Affairs at the earliest opportunity and **not later than 30th June 2017**.

Failure to submit signed audited accounts/financial statements on time may result in delays in further funding/agreed instalments.

- Companies in receipt of Department of Children and Youth Affairs funding are reminded of their obligation to provide returns to the Revenue Commissioners, Companies Registration Office, Office of Director of Corporate Enforcement and similar bodies.
- The following detail must be reported in the financial statements (*as set out in Department of Public Expenditure and Reform Circular 13/2014*) :

(a) Name of Grantor

The name of the grantor i.e, the Department of Children and Youth Affairs. Where the Grant Administering Agency also requires their details to be recorded, for example Pobal, this Department's name must also be recorded.

(b) Name of Grant

The actual name of the grant programme e.g. Youth Service Grant Scheme.

(c) Purpose of Grant

With reference to Section 3, paragraph 11 of the *Department of Public Expenditure and Reform Circular 13/2014*, the purpose for which the funds are applied must fall under the following headings:

- Pay and general administration
- Service provision/charitable activity
- specified others, including such expenditure as advertising, consultancy, etc.

(d) Accounting for Grants:

- (i) The amount and term of the total grant awarded;
- (ii) The amount of the grant taken to income in the current financial statements;
- (iii) Where (ii) above differs from the cash received in the relevant financial period, a table showing:
 - (a) The grant taken to income in the period
 - (b) The cash received in the period, and
 - (c) Any grant amounts deferred or due at the period end.

¹ This acknowledges that small community and voluntary groups will only have basic financial statements and receipts available as a basis for reporting

(e) Capital Grants

The amount of money provided and the conditions/milestones being used in relation to current and future instalments. Grantees should also provide an undertaking that the State's investment is protected and will not be used as security for any other activity without prior consultation with the parent Department and sanction of DPER.

(f) Employees

In a table accompanying the report, the number of employees whose total employee benefits (excluding employer pension costs) for the reporting period fell within each band of €10,000 from €60,000 upwards and an overall figure for total employer pension contributions. (This applies even if salaries are not being funded by the Exchequer).

(g) Restrictions

Whether and how the use of the grant is restricted (i.e. is it for a particular project, or for the delivery of a service)

(h) Tax Clearance

Whether compliant with relevant Circulars, including Circular 44/2006 "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments".

Auditors should be instructed to comply with this requirement when preparing the audited accounts.

6. Annual Progress Report

All bodies in receipt of Department of Children and Youth Affairs Grant funding will be required to submit an annual progress report. Further correspondence will issue under separate cover setting out details of this requirement.

7. Acknowledgements

All projects, services and grant administering agencies must publicly and prominently acknowledge the Department of Children and Youth Affairs and National Lottery funding (where appropriate) as the source of funding and the specific funding scheme in the relevant documentation.

8. Further Information

Any queries in relation to this circular should be referred to the Youth Affairs Unit of the Department of Children and Youth Affairs.

Department of Children and Youth Affairs.