

THE SECRETARY OF STATE FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS

and

NORTHUMBERLAND NATIONAL PARK AUTHORITY

**GRANT FUNDING AGREEMENT
TO CARRY OUT STATUTORY OBLIGATIONS RELATING TO
NATIONAL PARKS**

ecm_64606, GRANT: National Parks Funding FY2022-23 (Northumberland)

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This Grant Funding Agreement is made on 1 April 2022.

Between:

- (1) **THE SECRETARY OF STATE FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS** of Seacole Building, 2 Marsham Street, Defra, SW1P 4DF (the “**Authority**”); and
- (2) **NORTHUMBERLAND NATIONAL PARK AUTHORITY** established under the Environment Act 1995 whose principal address is at Eastburn, South Park, Hexham, Northumberland NE46 1BS (the “**Grant Recipient**”).

BACKGROUND

- (A) The Grant is made pursuant to section 72 of the Environment Act 1995, as amended.
- (B) The Authority will provide the Grant to the Grant Recipient as provided for in this Grant Funding Agreement.
- (C) The Grant Recipient will use the Grant for the Funded Activities.

NOW IT IS HEREBY AGREED as follows:

1. INTRODUCTION

- 1.1. The Authority and the Grant Recipient have agreed that any existing grant agreement and any previous grant agreement which operates / operated during the Funding Period will cease to have effect and shall be replaced by this Grant Funding Agreement.
- 1.2. This Grant Funding Agreement sets out the conditions which apply to the Grant Recipient receiving the Grant from the Authority up to the Maximum Sum.
- 1.3. The Authority and the Grant Recipient have agreed that the Authority will provide the Grant up to the Maximum Sum as long as the Grant Recipient uses the Grant in accordance with this Grant Funding Agreement.
- 1.4. The Parties confirm that it is their intention to be legally bound by this Grant Funding Agreement.

2. DEFINITIONS AND INTERPRETATION

- 2.1. Where they appear in this Grant Funding Agreement (and unless the context otherwise requires):

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

Asset means any assets that are to be purchased or developed using the Grant including equipment or any other assets which may be a Fixed Asset as appropriate in the relevant context, and **Assets** will be construed accordingly;

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

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

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

Business Plan means the Grant Recipient's business plan published in respect of each Financial Year;

Business Plan Commitments has the meaning given in paragraph 4.3;

Commencement Date means 1 April 2022 when the Funding Period commences;

Condition means any condition that applies to the Grant Recipient receiving the Grant from the Authority pursuant to this Grant Funding Agreement;

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

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

Confidential Information shall not include information which:

- (a) was public knowledge at the time of disclosure (otherwise than by breach of paragraph 11 of these Conditions);
- (b) was in the possession of the receiving Party, without restriction as to its disclosure, before receiving it from the disclosing Party;
- (c) is received from a Third Party (who lawfully acquired it) without restriction as to its disclosure; or
- (d) is independently developed without access to the Confidential Information;

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

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

Core Grant means the Grant in that Financial Year but excluding any FiPL Funding related to that Financial Year;

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Core Grant Sum Payable for a given Instalment Period means the percentage of the Core Grant as set out in Annex 3 against that Instalment Period;

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

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

Data Protection Legislation means (i) the UK GDPR, and any applicable national implementing Laws as amended from time to time (ii) the DPA 2018 to the extent that it relates to the processing of Personal Data and privacy (iii) all applicable Law about the processing of Personal Data and privacy;

DPA 2018 means the Data Protection Act 2018;

Eligible Expenditure means the payments made by the Grant Recipient during the Funding Period for the purposes of delivering the Funded Activities which comply in all respects with the eligibility rules set out in paragraph 5 of these Conditions, and, in respect of the FiPL Funding only, the additional requirements set out in the FiPL National Framework;

EIR means the Environmental Information Regulations 2004;

Event of Default means an event or circumstance as defined by paragraph 24.3 of these Conditions;

Financial Year means from 1 April to 31 March;

FiPL Activities means the award, administration and monitoring of grants to FiPL Applicants in order to achieve the outcomes of the Farming in Protected Landscapes programme, as set out in the FiPL National Framework;

FiPL Applicants means those eligible to apply for grant funding provided through the FiPL Funding, as set out in the FiPL National Framework;

FiPL Funding means the sum or sums the Authority will make available to the Grant Recipient in accordance with this Grant Funding Agreement, not to exceed the amount listed in the FiPL Funding Letter, and unless expressly stated otherwise, always subject to paragraphs 4 and 24 of the Conditions of this Grant Funding Agreement;

FiPL Funding Letter means the letter the Authority issued to the Grant Recipient dated 24 March 2022, a copy of which is set out in Annex 7 (or where FiPL Funding is provided in a subsequent Financial Year the FiPL Funding Letter in respect of that Financial Year);

FiPL Grant Claim Form means the form set out in Annex 8 to this Grant Funding Agreement;

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FiPL National Framework means the Farming in Protected Landscapes guidance documentation, including annexes and templates, as provided to the Grant Recipient by the Authority;

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

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

Funded Activities means the activities set out in Annex 2 of these Conditions, and in respect of the FiPL Funding only, the FiPL Activities;

Funding Period means the period for which the Grant is awarded starting on the Commencement Date and ending on 31 March 2023 or such later date that may apply in accordance with paragraphs 3.4 or 3.5;

Grant means the sum or sums the Authority will pay to the Grant Recipient in accordance with paragraph 4 of these Conditions and subject to the provisions set out at paragraph 24.

Grant Claim means the payment request submitted by the Grant Recipient to the Authority for payment of the Grant. The Grant Claim shall be submitted by the Grant Recipient in the form set out in Annex 4 of these Conditions in respect of Core Grant and in the form set out in Annex 8 of these Conditions in respect of FiPL Funding;

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

Grant Funding Letter means the letter the Authority issued to the Grant Recipient dated 31 March 2022, a copy of which is set out in Annex 1 (or where Grant Funding is provided in a subsequent Financial Year the Grant Funding Letter in respect of that Financial Year);

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

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

Ineligible Expenditure means expenditure which is not Eligible Expenditure and as set out in paragraph 5 of these Conditions;

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

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

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

Instalment Period means the intervals set out in Annex 3 when the Authority will release payment of the Core Grant to the Grant Recipient during the Funding Period;

Law means any law, statute, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, right within the meaning of Section 4(1) EU Withdrawal Act 2018 as amended by EU (Withdrawal Agreement) Act 2020, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Grant Recipient is bound to comply;

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

Management Plan means the management plan the Grant Recipient is required to maintain pursuant to Section 66 of the Environment Act 1995;

Maximum Sum means the maximum amount of the Grant the Authority will provide to the Grant Recipient for the Funded Activities subject to paragraph 24;

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

Payment Schedule means the payment schedule set out in Annex 3;

Personal Data has the meaning given to it in the UK GDPR;

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

Prohibited Act means:

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

Quarterly Report means the report submitted by the Grant Recipient to the Authority in accordance with the provisions of paragraph 4.8.1 of these Conditions;

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Quarterly Review Update means the report submitted by the Grant Recipient to the Authority in accordance with the provisions of paragraph 4.8.2 of these Conditions using the template in Annex 2A;

Remedial Action Plan means the plan of action submitted by the Grant Recipient to the Authority following an Event of Default pursuant to the Remedial Action Plan process set out in paragraphs 24.5 to 24.12;

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

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

Subsidy Control Rules means (i) the law embodied in Articles 107-109 of section 2, Title VII of the Common Rules on Competition, Taxation and Approximation of Laws – Consolidated Versions of the Treaty on European Union and the Treaty for the Functioning of the European Union to the extent it continues to apply in the United Kingdom; (ii) the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part (as that agreement is modified or supplemented from time to time in accordance with any provision of it or of any other future relationship agreement), to the extent applicable; (iii) the Protocol on Ireland/Northern Ireland in the EU Withdrawal Agreement, to the extent applicable; (iv) the rules set out in the World Trade Organisation Agreement on Subsidies and Countervailing Measures; (v) the rules set out in the World Trade Organisation Agreement on Agriculture, if applicable, and (vi) any other international or domestic laws relating to subsidy controls that come into force on or after the date of this Grant Funding Agreement and apply to the arrangements set out herein;

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

UK GDPR means the retained EU law version of the General Data Protection Regulation (Regulation (EU) 2016/679), as transposed into UK Law by the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019;

VAT means Value Added Tax chargeable in the UK; and

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

2.2. In these Conditions, unless the context otherwise requires:

- (1) the singular includes the plural and vice versa;
- (2) reference to a gender includes the other gender and the neuter;
- (3) references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body;

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- (4) a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;
 - (5) the words "including", "other", "in particular", "for example" and similar words will not limit the generality of the preceding words and will be construed as if they were immediately followed by the words "without limitation";
 - (6) references to "writing" include typing, printing, lithography, photography, display on a screen, electronic and facsimile transmission and other modes of representing or reproducing words in a visible form, and expressions referring to writing will be construed accordingly;
 - (7) references to "representations" will be construed as references to present facts, to "warranties" as references to present and future facts and to "undertakings" as references to obligations under the Grant Funding Agreement;
 - (8) references to "paragraphs" and "Annexes" are, unless otherwise provided, references to the paragraphs and annexes of these Conditions and references in any Annex to parts, paragraphs and tables are, unless otherwise provided, references to the parts, paragraphs and tables of the Annex in which these references appear; and
 - (9) references to "these Conditions" means any of the Conditions subject to which the Grant is paid wherever they appear in any part of the Grant Funding Agreement or Grant Funding Letter; and
 - (10) the headings in these Conditions are for ease of reference only and will not affect the interpretation or construction of these Conditions.
- 2.3. Where there is any conflict between the documents that make up this Grant Funding Agreement the conflict shall be resolved in accordance with the following order of precedence:
- 2.3.1. the Conditions set out within this Grant Funding Agreement;
 - 2.3.2. Annex 1 – the Grant Funding Letter;
 - 2.3.3. Annex 7 – the FiPL Funding Letter.

CONDITIONS

3. DURATION AND PURPOSE OF THE GRANT

- 3.1. The Funding Period starts on the Commencement Date and ends on 31 March 2023 unless terminated earlier in accordance with this Grant Funding Agreement or extended pursuant to paragraphs 3.4 or 3.5.
- 3.2. The Parties acknowledge that this Grant Funding Agreement is being entered into by the Parties where only the total grant for the Financial Year 2022-2023 has been confirmed by the Authority. The Grant Recipient acknowledges that no commitment is made by the Authority of funding beyond 31 March 2023. The Authority will endeavour to agree funding for Financial Years 2023-2024 and 2024-2025 with the Grant Recipient by 31 January 2023 and 31 January

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2024 respectively. Any commitment to expenditure by the Grant Recipient before confirmation of funding by the Authority, would be at the risk of the Grant Recipient.

- 3.3. Where, additional grant funding is confirmed by the Authority in respect of either or both of Financial Years 2023-2024 and 2024-2025 the Parties have agreed that this Grant Funding Agreement shall apply in respect of such Grant, as confirmed in any additional Grant Funding Letter or FiPL Funding Letter from the Authority to the Grant Recipient. To the extent that this Grant Funding Agreement requires amendment in respect of any additional grant funding in Financial Years 2023-2024 and/or 2024-2025 such amendments shall be made in accordance with paragraph 31.
- 3.4. Where the Authority has notified the Grant Recipient of additional Grant by way of a Grant Funding Letter and/or FiPL Funding Letter for Financial Year 2023-2024 by 31 March 2023 the Funding Period shall end on 31 March 2024.
- 3.5. Where the Authority has notified the Grant Recipient of additional Grant by way of a Grant Funding Letter for Financial Year 2024-2025 by 31 March 2024 the Funding Period shall end on 31 March 2025.
- 3.6. The Grant Recipient shall use the Grant solely for the delivery of the Funded Activities. The Grant Recipient may not make any changes to the Funded Activities, except those made in line with section 66 of the Environment Act 1995.

4. PAYMENT OF GRANT

- 4.1. Subject to the remainder of this paragraph 4 the Authority shall pay the Grant Recipient amounts not exceeding the amounts for 2022-2023 (and where applicable any amount for 2023-2024 and 2024-2025) as set out in the Grant Funding Letter and the FiPL Funding Letter (and any updated Grant Funding Letter in respect of either or both of 2023-2024 and/or 2024/2025 and any updated FiPL Funding Letter in respect of 2023-2024). The Authority shall pay the Grant in pound sterling (GBP) and into a bank located in the UK.
- 4.2. Subject to the remainder of this paragraph 4 and to the other provisions of these Conditions, the Authority shall pay the Grant to the Grant Recipient in accordance with the Payment Schedule, the Annex 4 claims procedures, the Annex 8 claims procedures and conditions of payment.
- 4.3. The Grant is conditional on the Grant Recipient delivering on the aims, objectives, milestones and commitments set out in the Grant Recipient's Business Plan for each Financial Year (together the **Business Plan Commitments**). During a Financial Year the Grant Recipient should be able to demonstrate to the Authority that the Grant Recipient is diligently and progressively working towards the achievement of the Business Plan Commitments for that Financial Year such that it will have met those Business Plan Commitments by the end of the Financial Year in question.
- 4.4. The Grant Recipient shall make available to the Authority, on request, evidence of the costs/payments, which are classified as Eligible Expenditure in paragraph 5.1, which may include (but will not be limited to) receipts and invoices or any other documentary evidence specified by the Authority.

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- 4.5. The Authority will not make the first payment of the Grant and/or any subsequent payments of the Grant unless or until, the Authority is satisfied that:
- 4.5.1. the Grant Recipient will use the Grant payment for Eligible Expenditure only; and
 - 4.5.2. if applicable, any previous Grant payments have been used for the Funded Activities.
- 4.6. By a date set by the Authority, the Grant Recipient shall produce an estimate of its annual income and expenditure under each functional head for the Financial Year to which the Non-FiPL Grant relates using the template in Annex 6. The estimate shall include details of the source and amount of all income expected and expenditure, setting out its anticipated draw down of the Core Grant in four instalments, made quarterly.
- 4.7. The Grant Recipient shall promptly provide a revised estimate of income and expenditure:
- 4.7.1. when the Grant Recipient anticipates that the amount claimed in a Grant Claim for Core Grant will differ from the Core Grant Sum Payable for the relevant Instalment Period by 5% (five per cent) or more; and/or
 - 4.7.2. at the request of the Authority.
- 4.8. Each quarter, the Grant Recipient shall submit a Grant Claim in respect of Core Grant to the Authority in the format set out in Annex 4 and at the times prescribed in Annex 3. The Grant Recipient shall submit together with the Grant Claim:
- 4.8.1. a Quarterly Report which shall include the information prescribed elsewhere in these Conditions and listed in Annex 4 under the heading 'ADDITIONAL QUARTERLY REPORTING';
 - 4.8.2. a Quarterly Review Update detailing the Grant Recipient's use of the Grant and progress against delivery of the Funded Activities in accordance with Annex 2A; and
 - 4.8.3. any other documentation that the Authority may reasonably prescribe from time to time.
- 4.9. On receipt of a Grant Claim for Core Grant for an amount which differs from that set out in the information provided by the Grant Recipient in paragraphs 4.6 and 4.7 for the relevant Instalment Period, or otherwise at its absolute discretion (subject to, where possible, giving advance notice to the Grant Recipient), the Authority may deviate from the Payment Schedule.
- 4.10. In preparing and submitting Grant Claims and estimates of income and expenditure, the Grant Recipient shall seek to ensure that an accumulation of Grant in excess of immediate requirements is avoided.
- 4.11. The Authority will have no liability to the Grant Recipient for any Losses caused by a delay in the payment of a Grant Claim howsoever arising.
- 4.12. The Authority reserves the right not to pay any Grant in respect of Grant Claims not submitted at the times prescribed in Annex 3 or Grant Claims which are incomplete, incorrect or submitted without the full supporting documentation, but will in such event give the Grant Recipient the opportunity within a reasonable period of time to submit a Grant Claim, or as the case may be, to make corrections or provide additional information to enable Grant to be paid.
- 4.13. The Grant Recipient shall promptly notify and repay immediately to the Authority any money incorrectly paid to it either as a result of an administrative error or otherwise. This includes (without limitation) situations where the Grant Recipient is paid in error before it has complied

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with its obligations under the Grant Funding Agreement. Any sum which falls due under this paragraph 4.13 shall fall due immediately and shall be payable within 30 days. If the Grant Recipient fails to repay the due sum within 30 days, the sum will be recoverable summarily as a civil debt.

- 4.14. Where the Grant Recipient enters into a contract with a Third Party in connection with the Funded Activities, the Grant Recipient will remain responsible for paying that Third Party. The Authority has no responsibility for paying Third Party invoices.
- 4.15. Onward payment of the Grant and the use of sub-contractors shall not relieve the Grant Recipient of any of its obligations under the Grant Funding Agreement, including any obligation to repay the Grant.
- 4.16. Except with the prior consent of the Authority, no later than 30 days after the end of each Financial Year, the Grant Recipient shall submit to the Authority the Grant Recipient's analysis of projected year-end balances, and its opinion as to the adequacy of those balances. If its analysis projects that any funds will remain unspent and uncommitted at the end of the Financial Year, the Grant Recipient shall submit to the Authority a report at the same time as its analysis. For the funds which the Grant Recipient projects to remain unspent and uncommitted, the report must state whether they are necessary to maintain an adequate year-end balance, whether the Grant Recipient has a clear intention to use the funds for a specific purpose falling within the Funded Activities, or whether the intention is to retain the funds as part of the Grant Recipient's general reserves.
- 4.17. The Grant represents the Maximum Sum the Authority will pay to the Grant Recipient under the Grant Funding Agreement. The Maximum Sum will not be increased in the event of any overspend by the Grant Recipient in its delivery of the Funded Activities.

Farming in Protected Landscapes (FiPL)

- 4.18. The FiPL Funding Letter sets out the Grant Recipient's FiPL Funding allocation for 2022-23. The FiPL Funding is provided to the Grant Recipient to support the unique challenges faced by farmers, land managers and tenants working in protected landscapes, recognising their role in shaping, protecting and improving the land over the generations and taking a "bottom up" approach in developing local environmental solutions.
- 4.19. The Grant Recipient shall only use the FiPL Funding for the FiPL Activities, and shall not commingle or aggregate the FiPL Funding with any other funding it receives (including, without limitation, the Core Grant provided to the Grant Recipient pursuant to this Grant Funding Agreement).
- 4.20. The Grant Recipient shall run the FiPL Activities in their designated areas, including, but not limited to, the FiPL grant application process, assessment, approval, payment and monitoring of projects, in accordance with the FiPL National Framework.
- 4.21. In accordance with the FiPL National Framework, the Grant Recipient will be responsible for ensuring that FiPL Applicants are not double funded for any project activity awarded FiPL Funding. In event that double funding is identified for FiPL Applicants' project activity, the Grant Recipient will be responsible for clawing back FiPL Funding.
- 4.22. In order to claim FiPL Funding from the Authority, the Grant Recipient shall complete the FiPL Grant Claim Form and submit to the Authority by the claim deadlines set out in outlined in the ecm_64606, GRANT: National Parks Funding FY2022-23 (Northumberland)

Payment Schedule.

5. ELIGIBLE AND INELIGIBLE EXPENDITURE

- 5.1. The Authority will only pay the Grant in respect of Eligible Expenditure, which, for the avoidance of doubt, means payments made by the Grant Recipient making use of the Grant for the purposes of delivering the Funded Activities not expressly excluded by paragraph 5.2 below, including (without limitation) any one or more of the following items:
- 5.1.1. Fees charged or to be charged to the Grant Recipient by the external auditors for auditing the financial accounts of the Grant Recipient;
 - 5.1.2. giving evidence to Parliamentary Select Committees;
 - 5.1.3. attending meetings with government ministers or civil servants to discuss the progress of work being undertaken by the Grant Recipient;
 - 5.1.4. responding to public consultations, where the topic is relevant to the objectives of the Funded Activities. To avoid doubt, Eligible Expenditure does not include the Grant Recipient spending the Grant on lobbying other people to respond to any such consultation (unless explicitly permitted in the Grant Funding Agreement);
 - 5.1.5. providing independent, evidence based policy recommendations to local government, departments or government ministers; and
 - 5.1.6. providing independent evidence-based advice to local or national government as part of the general policy debate, where that is in line with the objectives of the Grant.
- 5.2. The Grant Recipient may not in any circumstance claim the following non-exhaustive list as Eligible Expenditure:
- 5.2.1. paid for lobbying, which means using the Grant to fund lobbying (via an external firm or in-house staff) in order to undertake activities intended to influence or attempt to influence Parliament, government or political activity; or attempting to influence legislative or regulatory action;
 - 5.2.2. using the Grant to directly enable one part of government to challenge another on topics unrelated to the agreed purpose of the Grant;
 - 5.2.3. expenses such as for entertaining, specifically aimed at exerting undue influence to change government policy;
 - 5.2.4. input VAT reclaimable by the grant recipient from HMRC;
 - 5.2.5. payments for activities of a political or exclusively religious nature.

6. REVIEWS

- 6.1. The Authority will review the Grant Recipient's delivery of the Funded Activities during and at the end of the Funding Period. It will take into account the Grant Recipient's delivery of the
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Funded Activities. As part of the review the Authority will review any reports produced by the Grant Recipient in accordance with paragraph 7 of these Conditions.

7. MONITORING AND REPORTING

- 7.1. The Grant Recipient shall closely monitor the delivery and success of the Funded Activities throughout the Funding Period to ensure that the aims and objectives of the Funded Activities are being met and that the Grant Funding Agreement is being adhered to.
- 7.2. The Grant Recipient will notify the Authority as soon as reasonably practicable of any actual or potential failure to comply with any of its obligations under the Grant Funding Agreement, which includes those caused by any administrative, financial or managerial difficulties.
- 7.3. The Grant Recipient shall provide the Authority with a copy of its Business Plan as soon as such Business Plan is confirmed for a Financial Year.
- 7.4. When the Grant Recipient submits any Grant Claim the Grant Recipient shall update the Authority in writing of the Grant Recipient's progress to meeting and delivering its Business Plan Commitments in the Financial Year. If the Grant Recipient becomes aware of any actual or potential failure to meet its Business Plan Commitments in the Financial Year it shall notify the Authority in accordance with paragraph 7.2.
- 7.5. At the Authority's written request, the Grant Recipient shall provide the Authority with financial reports and operational reports of its use of the Grant detailed in the Grant Funding Letter and FiPL Funding Letter (as applicable) in such formats as the Authority may reasonably require. These reports shall contain information about the delivery of Funded Activities and efforts towards nature recovery, net zero carbon through nature-based solutions and support for community needs in strategic partnerships with other groups, NPAs and AONBs. The Grant Recipient shall provide the Authority with each report on a date to be determined by the Authority. The Authority may at its discretion provide the Grant Recipient with feedback on the adequacy of a report and may also require the Grant Recipient to re-submit a report, having taken into account any issues raised in the Authority's feedback.
- 7.6. Where the Grant Recipient has obtained funding from a third party for its delivery of part of the Funded Activities, the Grant Recipient shall include the amount of such funding in its financial reports together with details of the purpose for which that funding has been used.
- 7.7. The Parties, if requested by the Authority, shall meet annually to carry out a review of the performance of the Grant Recipient in respect of the Funded Activities, and to consider key issues and risks relating to the Funded Activities. These meetings shall take place at the Authority's premises, unless otherwise agreed or, where suitable, conducted by phone or video-conference.
- 7.8. The Grant Recipient shall on request provide the Authority with such further information, explanations and documents as the Authority may require in order for it to establish that the Grant has been used properly in accordance with this Grant Funding Agreement.
- 7.9. The Grant Recipient shall permit any person authorised by the Authority 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 Grant Funding Agreement

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and shall, if so required, provide appropriate oral or written explanations as required during the Funding Period and for so long as any Grant remains unspent.

- 7.10. The Grant Recipient shall permit and facilitate any person authorised by the Authority for that purpose to visit the Grant Recipient to monitor the delivery of the Funded Activities.
- 7.11. The Grant Recipient represents and undertakes (and shall repeat such representations on delivery of the relevant report):
- 7.11.1. that the reports and information it gives pursuant to this paragraph 7 are accurate; and
- 7.11.2. that it has diligently made full and proper enquiry of the matter pertaining to the reports and information given.

8. AUDITING AND ASSURANCE

- 8.1. Within six months of the end of each Financial Year the Grant Recipient will provide the Authority with independent assurance that the Grant has been used for delivery of the Funded Activities. To satisfy this requirement the Grant Recipient will provide annual accounts audited by an independent and appropriately qualified auditor where the Grant is clearly segregated from other funds.
- 8.2. The Authority may, at any time during and up to six years after the end of the Grant Funding Agreement, conduct additional audits or ascertain additional information where the Authority considers it necessary. The Grant Recipient agrees to grant the Authority or its Representatives access, as required, to all Funded Activity sites and relevant records. The Grant Recipient will ensure that necessary information and access rights are explicitly included within all arrangements with any sub-contractors.
- 8.3. The Grant Recipient shall:
- 8.3.1. ensure that an independent external auditor is nominated to verify the final statement of expenditure and income submitted to the Authority;
- 8.3.2. identify separately the value and purpose of the Grant Funding in its audited accounts and its annual report; and
- 8.3.3. maintain a record of internal financial controls and procedures and provide the Authority with a copy if requested.

Retention of documents

- 8.4. 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 and all income generated by Funded Activities during the Funding Period and retain all accounting records relating to that expenditure and income for a period of six years from the date on which the Funding Period ends.
- 8.5. The Grant Recipient shall ensure that all its sub-contractors retain each record, item of data and document relating to Funded Activities for a period of six years from the date on which the Funding Period ends.

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

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- 9.1. The Grant Recipient will at all times comply with all applicable laws, statutes and regulations relating to anti-bribery and anti-corruption, including but not limited to the Bribery Act.
- 9.2. The Grant Recipient must have a sound administration and audit process, including appropriate internal financial controls to safeguard against fraud, theft, money laundering, terrorist financing or any other impropriety, or mismanagement in connection with the administration of the Grant. The Grant Recipient shall require that the internal/external auditors report on the adequacy or otherwise of that system.
- 9.3. For any case of actual or suspected theft or financial irregularity, the Grant Recipient shall give careful consideration as to whether the case is one that the Authority might reasonably consider significant. For the avoidance of doubt, this includes (but is not limited to) any case such that, were it to become known to a Third Party, it would be capable of bringing the reputation of the Grant Recipient, the Funded Activities or the Authority into disrepute.
- 9.4. Where the Grant Recipient, acting reasonably, considers that the condition at paragraph 9.3 is met, it shall include full information on the suspected theft or financial irregularity in the next Quarterly Report.
- 9.5. The Grant Recipient shall also give careful consideration as to whether the case is such that the Authority might reasonably wish to be informed of it sooner than the date of the next Quarterly Report. Where the Grant Recipient, acting reasonably, considers that this condition is met, it shall notify the Authority of the suspected theft or financial irregularity without delay.
- 9.6. For any case of actual or suspected theft or financial irregularity, the Grant recipient shall, at the request of the Authority, explain to the Authority what steps are being taken to investigate the case and keep the Authority informed about the progress of such investigation. If so requested by the Authority, the Grant Recipient shall refer the case to external auditors or other third parties as required. The Grant Recipient may be required to provide statements and evidence to the Authority or appropriate investigating organisation as part of pursuing sanctions, criminal or civil proceedings.
- 9.7. The Authority will have the right, at its absolute discretion, to insist that the Grant Recipient take additional steps to address any actual or suspected theft or financial irregularity and/or to suspend future payment of the Grant to the Grant Recipient.
- 9.8. Suspected theft or financial irregularity includes any matter which the Grant Recipient, acting with due care, ought reasonably to have suspected.
- 9.9. The Grant Recipient agrees and accepts that it may become ineligible for grant support and be required to repay all or part of the Grant if it engages in tax evasion or aggressive tax avoidance in the opinion of HMRC.
- 9.10. For the purposes of this paragraph 9 “financial irregularity” includes (but is not limited to) potential fraud or other impropriety, mismanagement, and the use of the Grant for any purpose other than those stipulated in the Grant Funding Agreement.

10. CONFLICTS OF INTEREST

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

11. CONFIDENTIALITY

- 11.1. Except to the extent set out in this paragraph 11 or where disclosure is expressly permitted, each Party shall treat all Confidential Information belonging to the other Party as confidential and shall not disclose any Confidential Information belonging to the other Party to any other person without the prior written consent of the other Party, except to such persons who are directly involved in the provision of the Funded Activities and who need to know the information.
- 11.2. The Grant Recipient gives its consent for the Authority to publish the Grant Funding Agreement in any medium in its entirety (but with any information which is Confidential Information belonging to the Authority or the Grant Recipient redacted), including from time to time agreed changes to the Grant Funding Agreement.
- 11.3. Nothing in this paragraph 11 shall prevent the Authority disclosing any Confidential Information obtained from the Grant Recipient:
 - 11.3.1. for the purpose of the examination and certification of the Authority's accounts; or pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources; or
 - 11.3.2. to any government department, consultant, contractor or other person engaged by the Authority, provided that in disclosing information the Authority only discloses the information which is necessary for the purpose concerned and requests that the information is treated in confidence and that a confidentiality undertaking is given where appropriate;
 - 11.3.3. where disclosure is required by Law, including under the Information Acts.
- 11.4. Nothing in this paragraph 11 shall prevent either Party from using any techniques, ideas or know-how gained during the performance of its obligations under the Grant Funding Agreement in the course of its normal business, to the extent that this does not result in a disclosure of the other Party's Confidential Information or an infringement of the other Party's Intellectual Property Rights.

12. TRANSPARENCY

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

13. STATUTORY DUTIES

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

14. STAFFING AND MEMBERSHIP

- 14.1. The Grant Recipient shall determine staff terms and conditions with due regard for economy, efficiency and value for money in the delivery of the Funded Activities. In determining staff terms and conditions, the Grant Recipient shall give consideration to any general policy on public sector pay which may be in effect or announced by the government from time to time.
- 14.2. Under this paragraph 14 staff means any employees, officers, agents, professional advisors and consultants employed by the Grant Recipient for the purposes of the Funded Activities.
- 14.3. The Grant Recipient shall immediately notify the Authority if the Grant Recipient becomes aware, or suspects, or, acting with due care, ought reasonably to suspect that any of its members or senior executive officers or post holders:
 - 14.3.1. has acted dishonestly or negligently at any time during the term of the Grant Funding Agreement and to the detriment of the Authority; or
 - 14.3.2. has taken any actions which unfairly bring or are likely to unfairly bring the Authority, the Grant Recipient or the Funded Activities into disrepute. Actions include omissions in this context.
- 14.4. For the purposes of paragraph 14.3 members or senior executive officers or post holders means any duly authorised directors or senior executive responsible managers or members of the Grant Recipient's board.

15. DATA PROTECTION, PUBLIC PROCUREMENT AND SUBSIDY CONTROLS

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Data Protection

- 15.1. Without prejudice to the generality of paragraph 13, the Grant Recipient and the Authority will comply at all times with their respective obligations under Data Protection Legislation. Capitalised terms used in paragraphs 15.1 to 15.4 (inclusive) but not defined herein have the meaning given to them in the Data Protection Legislation.
- 15.2. The Grant Recipient agrees that it is the Controller of any Personal Data processed by it pursuant to the Funded Activities and shall comply with the provisions set out in this paragraph 15.
- 15.3. The Authority and the Grant Recipient each respectively acknowledge that in connection with this Grant Funding Agreement neither will act as a Processor of the other (Processor having the meaning given to it in the UK GDPR). If, in the implementation of this Grant Funding Agreement, either Party processes Personal Data of another Party, that other Party may require the Data Processor to enter into a Data Processor agreement with it in the appropriate terms to allow such Party to Process the Personal Data of the other in compliance with the Data Protection Legislation and to take account of any guidance issued by the Information Commissioner's Office.
- 15.4. If either of them wishes to share Personal Data with a Third Party in a non-anonymised format, it will enter into either a Data Controller to Data Controller data sharing agreement and/or a Data Controller to Data Processor agreement prior to such sharing of Personal Data.

Public Procurement

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

Subsidy controls

- 15.7. Where subsidy controls may apply to the Funded Activities:
- 15.7.1. The Grant Recipient will make sure the Funded Activities are structured, so they are compatible with Subsidy Control Rules; and
- 15.7.2. The Grant Recipient will maintain appropriate records of compliance with the Subsidy Control Rules and will take all reasonable steps to assist the Authority to comply with Subsidy Control Rules requirements and respond to any investigation(s) instigated by any competent authority into the Funded Activities or any equivalent regulatory body as the case may be.

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16. INTELLECTUAL PROPERTY RIGHTS

- 16.1. Intellectual Property in all IPR Material will be the Property of the Grant Recipient. Other than as expressly set out in these Conditions, neither Party will have any right to use any of the other Party's names, logos or trademarks on any of its products or services without the other Party's prior written consent.
- 16.2. The Grant Recipient grants to the Authority a non-exclusive irrevocable and royalty-free, sub-licensable, worldwide licence to use all the IPR Material developed using the Grant monies for the purpose of supporting other projects.
- 16.3. Ownership of Third Party software or other IPR necessary to deliver Funded Activities will remain with the relevant Third Party.
- 16.4. The Grant Recipient must ensure that they have obtained the relevant agreement from the Third Party proprietor before any additions or variations are made to the standard 'off-the-shelf' versions of any Third Party software and other IPR. The Grant Recipient will be responsible for obtaining and maintaining all appropriate licences to use the Third Party software.

17. ENVIRONMENTAL REQUIREMENTS

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

18. ASSETS

Inventory of the Assets

- 18.1. The Grant Recipient shall keep and maintain an accurate and up-to-date register of all its Fixed Assets with a value exceeding the minimum set by the Grant Recipient's accounting policy.
- 18.2. Assets purchased with Grant funding must only be used for delivery of the Funded Activities.

Disposal of Assets

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- 18.3. Where the Grant Recipient uses any of the Grant to develop, improve or purchase any Assets, the Grant Recipient must ensure that the Assets are maintained in good condition over the Asset Owning Period.
- 18.4. Any disposal by the Grant Recipient of Assets other than land shall be at market value.
- 18.5. Land may be disposed of for less than the best consideration that can reasonably be obtained, but only subject to the conditions set out in the Local Government Act 1972: General Disposal Consent (England) 2003 and the associated Office of the Deputy Prime Minister Circular 06 of 2003 (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7690/462483.pdf). In all cases, this includes the condition that the undervalue does not exceed £2,000,000 (two million pounds sterling). Where such disposal at undervalue occurs, the Grant Recipient shall include the details of the disposal in the next Quarterly Report.
- 18.6. If the Grant Recipient makes any disposal of Assets, or any series of related disposals, the proceeds of which exceed £2,000,000 (two million pounds sterling), the Grant Recipient shall include in the next Quarterly Report details of how it has made use of the proceeds from that disposal or those disposals.

19. INSURANCE

- 19.1. The Grant Recipient will, with effect from the Commencement Date, during the term of the Funding Period and for six years after termination or expiry of the Grant Funding Agreement, ensure that it holds all appropriate forms of insurance necessary for the normal execution of its activities and any such extension of cover as may be necessary for the activities or risks associated with the Funded Activities.
- 19.2. The Grant Recipient will upon request produce to the Authority its policy or policies of insurance or where this is not possible, a certificate of insurance issued by the Grant Recipient's insurance brokers confirming the insurances are in full force and effect together with confirmation that the relevant premiums have been paid.

20. ASSIGNMENT

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

21. LOSSES AND SPECIAL PAYMENTS

- 21.1. The Grant Recipient must include any debts or liabilities written off and any Special Payments or series of connected debts or liabilities written off and any Special Payments made in connection to this Grant Funding Agreement above £2000 in the Quarterly Report.

22. PUBLICITY

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- 22.1. The Grant Recipient gives consent to the Authority to publicise in the press or any other medium the Grant and details of the Funded Activities using any information gathered from any reports submitted to the Authority, including but not limited to the reports submitted under paragraph 7.
- 22.2. The Grant Recipient will comply with all reasonable requests from the Authority to facilitate visits, provide reports, statistics, photographs and case studies that will assist the Authority in its promotional and fundraising activities relating to the Funded Activities.
- 22.3. If the Grant Recipient wishes to use the Authority's name and logo it must first seek the Authority's written permission. If the Grant Recipient is given permission to use the Authority's name and logo, it will comply with all reasonable branding guidelines issued by the Authority from time to time.

23. CHANGES TO THE AUTHORITY'S REQUIREMENTS

- 23.1. The Authority will notify the Grant Recipient, where reasonably possible of such changes to the activities, which are supported by the Grant, in advance to coming into effect. The Authority will have regard to any legally binding agreements the Grant Recipient has already entered into, which might be affected by such changes.
- 23.2. The Grant Recipient will accommodate any reasonable changes to the Authority's needs and requirements under these Conditions.

24. CLAWBACK, EVENTS OF DEFAULT, TERMINATION AND RIGHTS RESERVED FOR BREACH AND TERMINATION

- 24.1. Without prejudice to the Authority's other rights and remedies, if the Grant Recipient fails to comply with any of its obligations in the Grant Funding Agreement the Authority may at its discretion, reduce, suspend, or terminate payments of Grant, or require any part or all of the Grant to be repaid.
- 24.2. Where the Authority requires any part or all of the Grant to be repaid in accordance with paragraph 24.1 above, the Grant Recipient shall repay this amount no later than 30 days of the date it received the demand for repayment. If the Grant Recipient fails to repay the Grant within 30 days of a demand from the Authority for payment, the sum will be recoverable summarily as a civil debt.
- 24.3. The Authority may exercise its rights set out in paragraph 24.1 if, in particular, any of the following events occurs:
 - 24.3.1. the Grant Recipient uses the Grant for a purpose other than the Funded Activities or fails to comply with any of the other obligations of the Grant Funding Agreement;
 - 24.3.2. the Grant Recipient uses the Grant for Ineligible Expenditure;
 - 24.3.3. the Grant Recipient fails, in the Authority's opinion, to make satisfactory progress with the Funded Activities and, in particular, fails to meet to a material extent the agreed outcomes set out in the Management Plan;
 - 24.3.4. the Grant Recipient is, in the Authority's opinion, not making satisfactory progress to meet its Business Plan Commitments within a Financial Year;

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- 24.3.5. the Grant Recipient is, in the opinion of the Authority, delivering the Funded Activities in a negligent manner (in this context negligence includes but is not limited to failing to prevent or report actual or anticipated fraud or corruption);
- 24.3.6. the Grant Recipient obtains funding from a Third Party which, in the opinion of the Authority, undertakes activities that are likely to bring the reputation of the Funded Activities or the Authority into disrepute;
- 24.3.7. the Grant Recipient provides the Authority with any materially misleading or inaccurate information and/or any of the information provided in their grant application or in any subsequent supporting correspondence is found to be incorrect or incomplete to an extent which the Authority considers to be significant;
- 24.3.8. the Grant Recipient commits or committed a Prohibited Act or fails to report a Prohibited Act to the Authority, whether committed by the Grant Recipient or a Third Party, as soon as they become aware of it;
- 24.3.9. the Authority determines (acting reasonably) that the Grant Recipient has:
- (i) acted dishonestly or negligently at any time during the term of the Grant Funding Agreement and to the detriment of the Authority; or
 - (ii) taken any actions which unfairly bring or are likely to unfairly bring the Authority's name or reputation and/or the Authority into disrepute. Actions include omissions in this context;
 - (iii) transferred, assigned or novated the Grant to any Third Party without the Authority's consent;
 - (iv) ceased 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);
 - (v) become Insolvent as defined by section 123 of the Insolvency Act 1986, or it is placed into receivership, administration or liquidation, or a petition has been presented for its winding up, or it enters into any arrangement or composition for the benefit of its creditors, or it is unable to pay its debts as they fall due;
 - (vi) incurred expenditure on activities that breach the Law;
- 24.3.10. any competent authority or the Court of Justice of the European Union (or any other court with jurisdiction) requires any Grant paid to be recovered by reason of a breach of Subsidy Control Rules or the Grant Recipient fails to comply with the provisions of the exemption or scheme under Subsidy Control Rules that applies to the Funded Activities and the Grant;
- 24.3.11. the Grant Recipient breaches the Code of Conduct for Grant Recipients (the "[Code of Conduct](#)") and/or fails to report an actual or suspected breach of the Code of Conduct by the Grant Recipient or its Representatives in accordance with paragraph 28.

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

- 24.4. Where, the Authority determines that an Event of Default has or may have occurred, the Authority may by written notice to the Grant Recipient take any one or more of the following actions:
- 24.4.1. suspend the payment of Grant for such period as the Authority shall determine; and/or
 - 24.4.2. reduce the Maximum Sum in which case the payment of Grant shall thereafter be made in accordance with the reduction and notified to the Grant Recipient; and/or
 - 24.4.3. cease to make payments of Grant to the Grant Recipient under the Grant Funding Agreement and (in addition) require the Grant Recipient to repay the Authority the whole or any part of the amount of Grant previously paid to the Grant Recipient. Such sums shall be recovered as a civil debt; and/or
 - 24.4.4. terminate the Grant Funding Agreement.

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Opportunity for the Grant Recipient to remedy an Event of Default

- 24.5. If the Authority gives written notice to the Grant Recipient pursuant to paragraph 24.4 to suspend payment of Grant, such notice shall specify the relevant Event of Default and give the Grant Recipient an opportunity to rectify the relevant Event of Default by submitting a draft Remedial Action Plan for approval by the Authority.
- 24.6. Where the Grant Recipient is required to submit a draft Remedial Action Plan in accordance with paragraph 24.5, the draft Remedial Action Plan shall be submitted to the Authority for approval, by such date as the Authority, acting reasonably, shall specify.
- 24.7. The draft Remedial Action Plan shall set out:
- 24.7.1. full details of the Event of Default; and
 - 24.7.2. the steps which the Grant Recipient proposes to take to rectify the Event of Default including timescales for such steps.
- 24.8. On receipt of the draft Remedial Action Plan and as soon as reasonably practicable, the Authority will submit its comments on the draft Remedial Action Plan to the Grant Recipient.
- 24.9. The Authority shall have the right to accept or reject the draft Remedial Action Plan. If the Authority rejects the draft Remedial Action Plan, the Authority shall confirm, in writing, the reasons why they have rejected the draft Remedial Action Plan and will confirm whether the Grant Recipient is required to submit an amended Remedial Action Plan to the Authority.
- 24.10. If the Authority directs the Grant Recipient to submit an amended draft Remedial Action Plan, the Parties shall agree a timescale for the Grant Recipient to amend the draft Remedial Action Plan to take into account the Authority's comments.
- 24.11. If the Authority does not approve the draft Remedial Action Plan the Authority may at its absolute discretion terminate the Grant Funding Agreement.
- 24.12. The Authority shall not by reason of the occurrence of an Event of Default which is, in the opinion of the Authority, capable of remedy, exercise its rights under either paragraph 24.4.3 or 24.4.4 unless the Grant Recipient has failed to rectify the default pursuant to paragraph 24.5 to the satisfaction of the Authority.

25. DISPUTE RESOLUTION

- 25.1. The Parties will use all reasonable endeavours to negotiate in good faith, and settle amicably, any dispute that arises during the continuance of the Grant Funding Agreement.
- 25.2. All disputes and complaints shall be referred in the first instance to the Parties' Representatives.
- 25.3. If the dispute cannot be resolved between the Parties' Representatives within a maximum of three months, then the matter will be escalated to formal meeting between the Grant Manager and the Grant Recipient's chief executive (or equivalent).

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26. LIMITATION OF LIABILITY

- 26.1. The Authority 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 withdrawal, withholding or suspension of the Grant. The Recipient shall indemnify and hold harmless the Authority, its Representatives with respect to all actions, claims, charges, demands Losses and proceedings arising from or incurred by reason of the actions and/or omissions of the Grant Recipient in relation to the Funded Activities, the non-fulfilment of obligations of the Grant Recipient under this Grant Funding Agreement or its obligations to Third Parties.
- 26.2. Subject to this paragraph 26, the Authority's liability under this Grant Funding Agreement is limited to the amount of Grant outstanding.

27. VAT

- 27.1. For the avoidance of doubt, the Authority and the Grant Recipient consider that the Funded Activities are outside the scope of VAT. It is therefore not envisaged that there will be a service on which VAT will be properly charged.
- 27.2. Notwithstanding paragraph 27.1, if VAT is held to be chargeable in respect of the Grant Funding Agreement, all payments shall be deemed to be inclusive of all VAT and the Authority shall not be obliged to pay any additional amount by way of VAT.
- 27.3. All sums or other consideration payable to or provided by the Grant Recipient to the Authority at any time shall be deemed to be exclusive of all VAT payable and where any such sums become payable or due or other consideration is provided the Grant Recipient shall at the same time or as the case may be on demand by the Authority in addition to such sums or other consideration pay to the Authority all the VAT so payable upon the receipt of a valid VAT invoice.

28. CODE OF CONDUCT FOR GRANT RECIPIENTS

- 28.1. The Grant Recipients acknowledges that by signing the Grant Funding Agreement it agrees to take account of the [Code of Conduct](#) and that it will ensure that its Representatives undertake their duties in a manner consistent with the principles set out in the Code of Conduct.
- 28.2. If the Grant Recipient becomes aware of any actual or suspected breaches of the principles outlined in the Code of Conduct, it shall notify the Authority of these by including them in the next Quarterly Report.
- 28.3. If, having given the matter due consideration, the Grant Recipient considers that the Authority might reasonably wish to be informed of an actual or suspected breach of the Code of Conduct sooner than the date of the next Quarterly Report (for example because the matter is such that, were it to become known to a Third Party, it would be capable of bringing the Funded Activities, the Grant recipient or the Authority into disrepute), the Grant Recipient shall notify the Authority immediately.
- 28.4. The Grant Recipient acknowledges that a failure to notify the Authority of an actual or suspected breach of the Code of Conduct may result in the Authority immediately suspending the Grant

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funding, terminating the Grant Funding Agreement and taking action to recover some or all of the funds paid to the Grant Recipient as a civil debt in accordance with paragraph 24.3.11

29. PARTICIPATION WITH NATIONAL LANDSCAPES PARTNERSHIP

- 29.1. The Grant Recipient acknowledges that the Authority is, as at the Commencement Date, working to establish a new national landscapes partnership to build on the existing collaboration between National Parks England, the National Association of Areas of Outstanding Natural Beauty, the Areas of Outstanding Natural Beauty Organisations and National Park Authorities, as the case may be, complemented by roles for the National Trails and National Parks Partnerships.
- 29.2. The Grant Recipient recognises that it is important that all National Park organisations collaborate effectively to work together with each other and National Park Authorities at a regional and national level in order to facilitate the delivery of national strategic priorities.
- 29.3. During the Funding Period the Grant Recipient shall:
- 29.3.1. engage with and work collaboratively with the national landscapes partnership;
 - 29.3.2. work collaboratively with other members of the national landscapes partnership and the bodies they represent; and
 - 29.3.3. promote the interests and strategy of the national landscapes partnership.

30. NOTICES

- 30.1. All notices and other communications in relation to this Grant Funding Agreement shall be in writing and shall be deemed to have been duly given if personally delivered, e-mailed, or mailed (first class postage prepaid) to the address of the relevant party, as referred to in Annex 5 or otherwise notified in writing. All notices and other communications must be marked for the attention of the contact specified in Annex 5 (Contact Details). If personally delivered or if e-mailed all such communications shall be deemed to have been given when received (except that if received on a non-working day or after 5.00 pm on any Working Day they shall be deemed received on the next Working Day) and if mailed all such communications shall be deemed to have been given and received on the second Working Day following such mailing.

31. AMENDMENTS

- 31.1. This Grant Funding Agreement cannot be varied except in writing signed by a duly authorised representative of both the Parties.

32. GOVERNING LAW

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

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