

DRAFT - SEPTEMBER 2024

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TO NOTE: TEXT IN **RED AND UNDERLINED** REFERS TO CHALLENGE FUND GRANT RECIPIENTS ONLY. TEXT IN ***GREEN ITALICS*** REFERS TO STRATEGIC PARTNERSHIP GRANT RECIPIENTS ONLY. ANY WORDING CONTAINED WITHIN SQUARE BRACKETS, I.E. [ ], REFERS TO SPECIFIC INFORMATION THAT WILL NEED TO BE ADDED AT TIME OF SIGNATURE.

MODEL GRANT FUNDING AGREEMENT  
FOR GRANTS AWARDED AFTER 30 APRIL 2024

DRAFT

DEPARTMENT FOR ENERGY SECURITY AND NET ZERO

and

**THE GRANT RECIPIENT**

**GRANT FUNDING AGREEMENT FOR WARM HOMES: SOCIAL HOUSING FUND WAVE 3**

DRAFT

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This Grant Funding Agreement is made on [insert date of signature]

Between:

- a) SECRETARY OF STATE FOR ENERGY SECURITY AND NET ZERO, whose principal address is at 3-8 Whitehall Place, London, SW1A 2EG (the “**Authority**”)
- b) [INSERT THE FULL NAME OF THE GRANT RECIPIENT], whose principal address is at [ADDRESS] (the “**Grant Recipient**”).

In relation to:

**Project Name: Warm Homes: Social Housing Fund Wave 3 - [insert project name]**

**Project Number: [insert project number].**

These conditions collectively (the **Conditions**) are as follows:

## 1. INTRODUCTION

- 1.1. This Grant Funding Agreement sets out the Conditions which apply to the Grant Recipient receiving the Grant from the Authority up to the Maximum Sum.
- 1.2. The Authority and the Grant Recipient have agreed that the Authority will provide the Grant up to the Maximum Sum as long as the Grant Recipient uses the Grant in accordance with this Grant Funding Agreement.
- 1.3. Where the Grant Recipient is part of a consortium it:
  - 1.3.1. acknowledges that it remains responsible to the Authority for the fulfilment of all requirements and obligations under this Grant Funding Agreement, regardless of whether any particular aspect of the Funded Activities are delivered by or on behalf of a member of that consortium that is not the Grant Recipient; and
  - 1.3.2. warrants that it has legally binding arrangements in place with all consortium members under which those members owe duties and obligations to the Grant Recipient which are of a materially similar nature to the duties and obligations it owes DESNZ under this Grant Funding Agreement.
- 1.4. The Authority makes the Grant to the Grant Recipient on the basis of the Grant Recipient’s grant application, a copy of which is attached at Annex 1 Part B for the provision of Warm Homes: Social Housing Fund (WH:SHF) Wave 3.
- 1.5. The Parties confirm that it is their intention to be legally contractually bound by this Grant Funding Agreement

## 2. DEFINITIONS AND INTERPRETATION

- 2.1. Where they appear in these Conditions:

**Administrative and Ancillary Costs** means any non-capital costs, in relation to administration and delivery of the project (as set out in the WH:SHF Wave 3 scheme guidance);

**Annex** means the annexes attached to these Conditions which form part of the Grant Funding Agreement;

**Asset** means any assets that are to be purchased or developed using the Grant including equipment or any other assets which may be a Fixed Asset and/or Major Asset as appropriate in the relevant context, but does not include homes or other properties (including any installation that is or becomes integral to them) the enhancement or other adaption of which are the purpose of the Funded Activities, and **Assets** will be construed accordingly;

**Asset Owning Period** means the period during which the Assets are recorded as Assets in the Grant Recipient's accounts;

**Authority Personal Data** means any Personal Data supplied for the purposes of, or in connection with, the Grant Funding Agreement by the Authority to the Grant Recipient;

**Branding Manual** means the HM Government of the United Kingdom of Great Britain and Northern Ireland Branding Manual Funded by UK Government first published by the Cabinet Office in November 2022, and is available [here](#), including any subsequent updates from time to time;

**Bribery Act** means the Bribery Act 2010 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant government department concerning this legislation;

**Change Control** is the process, to be established by the Authority, for requesting and evaluating changes to the project outcomes set at the [application stage](#) [phase request stage](#) and that form the baseline of the project;

**Change of Control** means the sale of all or substantially all the assets of a Party; any merger, consolidation or acquisition of a Party with, by or into another corporation, entity or person, or any change in the ownership of more than fifty percent (50%) of the voting capital stock of a Party in one or more related transaction;

**Code of Conduct** means the Code of Conduct for Recipients of Government General Grants published by the Cabinet Office in November 2018 which is available [here](#), including any subsequent updates from time to time;

**Co-Funding** has the meaning given in paragraph 6.

**Commencement Date** means the date on which the Grant Funding Agreement comes into effect, being the **[Insert commencement date]**;

**Confidential Information** means any information (however conveyed, recorded or preserved) disclosed by a Party or its personnel to another Party (and/or that Party's personnel) whether before or after the date of the Grant Funding Agreement, including but not limited to:

- (a) any information that ought reasonably to be considered to be confidential (whether or not it is so marked) relating to:
  - (i) the business, affairs, customers, clients, suppliers or plans of the disclosing Party; and
  - (ii) the operations, processes, product information, know-how, designs, trade secrets or software of the disclosing Party;
- (b) any information developed by the Parties in the course of delivering the Funded Activities;
- (c) the Authority Personal Data; and
- (d) any information derived from any of the above.

Confidential Information shall not include information which:

- (a) was public knowledge at the time of disclosure (otherwise than by breach of paragraph 12 of these Conditions;
- (b) was in the possession of the receiving Party, without restriction as to its disclosure, before receiving it from the disclosing Party;
- (c) is received from a Third Party (who lawfully acquired it) without restriction as to its disclosure; or
- (d) is independently developed without access to the Confidential Information.

**Contracting Authority** means any contracting authority (other than the Authority) as defined in regulation 2 of the Public Contracts Regulations 2015 (as amended) or section 2 of the Procurement Act 2023;

**Controller and Processor** take the meaning given in the UK GDPR;

**Crown Body** means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Executive, and the Welsh Government), including, but not limited to, government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;

**Data Dictionary** means the list of data fields that are included in the reporting template as part of the monthly reporting requirements, as detailed in Annex 8;

**Data Protection Legislation** means (i) the UK GDPR; (ii) the DPA 2018 to the extent that it relates to the processing of Personal Data and privacy; (iii) (to the extent that it applies) the EU GDPR; (iv) all applicable Law relating to the processing of Personal Data and privacy;

**De Minimis Regulation** means Commission Regulation (EU) 1407/2013;

**De Minimis State Aid** means State aid granted pursuant to the De Minimis Regulation;

**Disposal** means the disposal, sale, transfer of an Asset or any interest in any Asset and includes any contract for disposal;

**DPA 2018** means the Data Protection Act 2018;

**Duplicate Funding** means funding provided by a Third Party to the Grant Recipient, which is for the same purpose for which the Grant was made, but has not been declared to the Authority;

**EIR** means the Environmental Information Regulations 2004;

**Eligibility Criteria** mean the Authority's selection criteria used to determine who should be grant recipients including the Grant Recipient;

**Eligible Expenditure** means the expenditure incurred by the Grant Recipient during the Funding Period for the purposes of delivering the Funded Activities which comply in all respects with the eligibility rules set out in paragraph 5 of these Conditions;

**Employment Regulations** means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) or any successor legislation;

**EU GDPR** means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data

and on the free movement of such data (General Data Protection Regulation) as it has effect in EU law;

**Evaluation Partner** means the independent research organisation that the Authority will or has commissioned to deliver an independent evaluation of WH:SHF Wave 3 and assess the benefits delivered by the scheme;

**Event of Default** means an event or circumstance set out in paragraph 27.1;

**Financial Year** means from 1 April to 31 March;

**Fixed Asset** means any Asset which consists of land, buildings, plant, and equipment acquired, developed, enhanced or constructed in connection with the Funded Activities;

**FOIA** means the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant government department concerning the legislation;

**Funded Activities** means the activities set out in Annex 2 (including where those are funded through Co-Funding);

**Funding Period** means the period for which the Grant is awarded starting on the Commencement Date and ending on 31 March 2028, unless terminated earlier or extended in accordance with this Grant Funding Agreement;

**Grant** means the sum or sums the Authority will pay to the Grant Recipient in accordance with paragraph 4 and subject to the provisions set out at paragraph 27;

**Grant Drawdown Request** means the payment request provided in Appendix 1 of the Grant Offer Letter and submitted by the Grant Recipient to the Authority for payment of the Grant;

**Grant Funding Agreement** means these Conditions together with its annexes and schedules including but not limited to the Annex 1 Grant Offer Letter;

**Grant Manager** means the individual(s) who have been nominated by the Authority to be the point of contact for the Grant Recipient in relation to the Grant;

**Grant Offer Letter** means the letter the Authority issued to the Grant Recipient dated [REDACTED], a copy of which is set out in Annex 1;

**Grant Payment Process** means the process established by the Authority through which Grant Recipients can make a Grant Drawdown Request;

**HMRC** means HM Revenue and Customs;

**HRA** means the Human Rights Act 1998 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant government department concerning the legislation;

**Ineligible Expenditure** means expenditure incurred by the Grant Recipient which is not Eligible Expenditure and as set out in paragraph 5 of these Conditions;

**Information Acts** means the Data Protection Legislation, FOIA and the EIR, as amended from time to time;



**Intellectual Property Rights or IPRs** means copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions semi-conductor topography rights, trade marks, rights in internet domain names and website addresses and other rights in trade names, designs, know-how, trade secrets and any modifications, amendments, updates and new releases of the same and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;

**IP Completion Day** has the meaning given to it in the European Union (Withdrawal) Act 2020;

**IPR Material** means all material produced by the Grant Recipient or its Representatives in relation to the Funded Activities during the Funding Period (including but not limited to, materials expressed in any form of report, database, design, document, technology, information, know how, system or process);

**Independent Controller** means a Party which is Controller of the same Personal Data as the other Party and there is no element of joint control with regards to that Personal Data;

**Joint Controllers** means where two or more Controllers jointly determine the purposes and means of processing;

**Law** means any law, statute, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, right within the meaning of the European Union (Withdrawal) Act 2018 as amended by European Union (Withdrawal Agreement) Act 2020, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Grant Recipient is bound to comply;

**Long Stop Date** means 30 September 2028;

**Losses** means all losses, liabilities, damages, costs, expenses (including legal fees), disbursements, costs of investigation, litigation, settlement, judgment, interest, and penalties whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise and **Loss** will be interpreted accordingly;

**Major Asset** means an Asset being used for the Funded Activities which is not a Fixed Asset but has a value as at the date of this Grant Funding Agreement of at least £300.00;

**Maximum Sum** means the maximum amount of the Grant the Authority will provide to the Grant Recipient for the Funded Activities and set out in the Grant Offer Letter, subject to paragraph 27 and set out at paragraph 4.1;

**Party** means the Authority or Grant Recipient and **Parties** shall be each Party together;

**Personal Data** has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;

**Phase** means a phase of work in relation to this Grant Funding Agreement as set out in the [Phase Request Baseline Information Table at Annex 6](#);

**Phase Request** means a request for approval to commence works in relation to a Phase in accordance with the [Phase Request Baseline Information Table at Annex 6](#);

**Procurement Regulations** means the Public Contracts Regulations 2015, the Public Procurement (Amendment etc.)(EU Exit) Regulations 2020, the Defence and Security Public Contracts Regulations 2011, the Utilities Contracts Regulations 2016, and the Concession

Contracts Regulations 2016, the Public Contracts (Scotland) Regulations 2015, the Utilities Contracts (Scotland) Regulations 2016 and the Concession Contracts (Scotland) Regulations 2016 each as amended from time to time; and/or as applicable, the Procurement Act 2023 and any secondary legislation (such as regulations) other Law made pursuant to the Procurement Act 2023;

**Prohibited Act** means:

- (a) directly or indirectly offering, giving or agreeing to give to any servant of the Authority or the Crown any gift or consideration of any kind as an inducement or reward for:
  - (i) doing or not doing (or for having done or not having done) any act in relation to the obtaining or performance of the Grant Funding Agreement; or
  - (ii) showing or not showing favour or disfavour to any person in relation to the Grant Funding Agreement;
- (b) committing any offence:
  - (iii) under the Bribery Act;
  - (iv) under legislation creating offences in respect of fraudulent acts; or
  - (v) at common law in respect of fraudulent acts in relation to the Grant Funding Agreement; or
- (c) defrauding or attempting to defraud or conspiring to defraud the Authority or the Crown;

**Publication** means any announcement, comment or publication of any publicity material by the Grant Recipient concerning the Funded Activities, the Grant Funding Agreement or the Authority;

**Relevant Transfer** means a transfer of employment to which the Employment Regulations apply;

**Reconciliation Process** means the process where the Authority conducts a detailed evidence check on the Grant Recipient's Eligible Expenditure spend to date and reconciles Grant payments made on the basis of the evidence provided;

**Remedial Action Plan** means the plan of action submitted by the Grant Recipient to the Authority following an Event of Default pursuant to the Rectification Plan process set out in paragraphs 27.4;

**Replacement Funded Activities** means any activities which are the same or substantially similar to any of the Funded Activities and which are provided in substitution for any of the Funded Activities after the expiry or termination or partial termination of this Grant Funding Agreement whether those services are provided by the Authority or a Third Party;

**Replacement Grant Recipient** means any third-party provided or Replacement Funded Activities (or where the Authority is providing Replacement Funded Activities for its own account, the Authority);

**Representatives** means any of the Parties' duly authorised directors, employees, officers, agents, professional advisors and consultants;

**Scheme Launch** means the date on which the final set of WH:SHF Wave 3 guidance documents were published on 23<sup>rd</sup> September 2024;

**Self-Conducted Evaluation** means a set of data collection, analysis, and reporting activities that Grant Recipients may opt to undertake;

*Self-Conducted Evaluation means mandatory data collection, analysis, and reporting activities that Grant Recipients are required to undertake;*

**Special Payments** means ex gratia expenditure by the Grant Recipient to a Third Party where no legal obligations exist for the payment and/or other extra-contractual expenditure. Special Payments may include, but is not limited to, out-of-court settlements, compensation or additional severance payments to the Grant Recipient's employees;

**State Aid Law** means the law embodied in Articles 107- 109 of the Treaty on the Functioning of the European Union and any related legislation adopted by the Council, European Parliament and/or the Commission (including implementing legislation) decisions and communications to the extent it applied or continues to apply at any time in the United Kingdom;

**Subsidy Control Act** means the Subsidy Control Act 2022 which implements a domestic subsidy control regime in the United Kingdom;

**Third Party** means any person or organisation other than the Grant Recipient or the Authority;

**Third Party Funding** means any contribution to the Funded Activities from a Third Party to the Grant Recipient to meet the balance of the Eligible Expenditure not supported by the Grant, including Co-Funding;

**Trade and Cooperation Agreement** means the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part (as that agreement is modified or supplemented from time to time in accordance with any provision of it or of any other future relationship agreement);

**UK GDPR** means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (United Kingdom General Data Protection Regulation), as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018, together with the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019;

**Unspent Monies** means any monies paid to the Grant Recipient in advance of its Eligible Expenditure, which remains unspent and uncommitted at the end of the Financial Year, the Funding Period or because of termination or breach of these Conditions;

**VAT** means value added tax chargeable in the UK;

**WH:SHF Wave 3** means Wave 3 of the Warm Homes: Social Housing Fund;

**Windsor Framework** means the protocol on Ireland and Northern Ireland in the EU withdrawal agreement;

**Working Day** means any day from Monday to Friday (inclusive) which is not specified or proclaimed as a bank holiday in England and Wales pursuant to section 1 of the Banking and Financial Dealings Act 1971 including Christmas Day and Good Friday.

2.2 In these Conditions, unless the context otherwise requires:

2.2.1 the singular includes the plural and vice versa;

- 2.2.2 reference to a gender includes the other gender and the neuter;
- 2.2.3 references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body;
- 2.2.4 a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;
- 2.2.5 any reference in these Conditions which immediately before IP Completion Day (or such later date when relevant EU law ceases to have effect pursuant to Section 1A of the European Union (Withdrawal) Act 2018) was a reference to (as it has effect from time to time):
- (i) any EU regulation, EU decision, EU tertiary legislation or provision of the European Economic Area (“**EEA**”) agreement (“**EU References**”) which forms part of domestic law by application of section 3 of the European Union (Withdrawal) Act 2018 shall be read on and after IP Completion Day as a reference to the EU References as they form part of domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018 as modified by domestic law from time to time; and
  - (ii) any EU institution or EU authority or other such EU body shall be read on and after IP Completion Day as a reference to the UK institution, authority or body to which its functions were transferred; the words "including", "other", "in particular", "for example" and similar words will not limit the generality of the preceding words and will be construed as if they were immediately followed by the words "without limitation"; references to “writing” include typing, printing, lithography, photography, display on a screen, electronic and facsimile transmission and other modes of representing or reproducing words in a visible form, and expressions referring to writing will be construed accordingly; references to “representations” will be construed as references to present facts, to “warranties” as references to present and future facts and to “undertakings” as references to obligations under the Grant Funding Agreement; the headings in these Conditions are for ease of reference only and will not affect the interpretation or construction of these Conditions.
- 2.3 Where there is any conflict between the documents that make up this Grant Funding Agreement the conflict shall be resolved in accordance with the following order of precedence:
- (i) the Conditions;
  - (ii) Annex 1 – the Authority’s Grant Offer Letter;
  - (iii) All other Annexes to these Conditions; and
  - (iv) WH:SHF Wave 3 scheme guidance.

## **CONDITIONS**

### **3. DURATION AND PURPOSE OF THE GRANT**

- 3.1. The Funding Period starts on [ ] (the Commencement Date) and ends on [ ] unless terminated earlier in accordance with this Grant Funding Agreement.
- 3.2. The Grant Recipient may only make a Grant Drawdown Request during the Funding Period.
- 3.3. The Grant Recipient must:

- 3.3.1. develop and submit Phase Requests for the Authority's approval before commencing any works to which each Phase Request relates;
  - 3.3.2. once each Phase Request is approved, complete the Phase Request Detailed Baseline Information Table at Annex 6 in respect of that Phase;
  - 3.3.3. commence performing the Funded Activities no later than 6 weeks after the Commencement Date;
  - 3.3.4. ensure that all of the Grant has been paid out before the end of the Funding Period; and
  - 3.3.5. complete all Funded Activities by the Long Stop Date.
- 3.4. The Grant Recipient shall use the Grant solely for the delivery of Funded Activities approved through the Phase Request process or in accordance with paragraph 4.9. The Grant Recipient may not make any changes to those Funded Activities.
- 3.5. If the Grant Recipient wants to make a change to the baselined information (set out in Annex 6) within the Funded Activities (including for example reducing the Grant or removing some of the Funded Activities from Annex 2) it may do so in line with the Change Control process.

#### **4. PAYMENT OF GRANT**

- 4.1. Subject to the remainder of this paragraph 4, the Authority shall pay the Grant Recipient an amount not exceeding the Maximum Sum. The Authority shall pay the Grant in pound sterling (GBP) and into a bank located in the UK. The Maximum Sum will not be increased in the event of any overspend by the Grant Recipient in its delivery of the Funded Activities.
- 4.2. The Grant Recipient must complete and sign the Confirmation of Bank Details and Signatories (Annex 4) and return the completed form to the Authority. No payment can be made in advance of receipt of a correctly completed and signed form.
- 4.3. The signatory must be the Chief Finance Officer or someone with proper delegated authority. Any change of bank details must be notified immediately on the same form and signed by an approved signatory. Any change of signatory must be notified to the Authority for approval, as soon as known.
- 4.4. Subject to paragraph 4.5, the Grant Recipient shall submit a Grant Drawdown Request not less than 1 month, but not more than 3 months, from the submission of the previous Grant Drawdown Request together with an up-to-date financial forecast report for the project. This forecast should be based on previously received payments and their knowledge of spend incurred to date and any other documentation as prescribed by the Authority, from time to time. Each Grant Drawdown Request shall be submitted as part of relevant monthly reporting to the Authority.
- 4.5. Without limiting any other provision of this Grant Funding Agreement, the Grant Recipient must submit the first Grant Drawdown Request not more than 3 months after *the Commencement Date* the submission of the first Phase Request.
- 4.6. The Authority will only pay the Grant to the Grant Recipient:
  - 4.6.1. during the Funding Period;

- 4.6.2. in respect of Eligible Expenditure incurred by the Grant Recipient to deliver the Funded Activities either agreed in Phase Requests or requested in accordance with paragraph 4.8; and
- 4.6.3. once the Authority is satisfied that the Grant Recipient has provided a sufficient level of evidence and assurance to demonstrate that the Eligible Expenditure has been incurred, as further described in clause 4.7.
- (a) Unless otherwise stated in these Conditions, payment of such Grant as the Authority determines to be payable will be made by the 10<sup>th</sup> Working Day of the month which is two months after the month in which the Grant Drawdown Request is submitted by the Grant Recipient.
- 4.7. The Grant Recipient will provide the Authority with evidence of the costs incurred and payment of those costs, which are classified as Eligible Expenditure, which may include (but will not be limited to) receipts and invoices or any other documentary evidence specified by the Authority, or as requested by the Authority.
- 4.8. Notwithstanding any other provision of this Grant Funding Agreement, the Grant Recipient may submit a Grant Drawdown Request prior to the submission and approval of Phase Requests (as described in the Grant Payment Process), as outlined in the baselined information. The total amount requested across all such Grant Drawdown Requests must not exceed 20% of the Maximum Sum of the Grant. Grant Drawdown Requests under this paragraph may only be comprised of up to 15% of the Maximum Sum for Administrative and Ancillary Costs and up to 5% of the Maximum Sum for capital costs (both individually and collectively). A Grant Drawdown Request made under this paragraph 4.8 shall be ignored for the purposes of calculating any time period under paragraphs 4.4 or 4.5.
- 4.9. The Grant Recipient shall declare to the Authority any Third Party Funding which has been approved or received, before the Commencement Date. If the Grant Recipient intends to apply for, is offered or receives any further Third Party Funding during the Funding Period, the Grant Recipient shall notify the Authority before accepting or using any such Third Party Funding. On notifying the Authority of the Third Party Funding the Grant Recipient shall confirm the amount, purpose and source of the Third Party Funding and the Authority shall confirm whether it is agreeable to the Grant Recipient accepting the Third Party Funding. If the Authority does not agree to the use of Third Party Funding the Authority shall be entitled to terminate the Grant Funding Agreement in accordance with paragraph 27.1.9 and where applicable, require all or part of the Grant to be repaid.
- 4.10. Where the use of Third Party Funding is permitted the Grant Recipient shall set out any Third Party Funding it receives in the format required by the Authority and send that to the Authority. This is so the Authority knows the total funding the Grant Recipient has received for the Funded Activities.
- 4.11. The Grant Recipient agrees that:
- 4.11.1. it will not apply for, or obtain, Duplicate Funding in respect of any part of the Funded Activities which have been paid for in full using the Grant;
- 4.11.2. the Authority may refer the Grant Recipient to the police should it dishonestly and intentionally obtain Duplicate Funding for the Funded Activities;
- 4.11.3. the Authority will not make the first payment of the Grant and/or any subsequent payments of the Grant unless or until, the Authority is satisfied that:

- (i) the Grant will be used for Eligible Expenditure only; and
- (ii) if applicable, any previous Grant payments have been used for the Funded Activities or, where there are Unspent Monies, have been repaid to the Authority; and
- (iii) any Residual Grant Monies at the end of a Reconciliation Process are repaid to the Authority, where requested and in accordance with 4.19; and

4.11.4. notwithstanding any other provision of this Grant Funding Agreement, no Grant payment will be made outside the Funding Period.

- 4.12. The Authority will have no liability to the Grant Recipient for any Losses caused by a delay in the payment of the Grant in response to a Grant Drawdown Request, howsoever arising.
- 4.13. The Authority reserves the right not to pay any Grant in response to a Grant Drawdown Request, which is not submitted within the periods set out in paragraphs 4.4 and 4.5 or which is incomplete, incorrect, or submitted without the full supporting documentation in accordance with paragraph 4.6.
- 4.14. The Grant Recipient shall promptly notify and repay immediately to the Authority any money incorrectly paid to it either as a result of an administrative error or otherwise. This includes (without limitation) situations where the Grant Recipient is paid in error before it has complied with its obligations under the Grant Funding Agreement. Any sum, which falls due under this paragraph 4.14, shall fall due immediately. If the Grant Recipient fails to repay the due sum immediately or within any other timeframe specified by the Authority the sum will be recoverable summarily as a civil debt.
- 4.15. The Grant will be paid into a separate bank account in the name of the Grant Recipient which must be an ordinary business bank account. All cheques from the bank account must be signed by at least two individual Representatives of the Grant Recipient.
- 4.16. Where the Grant Recipient enters into a contract with a Third Party in connection with the Funded Activities, the Grant Recipient will remain responsible for paying that Third Party. The Authority has no responsibility for paying Third Party invoices.
- 4.17. Onward payment of the Grant and the use of sub-contractors shall not relieve the Grant Recipient of any of its obligations under the Grant Funding Agreement, including any obligation to repay the Grant.
- 4.18. The Grant Recipient may not retain any Unspent Monies without the Authority's prior written permission or if this retention is accepted as part of the Authority's Grant Payment Process.
- 4.19. If at the end of the relevant Financial Year or Reconciliation Process there are Unspent Monies or Residual Grant Monies, the Grant Recipient shall, at the discretion of the Authority, repay such Unspent Monies to the Authority no later than 30 days of the Authority's request for repayment.

## **5. ELIGIBLE AND INELIGIBLE EXPENDITURE**

- 5.1. The Authority will only pay the Grant in respect of Eligible Expenditure incurred by the Grant Recipient to deliver the Funded Activities either agreed in Phase Requests or requested in accordance with paragraph 4.9 and the Grant Recipient will use the Grant solely for delivery of those Funded Activities.

- 5.2. The items listed in Annex 5 and the following costs/payments will be classified as Eligible Expenditure if incurred for the purposes of the Funded Activities:
- 5.2.1. fees charged or to be charged to the Grant Recipient by the external auditors/accountants for reporting or certifying that the Grant paid was applied for its intended purposes;
  - 5.2.2. giving evidence to Parliamentary Select Committees;
  - 5.2.3. attending meetings with government ministers or civil servants to discuss the progress of a taxpayer funded grant scheme;
  - 5.2.4. responding to public consultations, where the topic is relevant to the objectives of the Funded Activities. To avoid doubt, Eligible Expenditure does not include the Grant Recipient spending the Grant on lobbying other people to respond to any such consultation (unless explicitly permitted in the Grant Funding Agreement);
  - 5.2.5. providing independent, evidence-based policy recommendations to local government, government departments or ministers, where that is the objective of a taxpayer funded grant scheme, for example, 'What Works Centres'; and
  - 5.2.6. providing independent evidence-based advice to local or national government as part of the general policy debate, where that is in line with the objectives of the Grant.
- 5.3. The Grant Recipient may not in any circumstance claim the following non-exhaustive list as Eligible Expenditure. The list below does not override activities which are deemed eligible in these Conditions:
- 5.3.1. paid for lobbying, which means using the Grant to fund lobbying (via an external firm or in-house staff) in order to undertake activities intended to influence or attempt to influence Parliament, government or political activity; or attempting to influence legislative or regulatory action;
  - 5.3.2. using the Grant to directly enable one part of government to challenge another on topics unrelated to the agreed purpose of the Grant;
  - 5.3.3. using the Grant to petition for additional funding;
  - 5.3.4. expenses such as for entertaining, specifically aimed at exerting undue influence to change government policy;
  - 5.3.5. input VAT reclaimable by the Grant Recipient from HMRC; and
  - 5.3.6. payments for activities of a political or exclusively religious nature.
- 5.4. Other examples of expenditure, which are prohibited, include the following:
- 5.4.1. contributions in kind;
  - 5.4.2. interest payments or service charge payments for finance leases;
  - 5.4.3. gifts;
  - 5.4.4. statutory fines, criminal fines or penalties civil penalties, damages or any associated legal costs;



- 5.4.5. payments for works or activities which the Grant Recipient, or any member of their Partnership has a statutory duty to undertake, or that are fully funded by other sources;
- 5.4.6. bad debts to related parties;
- 5.4.7. payments for unfair dismissal or other compensation;
- 5.4.8. depreciation, amortisation or impairment of assets owned by the Grant Recipient;
- 5.4.9. the acquisition or improvement of Assets by the Grant Recipient (unless the Grant is explicitly for capital use – this will be stipulated in the Grant Funding Letter); and
- 5.4.10. liabilities incurred before the commencement of the Grant Funding Agreement unless agreed in writing by the Authority.

## **6. CO-FUNDING**

- 6.1. In addition to the Grant, the Grant Recipient must secure funding towards the Funded Activities by an amount at least equal to the Grant it has received or will have received on the day the Funding Period ends (the '**Co-Funding**').
- 6.2. Co-Funding may be secured from sources including the Grant Recipient's own funds, members of a consortium to which the Grant Recipient is a party and other Third Party Funding (subject in either case to approval in accordance with paragraph 4.9), but may not be secured from any other grant funding provided by the UK Government or Local Governments in the UK.
- 6.3. Following entry into this Agreement, only expenditure that in the opinion of the Authority would be Eligible Expenditure (were it funded by the Grant) may contribute to the Co-Funding requirement.
- 6.4. If any sum is incurred by the Grant Recipient:
  - 6.4.1. after Scheme Launch but before the Commencement Date; or
  - 6.4.2. after the Funding Period but before the Long Stop Date,
 which would have been Eligible Expenditure in accordance with this Agreement, the Authority may (in its absolute discretion) allow that sum be counted as part of the Grant Recipient's' Co-Funding. This provision only applies to expenditure on the Funded Activities.
- 6.5. The Grant Recipient, by requesting that any expenditure be accounted for as part of its Co-Funding, consents to that expenditure being subject to the oversight and investigation of the Authority under the terms of this Grant Funding Agreement, including specifically Paragraphs 7, 8 and 9 of this Grant Funding Agreement, regardless of whether the expenditure pre- or post-dates the signing of this Grant Funding Agreement.
- 6.6. The Grant Recipient must spend all Co-Funding before the Long Stop Date.
- 6.7. The Grant Recipient must demonstrate Co-Funding contributions equal to at least 10% of the Grant paid in each financial year at all times during and throughout the Funding Period which is, in the opinion of the Authority, consistent with the Grant Recipient meeting the Co-Funding obligation at the end of the Funding Period. Failure to demonstrate this at any time during the Funding Period will constitute a failure to achieve this Output and as such an Event of Default, allowing the Authority to exercise its rights at paragraph 27.3 of this Grant Funding Agreement.

## **7. ANNUAL GRANT REVIEW**

- 7.1. The Authority will review the Grant annually. The Authority will take into account the Grant Recipient's delivery of the Funded Activities against the agreed outputs set out in Annex 6 of these Conditions by the Grant Recipient in accordance with paragraph 8.2 of these Conditions.
- 7.2. Each annual review may result in the Authority deciding that (for example a non-exclusive list includes):
  - 7.2.1. the Funded Activities and the Grant Funding Agreement should continue in line with existing plans;
  - 7.2.2. there should be an increase or decrease in the Grant for the subsequent Financial Year, and / or to the Maximum Sum;
  - 7.2.3. the outputs should be re-defined and agreed;
  - 7.2.4. the Grant Recipient should provide the Authority with a draft Remedial Action Plan setting out the steps the Grant Recipient will take to improve delivery of the Funded Activities;
  - 7.2.5. the Authority should recover any Unspent Monies; and / or
  - 7.2.6. the Grant be terminated in accordance with paragraph 27.11 of these Conditions.
- 7.3. If the Grant Recipient is required to submit a draft Remedial Action Plan in accordance with paragraph 7.2.4 the Remedial Action Plan process set out in paragraph 27.4 to 27.10 shall apply.
- 7.4. The Grant Recipient may make representations to the Authority regarding the Authority's decision made in accordance with paragraph 7.2. The Authority is not however obliged to take such representations into account when making its decision as any such decision will be final and at the Authority's absolute discretion.

## **8. MONITORING AND REPORTING**

- 8.1. The Grant Recipient shall:
  - 8.1.1. closely monitor the delivery and success of the Funded Activities throughout the Funding Period to ensure that the aims and objectives of the Funded Activities are achieved;
  - 8.1.2. provide the Authority with all reasonable assistance and co-operation in relation to any ad-hoc information, explanations and documents as the Authority may require, from time to time, so the Authority may establish if the Grant Recipient has used the Grant in accordance with the Grant Funding Agreement;
  - 8.1.3. provide the Authority with monthly reporting using the reporting template and Data Dictionary on or before the 10th working day of each month. This data will undergo Quality Assurance each month. The monthly data points will include:
    - (i) an overview of monthly progress on the project, including the progress of each Phase (as set out in Phase Requests identified in Annex 6);
    - (ii) an update against all Key Performance Indicators (KPIs) and delivery milestones outlined in Annex 6;

- (iii) the principal risks, issues, and/or concerns that could impact project progress; and
  - (iv) any suspected incidents of fraud or error or non-compliance or suspicious behaviour;
- 8.1.4. provide the Authority with project details on data points which will include:
- (i) contact details of the Grant Recipient and, where appropriate, its consortium partners;
  - (ii) specific per home information, including but not limited to:
    - (A) information about properties treated including, but not limited to address and building characteristics;
    - (B) details of the funding used to support installations, including from the Authority, the Grant Recipient, and additional contributions from owners or other Third Parties; and
    - (C) the measures planned or delivered, including type, size, certification, cost, and the Unique Measure References (UMRs);
  - (iii) pre- and post-SAP and RdSAP assessments of properties treated, as well as TrustMark certificates for completed properties, Name of installers of properties treated, as well as details about any relevant accreditation, such as TrustMark License Numbers (TMLNs);
  - (iv) the amount of grant funding the Grant Recipient has received, is requesting, or expect to request from the Authority each month;
  - (v) the number of homes approached but have not received installations; and
  - (vi) any other items the Grant Recipient wishes to escalate to the Authority;
- 8.1.5. if a consortium lead, the Grant Recipient must submit the reporting data required by this clause **Error! Reference source not found.** for and on behalf of all consortium members;
- 8.1.6. allow any person authorised by the Authority reasonable access, with or without notice, to its employees, agents, premises, facilities and records, for the purpose of discussing, monitoring and evaluating the Grant Recipient's fulfilment of its obligations under the Grant Funding Agreement and will, if so required, provide appropriate oral or written explanations to such authorised persons as required during the Funding Period; This includes providing reasonable access to evidence and information for the purposes of evaluation and learning in relation to the delivery and impact of WH:SHF Wave 3. This may include, but is not limited to, responding to requests for data and engaging with requests to participate in evaluation activities such as being interviewed and/or completing surveys;
- 8.1.7. record in its financial reports the amount of Third Party Funding it receives together with details of what it has used that Third Party Funding for; and
- 8.1.8. notify the Authority as soon as reasonably practicable of:

- (i) any actual or potential failure to comply with any of its obligations under the Grant Funding Agreement, which includes those caused by any administrative, financial or managerial difficulties; and
  - (ii) actual or potential variations to the Eligible Expenditure set out in Annex 5 of these Conditions and/or any event which materially affects the continued accuracy of such information.
- 8.2. The Grant Recipient represents and undertakes (and shall repeat such representations and undertakings on delivery of its monthly report):
- 8.2.1. that the reports and information it gives pursuant to this paragraph have been quality assured, including but not limited to the following checks:
- (i) checking the eligibility of households and installers;
  - (ii) checking for data completeness to ensure that all mandatory data fields are completed in any WH:SHF Wave 3 Data sent to the Authority; and
  - (iii) carrying out data validation checks, such as, checking field formats (e.g., a date field is in a date format) or that an entry is valid (e.g., a postcode is alphanumeric), before sending any WH:SHF Wave 3 Data to the Authority;
- 8.2.2. that it has diligently made full and proper enquiry of the matter pertaining to the reports and information given; and
- 8.2.3. that any data it provided pursuant to an application for the Grant may be shared within the powers conferred by legislation with other organisations for the purpose of preventing or detecting crime.
- 8.3. Without limiting any other obligation under this clause **Error! Reference source not found., [w here the Grant Recipient chooses to carry out Self-Conducted Evaluation activities](#)**, the Grant Recipient shall undertake Self-Conducted Evaluation, to support the Authority's overall scheme evaluation of WH:SHF Wave 3 as specified in this clause 8.3. The Grant Recipient's mandatory Group A Self-Conducted Evaluation includes:
- (i) Group A1: Internal social housing landlord capacity and capability development: Internal data collection;
  - (ii) Group A2: Supply chain capacity and capability development: Data collection from selected Supply Chain Organisations; and
  - (iii) Group A3: Resident experience.
- 8.3.1. Any reports provided to the Authority by the Grant Recipient must not contain personal data of anyone other than the Grant Recipient's, unless specified otherwise by the Authority in writing.
- 8.3.2. For compliance with Group A1, the Grant Recipient shall:
- (i) provide the Authority with yearly reporting to the timeframes specified by the Authority and using the template provided by the Authority. Without prejudice as to the sorts of matters which may be included in the template, they may include, but are not limited to, information regarding:

- (A) size of Grant Recipient's retrofit capacity (e.g. Total number of FTEs working on WH:SHF Wave 3);
  - (B) division of roles within Grant Recipient's retrofit capacity (e.g. Total number of FTEs per SOC code);
  - (C) growth of Grant Recipient's retrofit capacity (e.g. Number of new internal positions created during WH:SHF Wave 3, Number and type of apprenticeships offered);
  - (D) internal upskilling within Grant Recipients' retrofit capacity (e.g. Number and type of training courses attended);
  - (E) Grant Recipient's role in supporting external sector upskilling (e.g. Number of SME contractors used, Number of contractors supported to become accredited); and
  - (F) Grant Recipient's role in supporting Equality, Diversity and Inclusion (EDI) in the retrofit sector (e.g. Whether Grant Recipient has an EDI strategy);
- (ii) undertake data processing and descriptive analysis as necessary for completing the template. For example, the Grant Recipient may need to collate information from different sources, provide total or average figures, and compare outcome results between years; and
  - (iii) work with the Authority and / or its Evaluation Partner to resolve any errors they deem to exist in the yearly report and resubmit that report.

8.3.3. For compliance with the Group A2, the Grant Recipient shall:

- (i) provide the Authority with yearly reporting on such organisations within their supply chain ('Supply Chain Organisations') as the Authority may require, using the template provided by, and in the timeframes specified by, the Authority. Without prejudice as to the sorts of matters which may be included in the template, they may include, but are not limited to, information regarding:
  - (A) size of Supply Chain Organisation's retrofit capacity (e.g. Total number of FTEs in each Supply Chain Organisation);
  - (B) division of roles within Supply Chain Organisation's retrofit capacity (e.g. Total number of FTEs per SOC code, Number and type of apprenticeships offered);
  - (C) growth of Grant Recipient's supply chain (e.g. Date of Supply Chain Organisation's incorporation);
  - (D) upskilling undertaken within Supply Chain Organisations (e.g. Date of accreditations received for WH:SHF Wave 3);
  - (E) perceived efficiency of Grant Recipient's supply chain (e.g. Satisfaction with ability to deliver retrofit, Threats to retrofit delivery); and
  - (F) Supply Chain Organisation's role in supporting Equality, Diversity and Inclusion (EDI) in the retrofit sector (e.g. Whether Supply Chain Organisation has an EDI strategy);

- (ii) distribute the reporting template to organisations in their supply chain and:
  - (A) for Supply Chain Organisations with existing contractual agreements for the provision of Funded Activities: make all reasonable endeavours to return completed reports to the Authority; and
  - (B) for Supply Chain Organisations without existing contractual arrangements for the provision of Funded Activities: ensure that any new contractual arrangements require the Supply Chain Organisation to complete the reporting template and return completed reports to the Grant Recipient and / or the Authority;
- (iii) undertake data processing and descriptive analysis as necessary for completing the template. For example, the Grant Recipient may need to collate information from different sources, provide total or average figures, and compare outcome results between years; and
- (iv) work with the Authority and / or its Evaluation Partner to resolve any errors they deem to exist in the yearly report and resubmit that report.

8.3.4. For compliance with the Group A3, the Grant Recipient shall:

- (i) deliver a questionnaire of residents receiving measures in Wave 3, which shall include questions as specified by the Authority;
- (ii) deliver the resident questionnaire between 1 – 12 months after measures have been installed in that resident’s household;
- (iii) select the most appropriate questionnaire method (e.g. face to face, online) and sampling strategy which is sufficiently large and representative to draw generalisable conclusions (e.g. sample, census), but the Authority reserves the right to request adjustments in the Grant Recipient’s selected questionnaire design approach if it does not comply with minimum methodological standards, which the Authority shall specify;
- (iv) ensure their questionnaire design and approach, including any work delivered by contractors, is compliant with the [Market Research Society code of conduct](#). The exact questions and outcome indicators will be confirmed in guidance that the Authority will provide and will seek residents’ views on:
  - (A) satisfaction with the installation process;
  - (B) satisfaction with measures installed;
  - (C) perceived post-installation improvements to mental and physical health;
  - (D) perceived post-installation improvements to warmth and comfort in the home;
  - (E) perceived post-installation improvements to fuel bills; and
  - (F) resident characteristics, including age, gender, income, ethnicity, disability, Unique Property Reference Number;

- (v) draft and share a Privacy Notice with residents approached for the questionnaire, as required by UK GDPR. The Privacy Notice must explain which personal data is processed, the purpose and legal basis for processing, and with whom this will be shared. The Privacy Notice must explain that anonymised data will be shared with the Authority and its research and evaluation partners for research and statistical purposes. The Grant Recipient must obtain residents' informed consent to process their personal data;
- (vi) share raw, anonymised questionnaire data with the Authority, via the Authority's Evaluation Partner, in the timeframe and format specified by the Authority. The Grant Recipient must anonymise this dataset before sharing with the Authority, otherwise this will constitute a personal data breach under UK GDPR and the Grant Recipient and Authority must take the steps set out in paragraphs 66-69 of the Data Sharing Agreement; and
- (vii) ensure that Data Sharing Agreements are in place with any external contractors involved in data collection and/or sharing for the purposes of Self-Conducted Evaluation, and that data sharing processes are compliant with UK GDPR.

8.3.5. If the Grant Recipient opts into Group B in addition to Group A:

- (i) the Grant Recipient must select at most 3 evaluation topics from those provided by the Authority and propose their own data collection and analysis approach for each of the selected evaluation topics for agreement with the Authority;
- (ii) the Grant Recipient must once agreed, report on the Group B evaluation topics in accordance with the reporting template provided by the Authority (or the Authority's Evaluation Partner); and
- (iii) the Authority's Evaluation Partner will provide support to the Grant Recipient for up to 3 of the agreed Group B evaluation topics but the Grant Recipient may choose to explore additional topics independently.

8.3.6. The Grant Recipient shall:

- (i) deliver the Self-Conducted Evaluation Plan, using the reporting template provided by the Authority. This shall be shared with the Authority in the specified timeframes. The Self-Conducted Evaluation Plan will undergo quality assurance and if the Authority and its Evaluation Partner deem information to be missing, the Grant Recipient shall resubmit the Plan. The Authority reserves the right to request changes to the Self-Conducted Evaluation Plan if it does not meet minimum methodological standards;
- (ii) deliver the Mid-Delivery Self-Conducted Evaluation Report, using the reporting template provided by the Authority. This shall be shared with the Authority in the specified timeframes. The Mid-Delivery Self-Conducted Evaluation Report will undergo Quality Assurance and if the Authority and its Evaluation Partner deem information to be missing, the Grant Recipient shall resubmit the Report; and
- (iii) deliver the End-Delivery Self-Conducted Evaluation Report, using the reporting template provided by the Authority. This shall be shared with the Authority in the specified timeframes, as an annex to project closure reporting. The End-Delivery Self-Conducted Evaluation Report will undergo Quality Assurance and if the Authority and its Evaluation Partner deem information to be missing, the Grant Recipient shall resubmit the Report.

- 8.3.7. The Grant Recipient shall ensure timely engagement as required with the Authority and its Evaluation Partner on matters related to Self-Conducted Evaluation activities. This may include though is not limited to attendance at regular meetings with the Evaluation Partner to provide progress updates, sharing lessons learned, and identifying any risks and associated mitigation strategies.
- 8.3.8. If the Grant Recipient works with any third party organisation whilst delivering Self-Conducted Evaluation activities, the Grant Recipient must ensure:
- (i) adequate Data Sharing Agreements are in place to allow data to be provided to, and used by, the Authority;
  - (ii) data sharing processes are compliant with Data Protection Legislation; and
  - (iii) that any work delivered by a third party contractor is compliant with the [Market Research Society code of conduct](#).
- 8.3.9. The data sharing provisions in paragraph 8.3 are not set out in the Data Sharing Agreement, as this strictly pertains to personal data only.

## 9. AUDITING AND ASSURANCE

- 9.1. Within 6 months of the end of each Financial Year the Grant Recipient will provide the Authority with independent assurance that the Grant has been used for delivery of the Funded Activities [approved through the Phase Request process or in accordance with paragraph 4.8](#). To satisfy this requirement the Grant Recipient will provide a statement showing that the Grant has been certified by an independent and appropriately qualified auditor accompanied by the Grant Recipient's annual audited accounts.
- 9.2. The Authority may, at any time during and up to 3 years after the end of the Grant Funding Agreement, conduct additional audits or ascertain additional information where the Authority considers it necessary. The Grant Recipient agrees to grant the Authority or its Representatives access, as required, to all Funded Activities sites and relevant records. The Grant Recipient will ensure that necessary information and access rights are explicitly included within all arrangements with sub-contractors. The Grant recipient is expected to comply with Assurance audits commissioned by the Authority to understand the exposure and causes of fraud and error risks, providing access to sites, data, personnel and documents as requested.
- 9.3. If the Authority requires further information, explanations and documents, in order for the Authority to establish that the Grant has been used properly in accordance with the Grant Funding Agreement, the Grant Recipient will, within 5 Working Days of a request by the Authority, provide the Authority, free of charge, with the requested information.
- 9.4. The Grant Recipient shall:
- 9.4.1. nominate an independent auditor to verify the final statement of expenditure and income submitted to the Authority;
  - 9.4.2. identify separately the value and purpose of the Grant Funding in its audited accounts and its annual report; and
  - 9.4.3. maintain a record of internal financial controls and procedures and provide the Authority with a copy if requested.



## **Retention of documents**

- 9.5. The Grant Recipient shall retain all invoices, receipts, accounting records and any other documentation (including but not limited to, correspondence) relating to the Eligible Expenditure; income generated by the Funded Activities during the Funding Period for a period of 7 years from the date on which the Funding Period ends.
- 9.6. The Grant Recipient shall ensure that all its sub-contractors retain each record, item of data and document relating to the Funded Activities for a period of 2 years from the date on which the Funding Period ends.
- 9.7. The Grant Recipient will promptly provide revised forecasts of income and expenditure:
  - 9.7.1. when these forecasts increase or decrease by more than 10% of the original expenditure forecasts; and/or
  - 9.7.2. at the request of the Authority.
- 9.8. Where the Grant Recipient is a company registered at Companies House, the Grant Recipient must file their annual return and accounts by the dates specified by Companies House.
- 9.9. Where the Grant Recipient is a registered charity, the Grant Recipient must file their charity annual return by the date specified by the Charity Commissioner.
- 9.10. The Grant Recipient shall provide the Authority with copies of their annual return, accounts and charity annual return (as applicable) within five days of filing them at Companies House and/or the Charity Commissioner. If a Grant Recipient fails to comply with paragraphs 9.8 or 9.9 of these Conditions the Authority may suspend funding or terminate the Grant Funding Agreement in accordance with paragraph 27 of these Conditions.

## **10. FINANCIAL MANAGEMENT AND PREVENTION OF BRIBERY, CORRUPTION, FRAUD AND OTHER IRREGULARITY**

- 10.1. The Grant Recipient will always comply with all applicable Laws, statutes and regulations relating to anti-bribery and anti-corruption, including but not limited to the Bribery Act.
- 10.2. The Grant Recipient must have a sound administration and audit process, including internal financial controls to safeguard against fraud, theft, money laundering, counter terrorist financing or any other impropriety, or mismanagement in connection with the administration of the Grant. The Grant Recipient shall require that the internal/external auditors report on the adequacy or otherwise of that system.
- 10.3. All cases of fraud or theft (whether proven or suspected) relating to the Funded Activities must be notified to the Authority as soon as they are identified. The Grant Recipient shall explain to the Authority what steps are being taken to investigate the irregularity and shall keep the Authority informed about the progress of any such investigation. The Authority may however request that the matter referred (which the Grant Recipient is obliged to carry out) to external auditors or other Third Party as required.
- 10.4. The Authority will have the right, at its absolute discretion, to insist that the Grant Recipient address any actual or suspected fraud, theft or other financial irregularity and/or to suspend future payment of the Grant to the Grant Recipient. Any grounds for suspecting financial irregularity includes what the Grant Recipient, acting with due care, should have suspected as well as what it actually proven.

- 10.5. The Grant Recipient agrees and accepts that it may become ineligible for Grant support and may be required to repay all or part of the Grant if it engages in tax evasion or aggressive tax avoidance in the opinion of HMRC.
- 10.6. For the purposes of paragraph 10.4 “financial irregularity” includes (but is not limited to) potential fraud or other impropriety, mismanagement, and the use of the Grant for any purpose other than those stipulated in the Grant Funding Agreement. The Grant Recipient may be required to provide statements and evidence to the Authority or the appropriate organisation as part of pursuing sanctions, criminal or civil proceedings.
- 10.7. The Grant Recipient must have a robust and detailed Fraud Risk Assessment (FRA) in place **before funding is granted** with an explanation of mitigating counter fraud actions (controls) for each material risk identified to provide assurance about the management of fraud risks. The fraud risk assessment template is annex 12. The Grant Recipient agrees to maintain and update the FRA on a monthly basis and more frequently as required in response to emerging threats and risks and made available to the Authority on request.
- 10.8. The Grant Recipient is required to have a named point of contact of appropriate seniority responsible for fraud risk management of funding provided through WH:SHF.
- 10.9. As per section 8 of this GFA, Grant Recipients are required to report incidences of fraud, error and non-compliance through the monthly data capture to the Authority including category of risk and details of cases raised (including dates); value of fraud, error and non-compliance which has been prevented/detected; case substantiated/not substantiated, debt raised/recovered; corrective action taken. For clarity, where an installer or other party, homeowner, etc provides incorrect information that would gain extra funding they are otherwise not entitled to, if the intent is not known or knowable on balance of probability, then it would reasonably be classed as error, but if on balance the falsehood was likely intentional then it is classed as fraud.
- 10.10. The Grant Recipient will undertake/participate as required in residual fraud measurement exercise(s) to assess effectiveness of fraud controls at an overall, national level.
- 10.11. The Grant Recipient will share with the Authority any annual fraud reporting related to the scheme on request.
- 10.12. The Authority reserves the right to ask for a recovery plan in instances of significant fraud risk, or instances of significant fraud/error, to be agreed by the Authority. The Grant Recipient will work with the Authority to resolve any issues and manage risk of fraud in line with the approved plan. A requested recovery plan must be submitted for approval within 10 working days of receipt of a request.
- 10.13. All installations are commissioned and completed within the scheme rules, for instance work and installers are lodged with TrustMark, prospective properties have appropriate energy performance assessments, etc.
- 10.14. The Grant Recipient shall use the Energy Efficiency Installation Checker (Checker) when made available to them and details of any findings which relate to fraud, error and non-compliance which was flagged through the Checker and subsequently investigated must be reported in the usual fraud and error monthly reporting. The Grant Recipient should use the Checker for property and measure compliance checks, for example:
  - 10.14.1. To assure that measures installed are TrustMark accredited and therefore meet scheme eligibility compliance requirements.

10.14.2. Using the Energy Performance Certificate (EPC) data for the prevention and detection of fraud, error and non-compliance including analysis of the data to identify anomalies.

10.15. DESNZ reserve the right to halt payment or terminate the GFA, in line with the outlined processes, in case of significant risk or concern. The Grant Recipient agrees and accepts that it may become ineligible for Grant support and may be required to repay all or part of the Grant if it engages in tax evasion or aggressive tax avoidance in the opinion of Her Majesty's Revenue and Customs.

## **11. CONFLICTS OF INTEREST**

11.1. Neither the Grant Recipient nor its Representatives shall engage in any personal, business or professional activity which conflicts or could conflict with any of their obligations or propriety in relation to the Grant Funding Agreement or the activity and measures it funds.

11.2. The Grant Recipient must have and will keep in place adequate procedures to manage and monitor any actual or perceived bias or conflicts of interest.

## **12. CONFIDENTIALITY**

12.1. Except to the extent set out in this paragraph 12 or where disclosure is expressly permitted, the Grant Recipient shall treat all Confidential Information belonging to the Authority as confidential and shall not disclose any Confidential Information belonging to the Authority to any other person without the prior written consent of the Authority, except to such persons who are directly involved in the provision of the Funded Activities and who need to know the information.

12.2. The Grant Recipient gives its consent for the Authority to publish the Grant Funding Agreement in any medium in its entirety (but with any information which is Confidential Information belonging to the Authority or the Grant Recipient redacted), including from time-to-time agreed changes to the Grant Funding Agreement.

12.3. Nothing in this paragraph 12 shall prevent the Authority disclosing any Confidential Information obtained from the Grant Recipient:

12.3.1. for the purpose of the examination and certification of the Authority's accounts; or pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources;

12.3.2. to any government department, consultant, contractor or other person engaged by the Authority, provided that in disclosing information under the Authority only discloses the information which is necessary for the purpose concerned and requests that the information is treated in confidence and that a confidentiality undertaking is given where appropriate; or

12.3.3. where disclosure is required by Law, including under the Information Acts.

12.4. Nothing in this paragraph 12 shall prevent either Party from using any techniques, ideas or know-how gained during the performance of its obligations under the Grant Funding Agreement in the course of its normal business, to the extent that this does not result in a disclosure of the other Party's Confidential Information or an infringement of the other Party's Intellectual Property Rights.

## **13. TRANSPARENCY**

- 13.1. The Authority and the Grant Recipient acknowledge that, except for any information, which is exempt from disclosure in accordance with the provisions of the Information Acts, the content of the Grant Funding Agreement is not confidential.

#### **14. STATUTORY DUTIES**

- 14.1. The Grant Recipient agrees to adhere to its obligations under the Law including but not limited to the Information Acts and the HRA.
- 14.2. Where requested by the Authority, the Grant Recipient will provide reasonable assistance and cooperation to enable the Authority to comply with its information disclosure obligations under the Information Acts.
- 14.3. On request from the Authority, the Grant Recipient will provide the Authority with all such relevant documents and information relating to the Grant Recipient's data protection policies and procedures as the Authority may reasonably require.
- 14.4. The Grant Recipient acknowledges that the Authority, acting in accordance with the codes of practice issued and revised from time to time under the Information Acts, may disclose information concerning the Grant Recipient and the Grant Funding Agreement without consulting the Grant Recipient.
- 14.5. The Authority will take reasonable steps to notify the Grant Recipient of a request for information to the extent that it is permissible and reasonably practical for it to do so. Notwithstanding any other provision in the Grant Funding Agreement, the Authority will be responsible for determining in its absolute discretion whether any information is exempt from disclosure in accordance with the Information Acts.

#### **15. DATA PROTECTION AND PUBLIC PROCUREMENT**

##### **Data Protection**

- 15.1. The Grant Recipient and the Authority will comply at all times with their respective obligations under Data Protection Legislation. The parties will sign the Data Sharing Agreement, attached in Annex 8, in connection with data processing in respect of the Funded Activities.
- 15.2. To the extent that the Grant Recipient and the Authority share any Personal Data for the purposes of this Grant Funding Agreement, the Parties accept that they are each a separate Independent Controller in respect of such Personal Data. Each Party:
- (i) shall comply with the applicable Data Protection Legislation in respect of their processing of such Personal Data;
  - (ii) will be individually and separately responsible for its own compliance; and
  - (iii) do not and will not Process any Personal Data as Joint Controllers.
- 15.3. Each Party shall, with respect to its processing of Personal Data as Independent Controller, implement and maintain appropriate technical and organisational measures to ensure a level of security appropriate to that risk, including, as appropriate, the measures referred to in Article 32(1)(a), (b), (c) and (d) of the UK GDPR, and the measures shall, at a minimum, comply with the requirements of the Data Protection Legislation, including Article 32 of the UK GDPR.

##### **Public Procurement**

- 15.4. The Grant Recipient will ensure that any of its Representatives involved in the Funded Activities will, adopt such policies and procedures that are required in order to ensure that value for money has been obtained in the procurement of goods or services funded by the Grant.
- 15.5. Where the Grant Recipient is a Contracting Authority the Grant Recipient will comply, as necessary, with the Procurement Regulations when procuring goods and services in connection with the Grant Funding Agreement and the Authority shall not be liable for the Grant Recipient's failure to comply with its obligations under the Procurement Regulations.

## **16. SUBSIDY CONTROL**

- 16.1. The Grant Recipient will ensure that delivery of the Funded Activities does not put the Authority in breach of the UK's domestic obligations under the Subsidy Control Act or its international obligations in respect of subsidies.
- 16.2. The Grant Recipient will maintain appropriate records of its compliance with the Subsidy Control Act and will take all reasonable steps to assist the Authority to comply with the same and will respond promptly to any proceedings or investigation(s) into the Funded Activities by any relevant court or tribunal of relevant jurisdiction or regulatory body.
- 16.3. The Grant Recipient acknowledges and represents that the Grant is being awarded on the basis that the Funded Activities being undertaken using the Grant do not affect trade in goods and wholesale electricity between Northern Ireland and the European Union and shall ensure that the Grant is not used in any way that affects any such trade.
- 16.4. The Grant Recipient acknowledges and accepts that the Grant is awarded on the basis that the Funded Activities being undertaken using the Grant are, and will remain, non-economic activities except to the extent that there are incidental benefits to Enterprises which are an inherent consequence of the effect of the Grant. The Grant Recipient shall ensure that measures are taken (where necessary), and maintained, to ensure that the Grant is not used to cross-subsidise any economic activity.
- 16.5. The Grant is awarded on the basis that the subsidy control requirements do not apply by virtue of Section 36 of Subsidy Control Act, and it is subject to the conditions set out in Annex 10 and will be conditional upon the receipt by the Authority of the declaration form in Annex 10.
- 16.6. The Grant is awarded on the basis that Section 38 of Subsidy Control Act applies and it is subject to the conditions set out in Annex 11 and will be conditional upon the receipt by the Authority of the declaration form in Annex 11.
- 16.7. Where the Grant is used to provide direct or indirect benefits to Enterprises, the Grant Recipient must maintain a record of all such Enterprises and the level of funding or incidental benefit received by each Enterprise. The Grant Recipient must notify the Authority as soon as practicable where the level of funding or benefit to a single Enterprise exceeds £100,000. The Grant Recipient will provide any information reasonably required by the Authority to allow it to comply with the transparency requirements under sections 33 and 34 of the Subsidy Control Act.

## **17. INTELLECTUAL PROPERTY RIGHTS**

- 17.1. Intellectual Property in all IPR Material will be the property of the Grant Recipient. Other than as expressly set out in these Conditions, neither Party will have any right to use any of the other Party's names, logos or trademarks on any of its products or services without the other Party's prior written consent.

- 17.2. The Grant Recipient grants to the Authority a non-exclusive irrevocable and royalty-free, sub-licensable, worldwide licence to use all the IPR Material for the purpose of supporting the Funded Activities and other projects.
- 17.3. Ownership of Third-Party software or other IPR necessary to deliver Funded Activities will remain with the relevant Third Party.
- 17.4. The Grant Recipient must ensure that they have obtained the relevant agreement from the Third-Party proprietor before any additions or variations are made to the standard 'off-the-shelf' versions of any Third-Party software and other IPR. The Grant Recipient will be responsible for obtaining and maintaining all appropriate licences to use the Third-Party software.

## **18. ENVIRONMENTAL REQUIREMENTS**

- 18.1. The Grant Recipient shall perform the Funded Activities in accordance with the Authority's environmental policy, which is to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment.
- 18.2. The Grant Recipient shall pay due regard to the use of recycled products, so long as they are not detrimental to the provision of the Funded Activities or the environment, to include the use of all packaging, which should be capable of recovery for re-use or recycling.
- 18.3. The Grant Recipient shall take all possible precautions to ensure that any equipment and materials used in the provision of the Funded Activities do not contain chlorofluorocarbons, halons or any other damaging substances, unless unavoidable, in which case the Authority shall be notified in advance of their use. The Grant Recipient shall endeavour to reduce fuel emissions wherever possible.

## **19. ASSETS**

### **Inventory of the Assets**

- 19.1. The Grant Recipient must keep a register of all Fixed Assets and Major Assets improved, wholly or partly using the Grant provided under the Grant Funding Agreement. The Grant Recipient must provide data in accordance with this paragraph 19 via the monthly reporting process.
- 19.2. Assets purchased with Grant funding must only be used for delivery of the Funded Activities.
- 19.3. The following particulars must be shown where appropriate as part of the Grant Recipient's monthly reporting:
  - 19.3.1. date of completing installation of individual measures, and date of completing work on properties;
  - 19.3.2. description of the individual measures installed, and details (such as property type) of the properties treated;
  - 19.3.3. cost of individual measures installed, net of recoverable VAT, and cost of treating the property, net of recoverable VAT;
  - 19.3.4. address of the properties treated, and address where individual measures are installed;
  - 19.3.5. Unique Property Reference Number of properties treated;

- 19.3.6. location of the title deeds;
  - 19.3.7. date of any Disposal;
  - 19.3.8. depreciation/amortisation policy applied;
  - 19.3.9. proceeds of any Disposal net of VAT; and
  - 19.3.10. the identity of any person to whom the Asset has been transferred or sold.
- 19.4. The Authority reserves the right to require the Grant Recipient to maintain the above particulars as set out in 19.3.1 to 19.3.10 for any additional items which the Authority considers material to the overall Grant.

### **Disposal of Asset**

- 19.5. Where the Grant Recipient uses any of the Grant to develop, improve or purchase any Assets, the Grant Recipient must ensure that the Assets are maintained in good condition over the Asset Owning Period.
- 19.6. Assets purchased or improved using the Grant shall be owned by the Authority until ownership is transferred disposed or is otherwise agreed in writing by the Authority. The Authority reserves the right to determine the outcome of any Asset created as a result of the Funded Activities or purchased with the Grant.
- 19.7. The Grant Recipient must not dispose of any Assets that have been totally or partly bought, restored, conserved (maintained or protected from damage) or improved with the Grant without the prior written consent of the Authority. If the Authority grants consent to the Disposal, such consent may be subject to satisfaction of certain conditions, to be determined by the Authority.
- 19.8. If the Grant Recipient disposes of any Asset without the prior written consent of the Authority, the Grant Recipient must use all reasonable endeavours to achieve the market price for the Assets and must pay to the Authority a proportion of the proceeds of such sale, equivalent to the proportion of the purchase or development costs of the Assets that were funded by the Grant, provided that the Authority may at its discretion allow the Grant Recipient to keep all or a part of the relevant proceeds where:
- 19.8.1. the sale of the Assets takes place after the end of the Asset Owning Period;
  - 19.8.2. the proceeds of sale are to be applied directly to the purchase by the Grant Recipient of assets that are equivalent to or replacements for the Assets; or
  - 19.8.3. the Authority is otherwise satisfied that the Recipient will apply those proceeds for purposes related to the Funded Activities.
- 19.9. The Grant Recipient shall hold the proceeds from the Disposal of any Asset on trust for the Authority.

### **Charging of any Asset**

- 19.10. If the Grant Recipient creates any charge, legal mortgage, debenture or lien over any Asset ("the caveat"), the Grant Recipient must notify the Authority as soon as reasonably practicable, and if the Authority did not give prior written consent, the Authority may refuse the caveat in which case the Grant Recipient must remove the caveat.

## **20. INSURANCE**

- 20.1. The Grant Recipient will during the term of the Funding Period and for 5 years after termination or expiry of these Conditions, ensure that it has and maintains, at all times adequate insurance with an insurer of good repute to cover claims under the Grant Funding Agreement or any other claims or demands which may be brought or made against it by any person suffering any injury damage or loss in connection with the Funded Activities or the Grant Funding Agreement.
- 20.2. The Grant Recipient will upon request produce to the Authority its policy or policies of insurance or where this is not possible, a certificate of insurance issued by the Grant Recipient's insurance brokers confirming the insurances are in full force and effect together with confirmation that the relevant premiums have been paid.

## **21. ASSIGNMENT**

- 21.1. The Grant Recipient will not transfer, assign, novate or otherwise dispose of the whole or any part of the Grant Funding Agreement or any rights under it, to another organisation or individual, without the Authority's prior approval.
- 21.2. Any approval given by the Authority will be subject to a condition that the Grant Recipient has first entered into a Grant Funding Agreement, authorised by the Authority, requiring the Grant Recipient to work with another organisation in delivering the Funded Activities.

## **22. SPENDING CONTROLS – MARKETING, ADVERTISING, COMMUNICATIONS AND CONSULTANCY**

- 22.1. The Grant Recipient must seek permission from the Authority prior to any proposed expenditure on advertising, communications, consultancy or marketing either in connection with, or using the Grant.
- 22.2. The Grant Recipient should provide evidence that any marketing, advertising, communications and consultancy expenditure carried out in connection with, or using the Grant will deliver measurable outcomes that meet government objectives to secure value for money.

## **23. LOSSES, GIFTS AND SPECIAL PAYMENTS**

- 23.1. The Grant Recipient must obtain prior written consent from the Authority before:
  - 23.1.1. writing off any debts or liabilities;
  - 23.1.2. offering to make any Special Payments; or
  - 23.1.3. giving any gifts,in connection with this Grant Funding Agreement.
- 23.2. The Grant Recipient will keep a record of all gifts, both given and received, in connection with the Grant or any Funded Activities.

## **24. BORROWING**

- 24.1. In accordance with paragraph 19, the Grant Recipient must obtain prior written consent from the Authority before:
  - 24.1.1. borrowing or lending money from any source in connection with the Grant Funding Agreement; or



24.1.2. giving any guarantee, indemnities or letters of comfort that relate to the Grant Funding Agreement or have any impact on the Grant Recipient's ability to deliver the Funded Activities set out in the Grant Funding Agreement.

## **25. PUBLICITY**

- 25.1. The Grant Recipient gives consent to the Authority to publicise in the press or any other medium the Grant and details of the Funded Activities using any information gathered from the Grant Recipient's initial Grant application or any monitoring reports submitted to the Authority in accordance with paragraph 8.2 of these Conditions.
- 25.2. The Grant Recipient will comply with all reasonable requests from the Authority to facilitate visits, provide reports, statistics, photographs and case studies that will assist the Authority in its promotional and fundraising activities relating to the Funded Activities.
- 25.3. The Grant Recipient will not make any public announcement that they have been successful in applying for and/or will be awarded a Grant until notified by the Authority that is permissible to do so. Where reference to successful award is made within routinely published documents (e.g. board minutes) the Grant Recipient is required to notify the Authority.
- 25.4. The Authority consents to the Grant Recipient carrying out any reasonable publicity about the Grant and the Funded Activities as required, from time to time, subject to paragraph 25.3
- 25.5. Any publicity material for the Funded Activities must refer to the programme under which the Grant was awarded and must feature the Authority's logo. If a Third Party wishes to use the Authority's logo, the Grant Recipient must first seek permission from the Authority.
- 25.6. The Grant Recipient will acknowledge the support of the Authority in any materials that refer to the Funded Activities and in any written or spoken public presentations about the Funded Activities. Such acknowledgements (where appropriate or as requested by the Authority) will include the Authority's name and logo (or any future name or logo adopted by the Authority) using the templates provided by the Authority from time to time.
- 25.7. In using the Authority's name and logo, the Grant Recipient will comply with all reasonable branding guidelines issued by the Authority from time to time.

## **26. CHANGES TO THE AUTHORITY'S REQUIREMENTS**

- 26.1. The Authority will notify the Grant Recipient of any changes to their activities, which are supported by the Grant (including changes to the levels of Grant that may be paid to the Grant Recipient to support Funded Activities).
  - (b) The Grant Recipient will accommodate any changes to the Authority's needs and requirements under these Conditions, except where they arise out of or result in the need for an increase in the amount of the Grant (including the amount of the Grant associated with a particular Phase).
- 26.2. Where any change to the Authority's needs and requirements under these Conditions arises out of or results in such an increase, this will be managed in line with the change control process.

## **27. CLAWBACK, EVENTS OF DEFAULT, TERMINATION AND RIGHTS RESERVED FOR BREACH AND TERMINATION**

### **Events of Default**

- 27.1. The Authority may exercise its rights set out in paragraph 27.3 if any of the following events occur:
- 27.1.1. the Grant Recipient uses the Grant for a purpose other than the Funded Activities;
  - 27.1.2. the Grant Recipient fails to comply with its obligations under the Grant Funding Agreement, which is material in the opinion of the Authority;
  - 27.1.3. where delivery of the Funded Activities do not start within three (3) months of the Commencement Date and the Grant Recipient fails to provide the Authority with a satisfactory explanation for the delay, or failed to agree a new date on which the Funded Activities shall start with the Authority;
  - 27.1.4. the Grant Recipient uses the Grant for Ineligible Expenditure;
  - 27.1.5. the Grant Recipient fails, in the Authority's opinion, to make satisfactory progress with the Funded Activities and in particular, with meeting the agreed outputs set out in Annex 6 of these Conditions;
  - 27.1.6. the Grant Recipient fails to:
    - (i) submit an adequate Remedial Action Plan to the Authority following a request by the Authority pursuant to paragraph 27.3.4 or paragraph 7.2.4; or
    - (ii) improve delivery of the Funded Activities in accordance with the Remedial Action Plan approved by the Authority;
  - 27.1.7. the Grant Recipient is, in the opinion of the Authority, delivering the Funded Activities in a negligent manner (in this context negligence includes but is not limited to failing to prevent or report actual or anticipated fraud or corruption);
  - 27.1.8. the Grant Recipient fails to declare Duplicate Funding;
  - 27.1.9. the Grant Recipient fails to declare any Third Party Funding in accordance with paragraph 4.9;
  - 27.1.10. the Grant Recipient receives funding from a Third Party which, in the opinion of the Authority, undertakes activities that are likely to bring the reputation of the Funded Activities or the Authority into disrepute;
  - 27.1.11. the Grant Recipient provides the Authority with any materially misleading or inaccurate information and/or any of the information provided in its Grant application or in any subsequent supporting correspondence is found to be incorrect or incomplete to an extent which the Authority considers to be significant;
  - 27.1.12. the Grant Recipient commits or has committed a Prohibited Act or fails to report a Prohibited Act to the Authority, whether committed by the Grant Recipient, its Representatives or a Third Party, as soon as it becomes aware of it;
  - 27.1.13. the Authority determines (acting reasonably) that the Grant Recipient or any of its Representatives has:
    - (i) acted dishonestly or negligently at any time during the term of the Grant Funding Agreement and to the detriment of the Authority;

- (ii) taken any actions which unfairly brings or are likely to unfairly bring the Authority's name or reputation and/or the Authority into disrepute. Actions include omissions in this context;
- (iii) transferred, assigns or novates the Grant to any Third Party without the Authority's consent; or
- (iv) failed to act in accordance with the Law; howsoever arising, including incurring expenditure on unlawful activities;

27.1.14. the Grant Recipient ceases to operate for any reason, or it passes a resolution (or any court of competent jurisdiction makes an order) that it be wound up or dissolved (other than for the purpose of a bona fide and solvent reconstruction or amalgamation);

27.1.15. the Grant Recipient becomes insolvent as defined by section 123 of the Insolvency Act 1986, or it is declared bankrupt, or it is placed into receivership, administration or liquidation, or a petition has been presented for its winding up, or it enters into any arrangement or composition for the benefit of its creditors, or it is unable to pay its debts as they fall due;

27.1.16. the European Commission or the Court of Justice of the European Union requires any Grant paid to be recovered by reason of a breach of State Aid Law through its application under Article 10 of the Windsor Framework.

27.1.17. a court, tribunal or independent body or authority of competent jurisdiction requires any Grant paid to be recovered by reason of breach of the UK's domestic obligations under the Subsidy Control Act or its international obligations (including under the Trade and Cooperation Agreement);

27.1.18. the Grant Recipient breaches the Code of Conduct and/or fails to report an actual or suspected breach of the Code of Conduct by the Grant Recipient or its Representatives in accordance with paragraph 33.1.2;

27.1.19. the Grant Recipient undergoes a Change of Control which the Authority, acting reasonably, considers:

- (i) will be materially detrimental to the Funded Activities and/or;
- (ii) the new body corporate cannot continue to receive the Grant because they do not meet the Eligibility Criteria used to award the Grant to the Grant Recipient;
- (iii) that the Change of Control would raise national security concerns and/or;
- (iv) the new body corporate intends to make fundamental change(s) to the purpose for which the Grant was given.

27.1.20. The Grant Recipient fails to secure Co-Funding as required by paragraph 6.

27.2. Where, the Authority determines that an Event of Default has or may have occurred, the Authority shall notify the Grant Recipient to that effect in writing, setting out any relevant details, of the failure to comply with these Conditions or pertaining the Event of Default, and details of any action that the Authority intends to take or has taken.

### **Rights reserved for the Authority in relation to an Event of Default**

- 27.3. Where, the Authority determines that an Event of Default has or may have occurred, the Authority shall take any one or more of the following actions:
- 27.3.1. suspend or terminate the payment of Grant for such period as the Authority shall determine;
  - 27.3.2. reduce the Maximum Sum or the amount to be funded under any Phase in which case the payment of Grant shall thereafter be made in accordance with the reduction and notified to the Grant Recipient;
  - 27.3.3. require the Grant Recipient to repay the Authority the whole or any part of the amount of Grant previously paid to the Grant Recipient. Such sums shall be recovered as a civil debt;
  - 27.3.4. give the Grant Recipient an opportunity to remedy the Event of Default (if remediable) in accordance with the procedure set out in paragraphs 27.4 to 27.10; and/or
  - 27.3.5. terminate the Grant Funding Agreement.

#### **Opportunity for the Grant Recipient to remedy an Event of Default**

- 27.4. Where the Grant Recipient is provided with an opportunity to submit a draft Remedial Action Plan in accordance with paragraph 27.3.4, the draft Remedial Action Plan shall be submitted to the Authority for approval, within 5 Working Days of the Grant Recipient receiving notice from the Authority.
- 27.5. The draft Remedial Action Plan shall set out:
- 27.5.1. full details of the Event of Default; and
  - 27.5.2. the steps which the Grant Recipient proposes to take to rectify the Event of Default including timescales.
- 27.6. On receipt of the draft Remedial Action Plan and as soon as reasonably practicable, the Authority will submit its comments on the draft Remedial Action Plan to the Grant Recipient.
- 27.7. The Authority shall have the right to accept or reject the draft Remedial Action Plan. If the Authority rejects the draft Remedial Action Plan, the Authority shall confirm, in writing, the reasons why they have rejected the draft Remedial Action Plan and will confirm whether the Grant Recipient is required to submit an amended Remedial Action Plan to the Authority.
- 27.8. If the Authority directs the Grant Recipient to submit an amended draft Remedial Action Plan, the Parties shall agree a timescale for the Grant Recipient to amend the draft Remedial Action Plan to take into account the Authority's comments.
- 27.9. If the Authority does not approve the draft Remedial Action Plan the Authority may, at its absolute discretion, terminate the Grant Funding Agreement.
- 27.10. The Authority shall not by reason of the occurrence of an Event of Default which is, in the opinion of the Authority, capable of remedy, exercise its rights under either paragraph 27.3.3 or 27.3.4 unless the Grant Recipient has failed to rectify the default to the reasonable satisfaction of the Authority.

#### **General Termination rights – Termination for Convenience**

- 27.11. Notwithstanding the Authority's right to terminate the Grant Funding Agreement pursuant to paragraph 27.3.4 above, either Party may terminate the Grant Funding Agreement at any time by giving at least 1 months written notice to the other Party.
- 27.12. If applicable, all Unspent Monies (other than those irrevocably committed in good faith before the date of termination, in line with the Grant Funding Agreement and approved by the Authority as being required to finalise the Funded Activities) shall be returned to the Authority within 30 days of the date of receipt of a written notice of termination from the Authority.
- 27.13. If the Authority terminates the Grant Funding Agreement in accordance with paragraph 27.11 the Authority may choose to pay the Grant Recipient's reasonable costs in respect of the delivery of the Funded Activities performed up to the termination date. Reasonable costs will be identified by the Grant Recipient and will be subject to the Grant Recipient demonstrating that they have taken adequate steps to mitigate their costs. For the avoidance of doubt, the amount of reasonable costs payable will be determined solely by the Authority.
- 27.14. The Authority will not be liable to pay any of the Grant Recipient's costs or those of any contractor/supplier of the Grant Recipient related to any transfer or termination of employment of any employees engaged in the provision of the Funded Activities.

### **Change of Control**

- 27.15. The Grant Recipient shall notify the Authority immediately in writing and as soon as the Grant Recipient is aware (or ought reasonably to be aware) that it is anticipating, undergoing, undergoes or has undergone a Change of Control, provided such notification does not contravene any Law.
- 27.16. The Grant Recipient shall ensure that any notification made pursuant to paragraph 27.15 shall set out full details of the Change of Control including the circumstances suggesting and/or explaining the Change of Control.
- 27.17. Where the Grant has been awarded to a consortium and the Grant Recipient has entered into a collaboration agreement, the notification required under paragraph 27.15 shall include any changes to the consortium members as well as the lead Grant Recipient.
- 27.18. Following notification of a Change of Control the Authority shall be entitled to exercise its rights under paragraph 27.1 of these Conditions providing the Grant Recipient with notification of its proposed action in writing within three (3) months of:
- 27.18.1. being notified in writing that a Change of Control is anticipated or is in contemplation or has occurred; or
- 27.18.2. where no notification has been made, the date that the Authority becomes aware that a Change of Control is anticipated or is in contemplation or has occurred,
- 27.19. The Authority shall not be entitled to terminate where approval was granted prior to the Change of Control.

### **28. TUPE**

- 28.1. The Grant Recipient agrees that if the Employment Regulations apply in respect of this Grant Funding Agreement on the commencement of the Funded Activities, then it shall comply with its obligations arising under the Employment Regulations and (if applicable) New Fair Deal (including entering into an Admission Agreement) and shall indemnify the Buyer and/or any Former Grant Recipient for any loss arising from any failure so to comply.

- 28.2. The Grant Recipient agrees that no later than 12 months prior to the expiry or termination of this Grant Funding Agreement and thereafter at intervals stimulated by the Authority (not to be more frequent than every 30 days), the Grant Recipient shall fully and accurately disclose to the Authority all staffing information reasonably required by the Authority including, but not limited to, the total number of staff assigned for the purposes of the Employment Regulations to the Funded Activities. This shall include, where relevant, the staff of any sub-contractor engaged by the Grant Recipient to deliver the Funded Activities (or part of the Funded Activities). For each person so identified, the Grant Recipient shall provide, in a suitably anonymised format so as to comply with the Data Protection Legislation, details of:
- 28.2.1. the activities they perform;
  - 28.2.2. amount of working time assigned to the Funded Activities;
  - 28.2.3. date of birth;
  - 28.2.4. start date;
  - 28.2.5. length of continuous service;
  - 28.2.6. place of work;
  - 28.2.7. notice period;
  - 28.2.8. employment status;
  - 28.2.9. identity of employer;
  - 28.2.10. redundancy pay entitlement;
  - 28.2.11. salary, benefits and pension entitlements;
  - 28.2.12. any applicable collective agreement;
  - 28.2.13. copies of all relevant employment contracts and related documents; and
  - 28.2.14. all information required under regulation 11 of the Employment Regulations or as reasonably requested by the Authority.
- 28.3. The Grant Recipient warrants the accuracy of the information provided under this clause and will notify the Authority of any changes to the information as soon as reasonably possible. The Grant Recipient consents to the Authority sharing the information provided under this clause to any prospective Replacement Grant Recipient.
- 28.4. In the 12 months before the expiry of this Grant Funding Agreement, the Grant Recipient shall not without the prior consent of the Authority (such consent not to be unreasonably withheld or delayed):
- 28.4.1. change the identity and number of staff assigned to the Funded Activities other than in the ordinary course of business;
  - 28.4.2. amend or vary the terms and conditions of employment or engagement of any staff assigned to the Funded Activities other than in the ordinary course of business; and/or

- 28.4.3. terminate or give notice to terminate the employment or engagement of any staff assigned to the Funded Activities (other than in circumstances in which the termination is for reasons of misconduct or lack of capability).
- 28.5. The Grant Recipient shall comply with all its employment obligations up to the date of a Relevant Transfer including, but not limited to, the payment of all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which are attributable in whole or in part to the period ending on (but not including) the date of a Relevant Transfer) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Grant Recipient; and (ii) the Replacement Grant Recipient.
- 28.6. The Grant Recipient will co-operate with the Authority in respect of any exit transition arrangements by allowing any Replacement Grant Recipient to communicate with and meet the affected employees or their representatives.
- 28.7. The Grant Recipient will indemnify the Authority and/or any Replacement Grant Recipient against any claim, losses, liability, expense or demand whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise arising from:
- 28.7.1. its failure to comply with the provisions of this clause; and/or
- 28.7.2. any claim by any employee or person claiming to be an employee (or their employee representative) of the Grant Recipient, and/or any sub-contractor of the Grant Recipient, which arises or is alleged to arise from any act or omission by the Grant Recipient, and/or any sub-contractor of the Grant Recipient, before but not including the date of a Relevant Transfer.
- 28.8. The provisions of this clause apply during the term of this Grant Funding Agreement and indefinitely after it terminates or expires.
- 28.9. Notwithstanding any other provisions of this Grant Funding Agreement, for the purposes of this clause the relevant third party shall be able to enforce its rights under this clause, but their consent will not be required to vary these clauses as the Authority and the Grant Recipient may agree.

## **29. EXIT PLAN**

- 29.1. Where the Authority requires the Grant Recipient to prepare an Exit Plan to allow the cessation or seamless transfer of the Funded Activities, the Grant Recipient shall prepare the Exit Plan on signing of the Grant Funding Agreement and shall comply with the exit provisions set out in Annex 9 of these Conditions.

## **30. DISPUTE RESOLUTION**

- 30.1. The Parties will use all reasonable endeavours to negotiate in good faith, and settle amicably, any dispute that arises during the continuance of the Grant Funding Agreement.
- 30.2. All disputes and complaints (except for those which relate to the Authority's right to withhold funds or terminate the Grant Funding Agreement) shall be referred in the first instance to the Parties Representatives.
- 30.3. If the dispute cannot be resolved between the Parties Representatives within a maximum of 90 days, then the matter will be escalated to formal meeting between the Grant Manager and the Grant Recipient's chief executive (or equivalent).

### **31. LIMITATION OF LIABILITY**

- 31.1. The Authority accepts no liability for any consequences, whether direct or indirect, that may come about from the Grant Recipient delivering the Funded Activities, the use of the Grant or from withdrawal, withholding or suspension of the Grant. The Recipient shall indemnify and hold harmless the Authority, and its Representatives with respect to all actions, claims, charges, demands Losses and proceedings arising from or incurred by reason of the actions and/or omissions of the Grant Recipient in relation to the Funded Activities, the non-fulfilment of obligations of the Grant Recipient under this Grant Funding Agreement or its obligations to Third Parties.
- 31.2. Subject to this paragraph 31, the Authority's liability under this Grant Funding Agreement is limited to the amount of Grant outstanding.

### **32. VAT**

- 32.1. If VAT is held to be chargeable in respect of the Grant Funding Agreement, all payments shall be deemed to be inclusive of all VAT and the Authority shall not be obliged to pay any additional amount by way of VAT.
- 32.2. All sums or other consideration payable to or provided by the Grant Recipient to the Authority at any time shall be deemed to be exclusive of all VAT payable and where any such sums become payable or due or other consideration is provided, the Grant Recipient shall at the same time or as the case may be on demand by HMRC in addition to such sums, or other consideration, pay to HMRC all the VAT so payable upon the receipt of a valid VAT invoice.

### **33. CODE OF CONDUCT FOR GRANT RECIPIENTS AND BRANDING MANUAL**

- 33.1. The Grant Recipient:
- 33.1.1. acknowledges that by signing the Grant Funding Agreement it agrees to take account of the Code of Conduct, which includes ensuring that its Representatives undertake their duties in a manner consistent with the principles set out in the Code of Conduct.
  - 33.1.2. shall immediately notify the Authority if it becomes aware of any actual or suspected breaches of the principles outlined in the Code of Conduct.
  - 33.1.3. acknowledges that a failure to notify the Authority of an actual or suspected breach of the Code of Conduct may result in the Authority immediately suspending the Grant funding, terminating the Grant Funding Agreement and/or taking action to recover some or all of the funds paid to the Grant Recipient as a civil debt in accordance with paragraph 27.1.18.
- 33.2. The Grant Recipient shall at all times during and following the end of the Funding Period:
- 33.2.1. comply with requirements of the [Branding Manual](#) in relation to the Funded Activities; and
  - 33.2.2. cease use of the Funded by UK Government logo on demand if directed to do so by the Authority.

### **34. NOTICES**

- 34.1. All notices and other communications in relation to this Grant Funding Agreement shall be in writing and shall be deemed to have been duly given if personally delivered, e-mailed, or mailed



(first class postage prepaid) to the address of the relevant party, as referred to in Annex 7 or otherwise notified in writing. All notices and other communications must be marked for the attention of the contact specified in Annex 7 (Contact Details). If personally delivered or if e-mailed all such communications shall be deemed to have been given when received (except that if received on a non-working day or after 5.00 pm on any Working Day they shall be deemed received on the next Working Day) and if mailed all such communications shall be deemed to have been given and received on the second Working Day following such mailing.

**35. GOVERNING LAW**

35.1. These Conditions will be governed by and construed in accordance with the law of and the Parties irrevocably submit to the exclusive jurisdiction of the English courts.

**36. CHANGES TO THIS GRANT FUNDING AGREEMENT**

36.1. Either Party can request a variation to the terms of this Grant Funding Agreement. Any such variation is only effective if agreed in writing and signed by authorised representatives of both Parties. The Authority is not required to accept a variation request made by the Grant Recipient.

**SIGNED by:**

.....  
**Signature**

**[insert authorised signatory's name]**

.....  
**Title**

for and on behalf of the  
**[Department for Energy Security and Net Zero]**

.....  
**Date**

**SIGNED by**

.....  
**Signature**

**[insert authorised signatory's name]**

.....  
**Title**

for and on behalf of **[insert name of Recipient]**

.....  
**Date**

DRAFT

**ANNEX 1 – GRANT OFFER LETTER AND GRANT APPLICATION**

**PART A - GRANT OFFER LETTER**

**[TO BE ATTACHED FOR EACH INDIVIDUAL PROJECT]**

DRAFT

**ANNEX 1**

**PART B – GRANT RECIPIENT’S GRANT APPLICATION**

[As submitted as part of the allocation window for the *Strategic Partner Challenge Fund* and any subsequent approved phase request submissions]

DRAFT

## ANNEX 2 –THE FUNDED ACTIVITIES

### 1. Background/purpose of the Grant

The energy shocks of recent years have shown the urgent need to upgrade homes and secure Britain's energy independence. The Government's Warm Homes Plan will support investment in insulation and low carbon heating – upgrading millions of homes over this Parliament. The Government's ambitious plans will protect billpayers, reduce fuel poverty and get the UK back on track to meet our climate goals.

Acting as a significant driver of the Warm Homes Plan, Warm Homes: Social Housing Fund provides funding to local authorities, combined authorities, registered providers of social housing, and registered charities that own social housing in England to install energy efficiency upgrades and low-carbon heating measures to homes in England.

Wave 3 will upgrade a significant amount of the social housing stock to meet an Energy Performance Certificate (EPC) band C standard, delivering warm, energy-efficient homes, reducing carbon emissions and fuel bills, tackling fuel poverty, and supporting green jobs. By improving the energy performance of homes below EPC band C, the fund will facilitate the subsequent widespread adoption of decarbonised heating systems.

WH:SHF will look to allocate funding to deliver warm, energy efficient homes, reducing carbon emissions and tackling fuel poverty.

WH:SHF Wave 3 is funded by annual funding profiles set by HM Treasury. HMT funding is only available in the year in which it is allocated and cannot be carried over financial years.

The Grant Recipient should therefore be aware of the limited time in which funding is available, which is reflected in the Outputs in Annex 6 of this Agreement.

The key aims and objectives for WH:SHF Wave 3 are set out below:

- **Fuel Poverty:** Reduce the number of households in fuel poverty by improving the energy efficiency rating of social homes below EPC band C and reducing energy bills. On this basis, tenant energy bills must not increase as a result of the retrofit works, relative to what they would otherwise have been.
- **Carbon:** Deliver cost effective carbon savings to contribute to carbon budgets, and progress towards the UK's target for Net Zero by 2050 by reducing CO2 emissions from social housing.
- **Tenants:** Improve the comfort, health, and wellbeing of social housing tenants by delivering warmer and more energy-efficient homes.
- **Green Economy:** Support economic resilience and a green recovery in response to the economic impacts of Covid-19, supporting thousands of jobs.
- **Develop the Retrofit Sector:** Create the conditions for growth in the retrofit supply chain capacity and capabilities, boosting productivity and innovation in the construction sector. Additionally, upskilling social landlords in retrofit to support future improvements to energy efficiency in the social housing sector.

### 2. Funded Activities

*[Project Plan to be inserted here]\**

## ANNEX 3 – PAYMENT SCHEDULE

**To insert the evidence of secured co-funding spend, and the quarterly breakdown of funding per FY as submitted by the Grant Recipient in the application form.**

### Payment Process

1. On a set date in each month, the Lead Grant Recipient who wants to make a claim must submit a grant drawdown request covering project spend to be incurred in the following month. Detail of this request and where it must be sent will be provided after grant award.
2. This will then be checked by DESNZ or parties working on their behalf to confirm if it is acceptable, before arranging for the payment to be made in line with payment timescales.

Example: The Lead Grant Recipient submits a drawdown request by the set date in January for spend expected to be incurred in February. This request is checked, processed and payment is then issued in early March

3. If the grant drawdown request is not submitted by the set date, DESNZ cannot guarantee payment within relevant time periods.
4. The final payment will be made once all grant spend has been reconciled and accounted for.

Please note, ahead of the end of each financial year, the Lead Grant Recipient may be required to provide additional forecasts of spend to be incurred in that financial year to support with DESNZ's accruals process.

Please refer to the Wave 3 Scheme Guidance (section 5.9) for further detail on Reconciliation and Evidence Checks for payments.

**ANNEX 4 – GRANT RECIPIENT’S BANK DETAILS**

**Part 1: Grant recipient details**

Name of Main Grant Holder <input type="text"/>	Address of Grant Holder <input type="text"/>
Grant Determination number <input type="text"/>	
Grant name <input type="text"/>	Postcode: <input type="text"/>
<input type="text"/>	Contact telephone number <input type="text"/>

**Part 2: Bank details**

Bank / Building Society name <input type="text"/>	Account name <input type="text"/>
Branch name <input type="text"/>	Account number <input type="text"/>
Bank sort code <input type="text"/> - <input type="text"/> - <input type="text"/>	Account type <input type="text"/>
Building Society roll number <input type="text"/>	Branch address <input type="text"/>
	Postcode: <input type="text"/>

**Part 3: Address for remittance advice**

**Choose one method only**

Send our remittance advice by post <input type="checkbox"/>	Postal address (if different from Part 1) <input type="text"/>
Send our remittance advice via email <input type="checkbox"/>	<input type="text"/>

**Part 4: Authorised signatories**

The names and specimen signatures of people authorised to sign claim forms on behalf of the person who signed the Grant Funding Agreement are shown below. These signatures are binding on this organisation in respect of the Agreement.

Name	Name
<input type="text"/>	<input type="text"/>
Position in the organisation	Position in the organisation
<input type="text"/>	<input type="text"/>
Signature	Signature
<input type="text"/>	<input type="text"/>
Date	Date
<input type="text"/>	<input type="text"/>

**Part 5: Grant recipient declaration**

To be completed by the person who signed the Grant Letter/ Grant Funding Agreement

- I certify that the information given on this form is correct.
- I agree that following discussions, any overpayments can be automatically recovered from future payments.

Name	Signature <i>(the person who signed the agreement)</i>
<input type="text"/>	<input type="text"/>
Date	
<input type="text"/>	

Return this form to the address indicated in the Grant Letter, alongside a signed Grant Funding Agreement.

**General Data Protection Regulation (2018):** The information on this form will be recorded on the Authority's computer system. The information provided will be used for paying your fees and will not be passed to anyone outside of the Authority without the permission of the Grant Recipient.



## ANNEX 5 – ELIGIBLE EXPENDITURE SCHEDULE

### (breakdown of forecast grant expenditure)

1. The Grant will be made available to the Recipient for the purchase of the services detailed in the published Wave 3 Scheme Guidance for the purposes of completion of the Funded Activities. The Grant will not be made available to the Recipient for Ineligible Activities and for items and/or services which are not required for the purposes of the Funded Activities. The Recipient is required to provide evidence of their grant expenditure as part of the payment process. Grant recipients are asked to include all relevant eligible expenditure as part of their Grant Application, and as part of the regular reporting cycle throughout delivery of the project.
2. Eligible Expenditure is defined in the Wave 3 Scheme Guidance as follows:

Section	Overview
Eligible Properties	All existing social housing, as defined by the Housing and Regeneration Act 2008 (sections 68-70), below EPC C owned by Applicants, is eligible for WH:SHF Wave 3 funding, regardless of archetype (including high rise blocks). There are some exceptions to this. Homes retrofitted in Wave 2.1 or Wave 2.2 of the SHDF are not eligible for inclusion in WH:SHF Wave 3. Homes retrofitted in the SHDF Demonstrator or SHDF Wave 1 are eligible for inclusion in WH:SHF Wave 3 provided they are installing a low carbon heating system.
Non-social Homes and Homes at or Above EPC band C	Non-social homes can be included on an infill basis. A project can include up to 30% non-social homes. The maximum proportion of non-social homes within a particular block/terrace is 70%. Homes at or above EPC band C can be included on an infill basis, or where installing low carbon heating measures. An application can include up to 10% of EPC C+ homes.
Eligible Installers	All installers must be TrustMark Registered or equivalent, and compliant with corresponding requirements. All measures must be lodged on the TrustMark Retrofit Portal data warehouse.
Eligible measures	Eligible measures are any energy efficiency and heating measures compatible with the Standard Assessment Procedure (SAP) that will help improve the energy performance of homes, excluding heating systems which are solely fuelled by fossil fuels.

Further details can be found in the Wave 3 Scheme Guidance.

3. Any proportion of the Grant funding spent on Administrative and Ancillary Costs exceeding 15% will not be Eligible Expenditure.

## ANNEX 6 – AGREED OUTPUTS AND LONG-TERM OUTCOMES

The Grant Recipient is required to achieve the following milestones/performance measures and outcomes in connection with the Grant (the ‘baseline’):

### Agreed Baseline Information – Strategic Partnerships

	FY24/25 <sup>^</sup>	FY25/26	FY26/27	FY27/28	FY28/29*	Total
<b>Homes</b>						
Total number of homes to be upgraded (i.e. all KPIs have been completed for all homes)						
Total number of homes upgraded to EPC C						
<b>Energy Savings</b>						
Total energy savings						
<b>Project Costs</b>						
Total grant funded capital costs	Not required					
Total grant funded A&A costs	Not required					
Total grant funding	Not required				Not required	
Total co-funding capital costs	Not required					
Total co-funding A&A costs	Not required					
Total co-funding contribution	Not required					
Total project costs	Not required					
<b>Cost Caps</b>						
Total number of homes accessing the off-gas grid low carbon heating cost cap uplift	Not required					
Total number of homes accessing the on-gas grid low carbon heating incentive offer	Not required					

<sup>^</sup>from Scheme Launch

\*to end-September 2028

### Agreed Baseline Information – Challenge Fund

	FY24/25	FY25/26	FY26/27	FY27/28	FY 28/29*	Total
<b>Homes</b>						
Total number of homes to be upgraded i.e. all KPIs have been completed for all homes	Not Required					
<b>Project Costs</b>						
Maximum total grant funded capital costs	Not Required					
Maximum total grant funded A&A costs	Not Required					
Maximum total grant funding	Not required				Not required	
Total co-funding capital costs	Not Required					
Total co-funding A&A costs	Not Required					
Total co-funding contribution						
Maximum total project costs	Not Required					
<b>Costs Caps</b>						
Total number of homes accessing the off gas grid low carbon heating cost cap uplift.	Not Required					
Total number of homes accessing the on gas grid low carbon heating incentive offer.	Not Required					

\*to end-September 2028

**Phase Request Baseline Information Table**

Phase request (e.g. Phase request 1)	Total number of homes in phase	Milestones					
		Submission of Phase Request			Completion of Phase		
		Milestone	Quarter	Financial Year	Milestone	Quarter	Financial Year
Phase 1		MS1			MS2		
Phase 2		MS3			MS4		
Etc.		Etc.					

**Phase Request Detailed Baseline Information Table**

**To insert information upon an approved phase request submission, including reference but not limited to:**

- Total number of homes to be treated and completed (measures lodged on Trustmark) and the total number of these that will achieve EPC C, per phase
- Number of measures to be installed
- Type of measures to be installed
- Total grant and Co-funding spend within this phase.

Please note the information included in this annex supersedes the application form information in annex 1

## Key Performance Indicators

KPI/Description	Detail	KPI Evidence
<b>KPI 1</b> No. of homes identified as suitable for retrofit	All stages in the PAS 2035 process up to and including the Whole Dwelling Assessment have been completed.	Pre-installation SAP score.
<b>KPI 2</b> No. of homes ready for installations to start	The Design and Co-ordination stage in the PAS 2035 process has been completed and tenants have been signed up.	Tick box – tenants signed up and D&C stage complete.
<b>KPI 3</b> No. of homes with installations started	The installation of measures [being installed using WH:SHF Wave 3 funding] has started.	TrustMark Project reference number.
<b>KPI 4</b> No. of homes with installations completed	The installation of all measures [being installed using WH:SHF Wave 3 funding] has completed.	Installation completion date.
<b>KPI 5</b> No. of homes completed (all measures have been completed and lodged on Trustmark)	All measures have been completed and lodged on Trustmark and the Handover phase in the PAS 2035 process has completed.	All TrustMark lodgement certificate numbers for measures installed.

## ANNEX 7 – CONTACT DETAILS

The Authority will be contactable via [whshf-wave3@energysecurity.gov.uk](mailto:whshf-wave3@energysecurity.gov.uk) in connection with the grant. Information is correct at the date of the Grant Funding Agreement. The Authority will notify you via email if this contact changes.

The Grant Recipient's main contact in connection with the Grant Funding Agreement is:

Reference	
Organisation	[REDACTED]
Name of contact	[REDACTED]
Position in organisation	[REDACTED]
Email address	[REDACTED]
Telephone number	[REDACTED]
Fax number	[REDACTED]
Postal address	[REDACTED]

The Grant Recipient's main contact in connection with the delivery of the Grant is:

Reference	
Organisation	[REDACTED]
Name of contact	[REDACTED]
Position in organisation	[REDACTED]
Email address	[REDACTED]
Telephone number	[REDACTED]
Fax number	[REDACTED]
Postal address	[REDACTED]

Please inform the Authority if the Grant Recipient's main contact changes.

**For consortia applications, please use the following contact box and include the lead individuals contact details for of each organisation. (For multiple organisations please copy and paste the following box per organisation)**

Consortia Reference X	
Organisation	[REDACTED]
Name of contact	[REDACTED]
Position in organisation	[REDACTED]
Email address	[REDACTED]
Telephone number	[REDACTED]
Fax number	[REDACTED]
Postal address	[REDACTED]

**ANNEX 8 – DATA SHARING AGREEMENT**

**[TO BE ATTACHED]**

## **ANNEX 9 - EXIT**

1. The following definitions shall apply in addition to the definitions contained in paragraph 2.1 of these Conditions (Definitions):

**“Exit Plan”** means the plan prepared and submitted by the Grant Recipient to the Authority to enable the smooth closure of transfer of the Funded Activities to the Authority or successor of the Grant Recipient.

### **General**

2. The Grant Recipient will prepare an Exit Plan following signature of this Grant Funding Agreement to allow the smooth closure of the Funded Activities.
3. Where the Authority intends to continue the operation of the Funded Activities in broadly the same way after expiry or termination of the Grant Funding Agreement, either by performing them itself or by means of a successor, the Grant Recipient shall endeavour to ensure the smooth and orderly transition of the Funded Activities and shall co-operate with the Authority or the successor, as the case may be, in order to achieve such transition.
4. When such endeavours and co-operation are outside the scope of the Grant, the Grant Recipient shall provide quotations for reasonable charges associated with providing such assistance and the Authority shall pay such reasonable charges.
5. The Grant Recipient will comply with any reasonable request of the Authority for information relating to the performance of the Funded Activities.

### **Exit Planning**

6. The Grant Recipient will, in conjunction with the Authority, maintain, and as necessary update, the Exit Plan throughout the Funding Period so that it can be implemented immediately, if required. From time-to-time either the Authority or the Grant Recipient may instigate a review of the Exit Plan.
7. The Grant Recipient will co-operate with all reasonable requests made by either the Authority or a successor body relating to exit transition arrangements for the Funded Activities.

### **Assistance**

8. The Grant Recipient will use all reasonable endeavours to ensure that a transition of responsibility for the delivery of the Funded Activities to the successor body or the Authority, as the case may be, minimises any detrimental effect on the delivery of the Funded Activities and the Authority will use all reasonable endeavours to co-operate in such transfer.

### **Assets Register**

9. The Grant Recipient shall maintain throughout the exit period of this Grant an asset register, in accordance with the Terms and Conditions of the Grant Funding Agreement.



10. The Grant Recipient shall not change the status of any asset without the prior written consent of the Department where such a change would either be viewed as a major change or would require repayment in accordance with the Terms and Conditions of the Grant Funding Agreement.

### **Documentation and Access**

11. The Grant Recipient shall provide the Authority on request with information and documentation reasonably necessary to assist with the transfer of the Funded Activities to the Authority or to a successor body, including any documentation required to support any bidding process for the provision of the Funded Activities. This includes full details of:
  - a) the work programme, objectives/targets, and other services delivered by the Grant Recipient under this Grant Funding Agreement;
  - b) any software, including Third Party software and any hardware used in connection with the delivery of the Funded Activities;
  - c) software and supply agreements used to deliver any services associated with delivery of the Funded Activities, including the agreements relating to any Third-Party software identified by name of supplier, term of Grant, and charges payable under the Grant; and
  - d) any employees used by the Grant Recipient to help deliver the Funded Activities who are essential to this delivery; this information shall be provided under conditions of confidentiality reasonably acceptable to the Grant Recipient.
12. The Authority may make the documentation available to suppliers who wish to bid for the provision of the activities. The Grant Recipient shall respond expediently and in full to any reasonable questions by the Authority or the suppliers and shall co-operate with any reasonable due diligence activities carried out by suppliers.

### **Transfer Support Activities**

13. The Grant Recipient shall co-operate with all reasonable requests made by either the Authority or a successor relating to the Funded Activities transition arrangements. The Authority and the Grant Recipient shall discuss the implementation plan for the transition of the activities to either the Authority or a Successor body.

## ANNEX 10 - SUBSIDY CONTROL

### Part 1: MINIMAL FINANCIAL ASSISTANCE NOTIFICATION AND RETURN

1. The Grant is awarded as in accordance with Section 36 of the Subsidy Control Act which enables the Grant Recipient to receive up to a maximum level of subsidy without engaging the subsidy control requirements (with the exception of the transparency requirements for subsidies over £100,000) under the Act (“Minimal Financial Assistance”). The current threshold is £315,000 to a single enterprise over the elapsed part of the current financial year and the two preceding financial years (“the Applicable Period”).
2. The Grant Recipient acknowledges and accepts that the relevant limit for Minimal Financial Assistance comprises other Minimal Financial Assistance, SPEI Assistance, Small Amounts of Financial Assistance given under Articles 364(4) or 365(3) of the UK-EU Trade and Cooperation Agreement, and De Minimis State Aid (“Exempt Subsidy/Subsidies”), irrespective of whether such subsidy or aid was provided by other public authorities and their agents, related to other projects or was made by means other than grants (for instance, foregone interest on loans) awarded to the Grant Recipient over the Applicable Period.
3. The Authority has provided the Grant Recipient with a Minimal Financial Assistance notification at paragraph  of the Grant Offer Letter. The award of this Grant will be conditional upon the Grant Recipient providing the Authority with the Minimal Financial Assistance declaration form below confirming how much Exempt Subsidy if any, it has received in the Applicable Period.
4. The Authority may not pay the Grant Recipient the Grant if, added to any previous Exempt Subsidy the Grant Recipient has received during the Applicable Period, the Grant causes the Grant Recipient to exceed the relevant limit for Minimal Financial Assistance.
5. For the purposes of the Minimal Financial Assistance declaration:
  - a. the financial year means a period of 12 months ending 31<sup>st</sup> March;
  - b. an enterprise means the enterprise that receives, or would receive, minimal financial assistance; and
  - c. subsidy is subsidy granted to a single enterprise, which may include legal entities separate to Grant Recipient (such as current or former subsidiaries).
6. The Grant Recipient must retain the Grant Funding Agreement and the completed Minimal Financial Assistance declaration form and produce it on request by the Authority.
7. The Grant Recipient acknowledges that the Authority and Grant Recipient are jointly and severally responsible for maintaining detailed records with the information and supporting documentation necessary to establish that all the conditions set out in this Grant Funding Agreement are fulfilled.
8. The Grant Recipient agrees to keep a written record sent by the Authority detailing that it has received a subsidy by way of Minimal Financial Assistance, the date on which it was given and the gross value amount of the assistance and must keep the record for at least three years from the given date.

## MINIMAL FINANCIAL ASSISTANCE DECLARATION FORM

Please tick the statement that applies:

	The Grant Recipient, and/or any other person or group of persons forming an enterprise with the Grant Recipient, <b>have not received any Exempt Subsidy</b> (whether from or attributable to the Authority or any other public authority) during the Applicable Period.
	The Grant Recipient, and/or any other person or group of persons forming an enterprise, <b>have received one or more grants of Exempt Subsidy</b> during the Applicable Period, particulars of which are set out in the table below.

Please insert the Grant Recipient's financial year \_\_\_\_\_

Particulars of any Exempt Subsidy received during the current or previous two fiscal years:

Public Authority	Date Awarded	Total amount of subsidy <sup>1</sup>	Description of subsidy <sup>2</sup>	Recipient <sup>3</sup>	Date(s) received <sup>4</sup>

Signed \_\_\_\_\_

For and on behalf of \_\_\_\_\_

Position \_\_\_\_\_

Date \_\_\_\_\_

<sup>1</sup> This should be the amount of subsidy awarded. However, please also inform us if the amount received differed.

<sup>2</sup> Please confirm the nature of the subsidy (e.g., a grant or a loan etc) and the purpose for which it was awarded (e.g. any project funded by it).

<sup>3</sup> Please confirm the identity of the recipient of the subsidy if this is a separate entity forming part of a single economic actor with you.

<sup>4</sup> Please inform us if the subsidy was paid by instalments.

## ANNEX 11 - SUBSIDY CONTROL CONT.

### Part 1: SERVICES OF PUBLIC ECONOMIC INTEREST ASSISTANCE NOTIFICATION AND RETURN

1. The Grant is awarded as in accordance with Section 38 of the Subsidy Control Act which enables the Grant Recipient to receive up to a maximum level of subsidy without engaging the subsidy control requirements (with the exception of the transparency requirements for subsidies over £100,000) under the Act (“Services of Public Economic Interest Assistance”). The current threshold is £725,000 to a single enterprise over the elapsed part of the current financial year and the two preceding financial years (“the Applicable Period”).
2. The Grant Recipient acknowledges and accepts that the relevant limit for Services of Public Economic Interest Assistance comprises other Services of Public Economic Interest Assistance, Minimal Financial Assistance, Small Amounts of Financial Assistance given under Articles 364(4) or 365(3) of the UK-EU Trade and Cooperation Agreement, and De Minimis State Aid (“Exempt Subsidy/Subsidies”), irrespective of whether such subsidy or aid was provided by other public authorities and their agents, related to other projects or was made by means other than grants (for instance, foregone interest on loans) awarded to the Grant Recipient over the Applicable Period.
3. The award of this Grant will be conditional upon the Grant Recipient providing the Authority with the Services of Public Economic Interest Assistance declaration form below confirming how much Exempt Subsidy if any, it has received in the Applicable Period.
4. The Authority may not pay the Grant Recipient the Grant if, added to any previous Exempt Subsidy the Grant Recipient has received during the Applicable Period, the Grant causes the Grant Recipient to exceed the relevant limit for Services of Public Economic Interest Assistance.
5. For the purposes of the Services of Public Economic Interest Assistance declaration:
  - a. the financial year means a period of 12 months ending 31<sup>st</sup> March;
  - b. an enterprise means the enterprise that receives, or would receive, Services of Public Economic Interest Assistance; and
  - c. subsidy is subsidy granted to a single enterprise, which may include legal entities separate to Grant Recipient (such as current or former subsidiaries).
6. The Grant Recipient must retain the Grant Funding Agreement and the completed Services of Public Economic Interest Assistance declaration form and produce it on request by the Authority.
7. The Grant Recipient acknowledges that the Authority and Grant Recipient are jointly and severally responsible for maintaining detailed records with the information and supporting documentation necessary to establish that all the conditions set out in this Grant Funding Agreement are fulfilled.
8. The Grant Recipient agrees to keep a written record sent by the Authority detailing that it has received a subsidy by way of Services of Public Economic Interest Assistance, the date on which it was given and the gross value amount of the assistance and must keep the record for at least three years from the given date.

## SERVICES OF PUBLIC ECONOMIC INTEREST ASSISTANCE DECLARATION FORM

Please tick the statement that applies:

	The Grant Recipient, and/or any other person or group of persons forming an enterprise with the Grant Recipient, <b>have not received any Exempt Subsidy</b> (whether from or attributable to the Authority or any other public authority) during the Applicable Period.
	The Grant Recipient, and/or any other person or group of persons forming an enterprise, <b>have received one or more grants of Exempt Subsidy</b> during the Applicable Period, particulars of which are set out in the table below.

Please insert the Grant Recipient's financial year \_\_\_\_\_

Particulars of any Exempt Subsidy received during the current or previous two fiscal years:

Public Authority	Date Awarded	Total amount of subsidy <sup>5</sup>	Description of subsidy <sup>6</sup>	Recipient <sup>7</sup>	Date(s) received <sup>8</sup>

Signed \_\_\_\_\_

For and on behalf of \_\_\_\_\_

Position \_\_\_\_\_

Date \_\_\_\_\_

<sup>5</sup> This should be the amount of subsidy awarded. However, please also inform us if the amount received differed.

<sup>6</sup> Please confirm the nature of the subsidy (e.g., a grant or a loan etc) and the purpose for which it was awarded (e.g. any project funded by it).

<sup>7</sup> Please confirm the identity of the recipient of the subsidy if this is a separate entity forming part of a single economic actor with you.

<sup>8</sup> Please inform us if the subsidy was paid by instalments.

**ANNEX 12 - FRAUD RISK ASSESSMENT TEMPLATE**

**[TO BE ATTACHED]**