

# CABINET MEMBER SIGNING

Thursday, 23rd February, 2023, 2.00 pm

Councillors: Adam Jogee

## 1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

## 2. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

(i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and

(ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct

## 3. UK SHARED PROSPERITY FUND: ENTERING INTO FUNDING AGREEMENT (PAGES 1 - 52)

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Wednesday, 15 February 2023

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Report for: **Cabinet Member Signing**

Date: 23 February 2023

Title: **UK Shared Prosperity Fund: Entering into Funding Agreement**

Report  
Authorised by: **David Joyce, Director of Housing, Regeneration and Planning**

Lead Officer: **David Lee, Head of Programme Management, Regeneration & Economic Development**

Ward(s) affected: **All**

Report for Key/  
Non Key Decision: **Key**

## **1. Describe the issue under consideration**

- 1.1. This report seeks approval from the Cabinet Member for Economic Development, Jobs and Community Cohesion to accept a grant of £1,789,313 from the Greater London Authority (GLA), and to enter into a funding agreement. This grant agreement will allow the delivery of a series of interventions across various policy areas, through the UK Shared Prosperity Fund (UKSPF). The GLA acts as lead authority for the UKSPF in London.
- 1.2. The GLA and London Councils asked London local authorities to submit proposed allocations of UKSPF spend by 7<sup>th</sup> October 2022. UKSPF is the Government's post-Brexit replacement for a series of EU funding programmes, with Haringey's direct allocations across the Communities & Place and Supporting Local Businesses categories totalling £1,789,414 over three financial years.
- 1.3. Those proposals have now been accepted by the GLA, who have confirmed they are in accordance with its Investment Plan, which sets out how UKPSF funds can be spent in London. The UKSPF grant funding agreement now requires completion, so that planned activity (including project delivery before the end of the 2022/23 financial year) can proceed.

## **2. Recommendations**

The Cabinet Member for Economic Development, Jobs and Community Cohesion agrees:

- 2.1. To enter into the UKSPF grant agreement with the GLA, to the value of £1,789,414
- 2.2. To give delegated authority to the Director of Placemaking & Housing and the S151 Officer, after consultation with the Cabinet Member for Economic Development, Jobs and Community Cohesion, to agree the final terms and conditions and finalise the funding agreement if required.

### 3. Reasons for Decision

- 3.1. Government set out proposals for the UKSPF in a prospectus in April 2022, which set out the aims of the fund, desired outputs and outcomes, reporting and monitoring requirements, allocations of funding per area and parameters for lead authorities to comply with. It asked lead authorities for individual areas to set out Investment Plans, detailing how the required outputs would be delivered and parameters for local authorities to comply with. The GLA acts as lead authority for London, and in July 2022 it in turn submitted the UKSPF Investment Plan for London, which was approved by Government on 5<sup>th</sup> December 2022.
- 3.2. Plans for spend in Haringey, within the parameters set by the UKSPF Investment Plan for London, were submitted in October 2022 and have now been agreed with the GLA. This included allocations for spend across multiple areas by March 2023. The UKSPF Funding Agreement now requires completion.

### 4. Alternative options considered

- 4.1. **Do not accept UKSPF funding** – The council could proceed without UKSPF funding. However, there are not currently other funding sources identified for many of the activities described within Haringey's UKSPF submission, which would mean related projects are not delivered. It should also be noted that there are no match funding requirements for UKSPF, and therefore accepting this funding does not create any new risks to the council's budgetary position.
- 4.2. **Enter into UKSPF funding agreement** – this is the recommended option, allowing the interventions set out in Appendix A to proceed.

### 5. Background Information

#### UK Shared Prosperity Fund

- 5.1. In February 2022, the Government announced a new three-year £2.6 billion UK Shared Prosperity Fund (UKSPF) alongside its Levelling Up White Paper. It confirmed UKSPF as a 'central pillar' of the levelling up agenda, to be allocated to all parts of the country by funding formula rather than competition. UKSPF is badged as a domestic replacement for the seven-year European Regional Development Fund and European Social Fund programme, which close in 2023-24 and which are devolved to the GLA, and in some cases directly to sub-regional partnerships and local authorities. The UKSPF is devolved to the GLA and has provided an opportunity for the approach to the funding to be co-designed together with London Councils, and for it to align with the London Recovery Board's Economic Recovery Framework objectives.
- 5.2. The Levelling Up White Paper set out three proposed UKSPF investment priorities:
  - 5.2.1. **Communities and Place** – improvements to high streets, cultural/visitor economy interventions and capital funding to improve neighbourhoods
  - 5.2.2. **Local Businesses** – Business support and collaboration; and
  - 5.2.3. **People and Skills** – Employment and Skills activity

- 5.3. In April 2022 a template for this plan and allocations for London were confirmed. London was allocated £185.3m, of which £40.9m has been ‘topliced’ to support ‘Multiply’, an adult numeracy scheme managed through the Department for Education and which, for Haringey is to be assigned to Haringey Learns. For the remaining £144.4m, the GLA was required to submit an Investment Plan to government, with approval expected after October 2022.
- 5.4. Previous EU programmes, which the UKSPF seeks to replace, were worth approximately £90m per year for London over the last 15 years. Previous EU funding allocations are now fully committed and cease by December 2023. The government also directly funded further related activity, which had enabled the London Economic Action Partnership (LEAP) to run programme such as the Good Growth Fund and the Skills for Londoners Capital Fund, but these ‘domestic’ funding programmes are not being replaced. Therefore, overall there is considerably less funding available across London over the coming years to support local jobs and growth activity, compared to the previous three years. This decline in funding has also impacted other areas of England, but the scale of the decline is greater in London.

**GLA/London Councils UKSPF Investment Plan**

- 5.5. The GLA and London Councils have co-designed the approach to London’s UKSPF Investment Plan. The London Recovery Board agreed that, in principle, most kinds of activities and outcomes currently supported through LEAP and EU programmes should continue and that the starting point for policy alignment would be the Economic Recovery Framework, including net zero goals, tackling structural inequalities and social inclusion.
- 5.6. UKSPF guidance advises that lead local authorities keep Investment Plans broad, and recommends that spend profiles and delivery programmes are adapted as delivery develops. There is therefore flexibility to refine spend proposals as delivery progresses, which is helpful as this funding covers a broad range of policy areas, as delivery spans three financial years and as the GLA have asked for initial submissions to a very challenging deadline.
- 5.7. The GLA and London Councils were able to choose what proportion of London’s total £144.4m UKSPF funding would be directly allocated to boroughs, directly grant funded to pan-London delivery partners, or subject to competitive bidding. This has resulted in a mixed approach across various funding categories in the Investment Plan:

Funding Stream	Means of Distribution
Multiple (adult numeracy)	Adult learning providers (including most boroughs)

Communities and Place	Borough allocations
Supporting local business	Direct grants; competitive bidding; borough allocations
People and Skills	Single pot for skills, with proportion of fund for employment support for adults, careers support for young people and those not in education, employment or training. A proportion via borough allocations.

- 5.8. Across all categories, boroughs receive just over half (£78m) of the total UKSPF funding for London as direct allocations. These direct allocations are not subject to competitive bidding; local authorities are asked to describe how the funding will be spent, which interventions will be delivered and to contribute proportionally to programme-level outputs.

#### **LBH allocation and funding split by year**

- 5.1. Government guidance suggested a proportional funding allocation to local authorities based on a combination of 70% population and 30% need (CRF methodology) but allowed for this to be varied by lead authorities. The GLA and London Councils, in consultation with sub-regional partnerships and local authorities, chose to assign funding based on 50% population and 50% need. This has resulted in a higher allocation than may have been expected for Haringey – a total of £2.63m or £9.88 per capita, which is the 6<sup>th</sup> highest allocation in London. This figure of £2.63m includes further funding, beyond that covered by the current funding agreement, for the People & Skills category, which the GLA has chosen to disburse via sub-regional partnerships, with the final amount to be received by Haringey yet to be formally confirmed.

#### **Haringey spend allocations**

- 5.2. Allocations of funding, as agreed with the GLA, are at Appendix A.
- 5.3. The Appendix describes projects to be delivered, against both Communities and Place and Supporting Local Businesses strands. In addition to finding projects which fit with the pre-determined allocation of funding across years, and between capital and revenue, for each project there has to be strategic alignment at three levels;
- 5.3.1. National – UKSPF Priorities
- 5.3.2. Regional – GLA Investment Plan
- 5.3.3. Local – Haringey Strategic Priorities.

## **6. Contribution to Strategic Outcomes**

- 6.1. By meeting the project criteria for each intervention strand, officers have ensured strategic alignment and hence eligibility for funding at the national and regional level. To ensure alignment at the local level, each project has been selected as supporting the delivery of a strategic aspiration of the Council. Appendix A describes what these are for each project.

## **7. Statutory Officers Comments**

### **7.1. Finance**

- 7.1.1. This report is for the Cabinet Member to approve the recommendations as set out in para 2 of this report. The UKSPF total grant funding of £1,789,414 is made up of Capital £910,847 and Revenue £ 878,567 and covers spend incurred in the period of 2022/23 to 2024/25. The grant will be payable on accruals basis upon delivery of outputs but with some upfront funding It should also be noted that there are no match funding requirements for UKSPF.

### **7.2. Procurement**

- 7.2.1. CSO 17.1 provides that process for accepting grants is the same as set out in CSO 9.07 whereby grants valued at £500,000 or more require a Cabinet decision.
- 7.2.2. Strategic Procurement note the contents of the report relate to the acceptance of the grant.
- 7.2.3. Strategic Procurement support the recommendation of the report

### **7.3. Legal**

- 7.3.1. The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.
- 7.3.2. The receipt of the grant from the GLA is a Key Decision and will therefore need to comply with the Council's governance processes in respect of Key Decisions including publication in the Forward Plan.
- 7.3.3. The Council will also need to ensure that in spending of the grant it complies with the Subsidy Control Act 2022 and all relevant procurement legislation including the Public Contracts Regulations 2015.
- 7.3.4. Where the Council receives a grant from an external body, the process for approval of the receipt as set out in Contract Standing Order 17.1 mirrors that for award of contracts as set out in CSO 9.07. As the value of the grant is above £500,000, the approval would normally fall to Cabinet. However, in-between meetings of the Cabinet, the Leader may take a decision which would fall to Cabinet or allocate to the Cabinet Member with the relevant portfolio (CSO 16.02).
- 7.3.5. The Head of Legal and Governance (Monitoring Officer) confirms that there are no legal reasons preventing the Cabinet Member from approving the recommendations in this report.

## 7.4. Equality

7.4.1. The council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not

7.4.2. The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

7.4.3. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

7.4.4. This decision is to accept a grant of £1,789,414 from the Greater London Authority (GLA), and to enter into a funding agreement. This grant agreement will allow the delivery of a series of interventions across various policy areas, through the UK Shared Prosperity Fund (UKSPF). Every project under each intervention strand must align with national, regional, and local Haringey strategic priorities.

7.4.5. Appendix A describes the activities planned for each project, and how they align with local strategic priorities. Most of the projects planned under the UKSPF are at an early stage of development, and as such have not had detailed equalities analyses carried out. However, each local strategic priority that they align with has been subject to detailed equalities analyses, which found positive equalities impacts for groups who share the protected characteristics. Where negative impacts were identified, they have been mitigated as far as is possible, and any remaining negative impacts assessed as being the result of proportionate means of achieving legitimate aims.

7.4.6. As these projects to be delivered move into detailed design stages, and come forward for approval in each case, they will be subject to detailed equalities analysis, including full Equalities Impact Assessments if appropriate, which will inform any necessary mitigations and changes to ensure compliance with the Public Sector Equality Duty.

## 8. Use of Appendices

- **Appendix A – LBH UKSPF Allocations of Spend**
- **Appendix B – Draft UKSPF funding agreement**

9. **Local Government (Access to Information) Act 1985** : Not applicable



Appendix A – LBH UKSPF allocations of spend

UKSPF intervention strand	Project description	Activity	Local strategic rationale	Funding Allocation
E1: Funding for improvements to town centres and high streets, including better accessibility for disabled people	Market Development: creation of spaces to facilitate market operation	Physical interventions to support the delivery and continuation of markets across the borough. Will involve electricity and water point provision, creative pavement design/market pitch indication	Supports the High Streets Recovery Action Plan by providing an offer that will increase footfall and thereby support high streets. Supports manifesto objectives of a Market Strategy providing opportunity to support residents starting their own business. Will support young people by providing the opportunity for youth markets.	<b>£90,000 (capital)</b>
	Public realm enhancements to town centres	Improvements in up to five town centres and including: to address disability access issues identified from the revenue funded review, to improve environment to encourage footfall, provide spaces for events and cultural activities.	Supports the High Street Recovery Action Plan by making high streets fit for purpose and welcoming to residents and visitors. Addresses disability access issues. Supports Manifesto statement of helping high streets recover.	<b>£273,997 (capital)</b>
	Disability Access Review for Town Centres	Programmes across the spend period to review town centres and high streets across the borough, prioritising those areas where issues have already been identified, and to make recommendations on actions that can be taken to address.	Will identify areas that need to address inequality of access for disabled residents and visitors to our high streets. Supports several priorities from the High Streets Recovery Action Plan.	<b>£40,186 (revenue)</b>

<p>E3: Creation of and improvements to local green spaces</p>	<p>Tottenham Green Chain: greening the public realm between three parks in North Tottenham. Supports and adds value to already existing work to invest in Down Lane Park, Hartington Park and Somerford Grove.</p>	<p>Will comprise a range of green interventions in the public realm such as pavement buildouts with up to seventy new street trees and SUDS, new community planting space, biodiversity improvements and wayfinding along the route. Community input will identify sites for interventions, and a community management group established to support delivery of the project and take responsibility for management of elements of the scheme after completion.</p>	<p>Supports the 3 key aims of the Draft Parks and Greenspaces Strategy – ‘Inclusion and Wellbeing’, ‘Climate Change and Sustainability’ and ‘Quality Parks’. Similarly, supports Policy 1 of the Walking and Cycling Plan, ‘Increase Active Travel’. Community involvement in design and management will support the participatory aims of the Haringey Deal/Conversation.</p>	<p><b>£240,442 (capital)</b> <b>£29,013 (revenue)</b></p>
<p>E4: Enhancing existing cultural, historic &amp; heritage institutions offer</p>	<p>Create Space: Enhancing Haringey’s cultural infrastructure through improvements to our cultural</p>	<p>Programme will involve improvements to a number of different cultural spaces in the Borough, situated across our Libraries and Bruce Castle Museum, in line with existing capital programme plans. Working with local partners, a network of young people from underrepresented groups will identify</p>	<p>Supports the Haringey Deal’s aspiration for greater involvement of communities in designing services and mirrors the Manifesto focus on young people specifically. Delivers on our Recovery and Renewal framework’s commitment to fairness and equity by using local stories of migration and resilience as inspiration for works. Supports Good Economy and Employment and Skills Recovery Plans by</p>	<p><b>£162,820 (capital)</b> <b>£39,271 (revenue)</b></p>

E6: Local arts, cultural, heritage & creative activities	spaces, to be co-designed with young people in partnership with local artists and creatives.	spaces to be transformed. A series of local creatives will be invited as artists in residence, to create an artist-led response to each space, working directly with local young people. Young people will receive training in new creative and heritage skills, building confidence and investing in their learning and development. Associated events will increase resident participation in cultural activity.	targeting support at those affected by the legacy of Covid-19, namely young people.	<p><b>£143,588 (capital)</b></p> <p><b>£24,821 (revenue)</b></p>
E9: Impactful volunteering and/or social action projects	Haringey Warm Welcome: The establishment of a network of community-operated spaces across the borough over the winter period, to support residents affected by the cost of living crisis, and also develop long-term community capacity and resilience in responding to shocks.	The programme aims to create a network of 'warm welcome' spaces, with the ambition that no resident is more than 10-minute walk from a venue. WW spaces will be volunteer staffed and run, and offer the opportunity for residents who are isolated, unable to heat their homes or otherwise vulnerable to be warm and connect with others. The network of spaces will allow for the provision of specialist support to especially vulnerable residents, create opportunities for early intervention & prevention with residents, and create opportunities for building social capital and connections between residents, local VCS groups and activities within their local areas.	In addition to delivering immediate practical support to residents impacted by the cost-of-living crisis, the programme of work will support a number of longer-term strategic aims for the Council. It will deliver on the aspiration of the Haringey Deal to facilitate community action, by providing the training and infrastructure necessary for VCS groups to deliver projects through this programme, and into the future. Similarly, it will support the focus on early intervention and prevention in the Recovery and Renewal framework by creating opportunities for peer and community support of residents before a personal crisis.	<p><b>£101,048 (revenue)</b></p>

E13: Community measures to reduce the cost of living	Energy efficiency support	Year 1 of this programme will comprise two aspects. 1) Additional capacity from SHINE for services include telephone energy advice, debt and complex case support, events, energy doctor visits, grant fund application support, referral to other services in London to maximise wellbeing, income and health. SHINE will be asked to prioritise interventions which provide more immediate reduction in household cost of living costs. On the assumption that the majority of capacity goes to energy doctor visits, an additional 175 Haringey households will benefit from this additional capacity in year 1. 2) A campaign with the aim of increasing take up of this energy efficiency advice in the context of wider cost of living pressures. Plans for years 2 and 3 funding will build on an assessment of the impact of this offer and reflect a fast developing policy context.	SPF guidance is that activity under this intervention focuses on energy efficiency interventions and we know there to be urgent local need: Haringey has high levels of fuel poverty and we expect Haringey residents to be significantly affected by cost of living pressures. The take up of existing SHINE support is good, and increasing capacity into the service will help us to achieve our short term objective of supporting residents experiencing financial difficulty, as well as our longer term strategic objectives relating to carbon reduction and financial resilience.	<b>£206,363 (revenue)</b>
E23: Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks	Start Ups and Entrepreneurial Support programme	To include a Migrant and Refugee programme (to start their own businesses; become market traders and work as self-employed), creative sector freelancing and self employment programme, social enterprise programme including business support, mentoring, networking, marketing and capacity building to enable better selling opportunities	Supports community wealth building and an inclusive economy by providing training and support to residents who wish to start their own businesses, to build capacity and resilience as they grow and for existing entrepreneurs.	<b>£149,556 (revenue)</b>
	Cost Savings Programme	To provide support to businesses in identifying savings and/or better	Supports the work being done by the council on the cost of living crisis. Additionally supports Good	<b>£134,000 (revenue)</b>

		contractual arrangements with energy suppliers. Also to identify potential usage savings.	Economy Recovery Plan including the High Streets Recovery Action Plan by supporting businesses to build their resilience and sustainability	
	Federation for Small Businesses	Payment to the FSB enabling membership for local businesses and giving them access to FSB support. There has been significant take up by businesses when this was undertaken using ARG funding and a further phase is currently open. This provides longevity to the offer and enables more	Supports Good Economy Recovery Plan including the High Streets Recovery Action Plan by supporting businesses to build their resilience and sustainability by being able to access additional support through FSB programmes including Debt recovery, Legal protection scheme, HR advice, Health and Safety advice, PR & events, and crisis management, Cyber protection.	<b>£59,309 (revenue)</b>
	Business Growth Support	A programme to identify businesses with high growth and job creation potential. Will include specialist advice and mentoring. Will also deliver an industrial estates sector study with targeted and specialist support for businesses key to the Haringey economy and identify and deliver interventions This programme will identify and support Haringey's small businesses with high-growth and job creation potential business -to expand and generate more jobs.	BEIS, GLA and other studies have confirmed that high growth businesses create the highest number of jobs and other economic benefits, outperforming average firms and other business types. This programme strand will build on the successful GLA/Grant Thornton "High Growth Coach Programme" to support Haringey's high growth and growth-potential business to expand and generate more jobs.	<b>£95,000 (revenue)</b>

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# GREATER **LONDON** AUTHORITY

FUNDING AGREEMENT FOR THE UK SHARED PROPERTY FUND

BETWEEN

THE GREATER LONDON AUTHORITY

and

**[PROJECT DELIVERER NAME] [GLA to populate]**

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TEMPLATE

This Funding Agreement is made on [insert date of signature] **DO NOT DATE – GLA TO COMPLETE**

Between:

- (1) **THE GREATER LONDON AUTHORITY**, whose principal address is at City Hall, Kamal Churchie Way, London, E16 1ZE (the “**Lead Authority**”)
- (2) **[PROJECT DELIVERER]** whose [registered/principal] address is at **[PROJECT DELIVERER ADDRESS]** (the “**Project Deliverer**”). **GLA to populate**

## BACKGROUND

- A. His Majesty’s Government (the UK government) is providing London with £144,444,970 of funding through the UK Shared Prosperity Fund (UKSPF) to improve pride in place and increase life chances across the UK, investing in communities and place, supporting local business, and people and skills.
- B. The UK Shared Prosperity Fund invests in projects that cover one or more of the investment priorities of community and place and supporting local businesses and people and skills. In Great Britain, the fund is managed in partnership with local authorities who act as Lead Authority for their area. In London, this is the Greater London Authority (GLA).
- C. Funds provided under the UK Shared Prosperity Fund are provided pursuant to section 50 of The United Kingdom Internal Market Act 2020.
- D. The Secretary of State administers the UK Shared Prosperity Fund for the UK government.
- E. The Lead Authority invited Proposals from the 32 London boroughs and the City of London Corporation, as detailed in the London Investment Plan approved by UK government, reviewed those Proposals and wishes to award the Project Deliverer a UKSPF grant, as confirmed by government.
- F. Under its powers under Sections 30 and 34 of the Greater London Authority Act 1999 to do anything it considers will facilitate or which is conducive or incidental to the promotion of economic, social development and wealth creation in Greater London, the Lead Authority will provide funds to the Project Deliverer for the selected project on the following Conditions.

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

### 1. INTRODUCTION

- 1.1. In consideration of the Parties’ respective obligations contained in this Funding Agreement the Lead Authority offers the Grant and the Project Deliverer accepts the Grant up to the Maximum Sum on the Conditions of this Funding Agreement.
- 1.2. This Funding Agreement sets out the conditions which apply to the Project Deliverer receiving the Grant from the Lead Authority up to the Maximum Sum.

- 1.3. The Lead Authority and the Project Deliverer have agreed that the Lead Authority will provide the Grant up to the Maximum Sum as long as the Project Deliverer uses the Grant in accordance with this Funding Agreement.
- 1.4. The Lead Authority provides the Grant to the Project Deliverer on the basis of the Project Deliverer's Proposal.
- 1.5. The Parties confirm that it is their intention to be legally contractually bound by this Funding Agreement.

## 2. DEFINITIONS AND INTERPRETATION

- 2.1. Where they appear in these Conditions:

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

**Asset** means any assets that are to be purchased or developed using Funding including equipment or any other assets which may be a Fixed Asset which has a purchase value of £1,500.00 (one thousand and five hundred pounds) or more as appropriate in the relevant context, and **Assets** will be construed accordingly;

**Asset Owning Period** means a three-year period from the date on which the Asset was purchased;

**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 of Control** means the sale of all or substantially all the assets of the Project Deliverer; any merger, consolidation or acquisition of the Project Deliverer 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 the Project Deliverer 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 at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/754555/2018-11-06\\_Code\\_of\\_Conduct\\_for\\_Grant\\_Recipients.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/754555/2018-11-06_Code_of_Conduct_for_Grant_Recipients.pdf), including any subsequent updates from time to time;

**Commencement Date** means the date on which this Funding Agreement comes into effect, being the **GLA to populate**;

**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 this 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; and
- (b) any information developed by the Parties in the course of delivering the Funded Activities;
  - (c) the Lead Authority Personal Data;
  - (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 11 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.

**Confirmation of Authorised Signatories Form** means that form at Annex 5 of the Funding Agreement;

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

**Controller and Processor** take the meaning given in the Data Protection Legislation;

**Crown Body** means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Executive and the National Assembly for Wales), 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 a Crown Body's behalf;

**Data Protection Legislation** means (a) any legislation in force from time to time in the United Kingdom relating to privacy and/or the Processing of Personal Data including, but not limited to, the UK General Data Protection Regulation (UK GDPR), the Data Protection Act 2018, and the Privacy and Electronic Communications (EC Directive) Regulations 2003 and (b) any statutory codes of practice issued by the Information Commissioner in relation to such legislation;

**Delivery Partner** means a third party that (in collaboration with the Project Deliverer) shall deliver the Project, itself defray expenditure to be claimed and carry out the Project Activities in accordance with paragraph 4 and which third party is not intended by either party to be providing services or works under a contract for services or works;

**Disposal** means the disposal, sale, transfer of an Asset or any interest in any Asset and includes any contract for disposal and **Dispose** and **Disposed** shall be construed accordingly;

**Domestic Law** means an applicable law, statute, bye-law, regulation, order, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements of any regulatory body, delegated or subordinate legislation which replaces EU law as a consequence of the UK leaving the European Union;

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

**EIR** means the Environmental Information Regulations 2004 (SI No 2004/3391) together with any guidance and/or codes of practice issued by the 'Information Commissioner' (as referred to therein) or relevant Crown Body in relation to the EIR;

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

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

**Eligibility Rules** means the rules governing eligibility of expenditure for payment of UK Shared Prosperity Fund Grants and Funding contained in the Technical Documents;

**Evaluation Guidance** means the UK government's Monitoring and Evaluation Guidance which can be found at <https://www.gov.uk/guidance/uk-shared-prosperity-fund-monitoring-and-evaluation-4> and as may be updated or replaced from time to time;

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

**Final Accounting Date** means the 31 March 2025;

**Financial Year** means from 1<sup>st</sup> April to 31<sup>st</sup> March;

**Fixed Assets** means any Asset which consists of land, buildings, plant and equipment acquired, developed, enhanced, constructed in connection with the Funded Activities which has a value as at the date of this Funding Agreement of at least one thousand and five hundred pounds (£1,500.00) or more;

**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;

**Force Majeure Event** means any of the following: riot, civil unrest, war, act of terrorism, threat or perceived threat of act of terrorism, fire, earthquake, extraordinary storm, flood, abnormal weather conditions or other natural catastrophe or strikes, lock-outs or other industrial disputes to the extent that such event has materially affected the ability of the affected party to perform its obligations in accordance with the terms of this Funding Agreement but excluding any such event insofar as it arises from or is attributable to the wilful act, omission or negligence of the affected party or the failure

on the part of the affected party to take reasonable precautions to prevent such Force Majeure Event or its impact.

**Funded Activities** means the Project Activities included in the Project;

**Funding** means the funding payable by the Lead Authority to the Project Deliverer for the Eligible Expenditure incurred by the Project Deliverer in performing the Project Activities in respect of the Project Deliverer's Project;

**Funding Agreement** means these Conditions together with its annexes and schedules;

**Funding Period** means the period for which the Grant is awarded starting on the Commencement Date and ending on the date included in Annex 1 – Part B;

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

**Grant Claims** means the payment claim form submitted by the Project Deliverer to the Lead Authority for payment of the Grant;

**Grant Manager** means the individual who has been nominated by the Lead Authority to be the single point of contact for the Lead Applicant in relation to the Grant;

**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 Project Deliverer 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 2018;

**IPR Material** means all material produced by the Project Deliverer 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);

**Law** means any applicable law, statute, byelaw, regulation, order, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements of any regulatory body, delegated or subordinate legislation;

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

**London Investment Plan** means the plan submitted to UK government setting out the use of the UKSPF and how it will be delivered;

**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;

**Match Funding** means any contribution to the Funded Activities, whether identified in Annex 2 or not, made by the Project Deliverer to meet the balance of Eligible Expenditure not supported by the Grant or Funding or by a Third Party to the Project Deliverer to meet the balance of the Eligible Expenditure not supported by the Grant or Funding;

**Maximum Sum** means the total maximum amount of Grant the Lead Authority will provide to the Project Deliverer for the Project Activities and Project as stated in Annex 2 and subject to paragraph 27;

**Milestone Payment(s)** means those payment(s) set out in Annex 3;

**Party** means the Lead Authority or Project Deliverer and **Parties** shall be each Party together;

**Personal Data** has the meaning given to it in the Data Protection Legislation as amended from time to time;

**Procurement Regulations** means the Public Contracts Regulations 2015, Concession Contracts Regulations 2016, Defence Security Public Contracts Regulations 2011 and the Utilities and Contracts Regulations 2016 together with their amendments, updates and replacements from time to time;

**Prohibited Act** means:

- (a) directly or indirectly offering, giving or agreeing to give to any Representative of the Lead Authority 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 Funding Agreement; or
  - (ii) showing or not showing favour or disfavour to any person in relation to the Funding Agreement;
- (b) committing any offence:
  - (i) under the Bribery Act;
  - (ii) under legislation creating offences in respect of fraudulent acts; or
  - (iii) at common law in respect of fraudulent acts in relation to the Funding Agreement; or

- (c) defrauding or attempting to defraud or conspiring to defraud the Lead Authority or the Secretary of State or the Crown;

**Project** means a project described in the Proposal;

**Project Activities** means the activities set out in the Proposal in respect of the Project to be delivered by the Project Deliverer and Funded by the Lead Authority in part or in full utilising the Grant and Project Activity shall be construed accordingly;

**Project Deliverer** means the London borough or City of London Corporation shown in the Proposal for a Project;

**Proposal** means the Proposal document and quarterly profiles submitted to the Lead Authority in respect of Communities and Place and Supporting Local Business activities;

**Prospectus** means the UK Shared Prosperity Fund: prospectus published at: <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>;

**Publication** means any announcement, comment or publication of any publicity material by the Lead Authority or by the Secretary of State concerning the Funded Activities;

**Remedial Action Plan** means the plan of action submitted by the Project Deliverer to the Lead Authority following an Event of Default pursuant to the process set out in paragraph 27.4;

**Representatives** means any of the Parties' or the Secretary of State's duly authorised directors, employees, officers, agents, professional advisors and consultants as the context permits;

**Special Payments** means *ex gratia* expenditure paid by the Project Deliverer to a third party where no legal obligations exists for the payment and/or other extra-contractual expenditure. Special Payments may include, but are not limited to, out-of-court settlements or compensation;

**Subsidy** means a financial benefit which is subject to the Subsidy Control Rules;

**Subsidy Control** means the Subsidy Control Act 2022, and any amendments, updates and replacements as published from time to time;

**Technical Documents** means the London Investment Plan, Supporting Local Business and Communities and Place Proposal template documents, Outputs and Outcomes Guidance found here: <https://www.london.gov.uk/programmes-strategies/funding-and-innovation/uk-shared-prosperity-fund>, and further guidance provided by government found here: <https://www.gov.uk/government/collections/uk-shared-prosperity-fund-additional-information>;

**Third Party** means any person or organisation other than the Lead Authority or the Project Deliverer;

**UK Shared Prosperity Fund** means the UK government fund as described in the UK government's Prospectus;



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

**Working Day** means in England, any day from Monday to Friday (inclusive) which is not specified or proclaimed as a bank holiday in England 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:

- (i) the singular includes the plural and vice versa;
- (ii) reference to a gender includes the other gender and the neuter;
- (iii) references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body;
- (iv) a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;
- (v) any reference in these Conditions which immediately before IP Completion Day 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;
- (vi) 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";
- (vii) 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;
- (viii) 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 Funding Agreement;
- (ix) references to “paragraphs” and “Annexes” are, unless otherwise provided, references to the paragraphs and annexes of these Conditions and references in any Annex to parts, paragraphs and tables are, unless otherwise provided, references to the parts, paragraphs and tables of the Annex in which these references appear; and

- (x) 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 Funding Agreement the conflict shall be resolved in accordance with the following order of precedence:
- (1) the Conditions set out within this Funding Agreement;
  - (2) the Annexes in order;
  - (3) the Technical Documents in the order that they appear in the definition at paragraph 2.1.

## **CONDITIONS**

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

- 3.1. The Funding Period starts on the Commencement Date and ends on the date included in Annex 1 – Part B, unless terminated earlier in accordance with the Funding Agreement.
- 3.2. The Project Deliverer will ensure that a Project starts on the Commencement Date but where this is not possible, that the Project starts no later than 3 months after the Commencement Date.
- 3.3. The Project Deliverer shall use the Grant solely to provide Funding for the delivery of the Project Activities. The Project Deliverer shall not make any changes to the Project Activities without the prior written agreement of the Lead Authority.
- 3.4. If the Project Deliverer wishes to request any changes to the Project Activities, it shall set out the proposed changes in writing and if requested by the Grant Manager complete a project change request form.
- 3.5. If the Project Deliverer wishes to make a change to the Project Activities (including for example reducing the Grant or removing some of the Project Activities from the Grant), it may do so on 14 days' written notice to the Lead Authority.

### **4. PAYMENT OF GRANT AND GRANT CLAIM PROCEDURE**

- 4.1. Subject to the remainder of this paragraph 4, the Lead Authority shall pay the Project Deliverer an amount not exceeding the Maximum Sum. The Lead Authority shall pay the Grant in pound sterling (GBP) and into a bank located in the UK.
- 4.2. The Project Deliverer must complete and sign the Authorised Signatories Form (Annex 5) as part of their acceptance of the Funding Agreement. No Grant Claim payment will be made in advance of receipt of a correctly completed and signed Authorised Signatories Form.
- 4.3. The signatory to the Authorised Signatories Form must be the chief finance officer, treasurer or an officer with relevant delegated authority. Any change of authorised signatory must be notified as soon as possible using the Authorised Signatories Form

and signed by the chief finance officer, treasurer or an officer with relevant delegated authority.

- 4.4. The Grant represents the Maximum Sum the Lead Authority will pay to the Project Deliverer under the Funding Agreement. The Maximum Sum will not be increased in the event of any overspend by the Project Deliverer in its delivery of the Project Activities.
- 4.5. UKSPF capital grant funding, as set out in the Proposal budget, may only be used for capital expenditure.
- 4.6. The Lead Authority will pay the Project Deliverer the first Milestone Payment upon the completion of a signed Funding Agreement.
- 4.7. The Lead Authority will only pay the Project Deliverer the remaining Milestone Payments upon satisfactory progress against delivery of Project Activities in the Proposal and if forecast outputs, outcomes and spend for the previous financial years have been met, or failing that that there is a Remedial Action Plan agreed to address the underperformance.
- 4.8. The Lead Authority reserves the right to reduce Milestone Payments, pay in instalments or withhold payments where there are concerns over delivery of Project Activities in the Proposal. The Lead Authority also reserves the right to withhold Milestone Payments until receipt of a Remedial Action Plan demonstrating revised delivery of the Project Activities in the Proposal. This will include requirements that set out how the Project Deliverer will utilise underspends during the next Financial Year and/or appropriate milestones and spend have been achieved for the previous Financial Year.
- 4.9. The Lead Authority will pay the Project Deliverer the final Milestone Payment upon completion of all agreed Project Activities. If the Project Deliverer fails to spend all of the Grant in the final year, this will need to be repaid to the Lead Authority.
- 4.10. Where the use of Match Funding is included, this must be reported to the Lead Authority in quarterly claim submissions.
- 4.11. Quarterly claim submissions must be signed by the section 151 officer and include the total monies spent split between capital and revenue. Project Deliverers must keep detailed records of all expenditure, including evidence of the expenditure and the defrayal, and provide this upon request by the Lead Authority. The Lead Authority may periodically request to see a detailed breakdown of expenditure and supporting evidence.
- 4.12. The Project Deliverer agrees that it will not apply for or obtain Duplicate Funding in respect of any part of the Project Activities which have been paid for in full using the Grant; and the Lead Authority or Secretary of State may refer the Project Deliverer to the police should it dishonestly and intentionally obtain Duplicate Funding for the Project Activities.
- 4.13. The Lead Authority will not make Grant Payments unless or until, the Lead Authority is satisfied that the Grant was used only for Eligible Expenditure.
- 4.14. The Project Deliverer will submit Grant Claims in accordance with the Schedule of Payments included in Annex 3.

- 4.15. Within one month of the project end date, but no later than the 11 April 2025 for projects that end 31 March 2025, the Project Deliverer shall submit a final Grant Claim for the last Grant Payment, together with any other documentation as prescribed by the Lead Authority, from time to time.
- 4.16. Unless otherwise stated in these Conditions, the Grant Payments will be made within 30 days of the Lead Authority receiving the Project Deliverer's Grant Claim invoice in respect of the relevant Grant Payment.
- 4.17. The Secretary of State and the Lead Authority will have no liability to the Project Deliverer for any Losses caused by a delay in the payment of any Grant Payments, howsoever arising.
- 4.18. The Lead Authority reserves the right not to pay any Grant Claims which are not submitted by the dates set out in Annex 3 or Grant Claims which are incomplete, incorrect or submitted without the full supporting documentation.
- 4.19. The Project Deliverer shall promptly notify and repay immediately to the Lead Authority any money incorrectly paid to it either as a result of an administrative error or otherwise. This includes (without limitation) situations where the Project Deliverer is paid in error before it has complied with its obligations under this Funding Agreement. Any sum, which falls due under this paragraph 4.19 shall fall due immediately. If the Project Deliverer fails to repay the due sum immediately the sum will be recoverable summarily as a civil debt.
- 4.20. The Lead Authority reserves the right not to pay any Grant Claims where the Secretary of State withholds or reduces UK Shared Prosperity Funding under its Memorandum of Understanding with the Lead Authority and it is fair and equitable for a proportionate reduction to be made from the Grant.

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

- 5.1. The Lead Authority will only pay the Grant Claims in respect of Eligible Expenditure incurred by the Project Deliverer to deliver the Project Activities (as set out in the Proposal).

### **Match Funding**

- 5.2. The Project Deliverer must report any Match Funding to the Lead Authority in quarterly claim submissions, if applicable.
- 5.3. The Match Funding shall be compliant with the provisions of the Eligibility Rules.

### **Amount of Grant Payable**

- 5.4. The amount of Grant payable to the Project Deliverer for the Project shall be the sum included in Annex 3.

### **Eligible Expenditure**

- 5.5. The following costs or payments will be classified as Eligible Expenditure if incurred for the purposes of the Project Activities and within the Funding Period:

- 5.5.1. fees charged or to be charged to the Project Deliverer by external auditors/accountants for reporting/certifying that the Funding paid was applied for its intended purposes;
  - 5.5.2. giving evidence to Parliamentary Select Committees;
  - 5.5.3. attending meetings with government ministers or civil servants to discuss the progress of this taxpayer funded grant scheme; and
  - 5.5.4. responding to public consultations, where the topic is relevant to the objectives of the Project Activities or the UK Shared Prosperity Fund. To avoid doubt, Eligible Expenditure does not include the Project Deliverer spending the Grant on lobbying other people to respond to any such consultation (unless explicitly permitted in this Funding Agreement).
- 5.6. The Eligible Expenditure may not in any circumstance include any of the following non-exhaustive list. The list below does not override activities which are deemed eligible in these Conditions:
- 5.6.1. paid for lobbying, which means using the Grant or Funding 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;
  - 5.6.2. using the Grant or Funding to directly enable one part of government to challenge another on topics unrelated to the agreed purpose of the Project;
  - 5.6.3. using the Grant or Funding to petition for additional funding;
  - 5.6.4. expenses, such as for entertaining, specifically aimed at exerting undue influence to change government policy;
  - 5.6.5. input VAT reclaimable from HMRC;
  - 5.6.6. payments for activities of a political or exclusively religious nature; or
  - 5.6.7. payments for publicity, including brochures, pamphlets, flyers or other material promoting or otherwise publicising the Project and Project Activities that do not comply with paragraph 25 of this Funding Agreement;
- 5.7. Other examples of expenditure, which are prohibited, include the following:
- 5.7.1. interest payments or service charge payments for finance leases;
  - 5.7.2. gifts;
  - 5.7.3. statutory fines, criminal fines or penalties, civil penalties, damages or any legal costs associated with any criminal or civil court proceedings or any regulatory investigation;
  - 5.7.4. payments for works or activities which the Project Deliverer or any member of the Project Deliverer's Partnership has a statutory duty to undertake, or that are fully funded by other sources;
  - 5.7.5. bad debts to related parties;

- 5.7.6. payments for unfair dismissal or other compensation;
- 5.7.7. depreciation, amortisation or impairment of assets;
- 5.7.8. liabilities incurred before the Commencement Date unless agreed in writing by the Lead Authority.

## **6. GRANT REVIEW**

- 6.1. The Lead Authority and the Secretary of State will review the Grant during the delivery of the Project Activities and at the conclusion of a Project. The Lead Authority and the Secretary of State will take into account the Project Deliverer's delivery of the Project Activities against the agreed outputs set out for the Project in Annex 2 in accordance with paragraph 7 of these Conditions.
- 6.2. Each review may result in the Lead Authority deciding that (an example and non-exhaustive list):
  - 6.2.1. the Project Activities and the Funding Agreement should continue in line with existing plans;
  - 6.2.2. there should be an increase or decrease in the Maximum Sum;
  - 6.2.3. the outputs and outcomes should be re-defined and agreed;
  - 6.2.4. the Project Deliverer should provide the Lead Authority with a Remedial Action Plan setting out the steps the Project Deliverer will take to improve delivery of the Project Activities;
  - 6.2.5. the Lead Authority should recover any Ineligible Expenditure that has been incorrectly claimed; and
  - 6.2.6. the Grant be terminated in accordance with paragraph 27.11 of these Conditions.
- 6.3. If the Project Deliverer is required to submit a Remedial Action Plan in accordance with paragraph 6.2.4, the Remedial Action Plan process set out in paragraph 27.4 to 27.10 shall apply.
- 6.4. The Project Deliverer may make representations to the Lead Authority regarding the Lead Authority's decision made in accordance with paragraphs 6.1 and 6.2. The Lead 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 Lead Authority's absolute discretion.

## **7. MONITORING AND REPORTING**

- 7.1. The Project Deliverer shall closely monitor the delivery and success of the Project Activities throughout the Funding Period to ensure that the aims and objectives of the UK Shared Prosperity Fund and the Project Activities are achieved and the Technical Documents are complied with.
- 7.2. The Project Deliverer shall provide the Lead Authority with all reasonable assistance and co-operation in relation to any ad-hoc information, explanations and documents

as the Lead Authority and/or Secretary of State may require, from time to time, so the Lead Authority and/or Secretary of State may establish if the Project Deliverer has used the Grant or Funding in accordance with the Funding Agreement.

- 7.3. The Project Deliverer and the Lead Authority shall meet to review the progress of the Project from time to time on a regular basis, at such times and locations as the Lead Authority reasonably determines. Wherever possible, the Project Deliverer shall ensure that the Project manager and other relevant Project staff attend such meetings and the Lead Authority shall ensure that the Grant Manager attends such meetings.
- 7.4. The Project Deliverer shall provide the Lead Authority with quarterly submissions signed by the section 151 officer detailing the following:
  - 7.4.1. the progress made towards achieving the agreed activities and outputs for the Project set out in Annex 2 of these Conditions;
  - 7.4.2. each report will quantify what has been achieved by reference to the Project and the Project Activities' targets for that Project;
  - 7.4.3. if relevant, provide details of any Assets either acquired or improved using the Grant and the Funding.
  - 7.4.4. provide the total value of expenditure during the quarter split between capital and revenue.
- 7.5. The Project Deliverer will permit any person authorised by the Lead Authority reasonable access, with or without notice, to its employees, agents, premises, facilities and records, for the purpose of discussing, monitoring and evaluating the Project Deliverer's fulfilment of its obligations under this Funding Agreement and will, if so required, provide appropriate oral or written explanations to such authorised persons as required during the Funding Period.
- 7.6. The Project Deliverer will also permit any person authorised by the Secretary of State reasonable access, with or without notice, to its employees, agents, premises, facilities and records, for the purpose of discussing, monitoring and evaluating the Project Deliverer's fulfilment of its Project's Project Activities and, if so required, to provide appropriate oral or written explanations to such authorised persons as required during the Funding Period.
- 7.7. The Project Deliverer will record in its financial reports the amount of Match Funding it receives together with details of what it has used that Match Funding for, if applicable.
- 7.8. The Project Deliverer will notify the Lead Authority as soon as reasonably practicable of:
  - 7.8.1. any actual or potential failure to comply with any of its obligations under the Funding Agreement, which includes those caused by any administrative, financial or managerial difficulties; and
  - 7.8.2. actual or potential variations to the Eligible Expenditure and/or any event which materially affects the continued accuracy of such information.

- 7.8.3. any actual or potential failure by the Project Deliverer to comply with any of its obligations under the Project Deliverer Funding Agreement, which includes those caused by any administrative, financial or managerial difficulties; and
  - 7.8.4. actual or potential variations to the Eligible Expenditure in respect of the Project Deliverer's Project and/or any event which materially affects the continued accuracy of such information.
- 7.9. The Project Deliverer represents and undertakes (and shall repeat such representations on delivery of its monitoring report):
- 7.9.1. that the reports and information it gives pursuant to this paragraph 7 are accurate;
  - 7.9.2. that it has diligently made full and proper enquiry of the matters pertaining to the reports and information given; and
  - 7.9.3. that any data it provides pursuant to an application for the Grant or for the Funding or during the course of the Funding Period or related auditing or assurance may be shared within the powers conferred by legislation with other organisations for the purpose of preventing or detecting crime.

## **8. PROJECT EVALUATION, AUDITING AND ASSURANCE**

### **Project Evaluation**

- 8.1. The Project Deliverer agrees that:
- 8.1.1. the Project will be evaluated in accordance with the Lead Authority and the Secretary of State's Evaluation Guidance; and
  - 8.1.2. the Lead Authority and the Secretary of State will use the output of such evaluation:
    - (i) as part of the evaluation of the UK Shared Prosperity Fund; and
    - (ii) for publicity purposes in accordance with paragraph 25.
  - 8.1.3. the Project Deliverer shall provide the Lead Authority with a copy of the evaluation report for the Project in accordance with the Evaluation Guidance. The Lead Authority shall retain a copy for a period of 6 (six) years from the date of submission of the final report;
  - 8.1.4. The Project Deliverer will undertake all evaluation activity within the agreed timescales, unless otherwise agreed with the Lead Authority. Where the parties are unable to agree to timescales for evaluation activity, the Lead Authority shall, at its sole discretion, determine such timescales.

### **Auditing and Assurance**

- 8.2. The Project Deliverer shall before or at the time of the Grant Claim payment provide the Lead Authority with assurance that the Grant and Funding have been used for delivery of the Project Activities.



- 8.3. The Lead Authority and/or the Secretary of State may, at any time during and up to 6 (six) years after the end of the Funding Period, conduct additional audits or ascertain additional information where the Lead Authority and/or the Secretary of State considers it necessary.
- 8.4. The Project Deliverer agrees to grant the Lead Authority and the Secretary of State or their Representatives access, as required, to all Project Activity sites and relevant records.
- 8.5. The Project Deliverer will ensure that necessary information and access rights are explicitly included within all arrangements with sub-contractors. In the event the Lead Authority and/or the Secretary of State requires further information, explanations and documents, in order for the Lead Authority and/or the Secretary of State to establish that the Grant has been used properly in accordance with the Funding Agreement, the Project Deliverer will, within 5 Working Days of a request by the Lead Authority and/or the Secretary of State, provide the Lead Authority and/or the Secretary of State, free of charge, with the requested information.
- 8.6. The Project Deliverer shall:
  - 8.6.1. ensure that it maintains a record of internal financial controls and procedures and provide the Lead Authority and/or the Secretary of State with a copy if requested;
  - 8.6.2. ensure that it retains all invoices, receipts, accounting records and any other documentation (including but not limited to, correspondence) relating to the Eligible Expenditure and/or income generated by the Project Activities during the Funding Period for a period of 6 (six) years from the date on which the Funding Period ends;
  - 8.6.3. ensure that all its sub-contractors retain each record, item of data and document relating to the Project Activities for a period of 6 (six) years from the date on which the Funding Period ends;
  - 8.6.4. promptly provide revised forecasts of income and expenditure at the request of the Lead Authority and/or the Secretary of State; and
  - 8.6.5. comply with any other audit and assurance requirements as set out in the Technical Documents.

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

- 9.1. The Project Deliverer will at all times comply with all applicable Laws, statutes and regulations relating to anti-bribery and anti-corruption, including but not limited to the Bribery Act.
- 9.2. The Project Deliverer 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 or the Funding. The Project Deliverer shall require that its respective internal/external auditors report on the adequacy or otherwise of those systems.

- 9.3. All cases of fraud or theft (whether proven or suspected) relating to the Project Activities must be notified to the Lead Authority as soon as they are identified. The Project Deliverer shall explain to the Lead Authority what steps are being taken to investigate the irregularity and shall keep the Lead Authority informed about the progress of any such investigation. The Lead Authority may however request that the matter be referred (which the Project Deliverer is obliged to carry out) to external auditors or other Third Party as required.
- 9.4. The Lead Authority will have the right, at its absolute discretion, to insist that the Project Deliverer address any actual or suspected fraud, theft or other financial irregularity and/or to suspend future payment of the Grant to the Project Deliverer. Any grounds for suspecting financial irregularity includes what the Project Deliverer, acting with due care, should have suspected as well as what it actually proven.
- 9.5. The Project Deliverer 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 His Majesty's Revenue and Customs.
- 9.6. For the purposes of paragraph 9.4 "financial irregularity" includes (but is not limited to) potential fraud or other impropriety, mismanagement, and the use of the Grant or Funding for any purpose other than those stipulated in the Funding Agreement. The Project Deliverer may be required to provide statements and evidence to the Lead Authority or the appropriate organisation as part of pursuing sanctions, criminal or civil proceedings.

## **10. CONFLICTS OF INTEREST**

- 10.1. Neither the Project Deliverer nor its Representatives shall engage in any personal, business or professional activity which conflicts or could conflict with any of their obligations in relation to the Funding Agreement and shall ensure that neither the Project Deliverer nor its Representatives shall engage in any personal, business or professional activity which conflicts or could conflict with any of their obligations in relation to the Project or Project Activities.
- 10.2. The Project Deliverer must have and will keep in place adequate procedures to manage and monitor any actual or perceived bias or conflicts of interest.

## **11. CONFIDENTIALITY**

- 11.1. Except to the extent set out in this paragraph 11 or where disclosure is expressly permitted, the Project Deliverer shall treat all Confidential Information belonging to the Lead Authority as confidential and shall not disclose any Confidential Information belonging to the Lead Authority to any other person without the prior written consent of the Lead Authority, except to such persons who are directly involved in the provision of the Project Activities and who need to know the information.
- 11.2. The Project Deliverer gives its consent for the Lead Authority and the Secretary of State to publish the Funding Agreement in any medium in its entirety (but with any information which is Confidential Information belonging to the Secretary of State, the Lead Authority or the Project Deliverer redacted), including from time to time agreed changes to the Funding Agreement.
- 11.3. Nothing in this paragraph 11 shall prevent the Lead Authority and/or the Secretary of State disclosing any Confidential Information obtained from the Project Deliverer:

- 11.3.1. for the purpose of the examination and certification of the Secretary of State's accounts; or pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Secretary of State has used its resources; or
  - 11.3.2. to any government department, consultant, contractor or other person engaged by the Lead Authority and/or the Secretary of State, provided that in disclosing information under the Lead Authority and/or the Secretary of State 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; and
  - 11.3.3. where disclosure is required by Law, including under the Information Acts.
- 11.4. Nothing in this paragraph 11 shall prevent either Party from using any techniques, ideas or know-how gained during the performance of its obligations under the Funding Agreement in the course of its normal activities or business, to the extent that this does not result in a disclosure of the other Party's or Secretary of State's Confidential Information or an infringement of the other Party's or Secretary of State's Intellectual Property Rights.

## **12. TRANSPARENCY**

The Parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the Information Acts, the content of the Funding Agreement is not confidential.

## **13. STATUTORY DUTIES**

- 13.1. The Project Deliverer agrees to adhere to its obligations under the Law including but not limited to the Information Acts and the HRA.
- 13.2. Where requested by the Lead Authority, the Project Deliverer will provide reasonable assistance and cooperation to enable the Lead Authority and/or the Secretary of State to comply with their information disclosure obligations under the Information Acts.
- 13.3. On request from the Lead Authority and/or the Secretary of State, the Project Deliverer will provide the Lead Authority and/or the Secretary of State with all such relevant documents and information relating to the Project Deliverer's data protection policies and procedures as the Lead Authority and/or the Secretary of State may reasonably require.
- 13.4. The Project Deliverer acknowledges that the Lead Authority and the Secretary of State, acting in accordance with the codes of practice issued and revised from time to time under the Information Acts, may disclose information concerning the Project Deliverer and the Funding Agreement without consulting the Project Deliverer.
- 13.5. The Lead Authority will take reasonable steps to notify the Project Deliverer 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 Funding Agreement, the Lead Authority and/or the Secretary of State will be responsible for determining in their absolute discretion whether any information is exempt from disclosure in accordance with the Information Acts.

- 13.6. Where applicable, the Project Deliverer will provide reasonable assistance and cooperation to enable the Lead Authority and/or the Secretary of State to comply with their obligations as set out in the Equality Act 2010.

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

### **Public Procurement**

- 14.1. The Project Deliverer will ensure that it and any of its Representatives involved in the Project 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, including adopting the minimum procedures set out in the Secretary of State's guidance published at: <https://www.gov.uk/guidance/uk-shared-prosperity-fund-procurement-8>.
- 14.2. Where the Project Deliverer is a Contracting Authority within the meaning of the Procurement Regulations, the Project Deliverer shall comply, as necessary, with the Procurement Regulations when procuring goods and services in connection with the Project Activities and the Lead Authority shall not be liable for the Project Deliverer's failure to comply with their obligations under the Procurement Regulations.

### **Data Protection**

- 14.3. The Project Deliverer and the Lead Authority will comply at all times with their respective obligations under Data Protection Legislation.
- 14.4. The Project Deliverer warrants and represents that it shall send any personal data by a secure transfer to the Lead Authority.
- 14.5. The Lead Authority will comply with their own Privacy Policy published at: <https://www.london.gov.uk/who-we-are/governance-and-spending/privacy-policies/gla-privacy-policy>
- 14.6. The Project Deliverer can withdraw consent in writing, and this will terminate the Funding Agreement as set out in paragraph 27.18.

## **15. SUBSIDY CONTROL**

- 15.1. The Project Deliverer will ensure that delivery of the Funded Activities does not breach the UK's international obligations in respect of Subsidies.
- 15.2. The Project Deliverer will maintain appropriate records of compliance with the Subsidy Control Rules and will take all reasonable steps to assist the Lead Authority and/or the Secretary of State to comply with the same and respond to any proceedings or investigation(s) into the Project Activities by any relevant court or tribunal of relevant jurisdiction or regulatory body.
- 15.3. The Project Deliverer acknowledges and represents that the Grant is being awarded on the basis that the Project 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 way that affects any such trade.

- 15.4. The Project Deliverer acknowledges it has undertaken its own independent assessment of the compatibility of the Project with Subsidy Control Rules and confirms to the Lead Authority and the Secretary of State that the Project is structured so that it is compliant with Subsidy Control Rules.
- 15.5. The Project Deliverer acknowledges a finding of non-compliance with Subsidy Control Rules in respect of a Project by an authority, court or tribunal of competent jurisdiction may lead to the Project Deliverer being ordered or otherwise required to repay funding received with interest.
- 15.6. The Project Deliverer acknowledges and accepts that the Grant is awarded on the Project Deliverer's assessment of its Project and the Project Activities compliance with Subsidy Control Rules.

## **16. INTELLECTUAL PROPERTY RIGHTS**

- 16.1. 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 trade marks without the other Party's prior written consent.
- 16.2. The Project Deliverer grants to the Lead Authority and the Secretary of State a non-exclusive irrevocable and royalty-free, sub-licensable, worldwide licence to use all the IPR Material for the purpose of supporting the Project Activities and other projects.
- 16.3. Ownership of Third Party software or other IPR necessary to deliver Project Activities will remain with the relevant Third Party.
- 16.4. The Project Deliverer must ensure it has 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 Project Deliverer will be responsible for obtaining and maintaining all appropriate licences for the Third Party software that it uses.

## **17. ENVIRONMENTAL REQUIREMENTS**

- 17.1. The Project Deliverer shall perform the Project Activities ensuring that they 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.
- 17.2. The Project Deliverer shall pay due regard to the use of recycled products, so long as they are not detrimental to the provision of the Project Activities or the environment, to include the use of all packaging, which should be capable of recovery for re-use or recycling.
- 17.3. The Project Deliverer shall take all possible precautions to ensure that any equipment and materials used in the provision of the Project Activities do not contain chlorofluorocarbons, halons or any other damaging substances, unless unavoidable, in which case the Secretary of State shall be notified in advance of their use. The Project Deliverer shall endeavour to reduce fuel emissions wherever possible.

**18. ASSETS**

**Inventory of the Assets**

- 18.1. The Project Deliverer must keep a register of all Assets acquired or improved at a cost exceeding £1,500.00 (one thousand and five hundred pounds) wholly or partly using the Grant or the Funding.
- 18.2. Assets purchased by the Project Deliverer with Funding must only be used for delivery of the Project Activities.
- 18.3. For each entry in the register the following particulars must be shown where appropriate:
- 18.3.1. owner of the Asset;
  - 18.3.2. date of acquisition or improvement of the Asset;
  - 18.3.3. description of the Asset;
  - 18.3.4. cost of the Asset, net of recoverable VAT;
  - 18.3.5. location of the Asset;
  - 18.3.6. serial or identification numbers of the Asset;
  - 18.3.7. date of any Disposal of the Asset;
  - 18.3.8. depreciation/amortisation policy applied to the Asset;
  - 18.3.9. proceeds of any Disposal of the Asset, net of VAT; and
  - 18.3.10. the identity of any person to whom the Asset has been transferred or sold.
- 18.4. The Lead Authority reserves the right to require the Project Deliverer to maintain the above particulars as set out in paragraph 18.3 for any additional items which the Lead Authority and/or the Secretary of State considers material to the overall Grant.

**Disposal of Asset**

- 18.5. Where the Project Deliverer uses any of the Grant or Funding to develop, improve or purchase any Assets, the Project Deliverer must ensure that the Assets are maintained in good condition over the Asset Owning Period.
- 18.6. The Project Deliverer must ensure that during the Asset Owning Period any Assets that have been totally or partly bought, restored, conserved (maintained or protected from damage) or improved with the Funding are not Disposed of without the prior written consent of the Lead Authority. If the Lead Authority grants consent to the Disposal, such consent may be subject to satisfaction of certain conditions, to be determined by the Lead Authority, including repayment of part or all of the Funding by the Project Deliverer to the Lead Authority.
- 18.7. If the Project Deliverer allows the owner of an Asset to Dispose of any Asset without the prior written consent of the Lead Authority, or the owner Disposes of any Asset without the prior written consent of the Lead Authority, the Project Deliverer must

ensure that the owner uses all reasonable endeavours to achieve the market price for the Asset and pays to the Project Deliverer a proportion of the proceeds of such sale, equivalent to the proportion of the purchase or development costs of the Assets that was funded by the Funding, provided that the Lead Authority may at its discretion allow the Project Deliverer to allow the owner to keep all or a part of the relevant proceeds where:

18.7.1. the sale of the Assets takes place after the end of the Asset Owning Period;

18.7.2. the proceeds of sale are to be applied directly to the purchase by the Project Deliverer of assets that are equivalent to or replacements for the Assets; or

18.7.3. the Lead Authority and/or the Secretary of State is otherwise satisfied that the Recipient will apply those proceeds for purposes related to the Project Activities.

18.8. The Project Deliverer shall hold the proceeds from the Disposal of any Asset received by it on trust for the Lead Authority.

### **Charging of any Asset**

18.9. The Project Deliverer shall not allow and shall ensure that the owner of any Asset does not create any charge, legal mortgage, debenture or lien over any Asset without the prior written consent of the Lead Authority.

## **19. INSURANCE**

19.1. The Project Deliverer will ensure it has and maintains, at all times adequate insurance with an insurer of good repute to cover claims in respect of the Assets, under the 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 Project, Project Activities or the Funding Agreement.

19.2. The Project Deliverer will upon request produce to the Lead Authority and/or Secretary of State its policy or policies of insurance or where this is not possible, a certificate of insurance issued by the Project Deliverer's insurance brokers confirming the insurances are in full force and effect together with confirmation that the relevant premiums have been paid.

## **20. ASSIGNMENT**

20.1. The Project Deliverer will not transfer, assign, novate or otherwise dispose of the whole or any part of the Funding Agreement or any rights under it, to another organisation or individual, without the Lead Authority's prior approval.

20.2. Any approval given by the Lead Authority will be subject to a condition that the Project Deliverer has first entered into a Funding Agreement, authorised by the Lead Authority, requiring the Project Deliverer to work with another organisation in delivering the Project Activities.

## **21. FORCE MAJEURE**

21.1. Either Party shall notify the other in writing of any Force Majeure Event as soon as it is aware of it.

- 21.2. Neither Party shall be in breach of this Funding Agreement by reason of any Force Majeure Event. Each Party shall bear their own costs arising as a consequence of the Force Majeure Event.

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

- 22.1. The Project Deliverer 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 objective to secure value for money.

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

- 23.1. The Project Deliverer must obtain prior written consent from the Lead Authority before:

- 23.1.1. writing off any debts or liabilities;
- 23.1.2. offering to make any Special Payments; and
- 23.1.3. giving any gifts,

in connection with this Funding Agreement.

- 23.2. The Project Deliverer will keep a record of all gifts, both given and received, in connection with the Grant, the Funding or any Project Activities.

**24. BORROWING**

- 24.1. In accordance with paragraph 18.9 and this paragraph 24, the Project Deliverer must obtain prior written consent from the Lead Authority before:

- 24.1.1. borrowing or lending money from any source in connection with the Funding Agreement; and
- 24.1.2. giving any guarantee, indemnities or letters of comfort that relate to the Funding Agreement, or have any impact on the Lead Authority's or the Project Deliverer's ability to deliver the Project Activities.

**25. PUBLICITY**

- 25.1. The Project Deliverer gives consent to the Lead Authority and Secretary of State to publicise in the press or any other medium the Grant, the Funding and details of the Project Activities using any information gathered from the Project Deliverer's applications for funding from the UK Shared Prosperity Fund or any monitoring reports and or project evaluation reports submitted to the Lead Authority in accordance with paragraph 6 and 7 of this Funding Agreement.

- 25.2. The Project Deliverer will comply with all reasonable requests from the Lead Authority and/or the Secretary of State to facilitate visits, provide reports, statistics, photographs and case studies that will assist the Secretary of State in its promotional activities relating to the Project Activities.

- 25.3. The Lead Authority consents to the Project Deliverer carrying out any reasonable publicity about the Grant, the Funding, the Project and the Project Activities as required, from time to time. Such publicity shall comply with the branding and publicity



requirements published at: <https://www.gov.uk/guidance/uk-shared-prosperity-fund-branding-and-publicity-6> and the Prospectus published at: <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>.

- 25.4. Any publicity material for the Project Activities must refer to the UK Shared Prosperity Fund under which the Grant and Funding was awarded and must feature the UK government, the Levelling Up and the Supported by Mayor of London logos in the form set out in Annex 4.
- 25.5. The Project Deliverer must seek approval from the Lead Authority prior to any advertisements being published.
- 25.6. If a Third Party wishes to use the UK government, Levelling Up or Supported by the Mayor of London logos, in connection with a Project or the Project Activities, the Project Deliverer must first seek permission from the Lead Authority.
- 25.7. The Project Deliverer will acknowledge the support of the Lead Authority and Secretary of State in any materials that refer to the Project or Project Activities and in any written or spoken public presentations about the Project or Project Activities. Such acknowledgements (where appropriate or as requested by the Lead Authority or Secretary of State) will include the UK government, the Levelling Up and the Supported by the Mayor of London logos, using the templates provided by the Lead Authority from time to time.
- 25.8. In using the UK government, the Levelling Up and the Supported by the Mayor of London logos, the Project Deliverer will comply with all reasonable branding guidelines issued by the Secretary of State, the UK government or the Lead Authority from time to time.

## **26. CHANGES TO THE SECRETARY OF STATE'S REQUIREMENTS**

- 26.1. The Lead Authority will notify the Project Deliverer of any changes to the Lead Authority's or the Secretary of State's requirements, which are supported by the Grant.
- 26.2. The Project Deliverer will accommodate any changes to the Lead Authority and/or Secretary of State's needs and requirements under these Conditions.

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

### **Events of Default**

- 27.1. The Lead Authority may exercise its rights set out in paragraph 27.3 if any of the following events occur:
  - 27.1.1. the Project Deliverer uses the Grant for a purpose other than the Project Activities;
  - 27.1.2. the Project Deliverer fails to comply with its obligations under the Funding Agreement, including in respect of publicity, which is material in the opinion of the Lead Authority;

- 27.1.3. where delivery of the Project Activities do not start within 3 (three) months of the Commencement Date and the Project Deliverer fails to provide the Lead Authority with a satisfactory explanation for the delay, or fails to agree a new date on which the Project Activities shall start with the Lead Authority;
- 27.1.4. the Project Deliverer uses the Grant for Ineligible Expenditure;
- 27.1.5. the Project Deliverer fails, in the Lead Authority's opinion, to make satisfactory progress with the Project Activities and in particular, with meeting the agreed outputs and outcomes for a Project set out in Annex 2 of these Conditions;
- 27.1.6. the Project Deliverer fails to:
  - (iii) submit an adequate Remedial Action Plan to the Lead Authority following a request by the Lead Authority pursuant to paragraph 27.3.4 or paragraph 6.2.4; or
  - (iv) improve delivery of the Project Activities in accordance with the Remedial Action Plan approved by the Lead Authority;
- 27.1.7. the Project Deliverer is, in the opinion of the Lead Authority, delivering the Project 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 Project Deliverer fails to declare Duplicate Funding received by it;
- 27.1.9. the Project Deliverer fails to declare any Match Funding received by it in accordance with paragraph 4.10;
- 27.1.10. the Project Deliverer receives funding from a Third Party which, in the opinion of the Lead Authority, undertakes activities that are likely to bring the reputation of the UK Shared Prosperity Fund, the Project, the Project Activities or the Secretary of State into disrepute;
- 27.1.11. the Project Deliverer provides the Lead Authority and/or the Secretary of State with any materially misleading or inaccurate information and/or any of the information provided by the Project Deliverer in in the application for Grant or Funding or in any subsequent supporting correspondence or report is found to be incorrect or incomplete to an extent which the Lead Authority considers to be significant;
- 27.1.12. the Project Deliverer commits or has committed a Prohibited Act or fails to report a Prohibited Act to the Lead Authority, whether committed by the Project Deliverer, its Representatives or a Third Party, as soon as they become aware of it;
- 27.1.13. the Lead Authority determines (acting reasonably) that the Project Deliverer or the Project Deliverer's Representatives, has:
  - (i) acted dishonestly or negligently at any time during the term of the Funding Agreement and to the detriment of the Lead Authority; or

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

27.1.14. the Project Deliverer 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 Project Deliverer 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. a court, tribunal or independent body or authority of competent jurisdiction requires any Grant or Funding paid to be recovered by reason of breach of the UK's obligations under the Subsidy Control Rules or the terms of any UK subsidy control legislation;

27.1.17. the Project Deliverer breaches the Code of Conduct and/or fails to report an actual or suspected breach of the Code of Conduct by it or its Representatives in accordance with paragraph 31.2;

27.1.18. the Project Deliverer undergoes or has undergone a Change of Control which the Lead Authority, acting reasonably, considers:

- (a) will be materially detrimental to the Project Activities and/or;
- (b) the new body corporate cannot continue to receive the Funding because it does not meet the pass / fail criteria within the Lead Authority's criteria used to award the Funding to the Project Deliverer; and/or
- (c) the Lead Authority and/or Secretary of State believes that the Change of Control would raise national security concerns; and/or
- (d) the new body corporate intends to make fundamental change(s) to the Project for which the Funding was awarded or given;
- (e) the funding agreement for the UK Shared Prosperity Fund between the Lead Authority and the Secretary of State is terminated.

27.2. Where the Lead Authority determines that an Event of Default has or may have occurred, the Lead Authority shall notify the Project Deliverer to that effect in writing, setting out any relevant details, of the failure to comply with these Conditions or

pertaining to the Event of Default, and details of any action that the Lead Authority intends to take or has taken.

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

- 27.3. Where the Lead Authority determines that an Event of Default has or may have occurred, the Lead 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 Lead Authority shall determine; and/or
  - 27.3.2. reduce the Maximum Sum in which case the payment of Grant shall thereafter be made in accordance with the reduction and notified to the Project Deliverer; and/or
  - 27.3.3. require the Project Deliverer to repay the Lead Authority the whole or any part of the amount of Grant previously paid to the Project Deliverer. Such sums shall be recovered as a civil debt; and/or
  - 27.3.4. give the Project Deliverer an opportunity to remedy the Event of Default (if remediable) in accordance with the procedure set out 27.4 to 27.10; or
  - 27.3.5. terminate the Funding Agreement.

**Opportunity for the Project Deliverer to remedy an Event of Default**

- 27.4. Where the Project Deliverer is provided with an opportunity to submit a Remedial Action Plan in accordance with paragraph 27.3.4, the Remedial Action Plan shall be submitted to the Lead Authority for approval, within 10 Working Days of the Project Deliverer receiving notice from the Lead Authority.
- 27.5. The Remedial Action Plan shall set out:
- 27.5.1. full details of the Event of Default; and
  - 27.5.2. the steps which the Project Deliverer proposes to take to rectify the Event of Default including timescales.
- 27.6. On receipt of the Remedial Action Plan and as soon as reasonably practicable, the Lead Authority will submit its comments on the Remedial Action Plan to the Project Deliverer.
- 27.7. The Lead Authority shall have the right to accept or reject the Remedial Action Plan. If the Lead Authority rejects the Remedial Action Plan, the Lead Authority shall confirm, in writing, the reasons why it has rejected the Remedial Action Plan and will confirm whether the Project Deliverer is required to submit an amended Remedial Action Plan to the Lead Authority.
- 27.8. If the Lead Authority directs the Project Deliverer to submit an amended Remedial Action Plan, the Parties shall agree a timescale for the Project Deliverer to amend the Remedial Action Plan to take into account the Lead Authority's comments.
- 27.9. If the Lead Authority does not approve the Remedial Action Plan the Lead Authority may, at its absolute discretion, terminate the Funding Agreement.

27.10. The Lead Authority shall not by reason of the occurrence of an Event of Default which is, in the opinion of the Lead Authority, capable of remedy, exercise its rights under paragraph 27.3 unless the Project Deliverer has failed to rectify the default to the reasonable satisfaction of the Lead Authority.

**General Termination rights – Termination for Convenience**

27.11. Notwithstanding the Lead Authority's right to terminate the Funding Agreement pursuant to paragraph 27.3.5 above, either Party may terminate this Funding Agreement at any time by giving at least 3 (three) months' written notice to the other Party.

27.12. If the Lead Authority terminates the Funding Agreement in accordance with paragraph 27.11 the Lead Authority may choose to pay the Project Deliverer's reasonable costs in respect of the delivery of the Project Activities performed up to the termination date. Reasonable costs will be identified by the Lead Authority and will be subject to the Lead Authority demonstrating that the Project Deliverer has taken adequate steps to mitigate their costs. For the avoidance of doubt, the amount of reasonable costs payable will be determined solely by the Lead Authority.

27.13. The Lead Authority will not be liable to pay any of the Project Deliverer's costs related to any transfer or termination of employment of any employees engaged in the provision of the Project Activities.

**Change of Control**

27.14. The Project Deliverer shall notify the Lead Authority immediately in writing and as soon as the Project Deliverer is anticipating, undergoing, undergoes or has undergone a Change of Control, provided such notification does not contravene any Law.

27.15. The Project Deliverer shall ensure that any notification made pursuant to paragraph 27.14 shall set out full details of the Change of Control including the circumstances suggesting and/or explaining the Change of Control.

27.16. Following notification of a Change of Control the Lead Authority shall be entitled to exercise its rights under paragraph 27.3 of these Conditions by providing the Project Deliverer with notification of its proposed action in writing within three (3) months of:

- (i) being notified in writing that a Change of Control is anticipated or is in contemplation or has occurred; or
- (ii) where no notification has been made, the date that the Lead Authority becomes aware that a Change of Control is anticipated or is in contemplation or has occurred.

27.17. The Lead Authority shall not be entitled to terminate where the Lead Authority's written approval was granted prior to the Change of Control.

27.18. If the Project Deliverer withdraws their consent to share any Personal Data the funding agreement will be terminated.

**28. DISPUTE RESOLUTION**

- 28.1. The Parties will use all reasonable endeavours to negotiate in good faith, and settle amicably, any dispute that arises during the continuance of the Funding Agreement.
- 28.2. All disputes and complaints (except for those which relate to the Lead Authority's right to withhold funds or terminate the Funding Agreement) shall be referred in the first instance to the Parties' Representatives.
- 28.3. If the dispute cannot be resolved between the Parties Representatives within a maximum of 28 days, then the matter will be escalated to formal meeting between the Grant Manager and the Project Deliverer's chief executive officer (or equivalent).

**29. LIMITATION OF LIABILITY**

- 29.1. The Lead Authority accepts no liability for any consequences, whether direct or indirect, that may come about from the Project Deliverer delivering/running the Project Activities, the use of the Grant or from withdrawal, withholding or suspension of the Grant. The Project Deliverer shall:
  - 29.1.1. indemnify and hold harmless the Secretary of State and its Representatives and the Lead 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 Project Deliverer in relation to the Project Activities or its obligations to Third Parties in respect of the Project or the Project Activities.
- 29.2. Subject to this paragraph 29, the Lead Authority's liability under this Funding Agreement is limited to the amount of Grant outstanding.

**30. VAT**

- 30.1. If VAT is held to be chargeable in respect of the Funding Agreement, all payments shall be deemed to be inclusive of all VAT and the Lead Authority shall not be obliged to pay any additional amount by way of VAT.
- 30.2. All sums or other consideration payable to or provided by the Project Deliverer to the Lead 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 Project Deliverer 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.

**31. CODE OF CONDUCT**

- 31.1. The Project Deliverer acknowledges that by signing the Funding Agreement it agrees that it and its Representatives undertake their duties in a manner consistent with the principles set out in the Code of Conduct.
- 31.2. The Project Deliverer shall immediately notify the Lead Authority if it becomes aware of any actual or suspected breaches of the principles outlined in the Code of Conduct whether by the Project Deliverer or the Project Deliverer's Representatives.

31.3. The Project Deliverer acknowledges that a failure to notify the Lead Authority of an actual or suspected breach of the Code of Conduct may result in the Lead Authority immediately suspending the Grant funding, terminating the Funding Agreement and taking action to recover some or all of the funds paid to the Project Deliverer as a civil debt in accordance with paragraph 27.3.3.

**32. NOTICES**

32.1. All notices and other communications in relation to this 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 6 or otherwise notified in writing. All notices and other communications must be marked for the attention of the contact specified in Annex 6 (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.

**33. GOVERNING LAW**

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

32.2 This deed may be executed by the electronic application of their authorised signatories' signatures and provision of electronic copies of the same.

**SIGNED by:** .....  
**Signature**

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

**for and on behalf of the Greater London Authority** .....  
**Date**

**SIGNED by** .....  
**Signature**

**[insert authorised  
signatory's  
name]  
for and on behalf of  
[PROJECT DELIVERER  
NAME] GLA to populate**

.....  
Title

.....  
Date

TEMPLATE



**ANNEX 1: PART A – PROJECT PROPOSAL**

**[INSERT PROPOSAL]**

**ANNEX 1: PART B – PROJECT SPECIFIC CONDITIONS**

**[ADD CONDITION RE LATEST END DATE]**

TEMPLATE

## ANNEX 2: FUNDING ALLOCATIONS AND OUTPUT AND OUTCOMES

Borough name: **[GLA to populate]****FUNDING ALLOCATION**

Communities and Place			
Year	Capital	Revenue	Total
2022/23	£	£	£
2023/24	£	£	£
2024/25	£	£	£
<b>TOTAL</b>	<b>£</b>	<b>£</b>	<b>£</b>

Supporting Local Business			
Year	Capital	Revenue	Total
2022/23	£0	£	£
2023/24	£0	£	£
2024/25	£0	£	£
<b>TOTAL</b>	<b>£0</b>	<b>£</b>	<b>£</b>

**OUTPUT AND OUTCOMES**

Communities and Place

**[GLA to populate]**

Supporting Local Business

**[GLA to populate]**

## ANNEX 3: SCHEDULE OF PAYMENTS AND CLAIMS

## PAYMENT MODEL

Milestone no.	Headline Milestone Description	Timing of payment	Value of payment (£)
1st Milestone	Payment of 2022/23 allocation made on the signing of the grant funding agreement and receipt by the GLA	January - March 2023	[GLA To include the advance repayment in the table]
2nd Milestone	Your 2023/24 allocation will be paid provided that satisfactory progress is being made against delivery of the activities set out in the Proposal and forecast outputs, outcomes for the previous financial years have been met, or failing that, there is a credible plan agreed to address underperformance.	July – September 2023	[GLA to include the advance repayment in the table]
3rd Milestone	90% of your 2024/25 allocation will be paid provided that satisfactory progress is being made against delivery of the activities set out in the Proposal and forecast outputs, outcomes for the previous financial years have been met, or failing that, there is a credible plan agreed to address underperformance.	July – September 2024	[GLA to include the advance repayment in the table]
4th Milestone	10% retention of milestone 3 payment released.	April 2025	[GLA to include the advance repayment in the table]

The Project Deliverer must submit eight progress claims.

Claim no.	Claim progress period	Claim due date
Claim 1	01/04/2022 – 31/03/2023	30/04/2023
Claim 2	01/04/2023 – 30/06/2023	31/07/2023
Claim 3	01/07/2023 – 30/09/2023	31/10/2023
Claim 4	01/10/2023 – 31/12/2023	31/01/2024
Claim 5	01/01/2024 – 31/03/2024	30/04/2024
Claim 6	01/04/2024 – 30/06/2024	31/07/2024
Claim 7	01/07/2024 – 30/09/2024	31/10/2024
Claim 8	01/10/2024 – 31/12/2024	31/01/2025
Claim 9	01/01/2025 – 31/03/2025	14/04/2025

ANNEX 4: LOGOS

SUPPORTED BY  
**MAYOR OF LONDON**



UK Government

**LEVELLING  
— UP —**

TEMPLATE

**ANNEX 5: PROJECT DELIVERER'S AUTHORISED SIGNATORIES**

**Project Deliverer details**

Name of Project Deliverer

Investment Priority

[GLA to populate]

[GLA to populate]

**Authorised signatories**

**Only the named chief finance officer, treasurer or an officer with relevant delegated authority are authorised to sign claim forms on behalf of the organisation. These signatures are binding on this organisation in respect of this Agreement.**

Name

Name

Position in the organisation

Position in the organisation

Signature

Signature

Date

Date

**Project Deliverer declaration**

To be completed by the person who signed the 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 (*the person who signed the agreement*)

Date

**Data Protection Act 2018: The information on this form will be recorded on the Lead Authority's computer system. The information provided will be used for approving your claim payments and will not be passed to anyone outside the Greater London Authority without the permission of the Project Deliverer.**

**ANNEX 6: CONTACT DETAILS**

The Lead Authority main contact in connection with the Grant is:

Grant Manager	
Email address	<a href="mailto:ukspf@london.gov.uk">ukspf@london.gov.uk</a>

This information is correct at the date of the Funding Agreement. The Lead Authority will send you revised details if any of the information changes.

**The Project Deliverer's main contact in connection with the Funding Agreement is:**

Organisation	
Name of contact	
Position in organisation	
Email address	
Telephone number	
Postal address	

Please inform the Lead Authority main contact if the Project Deliverer's main contact changes.