



**Funded by
UK Government**



**West Midlands
Combined Authority**

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GRANT FRAMEWORK AGREEMENT

Devolved Buildings' Retrofit Pilot 2025-28

Dated

WEST MIDLANDS COMBINED AUTHORITY

(as Funder)

and

GRANT RECIPIENT_NAME

(as Grant Recipient)

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GRANT FRAMEWORK AGREEMENT

DATED

BETWEEN

- (1) **WEST MIDLANDS COMBINED AUTHORITY**, whose principal place of business is at 16 Summer Lane, Birmingham, B19 3SD (**Funder** or **WMCA**); and
- (2) **GRANT RECIPIENT_NAME**, whose principal place of business is at [Address Grant Recipient] (**Grant Recipient** or **Grant Recipient_ShortName**).

BACKGROUND

- (A) The Funder has agreed to pay the Grant to the Grant Recipient to assist it in carrying out the Funded Activities.
- (B) The Grant is allocated funding to the Funder under its Integrated Settlement.
- (C) This Agreement sets out the terms and conditions on which the Grant is made by the Funder to the Grant Recipient.
- (D) These terms and conditions are intended to ensure that the Grant is used for the purpose for which it is awarded

IT IS AGREED

1. DEFINITIONS AND INTERPRETATION

- 1.1 The following definitions and rules of interpretation apply in this Agreement:

ADR Notice: has the meaning given in Clause 35.4.

Anti-Bribery Laws: all Applicable Laws relating to anti-bribery and anti-corruption, including the Bribery Act 2010 and any guidance or codes of practice issued by the Government pursuant to or concerning the Bribery Act 2010.

Applicable Laws: all applicable laws, statutes, regulations, regulatory guidance and codes from time to time in force.

Asset: any property or building domestic or commercial owned by the Grant Recipient, or property or building nominated by the Grant Recipient, for inclusion within the Funded Activities and the subject of Works and subsequently approved by the Funder, and Assets will be construed accordingly.

Buildings' Retrofit: the retrofitting of homes and public sector buildings.

Buildings' Retrofit Pilot or **Pilot:** the Government's programme pilot for Buildings' Retrofit with funding from the following funding pots: WHSHF, WHLG and PSDS.

Business Day: is not used (please see **Working Day**).

Change of Control: any change of control of the Grant Recipient or any person who controls the Grant Recipient. Control means the possession by a person, directly or indirectly, of the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or otherwise) and controls will be interpreted accordingly.

Co-Funding: the amount of contributory funding that the Grant Recipient must provide towards the Funded Activities in addition to the Grant related to these Funded Activities, and as more particularly referenced in the Co-Funding Minimum Percentage Contributions Table.

Co-Funding Minimum Percentage Contributions Table: the table set out in Paragraph 4 of Schedule 1.

Commencement Date: [the Parties will select one of the following two options] the date of this Agreement [or] [] 2025.

Confidential Information: all information in any medium or format that one Party discloses to the other Party, whether before or after the Commencement Date, in connection with this Agreement and which is designated as confidential or that ought reasonably to be considered to be confidential. It includes information of a confidential nature relating to the business, operations, plans, customers, suppliers, Intellectual Property Rights and know-how of the other Party. It does not include information that:

- (a) is or becomes publicly known (other than as a result of the receiving Party's breach);
- (b) can be shown by the receiving Party to have been known to it on a non-confidential basis before disclosure by the disclosing Party;
- (c) was, is or becomes available to the receiving Party on a non-confidential basis from a person who, to the receiving Party's knowledge, is not bound by a confidentiality agreement with the disclosing Party or otherwise prohibited from disclosing the information to the receiving Party; or
- (d) is developed by or for the receiving Party independently of the information disclosed by the disclosing Party.

Contracting Authority: any contracting authority (other than the Funder) as defined in the Procurement Regulations.

Data Protection Definitions: those various common definitions used in the Data Protection Legislation and as referred to Clause 18.2 and also within Schedule 10 (Data Sharing): **Controller, Data Subject, Personal Data, Personal Data Breach, Processing and Appropriate Technical and Organisational Measures**, which have the same meaning given to them in such Data Protection Legislation.

Data Protection Legislation: all Applicable Laws relating to the Processing of Personal Data and privacy, including the UK GDPR, the Data Protection Act 2018 and the guidance and codes of practice issued by the Information Commissioner.

Default Event: an event or circumstance set out in Clause 20.1.

Delivery Suppliers: the service providers and supply chain appointed and engaged by the Grant Recipient to undertake the Works.

Development Plan: each applicable development plan (using the pro-forma in Appendix 1 of Schedule 3), which has been approved by the Funder for either Stage 1 Development Funding or Stage 2 Delivery Funding, as the case may be.

EIRs: the Environmental Information Regulations 2004 (SI 2004/3391), together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such regulations.

Eligible Expenditure: the expenditure incurred by the Grant Recipient in respect of any Pre-Works Activities and during the Grant Period in respect of the Works for the purposes of delivering the Funded Activities and which complies in all respects with the eligibility rules set out in Clause 5.

Eligible Buildings: as defined in the Scheme Guidance.

EPC: an energy performance certificate.

Evaluation: the Government's Monitoring and Evaluation Guidance as set out to Mayoral Combined Authorities by MHCLG in relation to Integrated Settlement on best practice in relation to HMT Green Book. Evaluation refers to process evaluation of progress against Outputs and Outcome indicators and impact evaluation of Outcomes to take place after delivery of the Funded Activities or closure of the Pilot. Any further details of impact evaluation requirements will be added by way of variation of this Agreement.

Financial Baseline and Forecast Report: the monthly report submitted, as part of monitoring and reporting under Clause 9 and in line with the Grant Payments Process in Schedule 4, which outlines the Grant Recipient's expected baseline and forecast spend profile for the duration of the Grant Period.

Financial Irregularity: has the meaning given in Clause 11.2.

Financial Year: the financial period running from 1 April to 31 March in the following year.

FOIA: the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time, together with any guidance or codes of practice issued by the relevant Government department concerning the legislation.

Funded Activities: (1) the funded activities described in Schedule 1 and (2) each further specific group of funded activities for Works as set out in a Grant Application which, if approved by the Funder for funding with the Grant, will form part of the relevant Grant Offer Letter for that particular Grant.

Government: the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Executive and the National Assembly for Wales), including government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf.

Grant: the sum or sums to be paid to the Grant Recipient in accordance with this Agreement.

Grant Application: means each Grant application by the Grant Recipient to the Funder.

Grant Conditions: is not used (please see **Integrated Settlement Funding Conditions** as set out in Schedule 8).

Grant Claim Form: each Grant claim payment request form submitted by the Grant Recipient to the Funder for payment of the Grant and in such form and containing the information specified by the Funder from time to time, using the pro-forma sent by the Funder direct to the Grant Recipient as referenced in Appendix 1 to Schedule 4.

Grant Offer Letter: each Grant offer letter issued by the Funder to the Grant Recipient confirming availability of a new tranche of Grant, following approval by the Funder of either Stage 1 Development Funding or Stage 2 Delivery Funding and for drawdown by means of a Grant Claim Form, and each of which is an integral part of this Agreement.

Grant Payments Process: the process for Grant payments as set out in Schedule 4.

Grant Period: the period for which the Grant is awarded starting on the Commencement Date and ending on 31 March 2028.

HMRC: His Majesty's Revenue and Customs.

Ineligible Expenditure: expenditure incurred by the Grant Recipient, which is not Eligible Expenditure, including the list of ineligible expenditure set out in Clause 5.7.

Information Acts: the Data Protection Legislation, the FOIA and the EIR, as amended from time to time.

Instalment Period: the monthly or quarterly interval periods set out in Schedule 4 in respect of which the Funder will release payment of the Grant to the Grant Recipient during the Grant Period.

Integrated Settlement: the integrated settlement of funding from the Government to the Funder under its devolution framework relating to mayoral combined authorities and other local authorities in the UK and, specifically in relation to this Agreement, for its three (3) Financial Years 2025-26, 2026-27 and 2027-28.

Integrated Settlement Funding Conditions: the terms and conditions in any funding letter or agreement made between the Government and the Funder in relation to its Integrated Settlement for the relevant Financial Year, as more particularly referenced in Schedule 8 and forming an integral part of this Agreement, and expressly including Outcomes Framework, as may be amended, updated, superceded or replaced from time to time.

Intellectual Property Rights: all patents, rights to inventions, trademarks, business names and domain names, rights in get-up and logos, copyrights, design rights, database rights, Confidential Information (including know-how) and all other intellectual property rights, in each case whether registered or unregistered and including all applications for registration and rights to apply for and be granted renewals or extensions of any of these rights 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.

MHCLG: the Government's Ministry of Housing, Communities and Local Government.

KPIs: has the meaning set out in Paragraph 5.4 of Schedule 1.

Maximum Sum: the maximum amount of the Grant that the Funder will provide to the Grant Recipient for the Funded Activities will be set out in each Grant Offer Letter and such further amounts as the Funder may agree.

Milestones: has the meaning set out in Paragraph 5.3 of Schedule 1.

Outcomes: has the meaning set out in Paragraph 5.2 of Schedule 1.

Outcomes Framework: the outcomes framework agreed between the Government and the Funder and forming part of the Integrated Settlement Funding Conditions, as may be amended, updated, superceded or replaced from time to time.

Outputs: has the meaning set out in Paragraph 5.1 of Schedule 1.

Pilot or Buildings' Retrofit Pilot: the Government's programme pilot for retrofitting homes and public sector buildings with funding from the following funding pots: WSHF, WHLG and PSDS.

Pre-Works Activities:

- (a) retrofit assessments, feasibility studies and eligible site investigations;
- (b) retrofit coordination;
- (c) design support in putting together your Grant Application for Stage 1 Development Funding or Stage 2 Delivery Funding;
- (d) new pre-installation assessments and EPC assessments;
- (e) household and building recruitment;
- (f) preparatory building works;
- (g) project management, reporting and governance hiring activities; and
- (h) any other compliant activities as notified to the Funder in writing.

Prohibited Act:

- (a) directly or indirectly offering, giving or agreeing to give to any servant of the Funder or the Government 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 this Agreement or any other agreement with the Funder; or
 - (ii) showing or not showing favour or disfavour to any person in relation to this Agreement or any other agreement with the Funder;

- (b) committing any offence:
 - (i) under the Anti-Bribery Laws;
 - (ii) under legislation creating offences in respect of fraudulent acts; or
 - (iii) at common law in respect of fraudulent acts in relation to this Agreement or any other agreement with the Funder; or
- (c) defrauding or attempting to defraud or conspiring to defraud the Funder.

Project Change Request: any project change request submitted by the Grant Recipient to the Funder under Clause 3, a pro-forma of which is included as Appendix 3 to Schedule 3.

Project Manager: the individual appointed from time to time by each Party to be their Project manager for the purposes of this Agreement.

PSDS: the Government funding pot known as the Public Sector Decarbonisation Scheme.

Procurement Regulations: means the Procurement Act 2023, the Procurement Regulations 2024 and any secondary legislation (such as regulations) or other law or statutory guidance made pursuant to the Procurement Act 2023 and to the extent relevant the Public Contracts Regulations 2015, the Public Procurement (Amendment etc.) (EU Exit) Regulations 2020, the Defence and Security Public Contracts Regulations 2011, the Utilities Contracts Regulations 2016 and the Concession Contracts Regulations 2016, each as may be amended, updated, superseded or replaced from time to time and as applicable.

Purpose: has the meaning set out in Paragraph 1.2 of Schedule 1.

RdSAP: the reduced data SAP to assess the energy performance of existing dwellings, which is an alternative methodology to full SAP currently used by the Government to estimate the energy performance of homes, as more particularly referred to in Clause 9.3(e)(v).

Remedial Action Plan: has the meaning set out in Clause 7.3.

Representatives: a Party's duly authorised directors, employees (including the Project Manager), officers, agents, professional advisers and consultants.

Request for Information: a request for information or an apparent request under the FOIA or the EIRs.

Required Insurance: has the meaning set out in Clause 24.1.

Residual Grant Monies: any Grant funding paid to the Grant Recipient, based on forecasts provided in line with the Grant Payments Process, which have not been spent on the Works for each group of Funded Activities. (Note: This may not apply as Grant will normally be paid in arrears, but this definition and its related provisions have been intentionally included in this Agreement in case they apply in some circumstances.)

SAP: the Standard Assessment Procedure to assess the energy rating of dwellings, which is the methodology currently used by the Government to estimate the energy performance of homes, as more particularly referred to in Clause 9.3(e)(v).

Scheme: the Funder's scheme in relation to the Buildings Retrofit Pilot, which will run from 1 April 2025 to 31 March 2028, and which comprises two separate tranches of Grant funding, Stage 1 Development Funding and Stage 2 Delivery Funding, covering funding for Buildings' Retrofit, as may be amended, updated, superceded or replaced from time to time.

Scheme Guidance: means the guidance for the Scheme, as issued by the Funder from time to time, and which contains the form of Grant Application, and with which guidance the Grant Recipient must comply, as set out in Schedule 3, as may be amended, updated, superceded or replaced from time to time.

Stage 1 Development Funding: means the first stage of available Pilot funding, which is predominantly revenue funding, with maybe some capital expenditure, and as will be further defined in each Grant Offer Letter.

Stage 2 Delivery Funding means the second stage of available Pilot funding, which is predominantly capital funding, with maybe some revenue expenditure, and as will be further defined in each Grant Offer Letter.

Subsidy Control Laws: all Applicable Laws relating to subsidy control, including all related regulations and statutory guidance.

Third Party Funding: funding provided by a third party to the Grant Recipient for the same purpose for which a Grant has been/is being made which has been notified to, and approved by, the Funder in accordance with Clause 6.2.

TMLNs: TrustMark License Numbers, as more particularly referred to in Clause 9.3(e)(vi) and also Paragraph 5.1(b)(i) of Schedule 10 (Data Sharing Agreement).

Transaction Documents: this Agreement, each Grant Application, Grant Claim Form and Grant Offer Letter and each other document designated as such by the Parties.

UK GDPR: has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018.

UMRs: Unique Measure References, as more particularly referred to in Clause 9.3(e)(iv).

UNPN: the Unique Property Reference Number of a property, as more particularly referred to in Paragraph 5.1(j) of Schedule 10 (Data Sharing Agreement).

Unspent Monies: any monies paid to the Grant Recipient in advance of its Eligible Expenditure, which remains unspent and uncommitted at the end of the Financial Year, the Grant Period or because of termination or breach of this Agreement. (Note: This may not apply as Grant will normally be paid in arrears, but this definition and its related provisions have been intentionally included in this Agreement in case they apply in some circumstances.)

VAT: value added tax chargeable in the UK.

WHLG: the Government funding pot known as the Warm Homes: Local Grant.

WHSHF: the Government funding pot known as the Warm Homes: Social Housing Fund.

Working Day: a day, other than a Saturday, Sunday or public holiday in England, when banks in London are open for business.

Works: means the retrofit works measures to be undertaken for and on behalf of the Grant Recipient through its Delivery Suppliers as further described in the Grant Application and which must be in accordance and compliance with the Scheme Guidance and applicable industry standards (including, without limitation, PAS 2035 and PAS 2030 compliance).

- 1.2 Clause and Paragraph headings shall not affect the interpretation of this Agreement.
- 1.3 For cross-referencing numbering purposes, the provisions in this Agreement (excluding the Schedules and their Appendices) are referred to as Clauses. To distinguish Clauses from Paragraphs, the provisions in the Schedules and their Appendices are referred to as Paragraphs.
- 1.4 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.5 Unless the context otherwise requires, a reference to one gender shall include a reference to the other gender.
- 1.6 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality), and any Government body.
- 1.7 A reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.8 A reference to legislation or a legislative provision is a reference to it as amended, extended or re-enacted from time to time and includes all subordinate legislation made from time to time under that legislation or legislative provision.
- 1.9 A reference to **writing** or **written** includes email but not fax.
- 1.10 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression, shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

2. DURATION AND PURPOSE OF GRANT

- 2.1 This term of this Agreement will apply from the Commencement Date and continue until the expiry of the Grant Period unless it is terminated earlier in accordance with its terms or for so long as any of the Grant Recipient's obligations under this Agreement remain unfulfilled.
- 2.2 The Grant Recipient will use the Grant only for the delivery of the Funded Activities and in accordance with the terms and conditions set out in this Agreement.
- 2.3 The Grant Recipient will not make any significant change to the Funded Activities without the Funder's prior written approval following a Project Change Request.
- 2.4 The Parties acknowledge that the Government has determined the Integrated Settlement Funding Conditions, and should the Government amend the Integrated Settlement Funding Conditions , then the Funder shall give the Grant Recipient twenty-eight (28) Working Days'

notice any material amendments that need to be made in order for the Funder to continue to be compliant with them.

- 2.5 Should an event under Clause 2.3 or Clause 2.4 arise, then the Funder and Grant Recipient acting reasonably will vary this Agreement.

3. PAYMENT OF GRANT

- 3.1 Subject to the rest of this Clause 3 and the Grant Recipient's full compliance with the provisions of this Agreement, the Funder will make Grant payments to the Grant Recipient for each Instalment Period based upon:

- (a) the forecasted Grant drawdown within the applicable latest Financial Baseline and Forecast Report; and
- (b) the submission by the Grant Recipient to the Funder of its Grant Claim Form along with the relevant supporting evidence of Eligible Expenditure.

- 3.2 The Funder reserves the right not to pay the Grant claim under any Grant Claim Form that is not submitted by the tenth (10th) Working Day of the calendar month or which is incomplete, incorrect or submitted without the required supporting documents. Any Grant Claim Form received after this date, together with the required supporting documents, will be duly processed in the following calendar month.

- 3.3 To enable the Funder to process and approve due payment to the Grant Recipient of each Grant instalment, the Grant Recipient will provide such proof of expenditure and other supporting documents or information that the Funder may reasonably require.

- 3.4 The Grant Recipient accepts that payments of the Grant will not be made if the Funder has not received the full entitlement of that part of its Integrated Settlement funding amount which relates to the Buildings' Retrofit Pilot or is for any other reason unable or not permitted to provide the funds following a direction from the Government.

- 3.5 The Funder will only pay the Grant to the Grant Recipient in respect of Eligible Expenditure incurred by the Grant Recipient to deliver the Funded Activities. The Funder will not make any Grant payment until the Funder is satisfied that:

- (a) the Grant Recipient has provided sufficient assurance through its supporting documents that the Grant will be used for Eligible Expenditure only;
- (b) the Grant Recipient has provided the relevant supporting information in regards to any Grant claim by means of Delivery Suppliers' invoices and any other qualifying supporting evidence;
- (c) any previous Grant payments have been used for Eligible Expenditure only or, where there are Unspent Monies, have been repaid to the Funder; and
- (d) any Residual Grant Monies are repaid to the Funder, where requested and in accordance with Clause 5.4.

- 3.6 Unless otherwise agreed following a Project Change Request which has been approved by the Funder, the Maximum Sum will not be increased in the event of any overspend by the Grant Recipient in its delivery of the Funded Activities.
- 3.7 The Funder will have no liability to the Grant Recipient for any losses caused by a delay in the payment of the Grant however arising. (Note: This provision remains unamended otherwise the Funder would have to set aside a contingency fund out of its available funds to cover any potential claims for losses. This risk must remain with the Grant Recipient.)
- 3.8 The Grant Recipient must promptly repay to the Funder any money incorrectly paid to it either as a result of an administrative error or otherwise. This includes situations where either an incorrect sum of money has been paid or where Grant monies have been paid in error before all conditions attaching to the Grant have been complied with by the Grant Recipient.

4. GRANT CONDITIONS (INTEGRATED SETTLEMENT FUNDING CONDITIONS)

- 4.1 The Grant Recipient acknowledges that the Funder is subject to the Integrated Settlement Funding Conditions, which expressly includes the Outcomes Framework.
- 4.2 The Grant Recipient agrees that it shall:
- (a) provide such assistance as the Funder reasonably requires to enable it to comply with the Integrated Settlement Funding Conditions;
 - (b) not take any action, or fail to take any action, that would put the Funder in breach of the requirements of the Integrated Settlement Funding Conditions; and
 - (c) comply with any processes, procedures and/or ways of working established by the Funder in relation to its functional responsibility for the Buildings' Retrofit under the Integrated Settlement.
- 4.3 Given the multi-year nature of the Scheme, and to reflect the fact that the Outcomes Framework will evolve and change from year to year as part of the Funder's ongoing Integrated Settlement arrangements with the Government, the Funder will, as part of ongoing monitoring and reporting under Clause 9, keep the Grant Recipient informed of any changes to the Outcomes Framework which may have a material impact on the Parties' respective obligations under this Agreement.
- 4.4 The Grant Recipient shall ensure that its Representatives, employees, sub-contractors, staff and Delivery Suppliers engaged in delivery of the Funded Activities shall, during the Grant Period, not do or omit to do anything which would cause the Funder or any of the Funder's employees, consultants, contractors, sub-contractors or agents to breach the Integrated Settlement Funding Conditions or this Agreement.
- 4.5 The Grant Recipient shall put in place appropriate contractual terms with third parties involved in the delivery of the Funded Activities, including Delivery Suppliers, to ensure it is able to comply with its obligations under the Transaction Documents. Where delivery of the Funded Activities is undertaken by a third party, the Grant Recipient shall ensure that it has appropriate equivalent enforceable provisions as set out in the Transaction Documents to ensure that the Grant Recipient is able to comply with its obligations under the Transaction Documents.

5. USE OF GRANT

- 5.1 The Grant Recipient may only use the Grant for the delivery of the Funded Activities in accordance with the agreed budget set out in the agreed Development Plan. The amount of the Grant that the Grant Recipient may spend on Eligible Expenditure must not exceed the applicable total amounts set out in the agreed Development Plan without the prior written agreement of the Funder.
- 5.2 The Grant Recipient must not spend any part of the Grant on the delivery of the Funded Activities after the Grant Period without the prior written consent of the Funder.
- 5.3 The Grant Recipient may not retain any Unspent Monies or Residual Grant Monies without the Funder's prior written permission or unless this retention is accepted as part of the Grant Payments Process.
- 5.4 If, at the end of each Financial Year or on early termination of this Agreement, there are Unspent Monies or Residual Grant Monies, the Grant Recipient must ensure that those Unspent Monies or Residual Grant Monies are promptly returned to the Funder and no later than twenty (20) Working Days after the Funder's first request for repayment, unless otherwise directed in writing by the Funder.
- 5.5 The Grant Recipient will be the sole Grant Recipient of the Grant. The Grant Recipient will be responsible for managing the Grant as between itself and any third parties involved in performing the Funded Activities. This includes securing the re-payment or re allocation of the Grant if requested by the Funder in accordance with this Agreement.
- 5.6 Eligible Expenditure comprises:
- (a) any Pre-Works Activities as subsequently approved by the Funder carried out prior to the Commencement Date; and
 - (b) the items of Eligible Expenditure in the agreed Development Plan up to the maximum amounts specified.
- 5.7 The Grant must not be used for any of the following list of items (**Ineligible Expenditure**):
- (a) paid for lobbying, which means using the Grant to fund lobbying (via an external firm or in-house staff) intended to influence Parliament, government or political activity or attempting to influence legislative or regulatory action;
 - (b) using the Grant to enable one part of government to challenge another on topics unrelated to the agreed purpose of the Grant;
 - (c) fees charged to the Grant Recipient by external auditors or accountants for certifying that the Grant paid was applied for its intended purposes in accordance with Clause 9.7;
 - (d) using the Grant to petition for additional funding;
 - (e) expenses, such as for entertaining, specifically aimed at exerting undue influence to change Government policy;

- (f) input VAT reclaimable by the Grant Recipient from HMRC;
- (g) payments for activities of a political or exclusively religious nature;
- (h) interest payments or service charge payments for finance leases;
- (i) gifts;
- (j) statutory fines, criminal fines or penalties;
- (k) payments for work or activities which the Grant Recipient, or any associated entity, has a statutory duty to undertake or that are fully funded by other sources;
- (l) bad debts to related parties;
- (m) the depreciation, amortisation or impairment of assets; and
- (n) novel or contentious payments without the prior written consent of the Funder. This includes any payment that could cause embarrassment to the Funder (for example, any excessive severance payment, unfair dismissal costs or other compensation).

6. THIRD PARTY FUNDING

- 6.1 Where the Grant Recipient has obtained Third Party Funding in relation to its delivery of the Funded Activities (including funding for associated administration and staffing costs) before the Commencement Date, the Grant Recipient confirms that:
- (a) it has declared such Third Party Funding to the Funder and obtained the Funder's approval for it; and
 - (b) the amount of such Third Party Funding is included in its Grant Application together with a clear description of what such Third Party Funding will be used for.
- 6.2 Where the Grant Recipient intends to apply for Third Party Funding for the Funded Activities, it will notify the Funder in advance of its intention to do so and provide the Funder with details of the source, amount and purpose of that Third Party Funding. Upon the provision of such details, the Funder acting reasonably shall approve or refuse the Grant Recipient's use of such Third Party Funding towards the Funded Activity and notify the Grant Recipient of its decision within ten (10) Working Days of the Funder's receipt of the details set out in this Clause 6.2.
- 6.3 The Grant Recipient must not use any Third Party Funding for any part of the Funded Activities in respect of which a Grant has been/is being made, unless it has been approved in writing by the Funder.
- 6.4 The Funder may exercise its rights under Clause 21 should the Grant Recipient use any unapproved Third Party Funding for any part of the Funded Activities and refer the Grant Recipient to any relevant authorities should it dishonestly obtain or attempt to obtain Third Party Funding.

7. GRANT REVIEW

- 7.1 The Funder will review the Grant at the end of each Financial Year and prior to the expiry of the Grant Period or at such other times at the discretion of the Funder. The Funder will take into account the Grant Recipient's delivery of the Funded Activities against the agreed Outputs, Outcomes, Milestones and KPIs in Schedule 1 and the Financial Baseline and Forecast Reports produced by the Grant Recipient under Clause 9.2.
- 7.2 Each review may result in the Funder acting reasonably deciding to take one or more of the following steps:
- (a) allowing this Agreement to continue in line with existing plans;
 - (b) increasing or decreasing the Maximum Sum;
 - (c) requesting the Grant Recipient to update its description of the Outputs and Outcomes delivered;
 - (d) carry out remedial activity to improve delivery of the Funded Activities;
 - (e) recovering any Unspent Monies that have not been spent by the Grant Recipient at the end of the Grant Period;
 - (f) clawback of spent Grant funds approved as part of Stage 1 Development Funding, should the Grant Recipient not progress to Stage 2 Delivery Funding, except where the Grant Recipient can provide a reasonable explanation to the Funder as to the reasons why the Grant Recipient did not progress to Stage 2 Delivery Funding. For the purpose of this Clause 7.2 (f), “**reasonable explanation**” shall include, but not be limited to, evidence that progression to Stage 2 Delivery Funding is not reasonably achievable or desirable;
 - (g) terminating this Agreement with notice under Clause 27; or
 - (h) taking any other action deemed reasonable in the circumstances.
- 7.3 If the Grant Recipient is requested to carry out remedial activity pursuant to Clause 7.2(d), it will submit a plan to the Funder setting out the steps it proposes to take to rectify the areas identified by the Funder and the timetable for taking those steps (**Remedial Action Plan**).
- 7.4 The Grant Recipient may make representations to the Funder regarding its decision under Clause 7.2. The Funder should act reasonably but is not obliged to take those decisions into account. Its decision will be final and at its absolute discretion.

8. ACCOUNTS AND RECORDS

- 8.1 The Grant Recipient must ensure that the Grant is shown in its accounts as a restricted fund and is not included under general funds.
- 8.2 The Grant Recipient will keep separate, accurate and up-to-date accounts and records of the receipt and expenditure of the Grant monies received by it.

- 8.3 The Grant Recipient will keep all invoices, receipts, accounts and other relevant documents relating to the expenditure of the Grant for a period of at least six (6) years following receipt of any Grant monies to which they relate.
- 8.4 At any time during the Grant Period and for up to six (6) years after it, the Funder may review the Grant Recipient's accounts and records that relate to the expenditure of the Grant and may take copies of those accounts and records. The Grant Recipient grants to the Funder and its Representatives full access to the Grant Recipient's accounts, records and premises for the purposes of carrying out an audit under this Clause 8.4.
- 8.5 The Grant Recipient will comply, and facilitate the Funder's compliance, with all statutory requirements as regards accounts, audit or examination of accounts, annual reports and annual returns applicable to itself and the Funder.

9. MONITORING AND REPORTING

- 9.1 The Grant Recipient will closely monitor the delivery and success of the Funded Activities throughout the Grant Period to ensure that the aims and objectives of the Funded Activities are being met, and that this Agreement is being adhered to.
- 9.2 The Grant Recipient will provide the Funder with a monthly financial, forecast and operational report (**Financial Baseline and Forecast Report**) on its use of the Grant and delivery of the Funded Activities every financial period. Each Financial Baseline and Forecast Report will be in the format, and contain the information, reasonably required by the Funder, including financial forecasting against the baseline, and projected KPIs and milestones. The Grant Recipient will provide the Funder with the Financial Baseline and Forecast Report on the tenth (10th) Working Day of each calendar month to which it relates.
- 9.3 The content of the Financial Baseline and Forecast Report will be continually defined by the Funder as per the needs of the Buildings' Retrofit Pilot and can be modified at any time. Monthly reporting will include, but is not limited to:
- (a) an overview of monthly progress on the Funded Activities;
 - (b) an update against Outputs, Outcomes, KPIs and Milestones;
 - (c) the principal risks, issues and/or concerns that could impact progress of the Funded Activities;
 - (d) paragraph (c) above should include a brief overview and assessment of the performance of the Grant Recipient's Delivery Partners and, if there are any material issues between the Grant Recipient and its Delivery Partners impacting this Agreement, how these are being resolved to the Grant Recipient's satisfaction;
 - (e) specific per property information, including but not limited to:
 - (i) contact details of the Grant Recipient and its Delivery Suppliers;
 - (ii) information about properties treated including, but not limited to: address, smart meter installations, and building characteristics;

- (iii) details of the funding used to support installations; including from the Grant Recipient, and additional contributions from owners or other third parties;
 - (iv) the measures planned or delivered, including type, size, certification, cost, and the Unique Measure References (**UMRs**);
 - (v) pre and post-SAP and RdSAP assessments of properties treated, as well as TrustMark certificates for completed properties;
 - (vi) contact details (address, email, and phone number) for occupants and installers of properties treated, as well as details about any relevant accreditation, such as TrustMark License Numbers (**TMLNs**); and
 - (vii) contact details for occupants who are offered installation but drop out of the Scheme or do not accept, and the reason for dropping out;
 - (f) the amount of Grant funding the Grant Recipient has received, is requesting, or expects to request from the Funder each month;
 - (g) the Grant Recipient confirming its expected in-Financial Year financial spend by the end of February in each Financial Year to enable the Funder to manage spend across Financial Years;
 - (h) any suspected incidents of fraud or error or suspicious behaviour; and
 - (i) any other material items the Grant Recipient wishes to escalate to the Funder.
- 9.4 Where the Grant Recipient has obtained Co-Funding and/or Third Party Funding for its delivery of part of the Funded Activities, the Grant Recipient will include the amount of that Co-Funding and/or Third Party Funding in its latest Baseline and Forecast Financial Report, together with details of what that Co-Funding and/or Third Party Funding has been used for.
- 9.5 The Grant Recipient represents and undertakes (and shall repeat such representation and undertaking on each delivery of its monthly Financial Baseline and Forecast Report) that:
- (a) such Financial Baseline and Forecast Report and information it gives pursuant to this Clause 9 are accurate;
 - (b) it has diligently made full and proper enquiry of the matters pertaining to the Financial Baseline and Forecast Report and information given; and
 - (c) any data it provided pursuant to any Grant Application may be shared within the powers conferred by legislation with other organisations for the purpose of preventing or detecting crime.
- 9.6 During the Grant Period and for six (6) years after it, the Grant Recipient will:
- (a) permit any person authorised by the Funder reasonable access to its employees, agents, premises, facilities and records, for the purpose of discussing, monitoring and evaluating the Grant Recipient's fulfilment of the conditions of this Agreement; and

- (b) provide the Funder or any person authorised by the Funder, on request, with any information, explanations or documents that the Funder may reasonably require to establish that the Grant has been used properly in accordance with this Agreement.
- 9.7 During the Grant Period and for six (6) years after it, the Funder may request, and the Grant Recipient will provide, independent assurance that the Grant has been used for delivery of the Funded Activities. To satisfy this requirement, the Grant Recipient will provide, if reasonably requested by the Funder (including where the Funder suspects that the Grant has been misused), a report from an independent and appropriately qualified auditor (which may be internal or external) certifying whether the Grant paid to the Grant Recipient was applied in accordance with this Agreement.
- 9.8 The Grant Recipient will provide the Funder with a final report on completion of the Grant Period, which will confirm whether the Funded Activities have been successfully and properly completed.
- 9.9 Where the Grant Recipient has any concerns or issues with the delivery of the Funded Activities, meeting the requirements of Paragraph of Schedule 1 (Funded Activities) or if the Grant Recipient is issued with a section 114 notice under the Local Government Finance Act 1988, the Grant Recipient shall notify the Funder of such and the Parties shall work together to agree in writing flexible arrangements to ensure that delivery of the Funded Activities continues as required by this Agreement

10. AUDITING AND ASSURANCE

- 10.1 Within six (6) months of the end of each Financial Year, the Grant Recipient will provide the Funder with independent assurance that the Grant has been used for delivery of the Funded Activities. To satisfy this requirement, the Grant Recipient will ensure all relevant supporting documentation, financial spend and Grant received are audited by an independent and appropriately qualified auditor (which may be internal or external) where the Grant is clearly segregated from other funds, and ensure the auditor's reasonable assurance report (using the Funder's pro-forma form) is shared with the Funder within five (5) Working Days of its completion.
- 10.2 The Funder may, at any time during and up to three (3) years after the end of this Agreement, conduct additional audits or ascertain additional information where the Funder considers it necessary. The Grant Recipient agrees to grant the Funder or its Representatives access, as required, to the sites and relevant records relating to the Funded Activities. The Grant Recipient will ensure that necessary information and access rights are explicitly included within all arrangements with sub-contractors.
- 10.3 The Grant Recipient will ensure they keep a complete audit trail which they may be asked to provide at any stage. If the Funder requires further information, explanations, and documents, in order for the Funder to establish that the Grant has been used properly in accordance with this Agreement, the Grant Recipient will, within ten (10) Working Days of a request by the Funder, provide the Funder, free of charge, with the requested information.
- 10.4 The Grant Recipient shall:

- (a) nominate an independent auditor (which may be internal or external) to verify the final statement of expenditure submitted to the Funder;
 - (b) identify separately the value and purpose of the Grant funding in its audited accounts and its annual report; and
 - (c) maintain a record of internal financial controls and procedures and provide the Funder with a copy if requested.
- 10.5 The Grant Recipient shall retain all invoices, receipts, accounting records and any other documentation (including but not limited to, correspondence) relating to the Eligible Expenditure for a period of six (6) years from the date on which the Grant Period ends.
- 10.6 The Grant Recipient will promptly provide revised forecasts of Eligible Expenditure as part of its latest Financial Baseline and Forecast Report.
- 10.7 (This Clause 10.7 does not apply if the Grant Recipient is a local authority.) Where the Grant Recipient is a company registered at Companies House, the Grant Recipient must file their annual return and accounts by the dates specified by Companies House.
- 10.8 (This Clause 10.8 does not apply if the Grant Recipient is a local authority.) Where the Grant Recipient is a registered charity, the Grant Recipient must file their charity annual return by the date specified by the Charity Commissioner.
- 10.9 (This Clause 10.9 does not apply if the Grant Recipient is a local authority.) The Grant Recipient shall provide the Funder with copies of their annual return, accounts and charity annual return (as applicable) within ten (10) Working Days of filing them at Companies House and/or the Charity Commissioner. If a Grant Recipient fails to comply with Clauses 10.7 or 10.8, the Funder may suspend funding or terminate this Agreement with notice in accordance with Clause 27.

11. FINANCIAL MANAGEMENT

- 11.1 The Grant Recipient must at all times comply with Anti-Bribery Laws.
- 11.2 The Grant Recipient must have sound administration and audit processes, including internal financial controls, to safeguard against fraud, theft, corruption, money laundering, terrorist financing, tax evasion, aggressive tax avoidance or any other impropriety or mismanagement in connection with the administration of the Grant (**Financial Irregularity**). The Grant Recipient shall require that the internal/external auditors report on the adequacy or otherwise of that system.
- 11.3 The Grant Recipient must notify the Funder of all cases of Financial Irregularity (whether proven or suspected) relating to the Funded Activities or in the use of the Grant as soon as they are identified. The Grant Recipient will:
 - (a) explain to the Funder what steps are being taken to investigate the Financial Irregularity;
 - (b) keep the Funder informed about the progress of any investigation;
 - (c) assist the Funder in any investigations it initiates; and

- (d) refer the matter to external auditors or another third party if required to do so by the Funder.
- 11.4 If the Funder suspects any Financial Irregularity in relation to the Funded Activities, the Funder may do one or more of the following:
 - (a) suspend future payments of the Grant;
 - (b) insist that the Grant Recipient addresses the Financial Irregularity; and
 - (c) require the Grant Recipient to provide any assistance required by the Funder to recover misused Grant funds.
- 11.5 The Grant Recipient may be required to provide statements and evidence to the Funder or the appropriate organisation as part of pursuing criminal or civil proceedings.

12. CONFLICTS OF INTEREST

The Grant Recipient will not engage, and will ensure that none of its Representatives engage, in any personal, business or professional activity which conflicts or could conflict with any of its or their obligations in relation to the Transaction Documents.

13. ACKNOWLEDGEMENT, PUBLICITY AND BRANDING

- 13.1 The Grant Recipient must not make any public announcement or comment about, or publish any publicity material referring to, the Grant or the Funder without the prior written agreement of the Funder (not to be unreasonably withheld or delayed).
- 13.2 The Grant Recipient must acknowledge the support of the Funder, including an acknowledgement of the Funder as the source of the Grant, in:
 - (a) its annual report and accounts;
 - (b) any other materials that refer to the Funded Activities; and
 - (c) any written or spoken public presentations about the Funded Activities.

Each acknowledgement must include the Funder's name and logo.

- 13.3 In using the Funder's name and logo, the Grant Recipient must comply with all reasonable branding guidelines issued by the Funder and by the Government under the Integrated Settlement Funding Conditions from time to time.
- 13.4 The Funder may publicise the Grant and details of the Funded Activities, using the Grant Recipient's name and logo and any information gathered from its initial Grant Application or any reports submitted to the Funder under this Agreement, without prior notice.
- 13.5 The Grant Recipient agrees to participate in and co-operate with promotional activities relating to the Funded Activities that may be instigated or organised by the Funder.
- 13.6 The Grant Recipient will comply with all reasonable requests from the Funder to facilitate visits and provide reports, statistics, photographs and case studies that will assist the Funder in its promotional and fundraising activities relating to the Funded Activities.

14. INTELLECTUAL PROPERTY RIGHTS

- 14.1 All rights, title and interest in or to any Intellectual Property Rights owned by or licensed to the Funder or the Grant Recipient before the Commencement Date, or developed by either Party during the Grant Period, will remain the property of that Party.
- 14.2 Other than as expressly set out in this Agreement, neither Party will have any right to use any of the other Party's Intellectual Property Rights without the other Party's prior written consent.
- 14.3 The Grant Recipient grants to the Funder a non-exclusive, perpetual, irrevocable, royalty-free, sub-licensable, worldwide licence to use all materials produced by the Grant Recipient or its Representatives in relation to the Grant (including all reports provided to the Funder on the Grant).
- 14.4 Where the Funder has provided the Grant Recipient with any of its Intellectual Property Rights for use in connection with the Funded Activities (including its name and logo), the Grant Recipient must, on termination of this Agreement, cease to make any further use of those Intellectual Property Rights and return or destroy materials containing those Intellectual Property Rights as requested by the Funder.

15. CONFIDENTIALITY

- 15.1 Each Party undertakes that it will, during the term of this Agreement and for a period of two (2) years after termination or expiry of it, keep secret and confidential all Confidential Information of the other Party and will not disclose that information to any person except where disclosure is expressly permitted by this Agreement or expressly authorised in writing by the other Party.
- 15.2 The Grant Recipient may disclose the Funder's Confidential Information to those persons who need to know that information for the purposes of carrying out the Funded Activities (**Permitted Grant Recipients**). The Grant Recipient must ensure that its Permitted Grant Recipients are aware of and comply with its obligations of confidentiality in this Agreement. The Grant Recipient must not, and must procure that its Permitted Grant Recipients do not, use any of the Funder's Confidential Information for any purpose other than as necessary for the Funded Activities.
- 15.3 Nothing in this Clause 15 prevents the Funder from disclosing any Confidential Information of the Grant Recipient:
- (a) for the purpose of the examination and certification of its accounts or pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Funder has used its resources;
 - (b) to any public authority or any of its Representatives or suppliers, provided that the Funder only discloses the information which is necessary for the purpose concerned and requests that the information is treated in confidence where appropriate; or
 - (c) where disclosure is required by Applicable Law, including under Clause 16.

- 15.4 Nothing in this Clause 15 shall prevent either Party from using any techniques, ideas or know-how gained during the performance of its obligations under this Agreement in the course of its normal business, to the extent that this does not result in a disclosure of the other Party's Confidential Information or an infringement of the other Party's Intellectual Property Rights.

16. FREEDOM OF INFORMATION

- 16.1 The Grant Recipient acknowledges that the Funder is subject to the requirements of the FOIA and the EIRs.

- 16.2 The Grant Recipient will:

- (a) provide all necessary assistance and co-operation as reasonably requested by the Funder to enable the Funder to comply with its obligations under the FOIA and EIRs;
- (b) transfer to the Funder all Requests for Information relating to this Agreement that it receives as soon as practicable and in any event within two (2) Working Days of receipt;
- (c) provide the Funder with a copy of all information requested in the Request for Information which is in its possession or control in the form that the Funder requires within five (5) Working Days (or any shorter period that the Funder may reasonably specify) of the Funder's request for that information; and
- (d) not respond directly to a Request for Information unless authorised in writing to do so by the Funder.

- 16.3 The Grant Recipient acknowledges that the Funder may be required under the FOIA and EIRs to disclose information without consulting or obtaining consent from the Grant Recipient. The Funder will take reasonable steps to notify the Grant Recipient of a request for information that directly relates to the Grant Recipient (in accordance with the Cabinet Office's Freedom of Information Code of Practice issued under section 45 of the FOIA) to the extent that it is permissible and reasonably practicable for it to do so. Notwithstanding any other provision in this Agreement, the Funder will be responsible for determining in its absolute discretion whether any information is exempt from disclosure in accordance with the FOIA or the EIRs.

- 16.4 The Grant Recipient acknowledges and agrees that the Funder may:

- (a) publish this Agreement, including any changes to it, in any medium in its entirety (but with any Confidential Information redacted); and
- (b) share details of the Grant, including the Grant Recipient's name and the purpose of the Funded Activities, with the Government and other public authorities and publish details of the Grant on Government databases and public registers.

17. TRANSPARENCY

Each Party acknowledges that, except for any information which is exempt from disclosure in accordance with the provisions of the Information Acts and subject always to Clause 15 (Confidentiality), the content of this Agreement is not confidential.

18. DATA PROTECTION

- 18.1 The data protection provisions relating to the Transaction Documents are set out Schedule 10 (Data Sharing Agreement).
- 18.2 In Schedule 10 (Data Sharing), the terms **Controller**, **Data Subject**, **Personal Data**, **Personal Data Breach**, **Processing** and **Appropriate Technical and Organisational Measures** have the meaning given to them in the Data Protection Legislation (**Data Protection Definitions**).

19. PUBLIC PROCUREMENT

- 19.1 The Grant Recipient will ensure that any of its Representatives involved in the Funded Activities will adopt such policies and procedures that are required in order to ensure that value for money has been obtained in the procurement of goods or services funded by the Grant.
- 19.2 The Grant Recipient shall ensure that all third parties paid using the Grant are paid no more than market rates for their works, services or goods. The Grant Recipient shall evidence this by using appropriate competitive tender exercises or benchmarking.
- 19.3 Where the Grant Recipient is a Contracting Authority within the meaning of the Procurement Regulations, the Grant Recipient will comply, as necessary, with the Procurement Regulations when procuring goods and services in connection with this Agreement and the Funder shall not be liable for the Grant Recipient's failure to comply with its obligations under the Procurement Regulations.

20. ASSETS

- 20.1 The Grant Recipient must keep a register of all Assets acquired or developed with the Grant and maintain this as part of its latest Financial Baseline and Forecast Report. Each entry in the register will include a description of the Assets, the date of acquisition or improvement, cost and location, and any other information reasonably required by the Funder.
- 20.2 All Assets must only be used for delivery of the Funded Activities.

21. WITHHOLDING, REDUCING AND REPAYMENT OF GRANT

- 21.1 The Funder's intention is that the Grant will be paid to the Grant Recipient in full. However, without prejudice to the Funder's other rights and remedies, the Funder may exercise its rights in Clause 21.2 if:
- (a) the Grant Recipient uses the Grant for Ineligible Expenditure;
 - (b) the Grant Recipient fails to comply with any of its obligations under the Transaction Documents and that failure is material or persistent in the Funder's reasonable opinion;
 - (c) the delivery of the Funded Activities does not start within three (3) months of the approval of the Stage 1 Development Funding and the Grant Recipient has failed to provide the Funder with a reasonable explanation (in the Funder's reasonable opinion) for the delay;

- (d) the delivery of the Funded Activities does not start within three (3) months of the approval of the Stage 2 Delivery Funding and the Grant Recipient has failed to provide the Funder with a reasonable explanation (in the Funder's reasonable opinion) for the delay;
- (e) the Funder (acting reasonably) considers that the Grant Recipient has not made satisfactory progress with the delivery of the Funded Activities;
- (f) the Grant Recipient is, in the reasonable opinion of the Funder, delivering the Funded Activities in a negligent manner, which includes failing to prevent or report actual or anticipated Financial Irregularity.
- (g) the Grant Recipient applies for or obtains Third Party Funding for the Funded Activities which has not been approved in writing by the Funder;
- (h) the Grant Recipient obtains Third Party Funding which, in the reasonable opinion of the Funder, undertakes activities that are likely to bring the reputation of the Funded Activities or the Funder into disrepute;
- (i) the Grant Recipient provides the Funder with any materially misleading or inaccurate information or any of the information provided as part of its application for Grant funding is found to be materially misleading or inaccurate;
- (j) the Grant Recipient commits or has committed a Prohibited Act;
- (k) the Funder determines (acting reasonably) that the Grant Recipient or any Representative or member of the governing body of the Grant Recipient has (a) acted dishonestly or negligently at any time and to the detriment of the Funder; or (b) taken any actions which bring or are likely to bring the Funder's name or reputation into disrepute or which pose a risk to public money;
- (l) the Grant Recipient transfers, assigns or novates the Transaction Documents to any third party (or attempts to do so) without the Funder's consent;
- (m) the Grant Recipient ceases to operate for any reason, or it passes a resolution (or any court of competent jurisdiction makes an order) that it be wound up or dissolved (other than for the purpose of a bona fide and solvent reconstruction or amalgamation);
- (n) the Grant Recipient becomes insolvent, or it is declared bankrupt, or it is placed into receivership, administration or liquidation, or issues any statutory notice relating to its solvency, or a petition has been presented for its winding up, or it enters into any arrangement or composition for the benefit of its creditors (other than for the purpose of a bona fide and solvent reconstruction or amalgamation), or it is unable to pay its debts as they fall due;
- (o) any court, tribunal or independent body or authority of competent jurisdiction requires any Grant paid to be recovered due to a breach of (i) any Applicable Laws relating to subsidy control; or (ii) the UK's obligations under any international agreement in relation to state subsidies;

- (p) the Grant Recipient undergoes a Change of Control which the Funder, acting reasonably, considers will be materially detrimental to the Funded Activities.
- 21.2 Where the Funder determines that a Default Event has or may have occurred, the Funder will notify the Grant Recipient to that effect, setting out any relevant details and any action it intends to take or has taken. The Funder may take any one or more of the following actions:
 - (a) suspend or withhold payment of the Grant;
 - (b) reduce the Maximum Sum;
 - (c) require the Grant Recipient to repay all or any part of the Grant previously paid to the Grant Recipient; and
 - (d) terminate the Transaction Documents.
- 21.3 If a Default Event has or may have occurred, and the Funder believes it is capable of being remedied, the Funder will not exercise its rights under Clause 21.2(c) or Clause 21.2(d), unless the Grant Recipient fails to rectify the default to the reasonable satisfaction of the Funder within a reasonable time period specified by the Funder. The Funder may conclude that a Default Event is a material failure, incapable of remedy or both where it is one of multiple Default Events that demonstrate (in the Funder's reasonable opinion) that the Grant Recipient is unwilling to comply, or unable to comply, with the terms and conditions of the Transaction Documents.
- 21.4 Wherever any sum of money is recoverable from the Grant Recipient under the Transaction Documents, the Funder may deduct that sum from any sums due to the Grant Recipient under the Transaction Documents or any other agreement with the Funder.
- 21.5 Should the Grant Recipient be subject to financial or other difficulties which are capable of having a material impact on its effective delivery of the Funded Activities or compliance with the Transaction Documents, it will notify the Funder as soon as possible so that, if possible and without creating any legal obligation, the Funder will have an opportunity to provide assistance in resolving the problem or to take action to protect the Funder and the Grant monies.

22. COMPLIANCE WITH LAWS

- 22.1 The Grant Recipient must carry out the Funded Activities and its obligations under the Transaction Documents in accordance with all Applicable Laws, including all Applicable Laws:
 - (a) relating to equality or prohibiting any form of discrimination (whether in race, gender, religion, disability, sexual orientation, age or otherwise) in employment or otherwise and at all times shall comply with the provisions of the Equality Act 2010 in the performance of the Transaction Documents;
 - (b) concerning health and safety in relation to people working on the Funded Activities; and
 - (c) relating to subsidy control and as more particularly described in Schedule 9.

- 22.2 The Grant Recipient must take all reasonable steps to ensure that its Representatives and all suppliers, sub-contractors and other third parties, such as Delivery Suppliers, engaged on the Funded Activities comply with all Applicable Laws in carrying out the Funded Activities.
- 22.3 The Funder requires the Grant Recipient and its Representatives and all such suppliers, sub-contractors and other third parties, such as Delivery Suppliers, to apply proportional due diligence across all aspects of the Funded Activities, ensuring that they comply with legislation (including the Public Sector Equality Duty) to ensure individuals' safety and well-being, equal treatment and access to provision and correct handling of data and information.
- 22.4 The Grant Recipient acknowledges that the Funder has obligations under section 149 of the Equality Act 2010. The Grant Recipient shall not do or omit to do anything insofar as it is reasonably within its control which would put the Funder in breach of those obligations.

23. ENVIRONMENT

- 23.1 The Grant Recipient shall perform the Funded Activities in accordance with its environmental policy as may be amended or updated from time to time.
- 23.2 The Grant Recipient will carry out the Funded Activities with due regard to the protection of the environment, including by:
- (a) minimising waste, air and water pollution and the release of greenhouse gas emissions and other substances damaging to health and the environment;
 - (b) conserving the use of raw materials, water, energy and other resources;
 - (c) adopting circular economy and zero waste methods wherever possible, including by using recovered or recycled goods and environmentally friendly production methods; and
 - (d) limiting the Funded Activities' impact on biodiversity and nature.
- 23.3 The Grant Recipient will take all possible precautions to ensure that any materials used in the Funded Activities do not contain any damaging or hazardous substances unless this is unavoidable in which case the Grant Recipient must notify the Funder in advance of their use.
- 23.4 The Grant Recipient shall give due consideration to how the performance of the Funded Activities could support the Funder's WM2041 Net Zero Target.

24. LIMITATION OF LIABILITY

- 24.1 The Funder accepts no liability for any consequences, whether direct or indirect, that may come about from the Grant Recipient running the Funded Activities, the use of the Grant or from the withdrawal, withholding, suspension or reduction of the Grant.
- 24.2 The Grant Recipient will indemnify the Funder against all liabilities, damages, losses (including loss of reputation), expenses and costs (including all interest, penalties, legal costs (reasonably and properly incurred basis) and other professional costs and expenses (reasonably and properly incurred basis) suffered or incurred by the Funder in connection with:
- (a) the acts or omissions of the Grant Recipient in relation to the Funded Activities;

- (b) the non-fulfilment of any obligations of the Grant Recipient under the Transaction Documents; or
 - (c) the performance or non-performance of any obligation of the Grant Recipient to any third party in relation to the Funded Activities.
- 24.3 Subject to Clause 24.1 and Clause 24.4, the Funder's liability under the Transaction Documents is limited to the amount of the Grant outstanding under the Transaction Documents.
- 24.4 The Grant Recipient's liability under the Transaction Documents is limited to the total amount of the Grant.
- 24.5 Nothing in the Transaction Documents limits any liability which cannot legally be limited.

25. INSURANCE

- 25.1 The Grant Recipient will, during the Grant Period and for a period of six (6) years after termination or expiry of this Agreement, effect and maintain adequate insurance with a reputable insurance company to cover claims under this Agreement and any other claims that may be brought against it in connection with the Funded Activities, including for death or personal injury, loss of or damage to property or any other loss (**Required Insurance**).
- 25.2 The Grant Recipient will (on request) supply to the Funder evidence from its insurers that the Required Insurance is in place and confirmation that the relevant premiums have been paid.

26. VAT

- 26.1 The Grant is not consideration for any taxable supply for VAT purposes.
- 26.2 If VAT is held to be chargeable in respect of this Agreement, all payments will be deemed to be inclusive of VAT and the Funder will not be obliged to pay any additional amount by way of VAT.
- 26.3 All sums or other consideration payable to or provided by the Grant Recipient to the Funder at any time shall be deemed to be exclusive of all VAT payable, and where any such sums become payable or due or other consideration is provided, the Grant Recipient shall, at the same time or, as the case may be, on demand by HMRC, in addition to such sums, or other consideration, pay to HMRC all the VAT so payable upon the receipt of a valid VAT invoice.

27. TERMINATION

Without prejudice to the Funder's other rights to terminate this Agreement, either Party may terminate this Agreement by giving at least three (3) months' written notice to the other Party.

28. CONSEQUENCES OF TERMINATION OR EXPIRY

- 28.1 Any provision of this Agreement that expressly or by implication is intended to come into or continue in force on or after the expiry or termination of this Agreement will survive expiry or termination and continue in full force and effect.
- 28.2 Termination or expiry of this Agreement will be without prejudice to any rights or remedies accrued under it before termination or expiry. Nothing in this Agreement will prejudice the

rights of the Funder to recover any amount of the Grant previously paid to the Grant Recipient following termination or expiry.

- 28.3 Any liabilities arising at the end of the Funded Activities or on termination or expiry of this Agreement must be managed and paid for by the Grant Recipient using its own resources. There will be no additional funding available from the Funder for this purpose. The Funder will not be liable to pay any of the Grant Recipient's costs or those of any Delivery Supplier of the Grant Recipient related to any transfer or termination of employment of any employees engaged in the Funded Activities.

29. EVALUATION

- 29.1 The Funder may through its named Single Point of Contact (**SPOC**) conduct an Evaluation of the Funded Activities.
- 29.2 The Grant Recipient will, during and after the Grant Period, co-operate with the Funder's SPOC and any third-party evaluator support to the Funder by responding to requests for information about the Funded Activities and providing access to those of its Representatives involved in the Funded Activities.

30. CHANGE OF CONTROL

- 30.1 The Grant Recipient will notify the Funder as soon as the Grant Recipient is aware (or reasonably should be aware) that it is undergoing or has undergone a Change of Control, provided that notification is permitted by Applicable Laws.
- 30.2 The Grant Recipient will ensure that its notice sets out full details of the Change of Control, including the circumstances explaining it.

31. ASSIGNMENT

- 31.1 The Grant Recipient may not, without the prior written consent of the Funder, assign, transfer, novate or in any other way dispose of the whole or any part of the Transaction Documents to any third party.
- 31.2 The Funder may transfer, assign, novate or otherwise dispose of the whole or any part of the Transaction Documents or any rights under it to another public authority.

32. CHANGES TO TRANSACTION DOCUMENTS

Either Party can request a variation to the terms of the Transaction Documents. Any such variation is only effective if agreed in writing and signed by authorised Representatives of both Parties. The Funder is not required to accept a variation request made by the Grant Recipient.

33. WAIVER

- 33.1 A waiver of any right or remedy under any Transaction Document is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy.
- 33.2 A delay or failure to exercise, or the single or partial exercise of, any right or remedy does not waive that or any other right or remedy, nor does it prevent or restrict the further exercise of that or any other right or remedy.

34. NOTICES

34.1 Any notice given to a Party under or in connection with the Transaction Documents must be in writing and in English and must be:

- (a) delivered by hand or by pre-paid first-class post or other next Working Day delivery service at its registered office (if a company) or its principal place of business (in any other case); or
- (b) sent by email to the address(es) of the Project Manager (or an address substituted in writing by the Party to be served) as set out in Schedule 6.

34.2 Any notice will be deemed to have been received:

- (a) if delivered by hand, at the time the notice is left at the proper address;
- (b) if sent by pre-paid first-class post or other next Working Day delivery service, at 9.00 am on the second Working Day after posting; or
- (c) if sent by email, at the time of transmission except that if this time is on a non-Working Day or after 5.00 pm on any Working Day it will be deemed received on the next Working Day.

35. DISPUTE RESOLUTION

35.1 In the event of any dispute between the Parties (which does not relate to the Funder's right to withhold, reduce or recover funds or terminate this Agreement), the matter will first be referred for resolution to each Project Manager.

35.2 Should the dispute remain unresolved within fourteen (14) Working Days of the matter being referred to each Project Manager, either Party may refer the matter to a formal meeting between the Chief Executive or Deputy Chief Executive of the Funder and the Chief Executive or Deputy Chief Executive (or their closest equivalents) of the Grant Recipient.

35.3 If the respective officers of the Parties under Clause 35.3 are for any reason unable to resolve the dispute within thirty (30) Working Days of it being referred to them, the Parties will attempt to settle the dispute by mediation in accordance with the CEDR Model Mediation Procedure.

35.4 Unless otherwise agreed between the Parties within thirty (30) Working Days of referral of the dispute, the mediator will be nominated by CEDR. To initiate the mediation, a Party must serve notice in writing (**ADR Notice**) to the other Party, referring the dispute to mediation. A copy of the ADR Notice should be sent to CEDR.

35.5 Unless otherwise agreed between the Parties, the mediation will start not later than thirty (30) Working Days after the date of the ADR Notice.

35.6 The commencement of mediation shall not prevent the Parties commencing or continuing court proceedings under Clause 36.

35.7 If for any reason the dispute is not resolved by mediation within thirty (30) Working Days of commencement of the mediation, the dispute shall be referred to and finally resolved by the courts of England in accordance with Clause 36.

36. GOVERNING LAW AND JURISDICTION

This Agreement is governed by and will be construed in accordance with the law of England and Wales and each Party irrevocably submits to the exclusive jurisdiction of the English courts.

IN WITNESS of which the Parties have executed this Deed as a deed and delivered it on the date written at the top of this document.

SCHEDULE 1 – FUNDED ACTIVITIES

1. BACKGROUND TO PILOT

- 1.1 The Buildings' Retrofit Pilot is the Government's programme pilot for retrofitting homes and public sector buildings with funding from the following funding pots: Warm Homes: Social Housing Fund (**WHSHF**), Warm Homes: Local Grant (**WHLG**) and Public Sector Decarbonisation Scheme (**PSDS**).
- 1.2 The Buildings' Retrofit Pilot will primarily support the decarbonisation of domestic and public buildings, and reduce domestic fuel poverty through a new devolved model for Grant delivery. The Buildings' Retrofit Pilot must also deliver on the overall Outcomes Framework targets (**Purpose**).
- 1.3 The Grant Recipient acknowledges that funding is given for the Purpose and delivery of the Grant is a functional responsibility given by the Government to the Grant Recipient in the public interest (services of public economic interest).
- 1.4 The Scheme is the Funder's scheme in relation to the Buildings' Retrofit Pilot and the Grant will be available over a three (3) year period from 1 April 2025 to 31 March 2028. The Scheme will provide up to £167.1 million to England only projects in the West Midlands region to support eligible providers of domestic and public buildings, including private and local funding providers, to improve the energy performance of their homes and public sector buildings stock by installing eligible measures.
- 1.5 As completion of all Works under the Scheme must be done by 30 September 2028, all Grant funding must be spent by 31 March 2028. The Grant Recipient will, therefore, need to utilise its Co-Funding and/or, as the case may be, any other Third Party Funding to fund the remaining Works which need to be completed during the six (6) months' period from 31 March to 30 September 2028.
- 1.6 The Buildings' Retrofit Pilot is funded by annual funding profiles set by the Government. Grant funding is only available in the Financial Year in which it is allocated and cannot be carried over into subsequent Financial Years, unless the Funder is satisfied that such Grant funding can be carried forward into a subsequent Financial Year in accordance with the Integrated Settlement Funding Conditions.
- 1.7 The Government has published the Funder's Integrated Settlement funding payment for the Financial Year 2025-26. This confirms one-year allocations for most devolved funding lines but, in the case of the Buildings' Retrofit Pilot, the Integrated Settlement provides allocations for the Scheme to be a three (3) year programme through three parent funding schemes as set out in the table below.

	2025/26	2026/27	2027/28	Total
Warm Homes: Social Housing Fund	£29,172,000	£35,802,000	£35,802,000	£100,776,000 CDEL
Warm Homes: Local Grant	£5,280,000	£12,360,000	£12,360,000	£30,000,000 CDEL
Public Sector Decarbonisation Scheme	£3,348,000	£16,488,000	£16,488,000	£36,324,000 CDEL

- 1.8 The Grant Recipient should, therefore, be aware of the limited time in which funding is available, which is reflected in the Outputs in Paragraph 5.1 of this Schedule 1.
- 1.9 The Grant Recipient is also encouraged to plan to spend their allocated share of the Grant funding within each Financial Year to which it applies, unless the Funder is satisfied that such spending can be carried forward into a subsequent Financial Year in accordance with the Integrated Settlement Funding Conditions.

2. AIMS AND OBJECTIVES OF PILOT

- 2.1 The primary purpose of the Buildings' Retrofit Pilot is to support the decarbonisation of domestic and public buildings, and reduce domestic fuel poverty through a new devolved model for grant delivery. Whilst greater flexibility is provided to grant recipients to take a place-based, cross-tenure approach, the Buildings' Retrofit Pilot must deliver on the overall Outcomes Framework targets.
- 2.2 Noting that each Grant Recipient has a different mix of Assets in its applicable portfolio of Assets and within the scope of its Buildings' Retrofit responsibilities (and, therefore, some Asset types described below will be not applicable), the Funder expects the Buildings' Retrofit Pilot to result in the following primary Outcomes and Output indicators as further referenced in the Outcomes Framework:
- (a) number of social homes upgraded to EPC C;
 - (i) reduce the numbers in fuel poverty in social housing by improving the energy efficiency rating of buildings below EPC B and C and reducing energy bills. On this basis, occupant and tenant energy bills should not increase for equivalent home and buildings warmth, and it is expected that bills will reduce;
 - (b) number of low-income private homes upgraded to EPC C;
 - (i) reduce the numbers in fuel poverty in private homes by improving the energy efficiency rating of buildings below EPC Band C and reducing energy bills. On this basis, occupant and tenant energy bills should not increase for equivalent home and buildings warmth, and it is expected that bills will reduce;
 - (c) annual bill savings from homes;
 - (i) cut energy bills for domestic properties, by improving the energy efficiency rating and undertaking retrofit works, which will help to eradicate fuel poverty and decarbonise buildings;
 - (d) lifetime carbon reductions from homes;
 - (i) reduce direct carbon emissions from homes by undertaking energy efficiency and low-carbon heating retrofit works, helping to meet the West Midlands 2041 Net Zero target and the UKs 2050 Net Zero target; and
 - (e) annual carbon emissions reductions from public buildings;

- (i) reduce direct carbon emissions from public buildings by undertaking energy efficiency and low-carbon heating retrofit works, helping to meet the West Midlands 2041 Net Zero target and the UK's 2050 Net Zero target.

2.3 Noting that each Grant Recipient has a different mix of Assets in its applicable portfolio of Assets and within the scope of its Buildings' Retrofit responsibilities (and, therefore, some Asset types described below will be not applicable), the Funder also expects the Buildings' Retrofit Pilot to result in the following secondary Outcomes:

- (a) improved value for money (compared to parent schemes) and leverage of private investment, which could be channelled through a regional net zero fund. The Funder's Local Net Zero Accelerator programme is currently investigating the feasibility of this;
- (b) more comfortable and healthy homes because of retrofit;
- (c) sustained growth in local retrofit supply chain capability and capacity, and local skills and employment growth linked to the Buildings' Retrofit Pilot;
- (d) increased capacity and capability of partner organisations in delivering and supporting retrofit activities;
- (e) increased Mayoral Combined Authority capacity and capability to deliver or manage retrofit upgrades in their regions;
- (f) increased investment from 'willing to pay' sector in retrofit upgrades (retrofit market development and innovation);
- (g) lessons identified from piloting the devolution of retrofit funding that improves the evidence base for future policymaking by using real-performance data;
- (h) increased inclusion of households that are more challenging to engage and of buildings that are more complex to decarbonise through retrofit schemes;
- (i) increased understanding of feasible pathways to net zero, including the socioeconomic costs and opportunities of these;
- (j) reduced operational costs for social housing and public sector buildings;
- (k) Reducing homelessness;
- (l) creation of more decent and affordable homes; and
- (m) increased resilience to future climate/economic shocks.

3. FUNDED ACTIVITIES

- 3.1 Each tranche of Grant funding must be supported by its own Development Plan and Milestones as per the relevant Grant Application.
- 3.2 The Grant will be made available to the Grant Recipient for the purchase of the services detailed in the published Scheme Guidance for the purposes of completion of the Works for each group of Funded Activities.

- 3.3 The Grant will not be made available to the Grant Recipient for any Ineligible Expenditure or for items and/or services which are not required for the purposes of the Works for each group of Funded Activities.
- 3.4 The Grant Recipient is required to provide supporting evidence of their Grant expenditure.
- 3.5 The Grant Recipient must include all relevant Eligible Expenditure as part of their Grant Application and in their Financial Baseline and Forecast Report as part of the regular monthly monitoring and reporting cycle throughout delivery of the Funded Activities.
- 3.6 Eligible Expenditure is defined in each Grant Application and the same definition is used in this Agreement (see Clause 1).
- 3.7 As set out in the Scheme Guidance, the proportion of total Grant funding which can be spent on administrative and ancillary costs (referred to as A&A in the Scheme Guidance) as part of Stage 1 Development Funding cannot exceed 11% (eleven per cent) of total allocated Grant.

4. CO-FUNDING CONTRIBUTION MINIMUM PERCENTAGES TABLE

FUNDING CATEGORY	CO-FUNDING CONTRIBUTION MINIMUM PERCENTAGE
WHSHF	50%
WHLG - Private Homeowners	0%
WHLG - Private Landlords	30%
PSDS	12%

5. OUTPUTS, OUTCOMES, MILESTONES AND KPIS

5.1 Outputs

- (a) All of the provisions of this Paragraph 5.1 as below are defined as the **Outputs**.
- (b) The Grant Recipient will contribute to the completion of the Works for each group of Funded Activities from its own resources an amount at least equal to the Co-Funding Contribution Minimum Percentage (as set out in the table in Paragraph 4 above) multiplied by the amount of the Grant funding approved.
- (c) Regarding this requirement:
- (i) following entry into this Agreement, only expenditure that, in the reasonable opinion of the Funder, would be Eligible Expenditure (were it funded by the Grant funding) may contribute to the Co-Funding requirement; and
 - (ii) if any sum is spent by the Grant Recipient which would be Eligible Expenditure in accordance with this Agreement, but for that expenditure falling before this Agreement has been entered into, the Funder may (at its discretion) allow

that sum to be counted as part of the Grant Recipient's Co-Funding Contribution, provided that there shall be no double-counting of, or double-claiming for, any Pre-Works Activities, which have already been funded by Grant paid against Eligible Expenditure claimed. This provision only applies to expenditure on the Works for each group of Funded Activities.

- (d) The Grant Recipient, by requesting that any expenditure be accounted for as part of the Co-Funding amount, consents to that expenditure being subject to the oversight and investigation of the Funder under the terms of this Agreement, including specifically Clauses 8 and 9, regardless of whether the expenditure pre- or post- dates the signing of this Agreement.
- (e) The Funder will expect Co-Funding to be spent throughout the Grant Period. To this end, the Grant Recipient has to demonstrate a level of Co-Funding at all times during and throughout the Grant Period which is, in the opinion of the Funder, consistent with the Grant Recipient meeting its Co-Funding obligation at the end of the Grant Period. Failure to demonstrate this at any time during the Grant Period will constitute a failure to achieve this Output and as such an Event of Default, allowing the Funder to exercise its rights under Clause 21.2.
- (f) The Grant Recipient may use Third Party Funding to meet its Co-Funding obligation provided that such Third Party Funding has been approved by the Funder in accordance with Clause 6.2. Such approved Third Party Funding can be counted towards the Grant Recipient's Co-Funding obligation.
- (g) The Grant Recipient must have installed in relevant homes and public buildings all materials and equipment purchased by Grant funding and/or purchased by expenditure it wishes the Funder to consider as Co-Funding by the end of the Grant Period. If there is uninstalled material or equipment so purchased at the end of the Grant Period:
 - (i) the Grant Recipient and Funder will within twenty (20) Working Days attempt to agree how to proceed with regard to the uninstalled material or equipment, such agreement must not be unreasonably withheld or delayed;
 - (ii) this period of twenty (20) Working Days may be extended by the agreement of both Parties, whether before or after the period has expired; and
 - (iii) failure to reach such agreement will trigger an obligation on the Grant Recipient to transfer, and a corresponding right on the Funder to receive, within a reasonable period of time, ownership of such material or equipment, or otherwise, if agreed by the Funder, an obligation on both Parties to make suitable contractual arrangements for such material or equipment to be held by the Grant Recipient to the order of the Funder until a transfer of ownership can be effected.
- (h) Each Outcome as referenced in Paragraph 5.2 (d) below also has related Outputs (see the tables below).
- (i) Further details of any additional Outputs will set out in each applicable Grant Offer Letter.

5.2 Outcomes

- (a) All of the provisions of this Paragraph 5.2 as below are defined as the **Outcomes**.
- (b) The Grant Recipient will report monthly in the Financial Baseline and Forecast Report against the Outcomes in connection with the Grant.
- (c) The Funder intends that all Scheme projects, including the Funded Activities, are assigned a fair share of targets from the Outcomes Framework, which will be based on the funding allocation calculations. Reporting progress on the KPIs in relation to the Outcomes and against the Outcomes Framework is mandatory (see also Paragraph 5.4).
- (d) Each Outcome indicator in the table below also has related Output indicators. (Please note the numbering of these Outcomes intentionally matches the equivalent numbering in the Outcomes Framework.)

Outcome 8: Reduction in direct carbon emissions from domestic buildings, with reduced fuel poverty gaps for treated households in, or at risk of, fuel poverty (Buildings' Retrofit)

(Note: Outcome 8 is the relevant numbering used in the Outcomes Framework.)

OUTCOME INDICATORS	BASELINE	6-MONTH TRAJECTORY	TARGET	DATA SOURCE
8.1 Reduction in direct carbon emissions from domestic buildings upgraded (modelled)	0	[TBC]	369 ktCO ₂ e saving (for the 3-year period)	Modelled energy savings split by fuel type (pre- and post-install EPCs)
OUTPUTS	OUTPUT INDICATOR	6-MONTH TRAJECTORY	TARGET	DATA SOURCE
8.1a Number of social homes with a pre-installation Energy Efficiency Rating of D-G upgraded to C or above as a result of the upgrades	8.1a Improved Energy Efficiency Ratings	[TBC]	12,300 (for the 3-year period)	Pre- and post-install EPCs
8.1b Number of private low-income / fuel poor households in a property with a pre-installation Energy Efficiency Rating of D-G upgraded to C or above as a result of the upgrades	8.1b Improved Energy Efficiency Ratings	[TBC]	1,700 (for the 3-year period)	Pre- and post-install EPCs
8.1c Accumulative annual household bill savings (modelled over 44 years)	8.1c Accumulative annual household bill savings modelled from EPC data	[TBC]	£145.2m (for the 3-year period)	Pre- and post-install EPCs

Outcome 9: Reduction in direct carbon emissions from public sector buildings (Buildings' Retrofit)

(Note: Outcome 9 is the relevant numbering used in the Outcomes Framework.)

OUTCOME INDICATORS	BASELINE	6-MONTH TRAJECTORY	TARGET	DATA SOURCE
9.1 Reduction in direct carbon emissions from public sector buildings upgraded	0	[TBC]	3.6 ktCO ₂ e (per year from 2028/29) (for the 3-year period)	Estimated energy savings split by fuel type. Over time, validated by actual energy savings (feasibility/detailed design studies and smart meter data)

- (e) Further details of any additional Outcomes will set out in each applicable Grant Offer Letter.

5.3 Milestones

- (a) All of the provisions of this Paragraph 5.3 as below are defined as the **Milestones**.
- (b) These Milestones cover each of domestic Assets and public sector Assets, as the case may be.
- (c) The Grant Recipient will report monthly in the Financial Baseline and Forecast Report against the following applicable Milestones in connection with the Grant.
- (d) These Milestones mirror the same tables set out in the Scheme Guidance.

Domestic Milestones

REF	DOMESTIC MILESTONE TITLE	DEFINITION
MS DOM1	Project Team Established	Project Team, including Buildings' Retrofit Coordinator, appointed and governance regime established and approved.
MS DOM2	Procurement Activity Completed	All necessary procurement processes, including the execution of contract, for all core contractors to deliver the scheme as set out in the approved Development Plan have been completed.
MS DOM3	Pre-construction tenant engagement completed	All pre-construction steps set out within the tenant engagement plan provided as part of the approved Development Plan should have been completed.
MS DOM4	Whole House Buildings' Retrofit Assessment stage completed	All steps outlined under the PAS2035 Whole House Dwelling Assessment stage have been completed.

REF	DOMESTIC MILESTONE TITLE	DEFINITION
MS DOM5	Buildings' Retrofit Design and Co-ordination Pre Installation stage completed	All Pre Installation steps outlined under the PAS2035 Design and Coordination stage have been completed.
MS DOM6	Installation stage started	Installation work, as defined under the PAS2035 Installation stage, has commenced.
MS DOM7	Installation stage completed	All steps outlined under the PAS2035 Installation stage have been completed.
MS DOM8	Handover and Lodgment	Handover of property to resident /tenant/landlord and lodgment to Trustmark Data warehouse.

Public Sector Milestones

REF	PUBLIC SECTOR MILESTONE TITLE	DEFINITION
MS PS1	Project Team Established	Project Team, including suitably qualified Buildings' Retrofit Lead Professional, Assessor and Designer, appointed and governance regime established and approved.
MS PS2	Buildings' Retrofit Assessment stage completed	All steps outlined in Appendix 8 of the Scheme 3 Guidance have been completed.
MS PS3	Pre-construction occupant/tenant/leaseholder engagement completed	All pre-construction steps set out within the occupant/tenant/leaseholder engagement plan provided as part of the approved Public Building Application Form should have been completed.
MS PS4	Buildings' Retrofit Design completed	All Buildings' Retrofit Design has been completed.
MS PS5	Procurement activity completed	All necessary procurement processes, including the execution of contract, for all core contractors to deliver the Scheme as set out in the Project approved Public Building Application Form have been completed.
MS PS6	Installation stage started	Installation work commences.
MS PS7	Installation stage completed	All Installation stage completed.
MS PS8	Handover and Practical Completion	Handover of building to occupant/tenant/leaseholder and practical completion achieved including a full technical handover information pack to the resident.

REF	PUBLIC SECTOR MILESTONE TITLE	DEFINITION

- (e) Further details of any additional Milestones will set out in each applicable Grant Offer Letter.

5.4 KPIs

- (a) All of the provisions of this Paragraph 4.4 as below are defined as the **KPIs**.
- (b) These KPIs cover each of domestic Assets but not public sector Assets.
- (c) The Grant Recipient will report monthly in the Financial Baseline and Forecast Report against the following applicable KPIs in connection with the Grant.
- (d) These KPIs mirror the same tables set out in the Scheme Guidance.

Domestic KPIs

REF	DOMESTIC KPI TITLE	DEFINITION
KPI DOM1	Number of properties that have completed the PAS2035 Whole House Buildings' Retrofit Dwelling Assessment stage	The number of properties that have completed the PAS2035 Whole House Buildings' Retrofit Dwelling Assessment stage (Milestone MS DOM4) in month, and total cumulative all months. Performance targets for month and cumulative will be taken from the Development Plan baseline.
KPI DOM2	Number of properties that have completed the Buildings' Retrofit Design and Coordination Pre Installation stage	The number of properties that have completed the Buildings' Retrofit design and coordination Pre Installation stage (Milestone MS DOM5) in month, and total cumulative all months. Performance targets for month and cumulative will be taken from the Development Plan baseline.
KPI DOM3	Number of tenants/residents/landlords engaged and signed up to Works through the Privacy Notice	The number of tenants/residents/landlords who have been engaged as part of the engagement plan and who have signed the Privacy Notice to have Works completed on their property. Performance targets for month and cumulative will be taken from the Development Plan baseline.
KPI DOM4	Number of properties completed	The number of properties that are deemed complete, i.e., completed the installation stage (Milestone MS DOM7) in month, and total cumulative all months. Performance targets for month and cumulative will be taken from the Development Plan baseline.

REF	DOMESTIC KPI TITLE	DEFINITION
KPI DOM5	Handover and Trustmark Lodgment	Properties with completed handover and have been registered in the Trustmark Data Warehouse, or equivalent, (Milestone MS DOM8) in month, and total cumulative all months. Performance targets for month and cumulative will be taken from the Development Plan baseline.
KPI DOM6	Number of social homes that have reached EPC C	The number of social properties that are deemed complete i.e., completed the handover stage and have been registered in the Trustmark Data Warehouse (MS DOM5), and are deemed to have reached EPC C, in month, and total cumulative all months. Performance targets for month and cumulative will be taken from the Development Plan baseline.
KPI DOM7	Number of private low-income / fuel poor homes that have reached EPC C	The number of private / fuel poor properties that are deemed complete i.e., completed the handover stage and have been registered in the Trustmark Data Warehouse (MS DOM5), and are deemed to have reached EPC C, in month, and total cumulative all months. Performance targets for month and cumulative will be taken from the Development Plan baseline. Performance targets for month and cumulative will be taken from the Development Plan baseline.

Public Sector KPIs

Intentionally left blank.

- (e) Further details of any additional KPIs will set out in each applicable Grant Offer Letter.

SCHEDULE 2 – GRANT APPLICATION

1. Each Grant Application forms an integral part of this Agreement.
2. As each Grant Application, as may be approved by the Funder from time to time, will be made in the future and submitted after the signing of this Agreement, the Parties will use the mechanism of the Grant Offer Letter in Schedule 5 to embed the relevant Grant Application as an Appendix 1 to each such Grant Offer Letter.

SCHEDULE 3 – SCHEME GUIDANCE

1. The Scheme Guidance is published in the Funder’s resource library for the Pilot at <https://www.wmca.org.uk/what-we-do/environment-energy/energy-capital/the-building-retrofit-pilot/>.
2. The form of Development Plan is set out in Appendix 1 to this Schedule 3.
3. The form of Public Buildings Application Form is set out in Appendix 2 to this Schedule 3.
4. The form of Project Change Request is set out in Appendix 3 to this Schedule 3.

APPENDIX 1 - DEVELOPMENT PLAN

The Development Plan is published in the Funder's resource library for the Pilot at <https://www.wmca.org.uk/what-we-do/environment-energy/energy-capital/the-building-retrofit-pilot/>.

APPENDIX 2 – PUBLIC BUILDINGS APPLICATION FORM

The Public Buildings Application Form is published in the Funder's resource library for the Pilot at <https://www.wmca.org.uk/what-we-do/environment-energy/energy-capital/the-building-retrofit-pilot/>.

APPENDIX 3 - PROJECT CHANGE REQUEST

[Insert pro-forma]

SCHEDULE 4 – GRANT PAYMENTS PROCESS

1. INSTALMENT PERIODS

- 1.1 The agreed Instalment Period, in respect of which the Funder will release payment of the Grant to the Grant Recipient during the Grant Period, is:

[Monthly/Quarterly]

1.2 Financial Year 2025-26

INSTALMENT PERIOD	PAYMENT REQUEST DATE
Month or Quarter	
Month or Quarter	
Month or Quarter	
Month or Quarter	
Month or Quarter	
Month or Quarter	
Month or Quarter	
Month or Quarter	
Month or Quarter	
Month or Quarter	

1.3 Financial Year 2026-27

A similar table as in Paragraph 2.1 above to be included in a Grant Offer Letter to suit the Parties.

1.4 Financial Year 2025-26

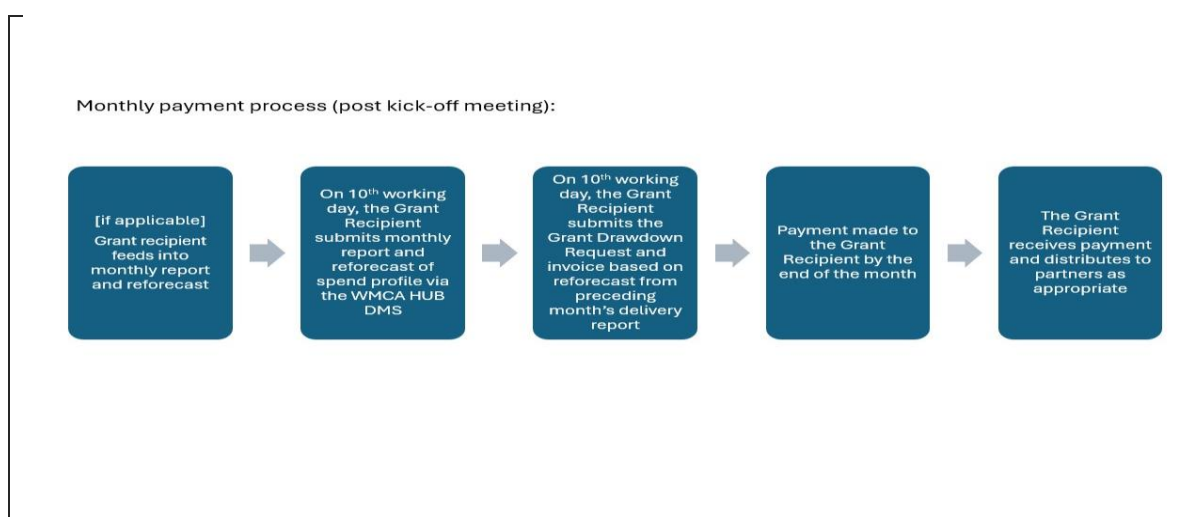
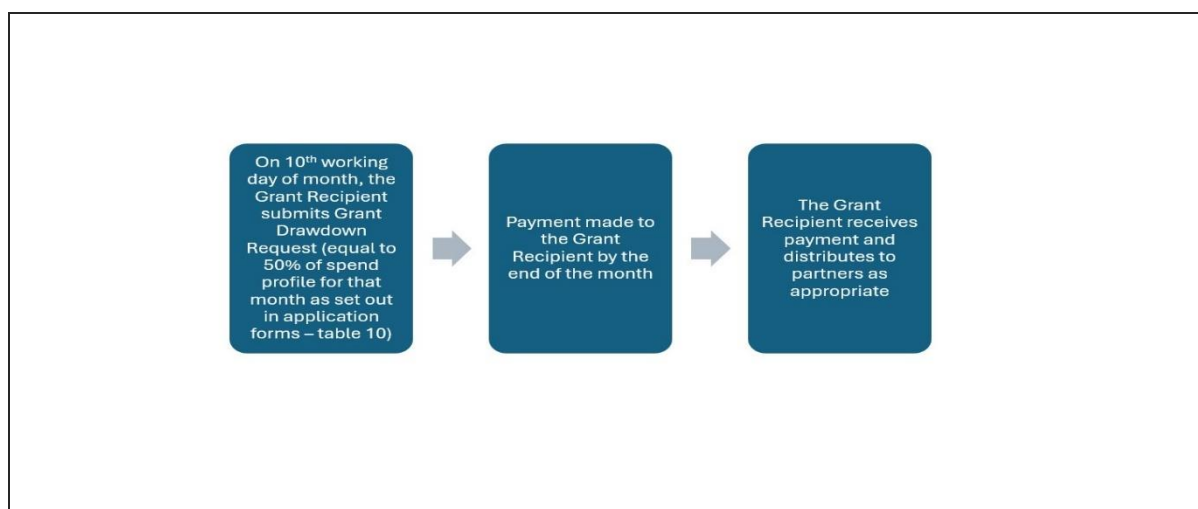
A similar table as in Paragraph 2.1 above to be included in a Grant Offer Letter to suit the Parties.

2. PAYMENT PROCESS

- 2.1 On the tenth (10th) Working Day of each month, the Grant Recipient will be required to:
- (a) submit their Financial Baseline and Forecast Report in accordance with Clause 9, including an up-to-date financial forecast for the Funded Activities. This forecast should be based on previously received payments and their knowledge of spend to date. The forecast should show overall spend and the proportion being requested as Grant funding, recognising that Grant spend should be compliant with the Scheme Guidance and this Agreement; and
 - (b) submit a Grant Claim Form (using the form set out in Appendix 1 to this Schedule 4) for the relevant Instalment Period equal to the amount forecasted in the preceding month's Financial Baseline and Forecast Report. This Grant Claim Form should be

accompanied by an invoice which includes the Purchase Order number, associated evidence and amount being claimed for that Instalment Period.

- 2.2 The Grant Recipient will be paid by the end of each month, following receipt of the Grant Claim Form and invoice.
- 2.3 If the Grant Claim Form and invoice are not submitted by the tenth (10th) Working Day, the Funder cannot guarantee payment by the end of the month and payment would then need to be processed in the following month.
- 2.4 The final payment will be made once all Grant spend has been reconciled and accounted.



3. GRANT FRAMEWORK AGREEMENT AND TRANSACTION DOCUMENTS

- 3.1 Payments will be only made by the Funder after this Agreement and any relevant currently existing Transaction Documents have been signed and delivered between the Parties.
- 3.2 The Grant Recipient must also satisfy the due diligence, financial and organisational checks required by the Funder prior to receiving public funds.

4. ADDITIONAL INFORMATION

- 4.1 The processes set out in this Schedule 4 will be reviewed after eight (8) and eighteen (18) months as a minimum and may be reviewed more frequently if required.
- 4.2 Eligible Expenditure must have been incurred by the Grant Recipient or approved Delivery Suppliers (i.e. paid or invoiced, not solely contracted).

APPENDIX 1 - GRANT CLAIM FORM

The applicable Grant Claim Form for the Grant Recipient will be sent by the Funder direct to the Grant Recipient.

SCHEDULE 5 – GRANT OFFER LETTER

GRANT OFFER LETTER NO. [1/2/3, ETC]

To: [GRANT RECIPIENT_NAME]
Attention: [tbc]
Email: [tbc]
From: WEST MIDLANDS COMBINED AUTHORITY
Date: [tbc] [2025/2026/2027/2028]

1. This Grant Offer Letter No. [1/2/3, etc] (**GOL**) is a Transaction Document for the purposes of the Grant Framework Agreement made between the Parties and dated [tbc]2025 (**Agreement**).
2. Defined terms used in the Agreement have the same meaning when used in this GOL, unless the context otherwise requires.
3. The Funder confirms to the Funder as follows:
 - 3.1 its Grant Application (reference [tbc]) dated [tbc] [2025/2026/2027/2028] has been approved, and a copy of which is included as part of Appendix 1 and is a Transaction Document for the purposes of the Agreement;
 - 3.2 a further tranche of Grant funding in the sum of £[tbc] (in words pounds) (**Tranche**) is now available to the Grant Recipient to be drawn down by way of Grant Claim Form;
 - 3.3 the Maximum Sum for the purpose of Clause 1 of the Agreement is, therefore, amended, updated and/or restated:
 - (a) from £[tbc] (in words pounds); and
 - (b) to £[tbc] (in words pounds).
4. Unless the Funder otherwise agrees in this GOL, this Tranche of Grant must be spent in full during the current Financial Year and any part which is not so spent will become Unspent Monies under the Agreement.
5. [If applicable] [The Parties agree that the currently applicable Outputs, Outcomes, Milestones and KPIs are amended, updated, replaced and/or restated in a consolidated single place as set out in Appendix 2.]
6. The same dispute resolution and governing law and jurisdiction provisions contained in Clauses 35 and 36 of the Agreement are incorporated by reference into this GOL as if they

were set out expressly in this document. Each reference to "this Agreement" means a reference to "this GOL".

Please can you acknowledge safe receipt of this GOL and confirm you accept its terms and conditions.

IN WITNESS of which the Parties have executed this GOL as a deed and delivered it on the date written at the top of this document.

APPENDIX 1 – GRANT APPLICATION

An electronic copy of the relevant Grant Application, the subject of the award of this Grant payment, is embedded into this GOL below.

[Insert PDF copy]

APPENDIX 2 – OUTPUTS, OUTCOMES, MILESTONES AND KPIS

[This page is to be used to amend, update, replace and/or restate in a consolidated single place all the currently applicable Outputs, Outcomes, Milestones and KPis.]

1. OUTPUTS

[Tbc]

2. OUTCOMES

[Tbc]

3. MILESTONES

[Tbc]

4. KPIS

[Tbc]

EXECUTION PAGE TO GRANT OFFER LETTER NO. [1/2/3, ETC]

EXECUTED as a DEED

By affixing of the COMMON SEAL of
WEST MIDLANDS COMBINED AUTHORITY
In the presence of:

Authorised Signatory

ACKNOWLEDGED AND ACCEPTED

We acknowledge receipt of this GOL and confirm we accept its terms and conditions.

[IF LOCAL AUTHORITY]

EXECUTED as a DEED

By affixing of the COMMON SEAL of
**[BIRMINGHAM CITY COUNCIL
CITY OF WOLVERHAMPTON COUNCIL
THE COUNCIL OF THE CITY OF COVENTRY
DUDLEY METROPOLITAN BOROUGH
COUNCIL
SANDWELL METROPOLITAN BOROUGH
COUNCIL
SOLIHULL METROPOLITAN BOROUGH
COUNCIL
WALSALL METROPOLITAN BOROUGH
COUNCIL]**

In the presence of:

Authorised Signatory

[IF NOT LOCAL AUTHORITY]

EXECUTED as a **DEED**

By **GRANT RECIPIENT_NAME**

Acting by two authorised signatories:

Authorised Signatory

Authorised Signatory

SCHEDULE 6 – ADMINISTRATIVE CONTACT AND BANK DETAILS

1. CONTACT DETAILS

1.1 Funder

Reference	Devolved Buildings' Retrofit Pilot
Organisation	WMCA
Name of Contact	Rob Johnson
Position in Organisation	Head of Delivery – Buildings' Retrofit, Strategy, Economy & Net Zero
Email	rob.johnson@wmca.org.uk
Telephone	07825 357076
Postal Address	16 Summer Lane, Birmingham, B19 3SD

1.2 Grant Recipient

Reference	Devolved Buildings' Retrofit Pilot
Organisation	
Name of Contact	
Position in Organisation	
Email	
Telephone	
Postal Address	

2. BANK DETAILS

Bank / Building Society Name	
Branch Name	
Branch Address	
Account Name	

Account Number	
Bank Sort Code	
Account Type	
Building Society Roll Number	
Address For Remittance Advice (If Different From Postal Address Above)	
Email Address For Remittance Advice	
Send By Email Only	Yes or No

SCHEDULE 7 – GOVERNANCE AND SCHEME OF DELEGATED AUTHORITIES

1. As this Agreement is in the form of an umbrella framework for one or more Grant Applications to be made during the Grant Period and, if approved, for various payments of Grant to be paid by the Funder to the Grant Recipient throughout the Grant Period, the terms of this Agreement will require various Transaction Documents to be signed and delivered by one Party to the other after the Commencement Date.
2. In order to expedite the efficient operation of this Agreement and the signing and delivery of each Transaction Document, each Party agrees to the following scheme of delegated authorities in relation to their Representatives:

[The table below is to be reviewed and updated or made “Intentionally Left Blank”]

ACTION	NAME OR ROLE	FINANCIAL AMOUNT	AUTHORITY
Grant Recipient to sign Grant Application			Singly or Joint
Funder to sign Grant Offer Letter			Singly or Joint
Grant Recipient to sign Grant Claim Form			Singly or Joint
[Other to be added if relevant]			Singly or Joint

SCHEDULE 8 –INTEGRATED SETTLEMENT FUNDING CONDITIONS

An electronic copy of the Integrated Settlement Funding Conditions is embedded into and forms an integral part of this Agreement. The Integrated Settlement Funding Conditions are published on the Gov.UK website at the following location (or such other replacement page from time to time):

<https://www.gov.uk/government/collections/integrated-settlements-for-mayoral-combined-authorities>.

SCHEDULE 9 –SUBSIDY CONTROL

1. The Grant Recipient will ensure that delivery of the Funded Activities does not put the Funder or the Grant Recipient in breach of the UK’s domestic obligations under the Subsidy Control Act or its international obligations in respect of subsidies.
2. The Grant Recipient will maintain appropriate records of compliance with the relevant subsidy control regime and will take all reasonable steps to assist the Funder to comply with the same and respond to any proceedings or investigation(s) into the Funded Activities by any relevant court or tribunal of relevant jurisdiction or regulatory body.
3. The Grant Recipient acknowledges and represents that the Grant is being awarded on the basis that the Funded Activities being undertaken using the Grant does 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.
4. The Grant Recipient acknowledges and accepts that the Grant is awarded on the basis that the Funded Activities being undertaken using the Grant is, and will remain, non-economic activities. The Grant Recipient shall ensure that measures are taken (where necessary), and maintained, to ensure that the Grant is not used to cross-subsidise any economic activity.
5. See also Appendix 6 in the Scheme Guidance. There may be some uses of the Grant which require a different pathway under the Subsidy Control Laws, for example, treating part of the Grant as a subsidy but with an applicable exemption applying, such as under minimal financial assistance.

SCHEDULE 10 – DATA SHARING AGREEMENT

BACKGROUND

- (A) This Data Sharing Agreement sets out the data sharing arrangements between the Funder and the Grant Recipient in relation to the Buildings' Retrofit Pilot. The primary purpose of the Pilot is to decarbonise and improve the energy performance of homes and public sector buildings.
- (B) Each Party requires the ability to share data in order to support residents, tenants, owners and landlords to improve the energy efficiency of their homes and public sector buildings and for the Parties to deliver respectively the Funded Activities and the Pilot.
- (C) Each Party agrees to share Personal Data with each other on the terms set out in this Data Sharing Agreement.
- (D) The recipient of the Personal Data agrees to use the Personal Data within the UK on the terms set out in this Data Sharing Agreement.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

- 1.1 In addition to the definitions in Clause 1.1 of the Agreement, the following definitions and rules of interpretation apply in this Data Sharing Agreement:

Agreed Purpose: has the meaning given to it in Paragraph 2 of this Data Sharing Agreement.

Commencement Date: as in Clause 1.1 of the Agreement.

Criminal Offence Data: means Personal Data relating to criminal convictions and offences or related security measures to be read in accordance with section 11(2) of the DPA 2018 (or other applicable Data Protection Legislation).

Data Discloser: the Party disclosing the Shared Personal Data to the Data Receiver under this Data Sharing Agreement.

Data Protection Legislation: as in Clause 1.1 of the Agreement.

Data Receiver: the Party receiving the Shared Personal Data under this Data Sharing Agreement.

Data Sharing Agreement: this Schedule 10 of the Agreement.

DESNZ: the Government's Department for Energy Security and Net Zero.

Energy Efficiency installation Checker: means a digital tool where approved users who meet the applicable user access policy can access relevant information about where energy efficiency and low carbon heat measures have been installed in properties. This data is stored within a secure data storage system hosted by DESNZ. Also referred to as the **Checker**.

Personal Data Breach: a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to the Shared Personal Data.

Privacy Notice: a privacy notice in substantially the form set out in Appendix 2.

Retrofit Data: the types of data relating specifically to the Buildings' Retrofit Pilot as more particularly listed and described in Paragraph 5 and Appendix 1 of this Data Sharing Agreement and some of which data may also constitute Personal Data.

Shared Personal Data: the Personal Data and Special Categories of Personal Data to be shared between the Parties under Paragraph 4 of this Data Sharing Agreement.

Special Categories of Personal Data: the categories of Personal Data set out in the Data Protection Legislation.

SPOC: has the meaning set out in Paragraph 2.7 of this Data Sharing Agreement.

Subject Rights Request: the exercise by a Data Subject of their rights under the Data Protection Legislation.

UK GDPR: as in Clause 1.1 of the Agreement.

Working Day: as in Clause 1.1 of the Agreement.

1.2 **Controller, Processor, Information Commissioner, Data Subject and Personal Data, Processing and Appropriate Technical and Organisational Measures** shall have the meanings given to them in the Data Protection Legislation.

1.3 As in Clauses 1.2 to 1.10 of the Agreement.

2. PURPOSE

2.1 This Data Sharing Agreement sets out the framework for the sharing of Personal Data when one Controller discloses Personal Data to another Controller. It defines the principles and procedures that the Parties shall adhere to and the responsibilities the Parties owe to each other.

2.2 The Grant Recipient will, as necessary, disclose Personal Data to the Funder as part of its data reporting requirements, as set out in this Data Sharing Agreement.

2.3 The primary purposes for sharing and Processing this Personal Data are to:

- (a) ensure the correct eligibility criteria are met;
- (b) enable residents, tenants, owners and landlords to participate in the Pilot;
- (c) administer and manage the Pilot;
- (d) enable the Parties to fulfil their contractual obligations to provide services to the residents, tenants, owners and landlords under the Pilot;
- (e) monitor and evaluate the Pilot and any associated home and building energy or carbon reduction policies, where applicable;

- (f) develop the Funder's policy; and
 - (g) enable the Funder to report to any applicable Government department or other applicable reporting authority.
- 2.4 The Funder also reserves the right to process Personal Data for the prevention of fraud.
- 2.5 Where the Funder uses all or some of the Personal Data for research, evaluation, and statistical purposes, this may be linked with data from other sources held by the Funder and/or the Government.
- 2.6 The research, evaluation, and statistical purposes expected to be undertaken using Retrofit Data may include, but are not limited to:
- (a) analysing whether the presence of measures installed under the Pilot has led to a significant change in the household's or public sector building's energy consumption. This may be done by linking such Retrofit Data to other databases;
 - (b) linking and/or comparing the data to other datasets of the Funder and/or the Government administered energy efficiency programmes, to enable the Funder to assess the following:
 - (i) progress against fuel poverty targets;
 - (ii) insulation levels across housing stock within the Funder's region, and impact on remaining potential for cavity wall, solid wall, and loft insulation; and
 - (iii) the characteristics of the property (e.g., location, property type, and tenure) to inform future policy making;
 - (c) maintaining a central database of property/building characteristics, household characteristics, energy consumption and/or Energy Performance Certificates (EPCs); and
 - (d) contacting named individuals to seek their informed consent to participate in the evaluation of the Pilot.
- 2.7 Each Party shall appoint a single point of contact (**SPOC**) who will work together to reach an agreement with regards to any issues arising from the is sharing and to actively improve the effectiveness of this Data Sharing Agreement. The points of contact for each of the Parties are:
- (a) ROB JOHNSON, the Funder; and
 - (b) [NAME], the Grant Recipient.

3. FURTHER USE AND ONWARD DISCLOSURE

- 3.1 The Funder will share Retrofit Data with:
- (a) the Government; and

- (b) third-party research partners to enable independent assessment of whether the Pilot is achieving its stated objectives.

3.2 The Funder and its third-party research partners will have a contract or sharing agreement in place to support further sharing of the data, and all such parties will be subject to UK GDPR compliance.

4. COMPLIANCE WITH NATIONAL DATA PROTECTION LAWS

4.1 Each Party must ensure compliance with applicable Data Protection Legislation at all times during the Grant Period.

4.2 Each Party has such valid registrations and has paid such fees as are required by the Information Commissioner which, by the Commencement Date, covers the intended data sharing pursuant to this Data Sharing Agreement, unless an exemption applies. The details are as follows:

- (a) the Grant Recipient, registration number [tbc]; and
- (b) the Funder, registration number: Z5897556.

5. SHARED PERSONAL DATA

5.1 The Grant Recipient agrees to share with the Funder as part of its monthly reporting under Clause 9 of the Agreement the following types of Retrofit Data including, but not limited to:

- (a) information about properties treated including, but not limited to:
 - (i) Unique Property Reference Number (**UPRN**);
 - (ii) address;
 - (iii) date of installation;
 - (iv) building characteristics;
 - (v) details of the energy efficiency measure, or low carbon heating system installed, including type, size, cost and month of completed installation, the energy efficiency measure, or low carbon heating system installed, including type, size, cost and month of completed; and
 - (vi) energy meter reference numbers;
- (b) contact details, of participating households, including name and address, telephone and email address;
- (c) date of birth of principal Buildings' Retrofit recipient;
- (d) eligibility status of recipient;
- (e) details of family and other household members;
- (f) financial details, including information related to the financial affairs of the Data Subject, including income, salary and pension information;

- (g) confirmation of household receipt of privacy notice, enabling the Funder, the Government, and third-party research contractors to contact for the purposes of research and evaluation;
 - (h) details of funding used to support installations;
 - (i) the types of measures planned or delivered, and when they were delivered;
 - (j) pre and post installation assessments of properties treated, as well as TrustMark certificates for completed properties. Including pre and post installation property SAP or RdSAP assessment scores; and
 - (k) contract details of installers, including name and address, telephone and email address, and details about any relevant accreditation, such as TMLNs.
- 5.2 The list of data to be shared in Paragraph 5.1 is not an exhaustive list of the Personal Data which will be loaded into the Energy Efficiency installation Checker, and additional fields from the Retrofit Data may be loaded into the Energy Efficiency Installation Checker if this information is relevant and proportionate to tackling fraud and error risk.
- 5.3 No Special Categories of Personal Data nor Criminal Offence Data will be shared between the Parties.
- 5.4 Each Party confirms that the data being shared under this Data Sharing Agreement is the minimum amount of Personal Data that is necessary to achieve the purposes for which it is being shared, as outlined by Article 5(1)(c) of UK GDPR.

6. DATA ACCURACY

- 6.1 The Grant Recipient agrees to carrying out a series of quality assurance checks on the data it generates. These include:
- (a) checking the eligibility of installers;
 - (b) for the relevant outputs, checking households meet eligibility requirements of individual schemes under the Pilot;
 - (c) checking for data completeness to ensure that all mandatory data fields are completed in any Retrofit Data sent to the Funder;
 - (d) carrying out data validation checks, such as, checking field formats (e.g., a date field is in a date format) or that an entry is valid (e.g., a postcode is alphanumeric), before sending any Retrofit Data to the Funder;
- 6.2 If, after Personal Data has been passed from the Grant Recipient to the Funder, or from the Funder to the Grant Recipient, either Party identifies an error in that information, the following process should be undertaken to correct the error within five working days:
- (a) alert the other Party to the error;
 - (b) take reasonable steps to clarify and correct the error with the relevant installer or delivery partner; and

- (c) promptly notify the other Party of any correction to the data required.

7. LAWFUL, FAIR AND TRANSPARENT PROCESSING

- 7.1 Personal Data collected as part of the Pilot and shared between the Parties of this Data Sharing Agreement, is processed on the legal basis of public task, as defined by Article 6(1)(e) of UK GDPR. It is necessary for the performance of a task carried out in the public interest.
- 7.2 Each Party shall ensure that it processes the Shared Personal Data fairly and lawfully in accordance with this Data Sharing Agreement.
- 7.3 The Grant Recipient shall, in respect of Shared Personal Data, ensure that it provides clear and sufficient information to the Data Subjects, in accordance with the Data Protection Legislation, of the purposes for which it will process their Personal Data, the legal basis for such purposes and such other information as is required by the Data Protection Legislation.
- 7.4 The Grant Recipient shall ensure that the Privacy Notice of the Funder and DESNZ is provided to Data Subjects.
- 7.5 For the purposes of this Paragraph 7, each Party will publish on one or more suitable communication channels a Privacy Notice.

8. DATA CONTROLLER RELATIONSHIP

- 8.1 Each Party is an independent Data Controller for the data that is shared under this Data Sharing Agreement.
- 8.2 The Funder becomes an independent Data Controller on receipt of any Personal Data shared by the Grant Recipient.

9. DATA SUBJECTS' RIGHTS

- 9.1 The Parties each agree to provide such assistance as is reasonably required to enable the other Party to comply with Subject Rights Requests within the time limits imposed by the Data Protection Legislation.
- 9.2 The SPOC for each Party is responsible for maintaining a record of Subject Rights Requests, the decisions made and any information that was exchanged. Records must include copies of the request for information, details of the data accessed and shared and where relevant, notes of any meeting, correspondence or phone calls relating to the request. The SPOC for each Party are detailed in Paragraph 2.4.

10. DATA RETENTION AND DELETION

- 10.1 The Funder will retain Personal Data included within Retrofit Data shared under this Data Sharing Agreement for up to seven (7) years after the end of the Grant Period or, if later, the end of the Funder's delivery of Pilot-funded installations, for the purposes outlined above.
- 10.2 Notwithstanding Paragraph 10.1, the Parties shall continue to retain Shared Personal Data in accordance with any statutory or professional retention periods applicable in their industry.

- 10.3 To achieve the purposes outlined under Principle 2 – Purpose Limitation of the Data Protection Legislation, the use of anonymised or pseudonymised data will be considered as the primary form of data sharing with parties outside of this Data Sharing Agreement. Only where the required purpose cannot be achieved using anonymised or pseudonymised data will identifiable Personal Data be shared.
- 10.4 Each Party will destroy or delete all Personal Data at the end of the relevant retention periods using a process that is in line with their data destruction processes.

11. TRANSFERS

- 11.1 For the purposes of this Paragraph 11, transfers of Personal Data shall mean any sharing of Personal Data by the Data Receiver with a third party, and shall include, but is not limited to, the following:
- (a) subcontracting the Processing of Shared Personal Data; and
 - (b) granting a third party Controller access to the Shared Personal Data.
- 11.2 If the Data Receiver appoints a third party Processor to process the Shared Personal Data, it shall comply with the relevant provisions of the Data Protection Legislation and shall remain liable to the Data Discloser for the acts and/or omissions of the Processor.
- 11.3 Neither Party shall disclose or transfer Shared Personal Data outside the UK.

12. SECURITY AND TRAINING

- 12.1 The Parties undertake to have in place throughout the Grant Period Appropriate Technical and Organisational Measures to:
- (a) prevent:
 - (i) unauthorised or unlawful Processing of the Shared Personal Data; and
 - (ii) the accidental loss or destruction of, or damage to, the Shared Personal Data
 - (b) ensure a level of security appropriate to:
 - (i) the harm that might result from such unauthorised or unlawful Processing or accidental loss, destruction or damage; and
 - (ii) the nature of the Shared Personal Data to be protected; and
 - (c) maintain the ability to restore the availability and access to Personal Data in a timely manner in the event of a physical or technical incident.
- 12.2 Each Party shall keep its respective Appropriate Technical and Organisational Measures under review and shall carry out such updates as are appropriate throughout the Grant Period.
- 12.3 Each Party shall ensure that its staff members are appropriately trained to handle and process the Shared Personal Data in accordance with the Appropriate Technical and Organisational Measures referred to above, together with any other applicable Data Protection Legislation

and guidance and have entered into confidentiality agreements relating to the Processing of Personal Data.

13. PERSONAL DATA BREACHES AND REPORTING PROCEDURES

- 13.1 Each Party shall comply with its obligation to report a Personal Data Breach to the Information Commissioner and (where applicable) Data Subjects under the Data Protection Legislation and shall each inform the other Party of any Personal Data Breach irrespective of whether there is a requirement to notify the Information Commissioner or Data Subject(s).
- 13.2 Each Party agrees to provide reasonable assistance as is necessary to the other Party to facilitate the handling of any Personal Data Breach in an expeditious and compliant manner.

14. FREEDOM OF INFORMATION

As set out in Clause 16 of the Agreement.

15. REVIEW AND TERMINATION OF AGREEMENT

- 15.1 The Parties shall review the effectiveness of this Data Sharing Agreement every twelve (12) months, having consideration to the aims and purposes set out in Paragraph 2.2 and Paragraph 2.3. The Parties shall continue, amend or terminate the Data Sharing Agreement depending on the outcome of this review.
- 15.2 Each Party reserves its rights to inspect the other Party's arrangements for the Processing of Shared Personal Data and to terminate this Data Sharing Agreement where it considers that the other Party is not Processing the Shared Personal Data in accordance with this Data Sharing Agreement.

16. RESOLUTION OF DISPUTES WITH DATA SUBJECTS OR INFORMATION COMMISSIONER

- 16.1 In the event of a dispute or claim brought by a Data Subject or the Information Commissioner concerning the Processing of Shared Personal Data against either or both Parties, the Parties will inform each other about any such disputes or claims, and will cooperate with a view to settling them amicably in a timely fashion.
- 16.2 The Parties agree to respond to any generally available non-binding mediation procedure initiated by a Data Subject or by the Information Commissioner. If they do participate in the proceedings, the Parties may elect to do so remotely (such as by telephone or other electronic means). The Parties also agree to consider participating in any other arbitration, mediation or other dispute resolution proceedings developed for data protection disputes.

17. WARRANTIES

- 17.1 Each Party warrants and undertakes that it will:
 - (a) process the Shared Personal Data in compliance with all applicable laws, enactments, regulations, orders, standards and other similar instruments that apply to its Personal Data Processing operations;

- (b) make available on request to the Data Subjects who are third party beneficiaries a copy of this Data Sharing Agreement, unless the Data Sharing Agreement contains Confidential Information;
 - (c) respond within a reasonable time and as far as reasonably possible to enquiries from the Information Commissioner in relation to the Shared Personal Data.
 - (d) respond to Subject Rights Requests in accordance with the Data Protection Legislation;
 - (e) where applicable, maintain registration with the Information Commissioner to process all Shared Personal Data for the Agreed Purpose;
 - (f) take all appropriate steps to ensure compliance with the security measures set out in Paragraph 10 above;
 - (g) it is entitled to provide the Shared Personal Data to the Data Receiver and it will ensure that the Shared Personal Data is accurate and
 - (h) not disclose or transfer Shared Personal Data outside the UK.
- 17.2 Except as expressly stated in this Data Sharing Agreement, all warranties, conditions and terms, whether express or implied by statute, common law or otherwise are hereby excluded to the extent permitted by law.

18. INDEMNITY

- 18.1 Each Party undertakes to indemnify each other and hold each other harmless from any cost, charge, damages, expense or loss which they cause each other as a result of their breach of any of the provisions of this Data Sharing Agreement, except to the extent that any such liability is excluded under Paragraph 17.2.
- 18.2 Indemnification under this Data Sharing Agreement is contingent upon:
- (a) the Party to be indemnified (**indemnified Party**) promptly notifying the other Party (**indemnifying Party**) of a claim;
 - (b) the indemnifying Party having sole control of the defence and settlement of any such claim; and
 - (c) the indemnified Party providing reasonable co-operation and assistance to the indemnifying Party in defence of such claim.

19. LIMITATION OF LIABILITY

- 19.1 In respect of this Data Sharing Agreement, neither Party excludes or limits liability to the other Party for:
- (a) fraud or fraudulent misrepresentation;
 - (b) death or personal injury caused by negligence;

- (c) a breach of any obligations implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or
 - (d) any matter for which it would be unlawful for the Parties to exclude liability.
- 19.2 Subject to Paragraph 19.1, neither Party shall in any circumstances be liable whether in contract, tort (including for negligence and breach of statutory duty howsoever arising), misrepresentation (whether innocent or negligent), restitution or otherwise, for:
 - (a) any loss (whether direct or indirect) of profits, business, business opportunities, revenue, turnover, reputation or goodwill;
 - (b) loss (whether direct or indirect) of anticipated savings or wasted expenditure (including management time); or
 - (c) any loss or liability (whether direct or indirect) under or in relation to any other contract.
- 19.3 Paragraph 19.2 shall not prevent claims, for:
 - (a) direct financial loss that are not excluded under any of the categories set out in Paragraph 19.2.1; or
 - (b) tangible property or physical damage.

20. THIRD PARTY RIGHTS

No one other than a Party to this Data Sharing Agreement shall have any right to enforce any of its terms.

21. VARIATION

No variation of this Data Sharing Agreement shall be effective unless it is in writing and signed by the Parties (or their Representatives).

22. WAIVER

As set out in Clause 33 of the Agreement.

23. SEVERANCE

- 23.1 If any provision or part-provision of this Data Sharing Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this Data Sharing Agreement.
- 23.2 If any provision or part-provision of this Data Sharing Agreement is deemed deleted under Paragraph 23.1, the Parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the intended commercial result of the original provision.

24. CHANGES TO APPLICABLE LAW

If, during the Grant Period, the Data Protection Legislation changes in a way that the Data Sharing Agreement is no longer adequate for the purpose of governing lawful data sharing exercises, the Parties agree that they will negotiate in good faith to review the Data Sharing Agreement in the light of the new legislation.

25. NO PARTNERSHIP OR AGENCY

25.1 Nothing in this Data Sharing Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the Parties, constitute any Party the agent of another Party, or authorise any Party to make or enter into any commitments for or on behalf of any other Party.

25.2 Each Party confirms it is acting on its own behalf and not for the benefit of any other person.

26. ENTIRE AGREEMENT

26.1 This Data Sharing Agreement constitutes the entire agreement between the Parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

26.2 Each Party acknowledges that, in entering into this Data Sharing Agreement, it does not rely on, and shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Data Sharing Agreement.

26.3 Each Party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misrepresentation based on any statement in this Data Sharing Agreement.

27. FORCE MAJEURE

27.1 Neither Party shall be in breach of this Data Sharing Agreement nor liable for delay in performing, or failure to perform, any of its obligations under this Data Sharing Agreement if such delay or failure result from events, circumstances or causes beyond its reasonable control. In such circumstances the affected Party shall be entitled to a reasonable extension of the time for performing such obligations.

27.2 If the period of delay or non-performance continues for four weeks, the Party not affected may terminate this Data Sharing Agreement by giving seven (7) Working Days' written notice to the affected Party.

28. NOTICES

As set out in Clause 34 of the Agreement.

29. DISPUTE RESOLUTION

As set out in Clause 35 of the Agreement.

30. GOVERNING LAW AND JURISDICTION

As set out in Clause 36 of the Agreement.

APPENDIX 1 - SUMMARY OF PROCESSING

DESCRIPTION	DESCRIPTION
Subject matter of the Processing	The Processing relates to the delivery of Pilot.
Duration of the Processing	<p>Processing will commence on and from the date on which this Agreement is signed by and on behalf of both Parties.</p> <p>Personal Data will be retained for a maximum seven (7) years after expiry of the Grant Period or completion of Pilot-funded installations.</p> <p>For the prevention and detection of fraud, error and non-compliance, some Personal Data, including but not limited to, property address and associated measures, will be stored for a maximum of twenty-five (25) years.</p> <p>Individual records may be retained beyond this if they relate to ongoing actions such as prosecutions, appeals or debt recovery.</p>
Nature and purposes of the Processing	<p>The Grant Recipient will ensure that Personal Data relating to delivery of the Funded Activities and the Pilot is shared with the Funder.</p> <p>The Funder will process the Personal Data, including matching it with other datasets and onward sharing with the Government, to effectively manage and review the use of public funds and to support further research, evaluation, and statistical reporting.</p>
Type of Personal Data that will be processed	<p>The Grant Recipient will collect and share with the Funder Personal Data, including but not limited to:</p> <ul style="list-style-type: none"> • address of properties (including UPRN, property characteristics) receiving installations, and details about the installation including type, size, cost, measure install date and installer details; • TrustMark and MCS and similar accreditation bodies installation certificate number and associated details such as lodgement date; • company name of installers; • if relevant, the amount of funding the household contributed towards installations; • installer accreditation and registration information, including TrustMark and MCS license numbers, and Companies House Company Registration Numbers;

DESCRIPTION	DESCRIPTION
	<ul style="list-style-type: none"> • information of the property such as Energy Performance Certificate; and • pre- and post-installation property SAP or RdSAP assessments with scores.
Categories of Data Subject	<ul style="list-style-type: none"> • The Grant Recipient's Delivery Suppliers. • Installers. • Third parties providing Third Party Funding. • Third parties involved in the Buildings' Retrofit supply chain.
Special Categories of Personal Data	Neither Special Categories of Personal Data nor Criminal Offence Data (Article 10 of the UK GDPR) will be shared under this Data Sharing Agreement.

APPENDIX 2 - PRIVACY NOTICE

[To be inserted]

EXECUTION PAGE

EXECUTED as a **DEED**

By affixing of the COMMON SEAL of
WEST MIDLANDS COMBINED AUTHORITY
In the presence of:

Authorised Signatory

[IF LOCAL AUTHORITY]

EXECUTED as a **DEED**

By affixing of the COMMON SEAL of
[BIRMINGHAM CITY COUNCIL
CITY OF WOLVERHAMPTON COUNCIL
THE COUNCIL OF THE CITY OF COVENTRY
DUDLEY METROPOLITAN BOROUGH
COUNCIL
SANDWELL METROPOLITAN BOROUGH
COUNCIL
SOLIHULL METROPOLITAN BOROUGH
COUNCIL
WALSALL METROPOLITAN BOROUGH
COUNCIL]
In the presence of:

Authorised Signatory

[IF NOT LOCAL AUTHORITY]

EXECUTED as a **DEED**

By **GRANT RECIPIENT_NAME**

Acting by two authorised signatories:

Authorised Signatory

Authorised Signatory