

Cambridge Waste Water Treatment Plant Relocation Project
Anglian Water Services Limited

Housing Infrastructure Fund Grant Determination Agreement

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dated 27th March 2020

Homes England
and
Cambridge City Council
and
CWRP Relocation Limited
and
Anglian Venture Holdings Limited
and
AWG C4 Limited

**Housing Infrastructure Fund Grant Determination Agreement
(Forward Funding)**

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Housing Infrastructure Grant Determination Agreement (Forward Funding)

dated *27th March* 2020

Parties

- (1) **Homes England** (the trading name of Homes and Communities Agency), a body corporate under Section 1 of the Housing and Regeneration Act 2008 of One Friargate, Coventry CV1 2GN (including any statutory successor) (**Homes England**);
- (2) **Cambridge City Council** of the Guildhall, Market Hill, Cambridge CB2 3QJ (the **Grant Recipient**);
- (3) **CWRP Relocation Limited** (company number: 12219644) whose registered office is at Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, England PE29 6XU (**Anglian Water**);
- (4) **Anglian Venture Holdings** (company number: 6426222) whose registered office is at Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, England PE29 6XU (**AVH**); and
- (5) **AWG C4 Limited** (company number: 11787247) whose registered office is at Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, Cambridgeshire PE29 6XU (**AWG**).

Introduction

- (A) Homes England is empowered under Section 19 of the HRA 2008 to make the HIF Funding available.
- (B) The HIF Funding provided under this Agreement is (at its date) made in compliance with the requirements set out in the European Commission's Decision of 20 December 2011 concerning public service compensation granted for Services of General Economic Interest (2012/21/EU).
- (C) Homes England entrusts the Project Partners with a public service obligation to provide and facilitate the provision of affordable homes in England for persons failed by market housing.
- (D) It is agreed that the Grant Recipient is to provide the funding received to Anglian Water, who are to utilise the funding to identify and, subject to the satisfaction of specified conditions precedent and contractual obligations, secure the relocation of the existing water treatment facility at Cambridge, so the Core Site can be used for the provision of housing.
- (E) The Grant Recipient has submitted proposals to Homes England in respect of the proposed construction and/or delivery of the Project and the Wider Project and Homes England has agreed subject to the provisions of this Agreement to make HIF Funding available on terms which are in part set out in the Assurance Framework and this Agreement.

- (F) It is a condition precedent to Homes England providing any HIF Funding to the Grant Recipient that the Project Partners enter into agreements which (subject to the satisfaction of specified conditions precedent and contractual obligations) secure, amongst other things, the delivery of specific outputs which facilitate or contribute to the delivery of infrastructure and/or the future use of the various sites to facilitate an increase in the level of housing in the County of Cambridgeshire.
- (G) It is a condition precedent to Homes England providing any HIF Funding to the Grant Recipient that the Grant Recipient procures the Security Assignment from the LLP to provide security to Homes England for the provision of the HIF Funding.
- (H) This Agreement sets out the terms and conditions upon which the HIF Funding (up to the Maximum Sum) will be advanced to the Grant Recipient by Homes England in relation to the outputs and interventions set out in this Agreement.
- (I) AVH have joined in this Agreement as guarantor of Anglian Water's obligations within this Agreement.
- (J) AWG has joined in this Agreement as the members of the JV so as to confirm their approval of the entering into this Agreement by Anglian Water.

Agreed terms

1 Definitions

- 1.1 In this Agreement (including in the Introduction and Schedules) the following words and expressions have the following meanings:

Acquisition Plan means the land and planning strategy which details how the Development Consent Order or (where applicable) a planning permission is to be secured as envisaged pursuant to clause 4.2.1(b) and as set out in Annexure 1 as updated from time to time by the Project Partners and approved by Homes England in writing;

Actual Project Expenditure means the Project Expenditure actually incurred by the Project Partners in delivering the Project;

Additional Housing Outputs means the dwellings which may be delivered on the Additional Site details of which are set out at Schedule 2;

Additional Sites means the land upon which the Additional Housing Outputs will be situated as identified on the plan annexed at Annexure 3;

Anglian Water Senior Officer means the managing director of AVH or such other person as may be notified in writing by Anglian Water to the other parties from time to time;

Annual Forecast means a written forecast (in the form agreed between the parties (acting reasonably) and with such amendments as may be requested from time to time by the Project Partners and approved by Homes England) to be provided by the Grant Recipient on behalf of the Project Partners in respect of the projected delivery of the Project and the Wider Project for the Financial Year in which it is supplied;

Annual Review Meeting means a Review Meeting held in the first Quarter in each Financial Year once the Grant Recipient has provided the Annual Forecast for that Financial Year to Homes England;

Associated Person means in relation to each Project Partner, a person who performs or has performed services for or on a Project Partner's behalf;

Assurance Framework means the "Assurance Framework for the Housing Infrastructure Fund – Forward Funding" dated 24 September 2019 and appended at Annexure 5 and the Project is a Category B project for the purposes of the Assurance Framework;

Availability Period means the period from the date of this Agreement until 31 March 2028 (or such later date as Homes England may agree in its absolute discretion) unless otherwise brought to an end pursuant to clause 2;

Balancing Sum means such sum as represents the amount by which the Public Sector Contribution exceeds the Actual Project Expenditure incurred by the Project Partners;

Base Interest Rate means the base rate of The Royal Bank of Scotland plc or such other similar rate as Homes England determines (acting reasonably);

Best Practice has the meaning ascribed to it in clause 17.7;

Bid means the submission by the Cambridge and Peterborough Combined Authority of its proposal for the delivery of the Project and the delivery or facilitation of the Wider Project;

Building Contract Assignment means an assignment by way of security by Anglian Water of its rights under contracts to be entered into by Anglian Water with Contractors in favour of Homes England;

Business Day means any day other than a Saturday, Sunday or statutory bank holiday in England;

CDM Regulations means the Construction (Design and Management) Regulations 2015;

CEDR means the Centre for Effective Dispute Resolution;

Certificate of Title means a certificate of title in relation to the Core Site in the form approved by Homes England;

Change in Control means a change in control, which means the power of a person (or persons acting together) to secure that the affairs of another are conducted directly or indirectly in accordance with the wishes of that person (or those persons acting together) whether by means of:

- (a) in the case of a company or registered society:
 - i being the beneficial owner of more than 50% of the issued share capital of or of the voting rights in that company or society;
 - ii having the right to appoint or remove all or a majority of the directors; or

- iii otherwise controlling the votes at board meetings of that company or society by virtue of any powers conferred by:
 - A the articles of association or rules (as applicable);
 - B any shareholders' agreement including the Joint Venture Agreement; or
 - C any other document regulating the affairs of that company or registered society;
- (b) in the case of a partnership:
 - i being the beneficial owner of more than 50% of the capital of that partnership; or
 - ii having the right to control the composition of or the votes to the majority of the management of that partnership by virtue of any powers conferred by:
 - A the partnership agreement; or
 - B any other document regulating the affairs of that partnership;
- (c) in the case of a limited liability partnership (LLP):
 - i being the beneficial owner of more than 50% of the capital of that LLP; or
 - ii having the right to control the composition of or the votes to the majority of the management of that LLP by virtue of any powers conferred by:
 - A the members' agreement; or
 - B any other document regulating the affairs of that LLP; or

in the case of an individual being a connected person (as defined in section 839 Income and Corporation Taxes Act 1988) to that individual;

Claim means an application for drawdown of an instalment of HIF Funding;

Claim Form means a claim form substantially in the form of Schedule 3 or such other form as Homes England (acting reasonably) will provide to the Grant Recipient from time to time;

Collateral Warranties means each collateral warranty in favour of Homes England from a Contractor or any member of the Professional Team (as required by Homes England) in a form satisfactory to Homes England;

Communications Protocol means the communications protocol annexed to this Agreement at Annexure 6 with such amendments as may be agreed from time to time by the "Communications Group" established for the oversight and monitoring of the delivery of the Project and the Core Housing Outputs (it being acknowledged that the Project Partners and Homes England are each to be members of the Communications Group);

Competent Authority means (as the case may be):

- (a) the EU Competent Authorities during such time as the United Kingdom remains a Member State of the European Union or it is otherwise bound to comply with such European Union treaty obligations regulations or other instruments concerning State Aid; or
- (b) the English Competent Authorities if the United Kingdom ceases to be a Member State of the European Union and it is not otherwise bound to comply with such European Union treaty obligations regulations or other instruments concerning State Aid;

Confidential Information means all information relating to the existence or terms of this Agreement or any Finance Document or any Project Related Document in respect of which a Party becomes aware in its capacity as a party to this Agreement or any Finance Document or any Project Related Document or which is received by that Party in relation to this Agreement or any Finance Document or any Project Related Document (including all financial information provided by another Party) from another Party or any of its advisers or from any third party if the information was obtained by that third party directly or indirectly from another Party or any of its advisers in whatever form (including information given orally and any document electronic file or other means of recording or representing information which includes derives or is copied from such information);

Consents means and includes any necessary approval, authorisation, consent, exemption, licence, permit, permission or registration by, of or from any governmental or other authority, the local planning authority, landlord, funder, adjoining land owner or any other person required to undertake the Project and/or the Wider Project (as applicable);

Considerate Constructors Scheme means the Code of Considerate Practice promoted by the construction industry a copy of which is to be found on the Considerate Constructors Scheme website;

Contractor means all building contractors and the Professional Team engaged by or on behalf of the Project Partners or a Developer for the delivery of the Project and the Wider Project;

Contracts means:

- (a) the contracts to be entered into by Anglian Water with Contractors in relation to the Project; and
- (b) the contracts to be entered into by the Master Developer with Contractors in relation to the Wider Project;

Control means in relation to a body corporate, the power of a person to secure that the affairs of the body corporate are conducted in accordance with the wishes of that person:

- (a) by means of the holding of shares, or the possession of voting power, in or in relation to that or any other body corporate; or
- (b) as a result of any powers conferred by the by the articles of association or any other document regulating that or any other body corporate;

Controller means the individual or body which controls the LLP;

Core Housing Output Milestones means the stages in the delivery of the Core Housing Outputs to be agreed by the parties as part of the conditions precedent for the Delivery Stage (the indicative initial target dates for such Core Housing Outputs Milestones being set out in Schedule 1) as from time to time extended pursuant to clause 8.2 or clause 8.3;

Core Housing Output Practical Completion means completion of the Core Housing Outputs in accordance with the definition of "Practical Completion" (or equivalent) in the relevant Contract for the delivery of the Core Housing Outputs;

Core Housing Outputs means the provision of serviced development plots (and for the avoidance of doubt this is not to be construed to mean practical completion of individual residential units) which are to be delivered on the Core Site pursuant to this Agreement details of which are set out at Schedule 2 (as may be amended from time to time in accordance with the terms of this Agreement);

Core Housing Practical Completion Date means the date identified in Schedule 1 by which Core Housing Output Practical Completion must be achieved (as the same may be amended from time to time pursuant to clause 8.2 or 8.3);

Core Housing Start on Site Date means the date (as identified in Schedule 1) on which all of the following events have occurred:

- (a) the LLP and the Master Developer have entered into the Master Development Agreement and the Master Developer and the LLP have entered into the Direct Agreement with Homes England;
- (b) the Master Developer has taken possession of any part of the Core Site or the LLP (or any party taking the benefit of the right to acquire part of the Core Site pursuant to the Option Agreements) has acquired any part of the Core Site pursuant to the terms of the Option Agreement; and
- (c) the Master Developer Start on Site Works to the Core Site have commenced;

Core Site means the land upon which the Core Housing Outputs will be situated as identified on the plan annexed at Annexure 4;

Cost Overrun means at any time the amount by which the aggregate costs and expenses incurred or to be incurred by the Project Partners in relation to the Project (as is set out in the Expenditure Forecasts) exceed the Maximum Sum;

COVID-19 or Coronavirus means the virus known as "Wuhan novel coronavirus c2019-nCoV";

CPO means one or more compulsory purchase orders that may be made by a local authority pursuant to section 226 Town and Country Planning 1990 Act, section 17 Housing Act 1985 and/or such other appropriate power of acquisition as the case may be to acquire the Relocation Site;

Dangerous Substance means any natural or artificial substance (whether in the form of a solid, liquid, gas or vapour) the generation, transportation, storage, treatment, use or disposal of which (whether alone or in combination with any other substance) gives rise to a risk of causing harm to man or any other living organism or causing damage to the Environment or public health and includes, but is not limited to, any controlled, special, hazardous, toxic, radioactive or dangerous waste or substance;

Data Protection Legislation means all legislation and regulatory requirements in force from time to time relating to the use of personal data, including, without limitation (i) any data protection legislation from time to time in force in the UK including the Data Protection Act 2018 or any successor legislation, as well as (ii) the General Data Protection Regulation ((EU) 2016/679) and any other directly applicable European Union regulation relating to data protection and privacy (for so long as and to the extent that the law of the European Union has legal effect in the UK) and any formal guidance or Codes of Conduct issued by the Information Commissioner (or other competent authority) in each case as amended, superseded or replaced from time to time;

Data Subject has the meaning ascribed to it in the Data Protection Legislation;

Delivery Plans means the Enabling Stage Delivery Plan and the Delivery Stage Delivery Plan;

Delivery Stage Costs means the capital costs incurred by the Project Partners in respect of the Delivery Stage Works as set out in the Expenditure Forecast marked as "Delivery Stage Costs" provided that the Relocation Site Acquisition Costs shall not be included within this definition;

Delivery Stage Delivery Plan means the indicative plan detailing the stages in delivery of the Delivery Stage Works as set out in Schedule 9;

Delivery Stage Expenditure Forecast means the forecast set out in Annexure 2, comprising amongst other things a budget and cashflow of Delivery Stage Costs as against the Delivery Stage Delivery Plan and showing the proposed drawdowns of HIF Funding during each Financial Year within the Availability Period subject to such amendments variations or updates to the same which may be made pursuant to clause 8.1;

Delivery Stage Risk Register means the risk register to be maintained by the Project Partners for the Delivery Stage Works;

Delivery Stage Start on Site means the date on which all pre-planning conditions have been satisfied and Anglian Water has control of the Relocation Site to enable the Delivery Stage Works to commence;

Delivery Stage Start on Site Date means the date or dates identified in Schedule 1 by which Delivery Stage Start on Site is to have occurred;

Delivery Stage Works means the works set out in Schedule 11;

Delivery Stage Works Practical Completion means completion of the Project in accordance with the definition of "Practical Completion" (or equivalent) in the relevant Contract(s) with the Relocation Requirements being satisfied;

Delivery Stage Works Practical Completion Date means the date set out in Schedule 1 by which Delivery Stage Works Practical Completion must be achieved;

Developer means:

- (a) in the context of the Core Site, the Master Developer; and/or
- (b) in the context of the Relocation Site, Anglian Water;

Development Consent Order means the development consent order (having the meaning given to such term in the Planning Act 2008) in a form satisfactory to the Project Partners and Homes England to be sought by Anglian Water Services Limited for a new water treatment facility to be constructed at the Relocation Site;

Direct Agreement means the direct agreement (in a form satisfactory to Homes England acting reasonably) in respect of the Master Development Agreement which acknowledges the step in rights in favour of Homes England under the Master Development Agreement and is to be entered into by Homes England and the parties to the Master Development Agreement;

Direction means a direction by the Secretary of State under section 15 of the Local Government Act 1999;

Disposal means a disposal other than a Permitted Disposal of the whole or any part of:

- (a) the Relocation Site; and
- (b) the Core Site;

EIR means the Environmental Information Regulations 2004, and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation;

EIR Exception means any applicable exemption to EIR;

Enabling Stage Completion Date means the date set out in Schedule 1 by which the conditions in clause 4.3 must have been satisfied;

Enabling Stage Costs means the capital costs incurred by the Project Partners in respect of the Enabling Stage Works as set out in the Expenditure Forecast marked as "Enabling Stage Costs" prior to satisfaction of clause 4.3 up to an aggregate maximum of [REDACTED] (including Historic Expenditure) or such other higher sum that Homes England may agree in writing in its absolute discretion provided that the Relocation Site Acquisition Costs shall not be included within this definition;

Enabling Stage Delivery Plan means the plan detailing the stages in delivery of the Enabling Stage Works as set out in Schedule 8;

Enabling Stage Expenditure Forecast means the forecast set out in Annexure 2, comprising amongst other things a budget and cashflow of Enabling Stage Costs as against the Enabling Stage Delivery Plan and showing the proposed drawdowns of HIF Funding during each Financial Year within the Availability Period subject to such

amendments variations or updates to the same which may be made with the consent of Homes England pursuant to clause 8.1;

Enabling Stage Risk Register means the risk register to be maintained by the Project Partners for the Enabling Stage Works;

Enabling Stage Start Date means the date set out in Schedule 1;

Enabling Stage Works means the works set out in Schedule 10;

Encumbrance means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, standard security, assignation in security, bond and floating charge or other security interest of any kind, and any right of set-off, assignment, trust, flawed asset or other agreement or arrangement whatsoever for the purpose of providing security or having a similar effect to the provision of security;

English Competent Authorities means:

- (a) such persons officeholders and bodies (however constituted) that are specified under any United Kingdom Competition Requirement as having responsibility for monitoring compliance with and/or legally enforcing State Aid or United Kingdom Competition Requirements or otherwise authorised to recover any Unlawful State Aid;
- (b) the courts of England and Wales;

Environment means the environment as defined in section 1(2) Environmental Protection Act 1990;

Environmental Claim means any claim by any person:

- (a) in respect of losses or liabilities suffered or incurred by that person as a result of or in connection with any violation of Environmental Laws; or
- (b) that arises as a result of or in connection with Environmental Contamination and that could give rise to any remedy or penalty (whether interim or final) that may be enforced or assessed by private or public legal action or administrative order or proceedings;

Environmental Consents means all licences, authorisations, consents or permits of any kind under or relating to Environmental Laws;

Environmental Contamination means the following and the consequences thereof:

- (a) any release, emission, leakage or spillage at or from the Site by any person into any part of the Environment of any Dangerous Substance; or
- (b) any accident, fire, explosion or sudden event which adversely affects the Environment and which is attributable to the operations, management or control of the Site by any person including (without limitation) the storage, handling, labelling or disposal of Dangerous Substances;

Environmental Law means any common or statutory law, regulation, publicly available code of practice, circular or guidance note (if not having the force of law being of a kind that is customary for the relevant person (or persons of its status or type carrying on a similar business) to comply with) issued by any official body, concerning the protection of human health, the workplace or the Environment;

EU Competent Authorities means:

- (a) the Commission of the European Union;
- (b) the Secretary of State if he is responding to a request from the Commission of the European Union;
- (c) a United Kingdom government department if it has competence and is responding to a request from the Commission of the European Union;
- (d) a court of England and Wales or the Court of Justice of the European Union;

Event of Default means a General Default or a Fundamental Default;

Exempted Information means any Information that is designated as falling or potentially falling within the FOIA Exemptions or the EIR Exceptions;

Existing Plant means the current waste water treatment plant located on the Core Site;

Expenditure Forecasts means the Delivery Stage Expenditure Forecast and the Enabling Stage Expenditure Forecast;

Final Certificate means in relation to the Project a certificate provided by the Grant Recipient certifying that:

- (a) the Delivery Stage Works have been constructed in accordance with the Project Details;
- (b) the Highways, sewers drains and other services ancillary to and reasonably necessary for the proper enjoyment of the Delivery Stage Works have been completed commissioned and are ready for use; and
- (c) the AW Relocation Requirements (as defined in the Master Development Agreement) have been satisfied;

Finance Document means:

- (a) the Direct Agreement
- (b) this Agreement;
- (c) the Security Assignment;
- (d) the Building Contract Assignment;
- (e) any Legal Charge;

- (f) any other document designated as such by the Project Partners and Homes England; and

any document entered into, pursuant to, or in connection with, or which amends or varies any document referred to in paragraphs (a) to (f) (inclusive) above;

Financial Year means from the date of this Agreement to the next 31 March and thereafter from 1 April to 31 March in each year until the expiry of the Term or earlier termination of this Agreement;

FOIA means the Freedom of Information Act 2000, and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation;

FOIA Authority/Authorities means a public authority as defined by FOIA and/or EIR;

FOIA Exemption means any applicable exemption to the FOIA;

Fundamental Default means the occurrence of any of the following:

- (a) a Report or Direction is made that relates to the Project;
- (b) a Project Partner or where applicable any Developer, Contractor, subcontractor, employee, officer or agent commits any Prohibited Act (in respect of which the Waiver Condition has not been satisfied); or
- (c) there has been an act/omission on the part of a Project Partner or a Developer or any of its contractors (including Contractors) that in Homes England's opinion (acting reasonably) harms the reputation of Homes England, the Housing Infrastructure Funding Programme or to bring them into disrepute provided that this limb shall no longer apply on the later of (a) expiry of 15 years from the date of this Agreement and (b) the date of grant of a residential led planning permission for the Core Site secured in compliance with clause 6.5.2;
- (d) a failure by a Project Partner to apply any HIF Funding advanced by Homes England towards the relevant Enabling Stage Costs or Delivery Stage Costs (as applicable) to which a Claim relates on more than one occasion; or
- (e) any third party uses any HIF Funding, advanced by Homes England, for any purpose other than for the relevant Enabling Stage Costs or Delivery Stage Costs (as applicable) to which a Claim relates;

General Default means the occurrence of any of the following:

- (a) a Milestone Failure occurs or is in the opinion of Homes England (acting reasonably) likely to occur (having regard to the information supplied pursuant to clause 10) and such Milestone Failure is not the direct result of a Milestone Extension Event;
- (b) there has been an act/omission on the part of the Project Partners or a Developer or any of its contractors (including Contractors) that, in Homes

England's opinion, has the potential to harm the reputation of Homes England, the Housing Infrastructure Funding Programme or to bring them into disrepute;

- (c) a Project Partner fails to perform and/or observe any obligation or restriction on it under any Project Related Document or Finance Document (to which it is a party) such that delivery of the Project or the Wider Project in the opinion of Homes England (acting reasonably) is unlikely to be achieved in accordance with the requirements of this Agreement;
- (d) any representation or warranty made by each Project Partner pursuant to clause 3 is incorrect in any material respect when made or repeated;
- (e) any Consent is withdrawn or revoked, where such withdrawal or revocation is likely to have a Material Adverse Effect;
- (f) any Project Related Document or Finance Document is terminated without the prior consent of Homes England and such termination is likely in the opinion of Homes England (acting reasonably) to have a Material Adverse Effect;
- (g) a Project Partner fails to pay any sum due under a Project Related Document or Finance Document on the due date for payment thereof provided that if Homes England is satisfied that such failure to pay any amount due hereunder is due solely to technical delays in the transmission of funds and such amount is paid within two (2) Business Days, this limb (g) will not apply for the purposes of this definition;
- (h) Homes England (acting reasonably) considers (whether as a result of its due diligence or otherwise) that Project Partners do not have sufficient funds or resources available to them to complete the Project in accordance with the Project Details;
- (i) a Disposal other than a Permitted Disposal has occurred without the prior consent of Homes England;
- (j) there is a breach of any of the conditions at clause 7.3;
- (k) clause 26.3 applies;
- (l) any other material breach by a Project Partner of any of its obligations under this Agreement has occurred;
- (m) the Final Certificate issued by the Grant Recipient's Section 151 Officer is inaccurate or misleading in any respect;
- (n) there is a failure by a Project Partner to comply (or secure compliance) with a Remediation Plan where one is approved by Homes England pursuant to clause 12.2; or

- (o) Homes England determines (acting reasonably) that proper progress against the Delivery Plans has not been made by the Project Partners in delivering the Project to ensure the Project is achieved by the Milestones;
- (p) Anglian Water fails to secure legal and beneficial ownership and vacant possession of the Relocation Site by the corresponding Milestone; or

Good Industry Practice means that degree of skill, care, prudence and foresight and operating practice which would reasonably and ordinarily be expected from time to time of a skilled and experienced contractor (engaged in the delivery of works or outputs of the same type as the Project or Wider Project (as applicable)) under the same or similar circumstances;

Grant Recipient Senior Officer means the Strategic Director, Cambridge City Council, or such person as may be notified by the Grant Recipient to the other parties in writing from time to time;

Group Company means, in relation to any Undertaking (Relevant Undertaking):

- (a) an Undertaking which is either a parent undertaking or a subsidiary undertaking of the Relevant (as the case may be);
- (b) an Undertaking which is a subsidiary of a parent undertaking of which the Relevant Undertaking is also a subsidiary undertaking;
- (c) an Undertaking which Controls, is Controlled by or is under common Control with the Relevant Undertaking;

Guarantee means the guarantee provided to Homes England by AVH in accordance with the provisions set out in Schedule 12 of this Agreement;

Health and Safety Legislation means any applicable health and safety legislation, statutory instruments or regulations (including but not limited to the Health and Safety at Work etc. Act 1974) and any guidance and/or codes of practice relating to them;

HIF Funding means the funding made available or to be made available by Homes England to the Grant Recipient under this Agreement for the purposes of application towards Project Expenditure incurred or to be incurred by the Grant Recipient in delivering or procuring the delivery of the Project and unlocking delivery of the Wider Project;

Highways means roads, cycleways, footpaths, pavements, accessways, squares, courtyards, driveways, forecourts, entranceways and ancillary verges, landscaped areas, lighting, street furniture, drains, other utilities and associated works;

Historic Expenditure means any amount specified by Homes England in its absolute discretion being Project Expenditure incurred before the date of this Agreement;

HMRC means Her Majesty's Revenue & Customs;

Homes England Senior Officer means the Senior Manager, Infrastructure Grant Portfolio Manager or such other person notified as such by Homes England to the Project Partners in writing from time to time;

HRA 2008 means the Housing and Regeneration Act 2008;

Independent Expert means the person agreed or otherwise appointed pursuant to the provisions of paragraph 2.5 of Schedule 6 for the purpose of determining a dispute between the Parties;

Information means:

- (a) in relation to the FOIA has the meaning given under section 84 FOIA and which is held by Homes England at the time of receipt of an RFI; and
- (b) in relation to the EIR has the meaning given under the definition of "environmental information" in section 2 of the EIR and which is held by Homes England at the time of receipt of an RFI;

Information Commissioner has the meaning set out in section 114 Data Protection Act 2018 and for the avoidance of doubt is the UK's independent body set up to uphold and enforce information rights;

Intellectual Property Rights shall include without limitation all rights to, and any interests in, any patents, designs, trademarks, copyright, know-how, trade secrets and any other proprietary rights or forms of intellectual property (protectable by registration or not) in respect of any technology, concept, idea, data, program or other software (including source and object codes), specification, plan, drawing, schedule, minutes, correspondence, scheme, formula, programme, design, system, process logo, mark, style, or other matter or thing, existing or conceived, used, developed or produced by any person;

Interest means interest accruing on the relevant amount at the Base Interest Rate from the date of receipt by a Project Partner of that amount up to and excluding the date of payment to Homes England;

Joint Venture Agreement means the agreement between the Grant Recipient and Anglian Water ~~dated~~ in relation to the LLP;

in the form agreed between the parties T&H

Law means any applicable law, Legislation, bye-law, regulation, order, regulatory policy, guidance or industry code, rule of court or directives or requirements of any Regulatory Body, delegated or subordinate Legislation or notice of any Regulatory Body;

Legal Charge means a charge or charges granted by the LLP over the Core Site or part thereof in favour of Homes England to secure the Project Partners' obligations under this Agreement;

Legal Opinion means a legal opinion in the form set out in Schedule 4 given by the Grant Recipient's Solicitor;

Legislation means:

- (a) any Act of Parliament;
- (b) any subordinate legislation within the meaning of section 21(1) Interpretation Act 1978;

- (c) any exercise of the Royal Prerogative;
- (d) any enforceable community right within the meaning of section 2 European Communities Act 1972;
in each case in the United Kingdom; and
- (e) any regulations, orders, by-laws or codes of practice of any local or statutory or competent authority having jurisdiction over the territory in which the Project are situated;

LLP means Cambridge 4 LLP (partnership number OC427168) whose registered office is at Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, England PE29 6XU;

Master Development Agreement means the master development agreement to be entered into between (1) the LLP (2) the Master Developer and (3) U and I Group Plc in the form approved by Homes England;

Master Developer means U and I (Projects) Limited (registered number 2850465);

Master Developer Start on Site Works means "Material Commencement" (as defined by the Town and Country Planning Act 1990) of the Wider Project has occurred;

Material Adverse Effect means any present or future event or circumstances which could, in the opinion of Homes England acting reasonably:

- (a) materially impair the ability of a Project Partner, or the Master Developer to perform and comply with its obligations under any Finance Document or Project Related Document;
- (b) materially or adversely affect the assets or financial condition of a Project Partner or the Master Developer; or
- (c) materially impair the validity or enforceability of, or the effectiveness or ranking of any Finance Document or any Security granted or purporting to be granted pursuant to any Finance Document or the rights or remedies of Homes England under any Finance Document or Project Related Document;

Maximum Sum means the sum identified in Schedule 1 being the maximum amount of HIF Funding to be provided by Homes England to the Grant Recipient under this Agreement as may be reduced in accordance with clause 2.2;

Milestones means the Project Milestones and the Core Housing Output Milestones;

Milestone Date means each date set out in Schedule 1 by which the relevant Milestone must have been achieved (as the same may be revised by Homes England in accordance with clause 8.3) it being acknowledged that the Milestone Dates in relation to the Delivery Stage Works are target dates and will be fixed as part of the Enabling Stage Works;

Milestone Extension Events means any of the following:

- (a) exceptionally adverse weather conditions provided that any extension permitted on this ground will be restricted to the number of days for which the adverse weather continued;
- (b) the exercise after the date of this Agreement by the United Kingdom Government of any statutory power which directly affects the execution of the Project or the delivery of the Wider Project by restricting the availability or use of labour which is essential to the proper carrying out of the Project or the delivery of the Wider Project or preventing a Project Partner or the Master Developer from, or delaying in, securing such goods or materials or such fuel or energy as are essential to the proper carrying out of the Project or the delivery of the Wider Project;
- (c) the use or threat of terrorism and/or the activity of the relevant authorities in dealing with such use or threat;
- (d) fire, explosion, lightning, storm, tempest, flood, bursting or overflowing of water tanks, apparatus or pipes, ionising radiation, earthquakes, riot and civil commotion;
- (e) failure by any statutory undertaker, utility company or other like body to carry out works or provide services which a Project Partner or the Master Developer (as applicable) has taken all reasonable steps open to it to procure and expedite;
- (f) any failure or major shortage of power, fuel or transport;
- (g) any blockade or embargo;
- (h) any:
 - i official or unofficial strike;
 - ii lockout;
 - iii go-slow; or
 - iv other dispute,
 - v generally affecting the house building industry or a significant sector of it or the Developer engaged in the delivery of the Project or Wider Project to a material extent;
- (i) the discovery of any fossils, antiquities, unexploded ordinances or objects of interest or value on the Site or in excavating it;
- (j) the exercise after the date of this Agreement by the United Kingdom Government (excluding for the avoidance of doubt, the Project Partners) of any statutory power which directly affects the Project Partners' obligations under this Agreement;
- (k) any reasonable delays in a statutory planning process (including compulsory purchases and planning permission applications);

- (l) any impediment, prevention or default, whether by act or omission by Homes England except to the extent caused or contributed to by any default, whether by act or omission, of a Project Partner;
- (m) the UK GDP growth rate is negative for at least the two preceding Quarters as a result of which it is demonstrated by the Project Partners to the reasonable satisfaction of the Homes England that it is not financially viable to continue the Project or Wider Project as originally proposed by the Project Partners;
- (n) a Public Health Event and/or a Public Health Change in Law, and/ or the inability to obtain essential supplies or materials due to a Public Health Event;
- (o) any other single event agreed by the Project Partners and Homes England (acting reasonably) to be Milestone Extension Events from time to time and for the avoidance of doubt, unless otherwise confirmed by Homes England, any new event agreed by Homes England under this limb (o) shall be a Milestone Extension Event for the specific circumstance to which such approval relates and the Project Partners warrant that they have confirmed to Homes England whether or not such event has arisen as a result of any wilful default or wilful act or negligent act of a Project Partner, any Contractor or a Developer,

unless:

- (a) save for an event under limb (o), any of the events arise (directly or indirectly) as a result of any wilful default or wilful act or negligent act of a Project Partner, any Contractor or a Developer; or
- (b) in respect of the event referred to in (e) above, such event arises as a result of any failure by a Project Partner or a Developer (whether wilful or otherwise) to notify the relevant statutory undertaker or utility company of the requirement for works or services to be completed by the date required to enable the relevant Milestone to be achieved;

Milestone Failure means a failure by a Project Partner to achieve or procure the achievement of any Milestone by the relevant Milestone Date;

Monitoring Report has the meaning ascribed to it in clause 10.3.2;

Monitoring Surveyor means such suitably qualified monitoring surveyor as may be approved by Homes England and appointed by a Project Partner on terms satisfactory to Homes England pursuant to clause 6.6.7;

Notifiable Event means an event of the type described in clause 10.1;

Open Book means the transparent and full disclosure of information to be undertaken in utmost good faith and to include the declaration of all information which the Project Partners is required to maintain keep or disclose under this Agreement and any other financial components such as price, profit margins, central office overheads, site overheads, preliminaries, contingencies and the cost of all materials, goods, equipment,

work and service, apportionments of these items with all and any books of accounts, correspondence, agreements, orders, invoices, receipts and other documents available for inspection;

Option Agreement means each of the following option agreements ~~of or about even date to this Agreement between:~~ *to be in the form agreed by the parties at the date of this Agreement (with such amendments as the*

- (c) the Grant Recipient and the LLP; *parties may acting reasonably agree) and to be entered into*
- (d) AWS and AWG; *as soon as reasonably practicable*
- (e) Ambury Developments Limited and AWG; *and in any event on or before the first claim is made for delivery stage costs* TSH

and the two Deed of Assignments entered into between AWG and the LLP in relation to the Option Agreements referred to at (b) and (c) above; *: to be entered into on the same date as the corresponding Option Agreement;* TSH

Permitted Disposal means:

- (a) a disposal of the Core Site or part thereof to the LLP pursuant to the Option Agreement;
- (b) a disposal to a Plot Purchaser;
- (c) any disposal expressly contemplated in this Agreement; and/or
- (d) the disposal of part or parts of the Relocation Site or Core Site upon which an electricity sub-station, gas generation or pumping station or other statutory services or infrastructure have been or are to be constructed or installed and the immediate curtilage of the same together with ancillary easements; and/or
- (e) disposals made pursuant to a planning obligation pursuant to section 106 Town & Country Planning Act 1990 or the Local Government (Miscellaneous Provisions) Act 1982 or section 33 and/or the Local Government Act 1972 section 111 and the Highways Act 1980 section(s) 38 and/or 278; and
- (f) any other disposal which Homes England agrees with the Project Partners from time to time will become a Permitted Disposal;

Permitted Encumbrance means:

- (a) any lien arising solely by operation of Law in the ordinary course of a Project Partner's business in respect of any obligation which is not more than thirty (30) days overdue for settlement;
- (b) any Encumbrance arising out of title retention provisions in a supplier's standard conditions of supply in respect of goods supplied to the Projects Partners in the ordinary course of its business;
- (c) any Encumbrance created pursuant to this Agreement; and

- (d) any Encumbrance granted with the prior written consent of Homes England;

Personal Data has the meaning ascribed to it in the Data Protection Legislation;

Plot Purchaser has the same meaning given to it in the Master Development Agreement;

Practical Completion means as the context requires:

- (a) in relation to the Delivery Stage Works, Delivery Stage Works Practical Completion; and
- (b) in relation to delivery of the Wider Project, Core Housing Output Practical Completion;

Pre Commencement Conditions means the conditions set out in Schedule 7;

Process has the meaning ascribed to it in the Data Protection Legislation and **Processing** shall be construed accordingly;

Procurement Law means (as the case may be):

- (a) prior to the date on which the United Kingdom ceases to be a Member State of the European Union all applicable United Kingdom and European Union procurement Legislation and any implementing measures including European Union Directives 2014/23/EU (on the award of concession contracts) and 2014/24/EU (on Public Procurement); the Public Contracts Regulations 2015, the Concession Contracts Regulations 2016 insofar as the same are applicable; and
- (b) on or after the date the United Kingdom ceases to be a Member State of the European Union the Public Contracts Regulations 2015, the Concession Contracts Regulations 2016 (insofar as the same are applicable) together with any statutory modification or replacement regulations or Legislation on procurement by public bodies;

Professional Team means any consultant or advisor with a design or supervisory responsibility appointed or engaged by Anglian Water for the Project or the Master Developer in connection with the Wider Project;

Prohibited Act means:

- (a) offering, giving or agreeing to give to any servant of Homes England any gift or consideration of any kind as an inducement or reward:
 - i for doing or not doing (or for having done or not having done) any act in relation to the obtaining or performance of a Project Related Document or Finance Document; or
 - ii for showing or not showing favour or disfavour to any person in relation to a Project Related Document or Finance Document;

- (b) entering into a Project Related Document or Finance Document in connection with which commission has been paid or has been agreed to be paid by the Grant Recipient or on its behalf, or to its knowledge, unless before the relevant agreement is entered into particulars of any such commission and of the terms and conditions of any such agreement for the payment thereof have been disclosed to Homes England;
- (c) committing any offence:
 - i under legislation creating offences in respect of fraudulent acts;
 - ii at common law in respect of fraudulent acts in relation to this Agreement; or
 - iii under the Bribery Act 2010; or
- (d) defrauding or attempting to defraud or conspiring to defraud Homes England;

Project means the delivery of the Enabling Stage Works and the Delivery Stage Works;

Project Details means information provided by the Grant Recipient in relation to the Project, which shall include:

- (a) the descriptive and other details in respect of the Project as set out in Schedule 1;
- (b) during:
 - i the Enabling Stage Works, the Proposed Relocation Site; or
 - ii the Delivery Stage Works, the Relocation Site.
- (c) the Core Housing Outputs to be facilitated by the delivery of the Project and the projected dates for their achievement;
- (d) the Delivery Plans;
- (e) the Risk Registers;
- (f) the Expenditure Forecasts;
- (g) the Milestone Dates;
- (h) all Consents which are available;
- (i) the proposed timing of all drawdowns of HIF Funding and any other funding sources; and
- (j) the timing for the sale of the Core Housing Outputs including anticipated sales income and associated costs to the extent not included in the Expenditure Forecasts,

all in accordance with the Bid and each as may be updated with the consent of Homes England and/or varied from time to time in accordance with the terms of this Agreement;

Project Expenditure means Enabling Stage Costs and Delivery Stage Costs being the costs of delivering the Project as set out in the Expenditure Forecasts which Homes England is satisfied either have been or will be reasonably and properly incurred by the Project Partners in delivering the Project;

Project Milestones means the stages in the delivery of the Project set out in Schedule 1 as may be extended from time to time pursuant to clause 8.2 or clause 8.3;

Project Partners means the Grant Recipient and Anglian Water (and **Project Partner** shall be each one individually);

Project Related Documents means:

- (a) Contracts;
- (b) Collateral Warranties (where provided, it being acknowledged that where Third Party Rights in a form acceptable to Homes England (acting reasonably) are provided in lieu of Collateral Warranties, Collateral Warranties are not to be required);
- (c) drawings, plans and specifications for the Project and the Wider Project;
- (d) planning permissions required for the Project and the provision of the Wider Project and all compulsory purchase orders, road closures and approvals of reserved matters or details provided pursuant to them and all other licences and approvals under any applicable planning legislation or regulations, the building and fire regulations and any other statute or bylaw of any relevant authority which are necessary to carry out and complete the Project and the Wider Project;
- (e) any guarantees, warranties and representations given or made by and any rights or remedies against all or any of the valuers, professional advisers, contractors or sub-contractors or manufacturers, suppliers and installers of any fixtures;
- (f) other grant agreements relating to the funding of the Project;
- (g) agreements for sale relating to the Core Housing Outputs; and
- (h) the Option Agreements;
- (i) the Joint Venture Agreement;
- (j) the Master Development Agreement,

and any other document the parties agree in writing from time to time will be designated as an Project Related Document;

Proposed Relocation Site means the sites upon which the Project Partners propose the Delivery Stage Works shall be delivered as identified to Homes England as at the date of this Agreement;

"Public Health Change in Law" means the coming into effect of new Legislation or a change in Legislation after the date of this Agreement which relates to or is introduced as a result of any Public Health Event;

"Public Health Event" means the outbreak of COVID-19 and any of the following occurring as a response to that outbreak:

- (a) any control, law or measure imposed or any control administered by a Competent Authority relating to the control of disease or control of movement of people, goods or services or a restriction on transfer of any of the same imposed or administered as a response to an outbreak of disease or as a means of preventing the significant transmission of a disease; or
- (b) the isolation or quarantining of any persons employed or engaged by the Project Partners, the Master Developer or any member of their supply chains where any such person is involved in the Project; and

in each case relating to the United Kingdom;

Public Sector Financial Assistance means any funding (received or receivable by a Project Partner) to finance any part of the Project from public sector bodies including but not limited to funding by Homes England (other than the HIF Funding), funding from the European Commission, government bodies (whether national or local) or bodies in receipt of lottery funds from the National Lottery Distribution Fund pursuant to the National Lotteries Act 1993 and 1998;

Public Sector Contribution means any funding received or receivable by a Project Partner or the Master Developer to finance any part of the Project from public sector bodies including but not limited to funding by Homes England (including HIF Funding), funding from the European Commission, government bodies (whether national or local) or bodies in receipt of lottery funds from the National Lottery Distribution Fund pursuant to the National Lotteries Act 1993 and 1998;

Quarter means the period between each Quarter Date;

Quarter Date means 31 March, 30 June, 30 September and 31 December;

Regulatory Body means government departments or regulatory, statutory and other entities, committees and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate, or influence the matters dealt with in this Agreement or any other affairs of Homes England;

Relocation Plant means the waste water treatment plant to be constructed on the Relocation Site in accordance with the Specification;

Relocation Requirement has the same meaning as the "AW Relocation Requirements" definition in the Master Development Agreement;

Relocation Site means the land upon which the Delivery Stage Works are to be delivered as identified by the Grant Recipient to Homes England as part of the Enabling Stage Works;

Relocation Site Acquisition Costs mean:

- (a) the cost of acquiring the land required for the Relocation Site;
- (b) any stamp duty land tax payable on the acquisition of the Relocation Site; and
- (c) any Land Registry fees payable for the registration of the acquisition of the Relocation Site;

Remediation Plan means the plan described in clause 12.2.1;

Report means a report under section 114(3) or section 114A Local Government Finance Act 1988 or section 5 Local Government and Housing Act 1989;

Request for Information/RFI shall have the meaning set out in the FOIA or any request for information under EIR which may relate to the Project or the Wider Project, any Project Related Document, any Finance Document or any activities or business of Homes England;

Required Standards means the requirements of this Agreement, Good Industry Practice, all Consents, Legislation and unless otherwise agreed with Homes England, the requirements of the local planning authority's Development Plan (as defined in section 38 of the Planning and Compulsory Purchase Act 2004);

Review Meeting means a meeting of the type described in clause 10.3;

RIDDOR means Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (as amended from time to time);

Risk Registers means the Enabling Stage Risk Register and Delivery Stage Risk Register;

Section 151 Officer means an officer of the Grant Recipient appointed under section 151 of the Local Government Act 1972;

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect (such as sale or lease and leaseback effected for such purpose, a blocked account, set-off or similar 'flawed asset' arrangement);

Security Assignment means an assignment by way of security by the LLP of its rights under the Option Agreements in favour of Homes England (substantially in the form set out at Annexure 7);

Sites means the Relocation Site and the Core Site;

Solicitors means a firm of solicitors approved by Homes England (acting reasonably and having regard, inter alia, to the number of partners, relevant experience and professional indemnity cover of any proposed firm) from time to time;

Special Conditions means the conditions set out in Schedule 6;

Specification means the specification in relation to the Relocation Plant provided pursuant to clause 4.3.1(j);

State Aid means (as the case may be):

- (a) any aid granted by a Member State of the European Union or through the resources of such Member State in any form whatsoever which distorts or threatens to distort competition by favouring a particular undertaking or the production of certain goods, in so far as such aid affects trade between European Union Member States; or
- (b) any aid benefit or advantage (which includes but is not limited to assets, rates, funds and land) granted by or through a public sector body which is subject to any United Kingdom Competition Requirements;

Tax means any tax, levy, impost, duty or other charge or withholdings and any charges of a similar nature, together with interest thereon and penalties with respect thereto, if any, and any payments made on or in respect thereof and Taxation or taxation and Taxes or taxes shall be construed accordingly;

Term means the period of time from the date hereof until 31 March 2028 (or such later date as may be agreed by Homes England in its absolute discretion) subject to earlier termination by Homes England of the entirety of this Agreement;

Third Party Rights means rights pursuant to the Contracts (Rights of Third Parties) Act 1999

Total Project Costs means, if all costs in relation to the Project:

- (a) have been incurred, the aggregate of such costs; and
- (b) have not yet been incurred, the actual and forecasted value (as relevant) of the aggregate of such costs

each as such costs are identified in the Expenditure Forecasts;

Undertaking means:

- (a) a body corporate or partnership;
- (b) an unincorporated association carrying on a trade or business with or without a view to profit;
- (c) any of the above or its equivalent established in a jurisdiction outside of the UK; and

- (d) any company or legal person in relation to which insolvency proceedings may be opened pursuant to Article 3 of the EC Regulation on Insolvency Proceedings 2000;

Undrawn Amount means such part of the Maximum Sum as has not been paid to the Grant Recipient under this Agreement;

United Kingdom Competition Requirement means any Legislation which:

- (a) is in force and/or in effect and/or applies (in England) on or after the date the United Kingdom ceases to be a Member State of the European Union; and
- (b) which regulates any aid funding assets or advantage granted or directed by a public sector body to the extent that the same has the ability to threaten to or actually distort either competition or an economic market in the United Kingdom and/or in any part of the European Economic Area and/or in any other country or countries;

Unlawful State Aid means (as the case may be):

- (a) State Aid which has been granted in contravention of Article 108(3) Treaty of the Functioning of the European Union (TFEU), does not benefit from an exemption from notification and has not been approved by a decision of the European Commission under Article 107(2) or (3) TFEU;
- (b) State Aid which has been granted after the United Kingdom ceases to be a Member State of the European Union to the extent that the same is granted contrary to or is an infringement of any United Kingdom Competition Requirement;

VAT means Value Added Tax as presently charged under the Value Added Tax Act 1994 or any tax of similar nature;

Waiver Condition means provision of satisfactory evidence by a Project Partner to Homes England that the relevant Prohibited Act was committed by:

- (a) an employee acting independently of the Project Partners and such employee's employment is terminated within twenty (20) Business Days of Homes England serving notice on the Grant Recipient of such Prohibited Act; or
- (b) a Contractor (or any employee of a Contractor not acting independently of the Contractor) or a Developer (or any employee of a Developer not acting independently of the Developer) and the relevant Project Related Document is terminated within twenty (20) Business Days of Homes England serving notice on the Project Partners of such Prohibited Act; or
- (c) an employee of a Developer or a Contractor acting independently of such Contractor and such employee's employment is terminated within twenty (20) Business Days of Homes England serving notice on the Project Partners of such Prohibited Act; or

- (d) any person not specified in paragraphs (a), (b) or (c) and the Project Partners (or any Contractor or a Developer) has severed links with such person (whether his employment, appointment or any other link) within twenty (20) Business Days of Homes England serving notice on the Project Partners of such Prohibited Act,

where acting independently means not acting with the authority or knowledge of any one or more of the directors of the Project Partners or a Developer or relevant Contractor and for the avoidance of doubt where the timescales in this definition conflict with any employment Legislation, the terms of the employment Legislation will prevail and the Waiver Condition will be deemed satisfied if the actions required by the Waiver Condition are satisfied within the timescales prescribed by the relevant employment Legislation; and

Wider Project means the servicing of the Core Site in accordance with the Master Development Agreement to enable the provision of the Core Housing Outputs (as well as other commercial and leisure uses) so as to unlock the construction of circa 5,600 new homes.

1.2 Interpretation

- 1.2.1 The masculine includes all genders and vice versa.
- 1.2.2 The singular includes the plural and vice versa.
- 1.2.3 Any reference in this Agreement to any condition, sub-condition, paragraph, Schedule, Annexure or section heading is, except where it is expressly stated to the contrary, a reference to such condition, sub-condition, paragraph, Schedule, Annexure or section heading of this Agreement.
- 1.2.4 Any reference to this Agreement or to any other document shall include (except where expressly stated otherwise) any variation, amendment or supplement to such document to the extent that such variation, amendment or supplement is not prohibited under the terms of this Agreement.
- 1.2.5 Any reference to any enactment, order, regulation, determination or similar instrument shall (except where expressly stated otherwise) be construed as a reference to the enactment, order, regulation, determination or instrument (including any EU instrument) as amended, replaced, consolidated or re-enacted.
- 1.2.6 A reference to a person includes firms, partnerships and corporations and their successors and permitted assignees or transferees.
- 1.2.7 Headings are for convenience of reference only.
- 1.2.8 A time of day shall be a reference to London time.
- 1.2.9 A party means a party to this Agreement.
- 1.2.10 The words includes or including are to be construed without limitation.
- 1.2.11 A document in the agreed form is to be the form of the relevant document agreed between the parties and for the purpose of identification initialled by

each of them or on their behalf (in each case with such amendments as may be agreed by or on behalf of the parties) or in the form set out in a Schedule to this Agreement.

- 1.2.12 A paragraph in a Schedule shall be construed as references to a paragraph in that particular Schedule.
- 1.2.13 A deliberate act or omission of any person shall exclude acts or omissions which were within the contemplation of the parties or which were otherwise provided for in this Agreement.
- 1.2.14 In any case where the consent or approval of Homes England (or any officer of Homes England) is required or a notice is to be given by or to Homes England, such consent or approval or notice shall only be validly given if it is in writing and signed by (if relevant) the Homes England Senior Officer stipulated in this Agreement or such other person as may be specified to the other parties by Homes England from time to time. Any consent, approval or refusal to consent or approve should be issued within the timeframe specified within this Agreement, or, where no timeframe is specified, within a reasonable time frame.
- 1.2.15 An obligation to do anything includes an obligation to procure its being done.
- 1.2.16 Any restriction includes an obligation not to permit infringement of the restriction.
- 1.2.17 The terms Core Site and Relocation Site include each and every part of such Site and estate or interest in it.
- 1.2.18 If there is any ambiguity or conflict between the implied terms and the express terms of this Agreement then the express terms shall prevail.
- 1.2.19 No review comment or approval by Homes England under the provisions of this Agreement shall operate to exclude or limit the Project Partners' obligations or liabilities under this Agreement save where Homes England have confirmed the said review comment or approval in writing.
- 1.2.20 The Project Partners shall jointly be responsible as against Homes England for the acts or omissions of any Developer and the LLP as if they were the acts or omissions of the Project Partners.
- 1.2.21 Neither the giving of any approval, consent, examination, acknowledgement, knowledge of the terms of any agreement or document nor the review of any document or course of action by or on behalf of Homes England shall, unless otherwise expressly stated in this Agreement or agreed in writing by Homes England, relieve the Project Partners of any of their obligations under any Finance Document or any of the Project Related Documents or of any duty which it may have hereunder to ensure the correctness, accuracy or suitability of the matter or thing which is the subject of the approval, consent, examination, acknowledgement or knowledge nor confer impose or imply any liability or responsibility on or on behalf of Homes England in respect of or in connection

with the matter to or in relation to which such approval consent examination acknowledgement was given or review made.

1.2.22 Save where an express discretion is given by this Agreement, Homes England will act in a reasonable manner in deciding whether to give any consent, agreement, determination or approval or express its satisfaction and whether to give any such consent, agreement, determination or approval or express its satisfaction subject to restrictions, terms or conditions unless in each case to do so would fetter its statutory powers, rights or obligations.

1.2.23 Save where an obligation in this Agreement is expressed to be an obligation of the Project Partners (in which case the Project Partners shall be jointly liable for its discharge) liability for the discharge of an obligation on an individual Project Partner will rest with each individual Project Partner to whom the relevant obligation applies.

2 Provision of HIF Funding

2.1 Homes England (in exercise of its powers under section 19 of the HRA 2008) agrees to make available to the Grant Recipient, during the Availability Period, HIF Funding in an aggregate principal amount equal to the Maximum Sum on the terms set out in this Agreement.

2.2 The Project Partners acknowledge and agree that the Maximum Sum may be reduced by Homes England (acting reasonably):

2.2.1 In the exercise of its rights under this Agreement; or

2.2.2 to accommodate factors such as (but without limitation):

- (a) changes to the Project Details;
- (b) variations arising out of the operation of clause 8.2;
- (c) changes to the Project agreed between the parties;
- (d) other sources of public sector financial assistance becoming unconditionally secured by the Project Partners or a Developer in relation to the delivery of the Project; or
- (e) where it is deemed by Homes England (acting reasonably) that, as a result of the Relocation Site selected by the Project Partners and any costs savings identified pursuant to clauses 2.3 to 2.5 below, less HIF Funding than the Maximum Sum is required **provided** that such adjustment to the Maximum Sum is to be made prior to drawdown by the Grant Recipient of the first Claim for Delivery Stage Costs.

2.3 During the Enabling Stage Works:

2.3.1 the Project Partners will identify the Relocation Site and will (acting reasonably) assess whether cost savings can be achieved on the Delivery Stage Works; and

2.3.2 the Project Partners will keep Homes England updated as to any potential reduction in the anticipated Delivery Stage Costs due to costs savings being achieved.

2.4 Prior to commencement of the Delivery Stage Works the Project Partners are to notify Homes England and provide a satisfactory evidence on an Open Book basis, for the Maximum Sum which they require for Homes England's approval, it being acknowledged that the Project Partners shall be entitled to such appropriate contingency as determined by their Professional Team to ensure that is at all times sufficient funding for the delivery of the Delivery Stage Works.

2.5 Where the parties agree a reduced Maximum Sum pursuant to this clause 2, they shall enter into a supplementary memorandum recording the revised Maximum Sum for the purpose of this Agreement.

2.6 The Availability Period will come to an end in relation to all Undrawn Amounts on termination of this Agreement.

2.7 The Project Partners acknowledge and agree that Homes England's obligation to provide the HIF Funding is subject to Homes England receiving any approvals Homes England may require (whether internally or from central Government). It is acknowledged that, at the date of the Agreement, Homes England have all necessary consents for the provision of the Maximum Sum.

2.8 Notwithstanding any other term of this Agreement, the aggregate grant paid in respect of any Claims made from [REDACTED] cannot exceed [REDACTED]

3 Representations and warranties

As at the date of this Agreement, on the date of each Claim and the date of each Monitoring Report (by reference to the facts and circumstances then existing) each of the Project Partners separately makes the representations and warranties set out in Schedule 5 to Homes England.

4 Payment of HIF Funding

4.1 Initial conditions precedent

It is acknowledged that Homes England's obligations under this Agreement are subject to the condition precedent that it has conducted due diligence (including financial and legal due diligence) satisfactory to it in relation to the Project and has confirmed to the Grant Recipient that the Pre Commencement Conditions have been satisfied or waived and for the purpose of this clause Homes England duly confirms that these requirements have been satisfied.

4.2 Conditions Precedent to each Claim for HIF Funding in respect of Enabling Stage Costs

4.2.1 Subject to clause 4.2.2, the obligation of Homes England to make available HIF Funding in relation to Enabling Stage Costs is subject to the further conditions precedent that, at or before the time of a Claim and at or before the time Homes

England pays HIF Funding, it has confirmed to the Grant Recipient that it has received from the Section 151 Officer all of the following in form and substance satisfactory to Homes England (and Homes England will procure such confirmation is promptly provided where these obligations are duly satisfied):

- (a) confirmation from Anglian Water that it will procure the funding of the acquisition of the Relocation Site from its own resources or from the resources of a Group Company and evidence of its/their financial capacity to do the same;
- (b) a land and planning strategy which details how the Development Consent Order or (where applicable) a planning permission is to be secured;
- (c) unless the claim is for anticipated costs, evidence (which may take the form of valid invoices) that the Project Partners have incurred the costs relating to the Claim and such costs relate to the Enabling Works and/or Historic Expenditure (as applicable);
- (d) evidence that the Claim would not cause the aggregate amount of HIF Funding paid in respect of Enabling Stage Works (including Historic Expenditure) to exceed [REDACTED] and [REDACTED]

4.2.2 A Claim for HIF Funding in respect of Enabling Stage Works may be accepted by Homes England in its absolute discretion where the conditions precedent set out in clause 4.2.1 have not yet been satisfied.

4.3 Conditions Precedent to each Claim for HIF Funding for Delivery Stage Costs

4.3.1 Subject to clause 4.3.4, the obligation of Homes England to make available any HIF Funding in respect of Delivery Stage Costs is subject to the conditions precedent that, at or before the time of a Claim and at or before the time Homes England pays HIF Funding that it has or the Monitoring Surveyor has, confirmed to the Grant Recipient that it has received all of the following in form and substance satisfactory to Homes England (and Homes England will procure such confirmation is promptly provided where these obligations are duly satisfied). :

- (a) evidence that the Enabling Stage Works have been delivered;
- (b) evidence of the estimated cost of any decommissioning to the Core Site (if applicable to a Claim) forming part of the Delivery Stage Works;
- (c) a copy of the executed Master Development Agreement and Direct Agreement which evidence the right of Homes England as funder to step into the Master Development Agreement under the circumstances set out in this Agreement;
- (d) confirmation from the Grant Recipient of the location of the Relocation Site;

- (e) an updated Delivery Stage Expenditure Forecast and Delivery Stage Delivery Plan which incorporates Milestones and updated Milestone Dates and Delivery Stage Risk Register approved by Homes England;
- (f) an updated Acquisition Plan as at the date of the Claim;
- (g) evidence (which may take the form of a letter of confirmation from the Anglian Water's bank or from their internal finance officer) that Anglian Water (or a Group Company or Group Companies of Anglian Water) has sufficient funds to purchase the Relocation Site;
- (h) appointments of the Professional Team and any Contractors for the delivery of the Project;
- (i) evidence (satisfactory to Homes England) from Anglian Water that the proposed on costs (which shall include design and project management fees) relating to the Relocation Plant are reasonable;
- (j) a specification for the Delivery Stage Works which relate to the delivery of the Relocation Plant (**Specification**);
- (k) an update on how the Project Partners intend to secure delivery of the Wider Project and of progress with securing a planning permission (satisfactory to Homes England) for the Core Site for the delivery of the housing to be unlocked by completion of the Wider Project;
- (l) a copy of the Development Consent Order or planning permission (as applicable) in a form satisfactory to the Project Partners and Homes England;
- (m) counterparts of each relevant Project Related Document executed by the Grant Recipient and all other relevant parties;
- (n) counterparts of each relevant Finance Document executed by the parties to those Finance Documents;
- (o) evidence of Anglian Water's capability, capacity and resourcing to be able to deliver the Project by the Delivery Stage Works Practical Completion Date;
- (p) a valid Claim made in accordance with clause 4.4 which is in accordance with the Expenditure Forecast, as determined by Homes England in its absolute discretion;
- (q) copies of insurer's certificate or cover notes relating to the Relocation Works being provided;
- (r) the Project Partners procuring the delivery to Homes England of a certificate of title for the Relocation Site in a form approved by Homes England and otherwise having all rights required in relation to the Relocation Site or Core Site (as applicable and as are reasonably

necessary at the time of Claim) to secure access to deliver or procure the delivery of the Project and the Wider Project;

- (s) evidence that all necessary Consents as are then required have been obtained to enable the Project be commenced; and
- (t) the Delivery Plans which incorporate the Milestones and Milestone Dates; and
- (u) evidence satisfactory to Homes England demonstrating that the delivery arrangements relating to all HIF Funding for the Project accord with the Delivery Plans

4.3.2 For subsequent Claims relating to the Delivery Stage Works, unless there has been a change which would make any confirmation at 4.3.1 incorrect, misleading or inaccurate if it were given at the time of any Claim, such confirmations do not need to be repeated but the s151 Officer is to provide to Homes England on behalf of the Grant Recipient:

- (a) unless the claim is for anticipated costs, evidence that the Project Partners have incurred the costs relating to the Claim and such costs relate to the Delivery Stage Works; and
- (b) evidence that the Claim would not cause the aggregate amount of HIF Funding paid in respect of Delivery Stage Works to exceed the Maximum Sum.

4.3.3 The obligation of Homes England to make available any HIF Funding is also subject to the conditions precedent that at the time of the Claim and at the time of Homes England paying such HIF Funding:

- (a) no Event of Default has occurred and is continuing or would result from payment of the proposed HIF Funding;
- (b) Homes England has received such evidence as Homes England may reasonably require (acting reasonably) that all matters represented and warranted by the Project Partners under clause 3 are true and correct as if made at the date of each Claim and would be true and correct immediately after the making of any such Claim.

4.3.4 A Claim for HIF Funding in respect of Delivery Stage Works may be accepted by Homes England in its absolute discretion where the conditions precedent set out in clause 4.3.1 have not yet been satisfied.

4.3.5 Homes England shall only advance HIF Funding to the Grant Recipient on receipt of a valid Claim as determined pursuant to clause 4.4.

4.4 **Mechanics and payment of HIF Funding**

4.4.1 A Claim will not be regarded as having been validly made by the Grant Recipient unless:

- (a) it is submitted on a Claim Form signed by the Section 151 Officer and is submitted to Homes England within the Availability Period;
- (b) it relates to Project Expenditure for which the Grant Recipient has not submitted any other Claim or received any other HIF Funding and it is accompanied by written evidence satisfactory to Homes England that such Project Expenditure has been (or at Homes England's discretion, will be) incurred in the relevant Financial Year (or within three months before or after the relevant Financial Year) in which the Claim is made together with confirmation from the Section 151 Officer that it has verified and approved the Claim;
- (c) it materially accords with the Expenditure Forecast and the Enabling Stage Delivery Plan or Delivery Stage Delivery Plan (as applicable) or is accompanied by evidence satisfactory to Homes England (in its absolute discretion) to justify any deviation;
- (d) it is for an amount which (if paid) would not cause the Maximum Sum to be exceeded;
- (e) if the Claim is for Enabling Stage Costs, the conditions at clauses 4.1, 4.2 and 4.3.2 have been satisfied or waived; and
- (f) if the Claim is for Delivery Stage Costs, the conditions at clauses 4.1 and 4.3 have been satisfied or waived.

4.4.2 Subject to the terms of this Agreement, Homes England will pay each undisputed instalment of HIF Funding to the Grant Recipient (or where it disputes any Claim, such part of the Claim that is not disputed) within ten (10) Business Days of receipt of a valid Claim.

4.4.3 Where Homes England considers a Claim (or any part of a Claim) is not valid it is to notify the Grant Recipient promptly.

4.4.4 Any amount of HIF Funding not claimed by the Grant Recipient during the Availability Period will no longer be made available to the Grant Recipient.

4.4.5 The Grant Recipient may not make more than one Claim per calendar month unless prior approval is obtained from Homes England in writing (such approval to be in Homes England's absolute discretion).

4.5 Use of HIF Funding

4.5.1 Subject to clause 4.5.2, the HIF Funding will be the sole property of the Grant Recipient and must be used by the Project Partners for Project Expenditure only.

4.5.2 The Grant Recipient shall on receipt of any HIF Funding immediately transfer the funding to Anglian Water or such Group Company of Anglian Water as Anglian Water may direct provided that such entity shall use the HIF Funding for the Enabling Stage Works or the Delivery Stage Works (as appropriate) in accordance with the terms of this Agreement.

4.5.3 Without affecting the obligations of the Grant Recipient in any way, Homes England is not bound to monitor or verify the application of any amount drawn pursuant to this Agreement.

5 Repayment and Overpayments

5.1 If a Project Partner is required pursuant to the terms of this Agreement to repay any amount of HIF Funding to Homes England, all such repayments where due shall be considered to be a debt due on demand and must be paid in cleared funds within twenty (20) Business Days (or any other period agreed with Homes England acting reasonably) to Homes England into such bank account as Homes England shall notify to the relevant Project Partners from time to time.

5.2 If a Project Partner does not pay any amount it is obliged to pay under this Agreement when it is due, it shall pay default interest on such outstanding amount from the due date until the date of actual payment (both before and after judgment) at a rate per annum equal to 2% above the Base Interest Rate.

5.3 All payments by a Project Partner under or in connection with this Agreement shall be made without set-off or counterclaim, free and clear of and without any deduction or withholding, including, without limitation, for or on account of all taxes except for taxes which must be deducted by Law.

5.4 If Homes England (acting reasonably) considers at any time that any part of the Maximum Sum was not expended by the Project Partners on Project Expenditure or if at any time Homes England has made any overpayment to the Grant Recipient or has paid the Grant Recipient any sum in excess of the Maximum Sum the Grant Recipient must within 20 Business Days of written demand repay to Homes England such amount (or such part of such amount as may be stipulated by Homes England) together with Interest.

5.5 To the extent such sum is not otherwise repaid pursuant to clause 5.4, where a Balancing Sum has arisen the Grant Recipient shall repay to Homes England a sum equal to the Balancing Sum within twenty (20) Business Days (or such other period as agreed by Homes England (acting reasonably) of:

5.5.1 becoming aware of the Balancing Sum's existence; or

5.5.2 the request of Homes England, whichever is earlier.

6 Delivery obligations

6.1 Project commencement and completion

6.1.1 The Project Partners acknowledge that Homes England has allocated the HIF Funding up to the Maximum Sum on the understanding that subject to the Enabling Works being completed and the Delivery Works being commenced the Project and Wider Project will be delivered in accordance with the Delivery Plans.

6.1.2 The Project Partners will procure (subject to the sub-provisions of this clause set out below) that the Project and the Wider Project are delivered in accordance with the Project Details and will procure:

- (a) subject to the conditions precedent at clause 4.1 being satisfied the Enabling Stage Works commence by the Enabling Stage Start Date and are completed by the Enabling Stage Completion Date;
- (b) subject to the relevant conditions precedent (as determined by Homes England) in clause 4.3 being satisfied in respect of the first Claim for Delivery Stage Works:
 - i the Relocation Site is purchased by Anglian Water in accordance with the Acquisition Plan and by the relevant Milestone Date;
 - ii the Delivery Stage Works commence by the Delivery Stage Start on Site Date and are completed by the Delivery Stage Works Practical Completion Date; and
 - iii the Wider Project commences by the Core Housing Start on Site Date and is completed by the Core Housing Practical Completion Date.

6.1.3 Subject to the relevant conditions precedent being satisfied pursuant to clause 4.1 the Project Partners shall co-operate with Homes England to assist with the delivery of the Additional Housing Outputs so far as they are reasonably able to do so, it being acknowledged that delivery of the Additional Housing Outputs is outside of their control, given the Additional Sites are owned by third parties or generally on long-leasehold arrangements.

6.2 Project Related Documents and Contracts

- 6.2.1 The Project Partners must comply with and must procure that the LLP and the Master Developer complies with the terms of the relevant Project Related Documents which relate to the Project and the Wider Project, the Direct Agreement and the Master Development Agreement, and unless otherwise agreed with Homes England, the Project Partners will enforce and procure the enforcement of the terms of the Project Related Documents at all times unless otherwise agreed by Homes England (acting reasonably).
- 6.2.2 The Project Partners must not permit any Project Related Document or any Finance Document to be amended or terminated without the prior written consent of Homes England (such consent not to be unreasonably withheld or delayed).
- 6.2.3 The Project Partners must take all necessary steps to satisfy Homes England that their procurement policies and procedures in relation to employees, suppliers, Contractors and any Developer (as applicable) are suitable and competent in all respects to allow the proper performance of all work or tasks in relation to the Project and the Wider Project.
- 6.2.4 The Project Partners must ensure that all Contracts entered into in connection with the Project or the Wider Project are competitively procured (utilising a documented decision making process) and that the Project Expenditure represents fair market costs.

6.3 Delivery of the Project

- 6.3.1 Subject to the satisfaction of the conditions precedent specified in clause 4 (having regard to clause 6.1.2(b)) the Project Partners shall procure that the Project and Wider Project are:
- (a) conducted and completed in accordance with all Consents and the technical specifications and to the Required Standards; and
 - (b) carried out in a good and workmanlike manner; and
 - (c) carried out in compliance with the provisions of the Considerate Constructors Scheme save that where there shall be any conflict between the provisions of this Agreement and the provisions of the said scheme the provisions of this Agreement shall prevail.
- 6.3.2 The Grant Recipient shall provide to Homes England a Final Certificate promptly upon completion of the Delivery Stage Works.

6.4 Insurances

- 6.4.1 Anglian Water shall procure that:
- (a) at all times during the carrying out of the Project there shall be maintained full and proper insurance policies for all works undertaken in carrying out the Project and all unfixed goods and materials in connection with such works for, in every case, the full reinstatement or replacement costs of them from time to time including professional fees (**Insurance Policies**); and
 - (b) Homes England is a named beneficiary of such Insurance Policies.
- 6.4.2 Anglian Water shall supply evidence of such insurance policies by way of a letter from a reputable insurance broker responsible for the provision of the relevant policies within five (5) Business Days of written request from Homes England.
- 6.4.3 If any works forming part of the Project, or any materials or goods required to undertake such works are destroyed or damaged (other than as necessary as part of the carrying out of the Project), Anglian Water shall procure the rebuilding, reinstatement or replacement of such building, work, goods or materials in accordance with the provisions of this Agreement as soon as reasonably practicable. If the insurance proceeds shall be insufficient Anglian Water shall make up any deficiency out of their own monies.
- 6.4.4 The Project Partners shall not do or permit or suffer to be done anything which may render any of the above policies of insurance void or voidable.

6.5 Planning

The Project Partners must ensure that:

- 6.5.1 subject to the conditions precedent in clauses 4.1 and 4.2 being satisfied they shall use their reasonable endeavours to secure the grant of a Development Consent Order or (where a Development Consent Order cannot be procured) a planning permission materially in accordance with a planning application for such planning permission approved by Homes England to deliver the Project;
- 6.5.2 subject to the relevant conditions precedent being satisfied (as determined by Homes England) or, where mutually agreed by the parties, waived by Homes England in clause 4.3 in respect of the first Claim for Delivery Stage Works, they shall use their reasonable endeavours to secure the grant of a planning permission to deliver the Wider Project provided that prior to submission of the planning application to the Local Planning Authority the Project Partners shall provide the draft planning application to Homes England for its comment and shall take into account its reasonable representations (provided that nothing in this clause is to be construed as to fetter the statutory powers of the Council in its role as Planning Authority);
- 6.5.3 no change is made to the arrangements contemplated in this clause 6.5 without Homes England's prior written consent (acting reasonably).

6.6 Other

- 6.6.1 During the Delivery Stage the Project Partners will allow Homes England and/or any nominated representative or agent to visit the Relocation Site and (so far as the Project Partners can procure access) the Core Site at reasonable times and on reasonable notice for the purposes of monitoring progress as against each Milestone and its relevant Milestone Date.
- 6.6.2 Until such time as the Project and the Core Housing Outputs have been fully delivered in accordance with the terms of this Agreement, the Project Partners will ensure that Homes England has the right to be represented at each project meeting relating to the same and that such representative (the details of which are to be advised by Homes England to the Project Partners) is provided with reasonable notice of all such meetings and all relevant meeting materials.
- 6.6.3 The Project Partners shall meet all Cost Overruns from their own resources up to a maximum amount equal to ■ of the Maximum Sum.
- 6.6.4 Where the Cost Overruns exceed ■ of the Maximum Sum:
 - (a) the Grant Recipient shall notify Homes England as soon as it becomes aware of any Cost Overruns and an estimated amount which would be required to ensure delivery of the Project; and
 - (b) within ten Business Days of the notification in clause 6.6.4(a), the parties shall use their reasonable endeavours to meet with a view to identifying how the additional Cost Overruns are to be funded to enable delivery of the Project (**Review Period**); and

- (c) during the Review Period, Homes England is entitled to withhold any further payments in respect of HIF Funding until such time as an agreement is made on the Cost Overruns.
- (d) where in Homes England's opinion, the Project Partners have failed to identify how the additional Cost Overruns are to be funded to enable delivery of the Project, the Project Partners may refer the matter to the dispute resolution procedure under clause 35.1 of this Agreement will apply provided that for the avoidance of doubt: a) Homes England will not be entitled to withhold any payments where Anglian Water confirms in writing that it (or a Group Company) will fund such Cost Overruns and provides Homes England with satisfactory evidence of such entity's ability to provide such confirmation)

and the parties will act in good faith in seeking to find a solution but recognise that nothing in this clause 6.6.4 shall oblige Homes England to provide any additional HIF Funding or other funding to cover any Cost Overruns or oblige the Project Partners to fund Cost Overruns over [REDACTED] over the Maximum Sum.

- 6.6.5 The parties agree that for the purposes of this Agreement "delivered" when used in the context of the Project or Wider Project shall be construed to mean that the Project or Wider Project (as the context requires) has achieved the applicable Practical Completion.
- 6.6.6 The Grant Recipient must ensure that any on-lending or other advance to a third party by the Grant Recipient of the whole or a part of the Maximum Sum:
 - (a) save for on-lending or advances to Anglian Water is approved in principle by Homes England in advance;
 - (b) is in the case of:
 - i a loan, protected by such security arrangements as would be expected by a prudent lender advancing its own funds to the borrowing organisation with a view to ensuring their repayment in accordance with the terms of the on-lending agreement; or
 - ii a grant, protected by such arrangements as would be expected of a prudent grant giver advancing its own funds to the Grant Recipient with a view to ensuring the proper application of the grant monies for the purposes for which they were advanced and appropriate arrangements for their recovery; and
 - (c) is compliant with State Aid requirements and ensures the repayment (together with interest and any penalty) of any sums found to be Unlawful State Aid.
- 6.6.7 If required by Homes England (acting reasonably), the Project Partners shall appoint a Monitoring Surveyor to review, monitor and report on progress as against the Delivery Plans and Expenditure Forecast on terms satisfactory to Homes England (acting reasonably).

6.7 Security

- 6.7.1 The Project Partners shall procure that the LLP enters into the Security Assignment and the registered proprietors of the Core Site provides consent to such Security Assignment (in writing) prior to the first claim for HIF Funding in respect of the Delivery Stage Costs.
- 6.7.2 Where the Core Site is transferred to the LLP (unless otherwise agreed with Homes England) the Grant Recipient shall procure that the LLP grants the Legal Charge to Homes England simultaneously with the transfer of the Core Site to the LLP.

7 Regulatory and operational obligations

7.1 Consents

The Project Partners will procure that neither the Project nor the Wider Project is commenced and/or continued without all necessary Consents required to commence the relevant works being received and in particular will procure that no work constituting development for which planning permission is required under the Town and Country Planning Act 1990 is carried out without having obtained detailed planning consent and will provide such documents as Homes England requires to demonstrate compliance with this clause 7.1.

7.2 Public procurement

The Project Partners must comply with all applicable Procurement Laws in connection with the procurement of the Project or any services relating to it and must further ensure that the procurement of works, equipment, goods and services by the Project Partners relating to the Project are based on value for money.

7.3 Legislation (including Health & Safety and Equality & Diversity)

- 7.3.1 The Project Partners must comply with and assist and co-operate with Homes England in order that it can comply with (and (so far as it is legally able) require third parties who benefit from this HIF Funding do the same) all applicable legal obligations and statutory requirements in relation to delivery of the Project and the Wider Project, including, but not limited to:
- (a) EU and UK Planning and Environmental legislation;
 - (b) State Aid Law, including but not limited to N7471A/99 and N747/8/99 Partnership Support for Regeneration (1) Support for Speculative Developments and (2) Support for Bespoke Developments;
 - (c) any relevant Health and Safety Legislation;
 - (d) Modern slavery legislation;
 - (e) Employment legislation;
 - (f) CDM Regulations;

- (g) RIDDOR;
- (h) the Equality Act 2010;
- (i) Equal opportunities (in relation to race, sex, disability, faith and sexuality);
- (j) Financial regulations and legislation; and
- (k) Copyright and Data Protection Legislation.

7.3.2 The Project Partners shall maintain or procure that there is maintained an accurate record of all health, safety and environmental incidents which occur on or in connection with the Project and shall (if requested) provide a report to the Homes England Senior Officer as part of the Monitoring Report arrangements.

7.4 Disposals

7.4.1 The Project Partners must not, without the prior written consent of Homes England, dispose of the whole or any part of the Relocation Site or Core Site save by way of a Permitted Disposal.

7.4.2 In granting any consent under clause 7.4.1 Homes England may (acting reasonably) impose such conditions as it deems to be appropriate to such consent including a requirement that any disponent registers a restriction on title in favour of Homes England and/or agrees to be bound by clauses similar in effect to clause 7.4.1 and paragraph 1 of Schedule 6.

7.4.3 The Project Partners must not until practical completion of the Delivery Works grant any Security over assets funded, or part funded, by this HIF Funding unless the Project Partners have first obtained Homes England's written consent.

7.4.4 Homes England acknowledge that the Master Developer will be entering into the Master Development Agreement after the date of this Agreement and it shall be entitled to protect its interest by way of a unilateral notice against the Core Site, and Homes England shall not object to the registration of such unilateral notice.

7.5 Other

7.5.1 The Grant Recipient must provide Homes England or any Regulatory Body with such information as may be requested to demonstrate compliance with the Project Partner's obligations under clauses 6 and 7.

7.5.2 The Project Partners must comply with the terms of the Assurance Framework.

8 Variations and Milestone Date Amendments

8.1 The Project Partners may not make any amendment to the Project, the Wider Project or the Project Details without the prior written consent of Homes England other than amendments which have no material impact upon the delivery of the Project or the Core Housing Outputs and no impact on the Maximum Sum, the Expenditure Forecast or the achievement of Milestones.

8.2 If a Milestone Failure occurs or is in the reasonable opinion of Homes England likely to occur (having regard to the information supplied pursuant to this Agreement) and such Milestone Failure is not the result of a Milestone Extension Event, Homes England shall be entitled (but not obliged) to (acting reasonably):

8.2.1 exercise the rights described under clause 12.3; or

8.2.2 agree by exchange of written correspondence a revised Milestone Date with the Grant Recipient in which case any relevant condition of this Agreement shall apply (changing that which needs to be changed) to the revised Milestone Date.

8.3 Where any Milestone Failure occurs or is in the reasonable opinion of Homes England likely to occur (having regard to the information supplied to Homes England pursuant to this Agreement or otherwise) and Homes England (acting reasonably) determines that such failure is the result of a Milestone Extension Event, Homes England shall extend the relevant Milestone Date by such period as it (acting reasonably) considers appropriate to take account of the delay caused or likely to be caused by the Milestone Extension Event save that Homes England shall not for any reason be required to extend the relevant Milestone beyond [REDACTED]

8.4 Where it becomes apparent that a material amendment to the Delivery Plans, the Expenditure Forecast, the Bid, the Project or the Wider Project is or will be required, the Grant Recipient must as soon as possible notify Homes England and the parties must cooperate in good faith with a view to identifying what steps are available to the Project Partners to ensure delivery of the Project and/or Wider Project or otherwise agreeing variations to the same.

8.5 Where the circumstances in clause 8.4 apply, until such time as a resolution is agreed between the parties, Homes England will be under no obligation to make HIF Funding available pursuant to any further Claims or otherwise to the Grant Recipient.

8.6 Where the parties fail to agree a resolution pursuant to clause 8.4 within three (3) months of the date of notification under clause 8.4, Homes England will be entitled to exercise its rights under clause 12.3.

9 Special Conditions

9.1 The parties agree that the Special Conditions have effect.

10 Notifications, reporting and audit

10.1 The Grant Recipient shall notify Homes England:

10.1.1 immediately upon any change (whether actual or estimated) required to the Project Details other than any change permitted under this Agreement;

10.1.2 Immediately upon becoming aware of any event which:

(a) is reasonably expected to have a Material Adverse Effect;

(b) has a detrimental effect on any aspect of the Project and/or the Wider Project including, but not limited to, any Milestone Failure;

- (c) prejudices or might prejudice the Project Partners' ability to deliver the Project in accordance with the Project Details; or
 - (d) has resulted in or might give rise to the making of a Report or Direction.
- 10.1.3 Immediately upon becoming aware of any claim brought against a Project Partner arising out of or relating to the activities of a Project Partner in relation to the HIF Funding;
- 10.1.4 Immediately upon there being a proposed change to:
- (a) any Project Related Documents which is material;
 - (b) the use of any asset funded by means of HIF Funding made available under this Agreement (including the purposes for which it is to be used and/or any time periods for which the asset is to be used);
 - (c) the ownership of any asset funded by means of HIF Funding made available under this Agreement;
- 10.1.5 immediately upon the occurrence of an Event of Default;
- 10.1.6 Immediately upon becoming aware of any investigations into or findings of any breach of:
- (a) any equality or anti-discrimination legislation or regulations directly or indirectly related to the Project or Wider Project (or any part of them) whether or not a Project Partner and/or any Developer and/or any other third party is responsible for the breach or is the subject of the investigation (as appropriate) (such notice to be addressed to the Homes England Senior Officer); and/or
 - (b) the Data Protection Legislation whether or not a Project Partner and/or any Developer and/or any other third party is responsible for the breach or is the subject of the investigation (as appropriate) (such notice to be addressed to the Homes England Senior Officer); and/or
 - (c) any challenge under, investigations into or findings of any breach of the Procurement Laws whether or not a Project Partner and/or any Developer and/or any other third party is responsible for the breach or is the subject of the investigation (as appropriate) (such notice to be addressed to the Homes England Senior Officer);
- 10.1.7 immediately upon becoming aware of:
- (a) any audit or statutory or regulatory investigation in relation to any aspect of the Project or the Wider Project (it being acknowledged that for the purposes of this clause, "audit" does not include the usual annual audit carried out by the Project Partners (or any group company of Anglian Water), which they will be entitled to carry out); or
 - (b) the occurrence of any act/omission of a Project Partner or of any Contractors, any Developer or subcontractors that harms or has the

potential to harm the reputation of Homes England, the Ministry of Housing, Communities and Local Government or to bring them into disrepute;

- 10.1.8 immediately upon becoming aware that the Maximum Sum is greater than is necessary to deliver the Project;
- 10.1.9 immediately, in the event of the receipt by it of any other income or funds or other Public Sector Financial Assistance or guarantees of them, or the offer of same, in respect of the Project or the Wider Project beyond any amounts of the same notified by the Grant Recipient to Homes England as part of or in connection with its Bid; and/or
- 10.1.10 immediately upon becoming aware that any information given or supplied in relation to the Pre Commencement Conditions becomes misleading or inaccurate.

10.2 Resolution

In the event of notification by the Grant Recipient under this clause 10, if applicable and if requested by Homes England (acting reasonably), the Grant Recipient will provide, together with such notification, a proposal for resolution or mitigation of the event and will take into account all reasonable representations of Homes England on such proposals.

10.3 Annual Forecast and Monitoring Reports

- 10.3.1 The Grant Recipient must provide Homes England with its Annual Forecast within one calendar month of the start of each Financial Year.
- 10.3.2 Within ten (10) Business Days of (a) the first day of each calendar month until the Maximum Sum has been paid to the Grant Recipient (or within such longer period as Homes England may at its absolute discretion agree) up to the expiry of this Agreement and thereafter (b) each Quarter Date (or within such longer period as Homes England may at its absolute discretion agree) the Grant Recipient must provide Homes England with a report (**Monitoring Report**) which provides details on:
 - (a) progress towards achieving the Project and the Wider Project;
 - (b) the Grant Recipient's projections in relation to its future performance in achieving the provision of the housing which will be unlocked by the Core Housing Outputs;
 - (c) the Project Partners' progress against the Delivery Plans and Expenditure Forecast;
 - (d) the need for changes to the Delivery Plans or Expenditure Forecast;
 - (e) the occurrence of any Milestone Failure;
 - (f) the occurrence of any Notifiable Events;

- (g) progress on engagement with relevant landowners, developers and promoters (if applicable) in accordance with the Delivery Plans;
 - (h) any amendments made to the Project or Project Details made pursuant to clause 8.1;
 - (i) whether a Balancing Sum has arisen; and
 - (j) such other matters in relation to the performance of this Agreement as are notified by either party to the other in writing at least fifteen (15) Business Days prior to the relevant Quarter Date.
- 10.3.3 Any Annual Forecast or Monitoring Report provided pursuant to this Agreement must be signed by the Section 151 Officer and the Project Partners acknowledge that any representation or confirmation made in such Annual Forecast or Monitoring Reports are true and accurate in all material respects.
- 10.3.4 Homes England or any Project Partner may call a Review Meeting at any time to discuss (amongst other things) the contents of any Annual Forecast or any matter arising out of the Monitoring Reports provided that the party requesting the meeting:
- (a) gives not less than fifteen (15) Business Days prior written notice to the other of such meeting; and
 - (b) includes with the notice an agenda for such meeting.
- 10.3.5 The Grant Recipient shall provide Homes England as soon as is reasonably practicable with such information or reports as Homes England shall reasonably require to support or facilitate the meetings referred to in this Agreement and to monitor the performance of the Project Partners' obligations under this Agreement.
- 10.3.6 Homes England and the Project Partners shall each use all reasonable endeavours to ensure that any representatives at any meeting held pursuant to this clause 10.3 have the necessary authority and knowledge to deal with the items on the agenda for such meeting.
- 10.3.7 Subject to the prior approval of the other party (such approval not be unreasonably withheld or delayed) either party may request that additional persons attend a meeting to provide detailed or particular advice or information.
- 10.3.8 Save as otherwise agreed between the parties, any meeting under this clause 10.3 shall be minuted by the Grant Recipient and such minutes shall be distributed within ten (10) Business Days following the meeting to Homes England and any other attendee.
- 10.3.9 Nothing in this clause 10.3 shall prevent Homes England from requesting (whether on behalf of itself or any Government office) at any other time information from the Grant Recipient in respect of any of the items listed in this clause 10.3 and the Grant Recipient shall promptly respond to any such request.

10.4 Annual Review

10.4.1 Homes England and the Project Partners shall attend an Annual Review Meeting within ten (10) Business Days (or within such longer period as the Project Partners request and Homes England may at its absolute discretion agree) of the first Quarter Date in each Financial Year to discuss (but without limitation):

- (a) progress in relation to the Project and the Wider Project;
- (b) the Project Partners' progress against the Delivery Plans and Expenditure Forecast;
- (c) the need for changes to the Delivery Plans or Expenditure Forecast;
- (d) the occurrence of any Milestone Failure;
- (e) the implications of any Notifiable Events;
- (f) the Annual Forecast; and
- (g) such other matters in relation to the performance of this Agreement as are notified by either party to the other in writing at least five (5) Business Days prior to the date of the Annual Review Meeting.

10.5 Inspection and audit facilities

10.5.1 The Project Partners shall as and when requested by Homes England, make available on an Open Book basis and in a timely manner to Homes England where required in connection with this Agreement or the Project Related Documents or the Finance Documents a copy of each of:

- (a) all relevant data, materials, documents and accounts of any nature created, acquired or brought into existence in any manner whatsoever by or on behalf of the Project Partners for the purposes of this Agreement or the Project Related Documents or the Finance Documents; and
- (b) all relevant data, materials, documents and accounts created, acquired or brought into existence by the Project Partners' officers, employees, agents or consultants relating to the Project and which have been supplied to the Project Partners for the purposes of this Agreement.

10.5.2 The Project Partners shall at all times:

- (a) maintain a full record of particulars of all the income received and expenditure incurred by the Project Partners in respect of the Project;
- (b) when required to do so by Homes England, provide a summary of any of the income and expenditure referred to in clause 10.5.2(a) as Homes England may require to enable it to monitor the performance by the Project Partners of their obligations under this Agreement; and

- (c) provide such facilities as Homes England may require for its representatives to visit any place where the records are held and examine the records maintained under this clause 10.5.

10.5.3 The Project Partners shall ensure that they and each Developer keeps on an Open Book basis (In accordance with generally accepted accounting practice) separate books of account for items relating to the Project and the Wider Project which identify items of revenue received and expenditure incurred in relation to the same.

10.5.4 On the termination of this Agreement, the Project Partners shall, if requested to do so, deliver up to Homes England copies of all data, materials, documents and accounts referred to in this clause 10.5 which it has in its possession, custody or control and shall procure the handing over to Homes England such data, materials, documents and accounts referred to in this clause 10.5 or as otherwise directed by Homes England.

10.5.5 The Project Partners must (and shall procure that each Developer does) for a period of 10 (ten) years from the date of the last payment made to the Grant Recipient under this Agreement retain all of the data, documents, materials and accounts referred to in this clause 10.5 and the Project Partners may retain such data, documents, materials and accounts in electronic form only if it wishes to do so, which may for the avoidance of doubt comprise copies where the originals have been supplied to Homes England pursuant to this clause 10.5.

11 Change in control or financial circumstances

11.1 Change in Control

11.1.1 Save in the event that a Change in Control of the LLP occurs automatically by operation of law and without the Project Partners being able to notify in advance, the Project Partners shall notify Homes England prior to any Change in Control of the LLP and seek Homes England's consent to such Change in Control in accordance with clause 11.1.2.

11.1.2 The consent of Homes England under clause 11.1.1 will not be unreasonably withheld or delayed provided that:

- (a) Homes England is notified about any proposed Change in Control of the LLP and receives all the information required under clause 11.1.3 at least 25 Business Days prior to that Change in Control being effected; and
- (b) Homes England is satisfied that the new Controller or Controllers has or have complied with Homes England's "know your customer" requirements.

11.1.3 Without prejudice to the generality of clause 11.1.2, it shall be deemed reasonable for Homes England to withhold its consent (whether sought before or after the relevant Change in Control occurs) if the proposed Controller, in the opinion of Homes England (acting reasonably):

- (a) weakens the financial standing of the LLP; or
- (b) negatively impacts the LLP's ability to complete the Wider Project.

11.1.4 The application for consent to a Change in Control of the LLP must be accompanied by:

- (a) full written details setting out all the terms and conditions of the Change in Control reasonably necessary for Homes England to assess whether the delivery of the Wider Project might be affected and/or whether the proposed Controller has sufficient financial standing, organisational standing and capacity and reputation for it to be reasonable for Homes England to assume the proposed Controller will be able to comply with this Agreement;
- (b) where the proposed Controller is an incorporated body, certified copies of the proposed Controller's audited accounts for each of the two (2) financial years immediately preceding the date of the application for consent to the Change in Control, the latest audited accounts being to a date not more than ten (10) months before the date of the application insofar as available for recently incorporated bodies;
- (c) references from the proposed Controller's bankers confirming that the proposed Controller is considered good for the obligations of the Project Partners under this Agreement; and
- (d) an undertaking from the proposed Controller to pay the reasonable costs, disbursements and any VAT on them which may properly be incurred by Homes England in:
 - i considering the application (whether or not consent is granted); and
 - ii granting consent (if it is granted); and
- (e) such details and documentation as Homes England may reasonably require to complete its 'know your customer' checks in relation to the proposed Controller.

11.1.5 During the term of this Agreement, where there is a proposed Change of Control of the LLP, Homes England shall not be obliged to fund any Claims until such Change in Control has been approved by Homes England.

11.2 Change in financial circumstances

11.2.1 A Project Partner shall notify Homes England immediately where there is or has been any change in its financial circumstances which has or might have a Material Adverse Effect, including for the avoidance of doubt any withdrawal or reduction of any funding or income available to the relevant party in respect of the delivery of the Project or the Wider Project.

11.2.2 In the event that any change notified to it pursuant to clause 11.2.1 or which it otherwise becomes aware of has or might have a Material Adverse Effect,

Homes England shall be entitled to exercise any of the rights and remedies set out in clause 12.3.

12 Events of Default

12.1 Where a Fundamental Default has in Homes England's opinion (acting reasonably) occurred, Homes England shall on the service of written notice be entitled forthwith and without any liability to the Project Partners to:

12.1.1 terminate this Agreement in its entirety;

12.1.2 suspend or alter the timing of the payment of any HIF Funding for such period as Homes England will determine in its sole discretion;

12.1.3 withhold and cancel any further payment of HIF Funding due to the Grant Recipient under this Agreement;

12.1.4 require the Grant Recipient to repay the HIF Funding (which has been paid to the Grant Recipient) and any other amounts due under this Agreement together with Interest within twenty (20) Business Days of the occurrence of the Fundamental Default or if later 20 Business Days after written notice from Homes England requiring such repayment; and

12.1.5 reallocate or redirect such part of the HIF Funding (which has not yet been paid to the Grant Recipient) to such other person or for such purpose as Homes England in its discretion considers appropriate.

12.2 Where a General Default has in Homes England's opinion (acting reasonably) occurred and is capable of remedy:

12.2.1 the Grant Recipient must on behalf of itself and Anglian Water submit a proposed remediation plan (the **Remediation Plan**) to Homes England within twenty (20) Business Days of the occurrence of the General Default setting out its proposals for the steps to be taken to remedy or mitigate the effects of the General Default and a basis for testing whether this has been achieved within an appropriate timeframe;

12.2.2 Homes England will (acting reasonably) notify the Grant Recipient as to whether the Remediation Plan is approved as submitted within twenty (20) Business Days of its receipt;

12.2.3 if the Remediation Plan is not approved, the Grant Recipient Senior Officer, Anglian Water's Senior Officer and the Homes England Senior Officer (acting in good faith with a view to securing delivery of the Project) must meet as soon as practicable (and in any event within ten (10) Business Days of Homes England's notification under clause 12.2.2 being received or such later date as Homes England may (acting reasonably) agree) to try to agree a revised Remediation Plan. In default of agreement, a General Default shall be continuing and Homes England shall be entitled freely to exercise the rights under clause 12.3 without any further suspension of its rights to do so;

- 12.2.4 If the Remediation Plan is approved, the Project Partners must comply with the obligations set out in the Remediation Plan and any failure to do so will be treated as a General Default entitling Homes England to exercise its rights under clause 12.3 free of any rights of suspension which would otherwise benefit the Project Partners; and
- 12.2.5 within ten (10) Business Days of the end of the timeframe specified in the Remediation Plan, the Grant Recipient Senior Officer, Anglian Water's Senior Officer and the Homes England Senior Officer must meet to review the efficacy of the Remediation Plan in remedying or mitigating the effects of the General Default. If in the opinion of Homes England (acting reasonably) the Remediation Plan has not been effective, Homes England shall be entitled in its absolute discretion either to extend the timeframe for the Remediation Plan's operation or to declare that the Remediation Plan has failed in which case an General Default shall be deemed to have occurred entitling Homes England to exercise its rights under clause 12.3 free of any rights of suspension which would otherwise benefit the Project Partners.
- 12.3 Subject to clause 12.4, in the circumstances contemplated in clauses 8.6 and 12.2 or where a General Default is in the opinion of Homes England (acting reasonably) incapable of remedy, Homes England shall be entitled forthwith and without any liability to the Project Partners to:
- 12.3.1 terminate this Agreement in its entirety;
- 12.3.2 withhold and cancel any further payment of HIF Funding due to the Grant Recipient under this Agreement; and/or
- 12.3.3 reallocate or redirect such part of the HIF Funding (which has not yet been paid to the Grant Recipient) to such other person or for such purpose as Homes England in its discretion considers appropriate.
- 12.4 Nothing in clause 8 or 12.2 shall require Homes England to agree any measure or extension which would delay the delivery of the Project beyond 31 March 2028;
- 12.5 Any exercise by Homes England of its rights under clauses 12.1 or 12.3 will be without prejudice to any other right of action or remedy of Homes England (including any claim for damages) in respect of the relevant Event of Default provided that in circumstances where there is a General Default, Homes England shall not be entitled to use such rights to seek to recover HIF Funding which it would not be entitled to recover pursuant to clause 12.3.
- 13 Public relations and publicity**
- 13.1 Each Project Partner will ensure that, where appropriate, publicity is given to the Project by drawing attention to the benefits and opportunities afforded by it. In acknowledging the contribution and investment made by Homes England, the Project Partners must comply with any guidance on publicity provided by or on behalf of Homes England from time to time.
- 13.2 The Project Partners must not publicise or promote the HIF Funding without Homes England's prior written agreement provided that nothing in this clause is to be construed to

prevent the Project Partners promoting the HIF Funding as permitted by the Communications Protocol.

13.3 Save as permitted by the Communications Protocol, the Project Partners shall not refer to Homes England or the HIF Funding in any publicity and/or promotional material relating to the Project without first receiving Homes England's written approval to such references.

13.4 Homes England reserves the right to use all data provided by the Project Partners in relation to the HIF Funding for publicity or promotional purposes provided they are not to act in contravention of the Communications Protocol.

13.5 Where Homes England requires a non-exclusive, royalty free licence to use any photographs, records, images, articles or illustrations relating to the Project undertaken by or for either Project Partner for use in any publicity or advertising, whether published alone or in conjunction with any other person, it must obtain consent to such use from the Project Partners (such consent not to be unreasonably withheld or delayed, provided it shall be deemed reasonable for the Project Partners to withhold consent where they would be put in breach of any Project Related Documents by the provision of such photographs, records, images, articles or illustrations).

14 Reputation of the parties

14.1 The Project Partners will not, and will use all reasonable endeavours to procure that the Developer(s) will not knowingly do or omit to do anything in relation to the Project Related Documents, the Finance Documents, the Project or the Wider Project or in the course of their other activities that may bring the standing of Homes England into disrepute or attract adverse publicity for Homes England.

14.2 No party will publish any statement, orally or in writing, relating to the other party which might damage that other party's reputation or that of any of its officers or employees.

14.3 Neither Project Partner has at any time, engaged in any activity, practice or conduct that would constitute an offence under the Bribery Act 2010.

14.4 Neither Project Partner is ineligible to be awarded any contract or business under the Public Contracts Regulations or section 26 Utilities Contracts Regulations 2006 (SI 2006/6) (each as amended).

14.5 The Project Partners will not engage (directly or indirectly) in any activity, practice or conduct that would constitute an offence under the Bribery Act 2010.

14.6 The Project Partners will maintain in place adequate procedures in line with guidance published by the Secretary of State under section 9 Bribery Act 2010 designed to prevent any Associated Person of a person from bribing another person (within the meaning given in section 7(3) Bribery Act 2010) intending to obtain or retain business or an advantage in the conduct of the business of a person. The Project Partners shall supply to Homes England, promptly on request of Homes England, copies of such documentation or other evidence as is reasonably requested by Homes England to enable Homes England to satisfy itself that such procedures are in place.

14.7 The Project Partners shall supply to Homes England, promptly on becoming aware of them, details of any investigation, enquiry or enforcement proceedings by any

governmental, administrative or regulatory body relating to any offence or alleged offence under the Bribery Act 2010 against it.

15 Confidentiality and freedom of information

15.1 Confidentiality

15.1.1 Each party recognises that under the Project Related Documents and the Finance Documents it may receive Confidential Information belonging to the other.

15.1.2 Each party agrees to treat all Confidential Information belonging to the other as confidential and not to disclose such Confidential Information or any other confidential information relating to Homes England arising or coming to its attention during the currency of this Agreement to any third party without the prior written consent of the other party and agrees not to use such Confidential Information for any purpose other than that for which it is supplied under the relevant Project Related Documents or Finance Documents.

15.1.3 The obligations of confidence referred to in clause 15.1 will not apply to any Confidential Information which:

- (a) is in, or which comes into, the public domain otherwise than by reason of a breach of a Project Related Document or Finance Document or of any other duty of confidentiality relating to that information; or
- (b) is obtained from a third party without that third party being under an obligation (express or implied) to keep the information confidential; or
- (c) is lawfully in the possession of the other party before the date of this Agreement and in respect of which that party is not under an existing obligation of confidentiality; or
- (d) is independently developed without access to the Confidential Information of the other party; and

15.1.4 Each party will be permitted to disclose Confidential Information to the extent permitted by the Communications Protocol or that it is required to do so:

- (a) to enable the disclosing party to perform its obligations under any Finance Document or Project Related Document; or
- (b) by any applicable law or by a court, arbitral or administrative tribunal in the course of proceedings before it including without limitation any requirement for disclosure under the FOIA and the EIR and the Grant Recipient acknowledges that any lists or schedules provided by it outlining Confidential Information are of indicative value only and Homes England may nevertheless be obliged to disclose such Confidential Information; or
- (c) by any regulatory body (including any investment exchange) acting in the course of proceedings before it or acting in the course of its duties; or

- (d) In order to give proper instructions to any professional adviser of that party who also has an obligation to keep any such Confidential Information confidential; or
- (e) to comply with its statutory duties (it being acknowledged that Cambridge City Council are a statutory planning authority).

15.1.5 The Project Partners will ensure that all Confidential Information obtained from Homes England under or in connection with any Project Related Document or Finance Document:

- (a) is given only to such of its and the Project Partner's employees, professional advisors, Contractors, Developers or consultants engaged to advise them in connection with this Agreement as is strictly necessary for the performance of the Project Related Document or Finance Document and only to the extent necessary for the performance of that Project Related Document or Finance Document;
- (b) is treated as confidential and not disclosed (without Homes England's prior written approval) or used by any such staff or professional advisors, Contractors or consultants or Developers otherwise than for the purposes of that Project Related Document or Finance Document;
- (c) Where it is considered necessary in the opinion of Homes England the Project Partners will procure that such staff, professional advisors, Contractors, Developers or consultants sign a confidentiality undertaking before commencing work in connection with this Agreement.

15.1.6 Nothing in this clause 15.1 shall prevent Homes England:

- (a) disclosing any Confidential Information for the purpose of:
 - i the examination and certification of Homes England's accounts; or
 - ii any examination pursuant to section 6(1) National Audit Act 1983 of the economy, efficiency and effectiveness with which Homes England has used its resources; or
- (b) disclosing any Confidential Information obtained from either Project Partner:
 - i to any other department, office or agency of the Crown; or
 - ii to any person engaged in providing any services to Homes England for any purpose relating to or ancillary to a Project Related Document or any person conducting an Office of Government Commerce gateway review;

provided that in disclosing information under clauses 15.1.6(b)i or 15.1.6(b)ii Homes England discloses only the information which is necessary for the purpose concerned and requires that the information is treated in confidence and that a confidentiality undertaking is given where appropriate.

- 15.1.7 Nothing in this clause 15.1 shall prevent a party from using any techniques, ideas or know-how gained during the performance of the Project Related Documents or the Finance Documents in the course of its normal business, to the extent that this does not result in a disclosure of Confidential Information or an infringement of Intellectual Property Rights.
- 15.1.8 Nothing in the clause 15.1 shall prevent Homes England from publishing information relating to Total Project Costs, the Project Expenditure, the Maximum Sum, the Project or the Wider Project where such disclosures do not require the disclosure of Confidential Information.

15.2 Freedom of Information

- 15.2.1 Homes England and the Grant Recipient are FOIA Authorities and:
- (a) each Project Partner acknowledges that Homes England and the Grant Recipient are subject to legal duties which may require the release of information; and
 - (b) FOIA Authorities may be under an obligation to provide Information subject to a Request for Information.
- 15.2.2 The FOIA Authority in receipt of or to receive the RFI (**Relevant FOIA Authority**) will be responsible for determining in its absolute discretion whether:
- (a) any Information is Exempted Information or remains Exempted Information; and/or
 - (b) any Information is to be disclosed in response to a Request for Information;
- and in no event shall any party, other than the Relevant FOIA Authority, respond directly to a RFI except to confirm receipt of the RFI and that the RFI has been passed to the Relevant FOIA Authority unless otherwise expressly authorised to do so by the Relevant FOIA Authority.
- 15.2.3 Subject to clause 15.2.4 below, each party acknowledges that the Relevant FOIA Authority may disclose Information:
- (a) without consulting the other parties; or
 - (b) following consultation with the other parties and having taken (or not taken, as the case may be) its views into account.
- 15.2.4 Without in any way limiting clauses 15.2.2 and 15.2.3, in the event that the Relevant FOIA Authority receives a RFI, the Relevant FOIA Authority will, where appropriate, as soon as reasonably practicable notify the other parties.
- 15.2.5 Each party will assist and co-operate as requested by the Relevant FOIA Authority to enable the Relevant FOIA Authority to comply with its disclosure requirements under FOIA and EIR within the prescribed periods for compliance and in particular without limitation will (and will procure that its agents and sub-contractors will), at their own cost:

- (a) transfer any RFI received to the Relevant FOIA Authority as soon as practicable after receipt and in any event within two (2) Business Days of receiving a RFI;
- (b) provide all such assistance as may be required from time to time by the Relevant FOIA Authority and supply such data or Information as may be requested by the Relevant FOIA Authority;
- (c) provide the Relevant FOIA Authority with any data or Information in its possession or power in the form that the Relevant FOIA Authority requires within thirty (30) Business Days (or such other period as the Relevant FOIA Authority may specify (acting reasonably)) of the Relevant FOIA Authority requesting that Information; and
- (d) permit the Relevant FOIA Authority to inspect any records as requested from time to time.

15.2.6 Nothing in this Agreement will prevent the Relevant FOIA Authority from complying with any valid order, decision, enforcement or practice recommendation notice issued to it by the Information Commissioner under FOIA and / or EIR in relation to any Exempted Information.

15.2.7 Each Project Partner acknowledges and agrees that Homes England may in its absolute discretion redact all or part of the Information prior to its publication. In so doing and in its absolute discretion Homes England may take account of any EIR Exceptions and FOIA Exemptions. Homes England may in its absolute discretion consult with the Grant Recipient regarding any redactions to the Information to be published pursuant to this clause 15. Homes England will make the final decision regarding publication and/or redaction of the Information.

15.2.8 The obligations in this clause 15 will survive the expiry or termination of this Agreement for a period of two (2) years or, in respect of any particular item of Confidential Information, until such earlier time as that item of Confidential Information reaches the public domain otherwise than by reason of a breach of a Project Related Document or Finance Document or of any other duty of confidentiality relating to that information.

15.3 **Publication of information before Parliament**

The Project Partners acknowledge that the National Audit Office has the right to publish details of the Project Related Documents in its relevant reports to Parliament.

16 **Data protection**

16.1 The parties will co-operate with one another in order to enable each party to fulfil its statutory obligations under the Data Protection Legislation.

16.2 Without prejudice to the generality of clause 16.1, the Project Partners warrant and represent that they have obtained all and any necessary registrations, notifications and consents required by the Data Protection Legislation to Process Personal Data for the purposes of performing its obligations under this Agreement. Each Project Partner

undertakes at all times during the term of this Agreement to comply with the Data Protection Legislation (and the data protection principles contained therein) in processing all Personal Data in connection with this Agreement and shall not perform their obligations under this Agreement in such a way as to cause Homes England to breach any of its applicable obligations under the Data Protection Legislation.

17 Intellectual property

- 17.1 Subject to the provisions of this clause 17.1 each Project Partner hereby grants, to the extent it can grant, to Homes England a perpetual, transferable, non-exclusive, royalty-free licence (carrying the right to grant sub-licences) to copy, use (from computer disk or otherwise) and to make publicly available all and any Intellectual Property Rights, drawings, reports, specifications, calculations and other documents and information provided by a Project Partner or which are or become owned by a Project Partner and which relate to the Project or the Wider Project, for any purpose either relating to this Agreement or to the dissemination by Homes England of Best Practice.
- 17.2 To the extent that any of the data, materials and documents referred to in clause 17.1 are generated by or maintained on a computer or in any other machine readable format, the Project Partners shall if requested by Homes England procure for the benefit of Homes England at the cost of the Project Partners the grant of a licence or sub-licence for the term of this Agreement and supply any relevant software and/or database to enable Homes England making such request to access and otherwise use such data for the purposes referred to in clause 17.1.
- 17.3 No party shall infringe any third party's Intellectual Property Rights in connection with this Agreement.
- 17.4 Each Project Partner shall fully indemnify Homes England within twenty (20) Business Days of demand under this clause 17.4 against any action, claim, demand, proceeding, cost, charge or expense arising from or incurred by it by reason of any infringement or alleged infringement of any Intellectual Property Rights of any third party by any breach by the Project Partners of this clause 17.4 and against all costs and damages of any kind which Homes England may incur in connection with any actual or threatened proceedings before any court or adjudication body by reason of any infringement or alleged infringement by that Project Partner of any Intellectual Property Rights of any third party, subject in all cases to a maximum aggregate liability for the Project Partners pursuant to this clause 17 and clause 19 (excluding clause 19.1) of [REDACTED];
- 17.5 The Project Partners shall only be entitled to revoke the licence granted to Homes England under clause 17.1 on the termination or expiry of the whole of this Agreement.
- 17.6 The Project Partners shall provide whatever assistance and explanation is required by Homes England to enable it to disseminate Best Practice (including the methods by which the Project was conducted).
- 17.7 Homes England's decision as to what constitutes Best Practice shall be final (and Homes England acknowledges that it does not intend to use this clause 17.7 to make commercially sensitive information publicly available).
- 17.8 Homes England shall be entitled to amend any of the Intellectual Property Rights or information provided under this clause 17.8 or to combine them with any other information

or know how as it thinks fit when compiling and publishing Best Practice in exercise of the right conferred under clause 17.1.

18 Further assurance

At any time upon the written request of Homes England the Project Partners will promptly execute and deliver or procure the execution and delivery of any and all such further instruments and documents as may be necessary for the purpose of obtaining for Homes England the full benefit of this Agreement or any other Project Related Document or Finance Document and of the rights and powers therein granted.

19 Indemnity

The Project Partners shall:

19.1 be liable for and will indemnify Homes England in full against any expense, liability, loss, claim or proceedings arising under statute or at common law in respect of personal injury to or death of any person whomsoever or loss of or damage to property (which includes environmental damage) whether belonging to Homes England or otherwise;

19.2 be liable for and will indemnify Homes England in full against any expense, liability, loss, claim or proceedings arising under statute or at common law in respect of any claim by any third party arising out of or in the course of or caused or contributed to by the Project Partners and/or the performance or non-performance or delay in performance by the Project Partners of their obligations under any of the Project Related Documents except to the extent that the same is due to any wilful neglect of Homes England and subject in all cases to a maximum aggregate liability for the Project Partners pursuant to this clause 19 (excluding clause 19.1) and clause 17.4 of [REDACTED]; and

19.3 be liable for and shall indemnify Homes England against any expense, liability, loss, claim or proceedings arising directly or indirectly from or in connection with any breach of the terms of this Agreement by or otherwise through the default or negligence of a Project Partner subject in all cases to a maximum aggregate liability for the Project Partners pursuant to this clause 19 (excluding clause 19.1) and clause 17.4 of [REDACTED]
[REDACTED]

20 Senior Officers

20.1 Authority of the Grant Recipient Senior Officer

The Grant Recipient represents to Homes England that the Grant Recipient Senior Officer has full authority to act on its behalf for all purposes under the Project Related Documents and the Finance Documents. Homes England and the Homes England Senior Officer are entitled to treat any act of the Grant Recipient Senior Officer in connection with the Project Related Documents as being expressly authorised by the Grant Recipient (save where the Grant Recipient has notified Homes England that such authority has been revoked or that additional authority is required) and Homes England will not be required to determine whether any express authority has in fact been given.

20.2 Grant Recipient Senior Officer's power to delegate

The Grant Recipient Senior Officer may authorise any of its subordinates to exercise its powers under the Project Related Documents by notice to Homes England.

20.3 Authority of the Homes England Senior Officer

Homes England represents to the Grant Recipient that the Homes England Senior Officer has full authority to act on its behalf for all purposes under the Project Related Documents and Finance Documents. The Project Partners are entitled to treat any act of the Homes England Senior Officer in connection with the Project Related Documents and Finance Documents as being expressly authorised by Homes England (save where Homes England has notified the Project Partners that such authority has been revoked) and the Project Partners will not be required to determine whether any express authority has in fact been given.

20.4 Homes England Senior Officer's power to delegate

The Homes England Senior Officer may authorise any of its subordinates to exercise any of its powers under any Project Related Document or Finance Document by notice to the Grant Recipient.

20.5 Authority of the Anglian Water Senior Officer

Anglian Water represents to Homes England that the Anglian Water Senior Officer has full authority to act on its behalf for all purposes under the Project Related Documents. Homes England and the Homes England Senior Officer are entitled to treat any act of the Anglian Water Senior Officer in connection with the Project Related Documents as being expressly authorised by Anglian Water (save where Anglian Water has notified Homes England that such authority has been revoked or that additional authority is required) and Homes England will not be required to determine whether any express authority has in fact been given.

20.6 Anglian Water Senior Officer's power to delegate

The Anglian Water Senior Officer may authorise any of its subordinates to exercise its powers under the Project Related Documents by notice to Homes England.

20.7 Notices

Subject to clause 28, any notice, information, instructions or public communication given in writing to the Homes England Senior Officer, the Anglian Water Senior Officer or the Grant Recipient Senior Officer will be deemed to have been given to their respective appointing party.

21 No agency, partnership or employment

21.1 Nothing in this Agreement or otherwise shall be held, implied or deemed to constitute a partnership, joint venture or other association or, save as expressly provided, the relationship of principal and agent between the parties for any purpose whatsoever.

21.2 The Project Partners shall at all times be independent and nothing in this Agreement shall be construed as creating the relationship of employer and employee between Homes

England and the Project Partners. Neither of the Project Partners nor any of their respective employees shall at any time hold themselves out to be an employee of Homes England.

21.3 The Project Partners will not say or do anything which may pledge the credit of or otherwise bind Homes England or that may lead any other person to believe that the Project Partners are acting as Homes England.

22 Assignment and sub contracting

22.1 Homes England will be entitled to assign, transfer or novate its rights and obligations under this Agreement where agreed by the Project Partners (acting reasonably, save in the case of a novation to a statutory successor where no approval is required).

22.2 The Project Partners will not be entitled to assign, transfer or novate their rights and obligations under this Agreement unless agreed in writing by Homes England at its sole discretion.

22.3 Where Homes England becomes aware it is likely that a novation to a statutory successor is anticipated it is to give the Project Partners as much notice as is reasonably practicable.

23 Value Added Tax

23.1 The parties understand and agree that the HIF Funding by Homes England under this Agreement is not consideration for any supply for Value Added Tax (VAT) purposes whether by the Grant Recipient or otherwise.

23.2 If, notwithstanding the agreement and understanding of the parties as set out in clause 23.1 above, it is determined that the HIF Funding is consideration for a supply for VAT purposes, the HIF Funding shall be treated as inclusive of any VAT.

23.3 All sums or other consideration payable to or provided by the Grant Recipient to Homes England at any time will 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 will pay to Homes England all the VAT payable upon the receipt of a valid VAT invoice.

24 No fettering of discretion/statutory powers

Nothing contained in or carried out pursuant to any Project Related Document or Finance Document or apparently or impliedly contained in this Agreement or any of the deeds and documents referred to herein and no consents given by Homes England or a Project Partner will unlawfully prejudice Homes England's or each Project Partner's (as appropriate) rights, powers or duties and/or obligations in the exercise of its functions or under any statutes, byelaws, instruments, orders or regulations.

25 Fees and Expenses

25.1 Costs

Each party shall pay its own costs in connection with the negotiation, preparation, and execution of this Agreement, and all documents ancillary to it.

25.2 Variations and Enforcement Costs

The Grant Recipient shall, forthwith on demand, pay to Homes England the amount of all costs and expenses (including legal fees and irrecoverable VAT relating thereto) incurred by it:

25.2.1 where there has been a breach by the Project Partners, the enforcement or preservation of any rights under, any Project Related Document or Finance Document; or

25.2.2 in investigating any Event of Default which has or is believed to have occurred.

25.3 The Grant Recipient shall not be required to pay any costs or expenses of the type contemplated in Condition 25.2.2 if the results of Homes England's investigation reveal that there is no Event of Default.

26 State Aid

26.1 The parties acknowledge that HIF Funding will only be provided where such payment is compliant with State Aid requirements.

26.2 If the HIF Funding is found to constitute Unlawful State Aid (or is under investigation or subject to judicial proceedings in relation to State Aid compliance) then:

26.2.1 the parties acting in good faith will seek to restructure the arrangements surrounding the Project and the terms of this Agreement to the extent necessary to ensure State Aid compliance; and/or

26.2.2 the parties shall promptly cooperate in good faith to provide evidence that the Project (or the restructured Project) is or will be State Aid compliant.

26.3 If the Project is found to constitute Unlawful State Aid and/or is not capable of being restructured so as to be compliant then the Grant Recipient must repay any sum of Unlawful State Aid plus such interest as is prescribed by State Aid law within fifteen (15) Business Days of Homes England issuing it with a written demand for payment.

26.4 The Parties may review this Agreement, at any time prior to or following the withdrawal of the United Kingdom from the European Union, to ensure that the provisions of the Agreement comply with any United Kingdom Competition Requirements which may be applicable to it or the parties and to ensure that no Unlawful State Aid has or is likely to arise.

26.5 If as a result of any review undertaken in accordance with clause 26.4 it is found that a United Kingdom Competition Requirement applies or will apply to this Agreement then the Grant Recipient and Homes England shall discuss amending this Agreement to the extent necessary to ensure that the provisions of this Agreement are compatible with any applicable United Kingdom Competition Requirement, but in so doing shall seek to mitigate any detrimental impact on the Project and the Project Partners so far as is reasonably possible.

27 Co-operation

27.1 Each party undertakes to co-operate in good faith with the other to facilitate the proper performance of this Agreement and the delivery of the Project and the Wider Project and in particular will (subject to clause 27.2):

27.1.1 use all reasonable endeavours to avoid unnecessary disputes and claims against the other parties;

27.1.2 not interfere with the rights of any other party (nor its employees, agents, representatives, contractors or subcontractors) in performing its obligations under this Agreement nor in any other way hinder or prevent any other party (nor its employees, members, agents, representatives, contractors or subcontractors) from performing those obligations provided that this provision shall not prevent any party from exercising its express rights under this Agreement; and

27.1.3 use all reasonable endeavours to ensure that the Project and the Wider Project are delivered in an economically commercial manner.

27.2 Nothing in clause 27.1 shall:

27.2.1 interfere with the right of each of the parties to arrange its affairs in whatever manner it considers fit in order to perform its obligations under this Agreement and in connection with the Project or the Wider Project in the manner in which it considers to be the most effective and efficient; or

27.2.2 relieve a party from any obligation contained in this Agreement.

27.3 The Project Partners shall co-operate fully and in a timely manner with any reasonable request from time to time:

27.3.1 of any auditor (whether internal or external) of Homes England to provide documents, or to procure the provision of documents, relating to the Project or the Wider Project, and to provide, or to procure the provision of, any oral or written explanation relating to the same; and/or

27.3.2 of the Monitoring Surveyor to provide the information or documents, or to procure the provision of documents relating to the Project or the Wider Project, and to provide, or to procure the provision of, any oral or written explanation relating to the same;

27.3.3 of Homes England where Homes England is required under any legislation to provide any document relating to the Project or the Wider Project to any person.

27.4 The Project Partners shall fully co-operate and procure that any Developer co-operates with any reasonable request made by the Monitoring Surveyor which relates to the Project or the Wider Project.

27.5 The Project Partners shall promptly and fully co-operate with any request for information or evidence, or to provide an explanation to Homes England to the extent this arises from compliance with State Aid requirements or if Homes England is required to provide to a

third party such information or evidence either under Legislation or by a competent authority.

28 Notices

28.1 The Project Partners contact for all enquiries at Homes England is the HIF Programme Management Office.

All notices with Homes England must be in writing and either be delivered at or sent by first class post to or sent by email in accordance with clause 27.3:

Homes England, One Friargate, Coventry, CV1 2GN

with a copy to:

HIF Programme Management Office, Homes England, Windsor House, 50 Victoria Street, London SW1H 0TL.

28.2 Any notice or other communications between the parties shall be accepted as having been received:

28.2.1 if sent by first class post, three (3) days after posting exclusive of the day of posting, or

28.2.2 if delivered by hand, on the day of delivery,

28.2.3 in the case of Homes England addressed as set out above and in the case of the Grant Recipient, to the Strategic Director at the Guildhall, Market Hill, Cambridge CB2 3QJ, and in the case of Anglian Water addressed to the Group Property Director at Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, England PE29 6XU and in the case of AVH addressed to the Managing Director, Anglian Venture Holdings, Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, England PE29 6XU and

28.3 Email is a valid form of service (save for communications pursuant to clauses 12.1, 12.2, and 12.3 where emails are sent to the following addresses:

Homes England;

Council;

Anglian Water;

AVH,

or such other address or addresses as may be notified by the relevant parties to the others in writing from time to time.

Either of Homes England or the Project Partners may change the details of service by notice in accordance with the above.

29 Rights of third parties

Except as otherwise expressly provided no person who is not a party shall be entitled to enforce any terms of this Agreement solely by virtue of the Contracts (Rights of Third Parties) Act 1999.

30 Entire agreement

30.1 This Agreement and the conditions herein contained together with the Schedules and Annexures constitute the entire agreement between the parties in relation to its subject matter and may only be varied or modified in accordance with clause 38.

30.2 The Project Partners hereby acknowledge that save as set out or referred to in the Agreement there are and have been no representations made by or on behalf of Homes England of whatsoever nature on the faith of which the Project Partners are entering into this Agreement.

31 Severance

If any term, condition or provision contained in this Agreement shall be held to be invalid, unlawful or unenforceable to any extent, such term, condition or provision shall to that extent be omitted from this Agreement and shall not affect the validity, legality or enforceability of the remaining parts of this Agreement.

32 Cumulative rights and enforcement

Any rights and remedies provided for in this Agreement whether in favour of Homes England or the Grant Recipient are cumulative and in addition to any further rights or remedies which may otherwise be available to those parties.

33 Waiver

33.1 The failure of any party at any one time to enforce any provision of this Agreement in no way affects its right thereafter to require complete performance by the other party, nor may the waiver of any breach or any provision be taken or held to be a waiver of any subsequent breach of any provision or be a waiver of the provision itself.

33.2 Where in this Agreement any obligation of a party is to be performed within a specified time that obligation shall be deemed to continue after that time if the party fails to comply with that obligation within the time.

33.3 Any waiver or release of any right or remedy of a party must be specifically granted in writing signed by that party and shall:

33.3.1 be confined to the specific circumstances in which it is given;

33.3.2 not affect any other enforcement of the same or any other right; and

33.3.3 (unless it is expressed to be irrevocable) be revocable at any time in writing.

34 **Disclaimer**

Homes England will not be liable to the other party for any advice given by a representative of Homes England. In addition, Homes England gives no assurance as to the suitability or viability of the Project or the Wider Project and no endorsement of the same.

35 **Dispute Resolution**

35.1 All disputes and differences arising out of or in connection with this Agreement (a **Dispute**) shall be resolved pursuant to the terms of this clause 35.

35.1.1 In the event that a Project Partner or Homes England considers that a Dispute exists, such party shall serve a notice upon the other parties (a **Notice of Dispute**) giving brief details of the Dispute and in the first instance the parties shall use their reasonable endeavours to resolve such Dispute amicably and in good faith and in accordance with this clause 35.

35.1.2 Representatives of the parties (who should rank at least as Assistant Director (or equivalent)) shall meet within five (5) Business Days (or such other longer period not exceeding twenty (20) Business Days as the parties may agree) of receipt of a Notice of Dispute.

35.1.3 Where either no representatives of the parties are available to meet within the period set out in clause 35.1.2 or the representatives fail to agree a unanimous resolution of the Dispute at such meeting, the Dispute shall be referred to the chief executive (or nominated deputy) of the Project Partners and Homes England's Chief Investment Officer (the **Senior Executives**).

35.1.4 The Senior Executives shall meet within ten (10) Business Days (or such other longer period not exceeding twenty (20) Business Days as the parties may agree) of such referral to attempt to resolve the Dispute. Any unanimous resolution of the Senior Executives shall be recorded in writing and signed by them and shall be final and binding unless the parties agree otherwise.

35.1.5 If the Dispute remains unresolved after ten (10) Business Days following referral to the Senior Executives, such Dispute must be dealt with in accordance with clause 35.2.

35.2 In the circumstances contemplated in clause 35.1.5, the parties will attempt to settle the Dispute by mediation in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed by the parties, the mediator will be nominated by CEDR. The parties agree that:

35.2.1 to initiate the mediation a party must give notice in writing (**ADR notice**) to the other parties to the Dispute requesting a mediation. A copy of the request should be sent to CEDR; and

35.2.2 the mediation shall start not later than twenty eight (28) days after the date of the ADR notice.

35.3 In the event that either the mediation referred to in clause 35.2 has terminated or the Project Partners have failed to participate in the mediation Homes England may:

35.3.1 terminate this Agreement in its entirety;

35.3.2 withhold and cancel any further payment of HIF Funding due to the Grant Recipient under this Agreement; and/or

35.3.3 reallocate or redirect such part of the HIF Funding (which has not yet been paid to the Grant Recipient) to such other person or for such purpose as Homes England in its discretion considers appropriate.

35.4 Homes England reserves the right to invite any Developer to attend any meeting held pursuant to clause 35.1. The parties agree that the Developer shall be entitled to express an opinion at such meeting, but any opinion so expressed shall not be binding upon either of Homes England or the Project Partners.

36 AVH Guarantee of Anglian Water's obligations

AVH shall comply with its obligations in Schedule 12.

37 Governing law

This Agreement shall be governed by and construed in accordance with the Laws of England and Wales and subject to the provisions of clause 35 the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

38 Amendment

38.1 The parties agree that (save as otherwise provided) this Agreement may be amended by agreement in writing between Homes England and the Project Partners.

38.2 In granting any consent or waiver under this Agreement Homes England may impose such conditions as it deems to be appropriate to such consent.

39 Survival of this Agreement

39.1 Insofar as any of the rights and powers of Homes England provided for in this Agreement shall or may be exercised or exercisable after the termination or expiry of this Agreement the provisions of this Agreement conferring such rights and powers shall survive and remain in full force and effect notwithstanding such termination or expiry.

39.2 Insofar as any of the obligations of the Project Partners provided for in this Agreement remain to be discharged after the termination or expiry of this Agreement the provisions of this Agreement shall survive and remain in full force and effect notwithstanding such termination or expiry.

40 Miscellaneous

40.1 Any approval by Homes England or any person on behalf of Homes England pursuant to this Agreement of any matter submitted by the Grant Recipient for approval will not be deemed to be an acceptance by Homes England of the correctness or suitability of the contents of the subject of the approval or consent.

40.2 The parties will and will ensure that their respective officers and employees will act at all times in a way which is compatible with the Convention Rights within the meaning of the Human Rights Act 1998.

40.3 A certificate by Homes England as to any sum payable hereunder by the Grant Recipient will be conclusive save in the case of manifest error.

41 **Counterparts**

41.1 This Agreement may be executed in any number of counterparts which together shall constitute one Agreement. Any Party may enter into this Agreement by executing a counterpart and this Agreement shall not take effect until it has been executed by all parties.

41.2 Delivery of an executed counterpart of a signature page by email transmission shall take effect as delivery of an executed counterpart of this Agreement provided that, if such method is adopted, each Party shall provide the other with the original of such page as soon as reasonably practicable thereafter, and in any event prior to the second

claim for HIF funding under this Agreement.

In witness of which this Agreement has been duly executed as a deed and is delivered and takes effect on the date written at the beginning of this Agreement. 24

Schedule 1

Project Details

Project Information

The relocation of the Cambridge Waste Water Treatment Plant to release the Core Site at Cambridge Northern Fringe East, a major brownfield area, to enable (subject to planning) delivery of circa 5,600 new homes. The Core Site is circa 47 hectares and is currently in the ownership of Anglian Water Group Companies and the Grant Recipient.

The relocation of the Cambridge Waste Water Treatment Plant (CWwTP) will also remove the 'odour zone' related to the CWwTP enabling a further 3,065 new homes (subject to planning) to be built on the Additional Sites.

The funding is intended to cover the HIF Funded infrastructure works and thereby unlock delivery of the Core Housing Outputs and (so far as possible) the Additional Housing Outputs.

Maximum Sum: £227,000,000 (subject to any adjustments which may be made pursuant to clause 2.2)

Other partners: U&I and the LLP

Milestones and Milestone Dates

Enabling Stage Milestones	Milestone Date
Final site selection for new Waste Water Treatment Plant including tunnel corridors	31 December 2020
Submission of a Development Consent Order to Planning Inspectorate	30 June 2022
Grant of a Development Consent Order or a planning permission satisfactory to Homes England	31 December 2023
Enabling Stage Start Date	Date of the Grant Determination Agreement
Enabling Stage Completion Date	31 December 2023

Delivery Stage Milestones	Indicative Milestone Date (to be fixed as part of the conditions precedent for the Delivery Stage)
Possession (where CPO is being used)/acquisition of the Relocation Site	31 December 2023
Contract awarded to main contractor for new Waste Water Treatment Plant	31 January 2024

Delivery Stage Start on Site Date	28 February 2024
Commissioning of new Waste Water Treatment Plant Start Date	30 April 2026
Contract awarded to main contractor for decommissioning of existing Waste Water Treatment Plant	31 March 2027
Decommissioning of existing Waste Water Treatment Plant Start Date	1 October 2027
Commissioning of new Waste Water Treatment Plant Completion Date	30 September 2027
Decommissioning of existing Waste Water Treatment Plant Completion Date	31 March 2028
Delivery Stage Works Practical Completion Date	31 January 2028
Vacant possession of Core Site	28 February 2028
Core Housing Output Start on Site Date	31 March 2028
Core Housing Output Practical Completion Date	31 December 2043

Schedule 2

Grant Recipient Information

Housing Outputs –

Housing Unlocked by the Core Housing Outputs

NAME OF SITE	Number of units
The Core Site	(subject to planning permission) 5,600

Additional Housing Outputs

NAME OF SITE	Number of units
Additional Site	(Subject to planning permission) 3,025

Schedule 3 - Claim Form

To: Homes England

From: [insert full name of Grant Recipient]

Date: []

Housing Infrastructure Fund Grant Determination Agreement (Forward Funding) dated [] 202[] (the Agreement)

1 I refer to the Agreement. This is a Claim Form. Terms defined in the Agreement have the same meaning in this Claim Form.

2 I wish to claim the following amount of Funding:

2.1 funding amount for Project Expenditure

2.2 Period of Claim: [] From [insert start date] to [insert end date]

2.3 Date of claim: []

3 Payment Instructions

3.1 Bank name: NatWest

3.2 Bank branch/address:

3.3 Bank sort code:

3.4 Bank account number:

3.5 Bank account name

4 Additional Information

4.1 Maximum Sum £

4.2 Total Project Costs claimed and approved to []
date to date (excluding this claim):

4.3 Total Project Costs claimed and approved to []
date to date (including this Claim):

5 The Claim is made in accordance with the Agreement.

6 I confirm that each condition specified in clause 4 of the Agreement required to be satisfied on the date of this Claim Form is so satisfied and I know of no reason why any condition specified in clause 4 of the Agreement to be satisfied on or before the date of drawdown will not be so satisfied.

7 I confirm compliance with each representation, warranty and covenant specified in Schedule 5 of the Agreement.

- 8 I confirm that no Event of Default has occurred and is continuing or will occur as a result of the proposed Claim.
- 9 [I confirm that the HIF Funding to be provided pursuant to this Claim Form is in respect of Project Expenditure and will be used to meet the Project Expenditure and that no other Claim has been made in respect of such Project Expenditure [and that supporting evidence (to Homes England's satisfaction) is submitted with this Claim to provide evidence of the relevant expenditure incurred to date]].
- 10 I confirm that if a Monitoring Surveyor has been appointed, the Monitoring Surveyor has certified that the HIF Funding to be provided pursuant to this Claim Form is in respect of Project Expenditure and will be used to meet the Project Expenditure and that no other Claim has been made in respect of such Project Expenditure [and that supporting evidence (to Homes England's satisfaction) is submitted with this Claim to provide evidence of the relevant expenditure incurred to date].
- 11 I confirm that:
- 11.1 the Project Expenditure has been or will be incurred and constitute or will constitute capital expenditure in accordance with Regulations made under Section 11 of the Local Government Act 2003;
- 11.2 the Grant Recipient has not received and will not receive any Public Sector Financial Assistance or other contributions towards the Project Expenditure for which payment is now being sought;
- 11.3 the amount of the Claim is in accordance with the Expenditure Forecast;
- 11.4 [the Claim is in respect of or includes Historic Expenditure];
- 11.5 [the Claim is in respect of Enabling Stage Costs which are set out in the Expenditure Forecast];
- 11.6 [the Claim is in respect of Delivery Stage Costs which are set out in the Expenditure Forecast];
- 11.7 [[the Claim will not make the total amount of HIF Funding claimed between 1 April 2024 to the end of the Availability Period exceed ██████████ and ██████████];
- 11.8 the information in this form is true and correct.

By:

Section 151 Officer

for and on behalf of

[Insert full name of Grant Recipient]

¹ Only to be inserted in Claim forms submitted for expenditure incurred from 1 April 2024

Name (Printed):

Position:

Dated:

Schedule 4 - Legal Opinion

[TO BE TYPED ON CAMBRIDGE CITY COUNCIL HEADED NOTEPAPER]

Our ref

Your ref

Date

Email address

Homes England
One Friargate
Coventry
CV1 2GN

To: Homes England

Dear Sirs,

Legal Opinion re Cambridge North Fringe Development – Housing Infrastructure Fund Grant Determination Agreement (Forward Funding) and related matters

I refer to the proposed Housing Infrastructure Fund Grant Determination Agreement (Forward Funding) to be entered into between Cambridge City Council (the **Grant Recipient**), CWRP Relocation Limited, Anglian Venture Holdings Limited, AWG C4 Limited and Homes England (the **Agreement**) for the purposes of, inter alia, providing or facilitating the delivery of infrastructure and housing and related outcomes which is dated on or about the date hereof. In connection with the giving of this opinion, I have examined:

- 1 the Agreement in its final form prior to execution and delivery thereof by the Grant Recipient;
- 2 the Grant Recipient's Standing Orders for approving entry into and the execution and delivery of deeds by the Grant Recipient and for the delegation of its authority and the powers of the Grant Recipient's Executive; and
- 3 such other documents I consider appropriate for the purposes of giving this opinion.

I do not express any opinion as to, nor have I investigated the law of any jurisdiction other than England.

I am of the opinion that, as at the date hereof, as a matter of English law, the Grant Recipient has the power and authority to enter into, observe and perform the terms and obligations on its part to be observed and performed by it under the Agreement and has taken all necessary action and has

obtained all relevant consents and approvals (statutory or otherwise) to authorise the execution and delivery of the Agreement and the performance and validity of the obligations under it.

Neither the execution and the delivery of, nor the performance by the Grant Recipient of its obligations under the Agreement will violate any provisions of any existing applicable law, rule, regulation or agreement binding on the Grant Recipient, and the Agreement will constitute when executed and delivered a valid and legally binding obligation on the Grant Recipient enforceable in accordance with its terms. I have given this opinion, taking into account the common law and statutory duties applicable to the exercise of power by the Grant Recipient.

The above opinions are subject to the reservation that under English law, the power of the court to order or pursue performance of an obligation and any other equitable remedies is discretionary and, accordingly, an English court might make an award of damages where specific performance of an obligation at work or remedy is sought.

This opinion is given by virtue of my position as Solicitor to the Grant Recipient and is only given as the holder of that office. I am not giving this opinion in a personal capacity, nor do I accept any private or personal liability for any error or omission in it or which may arise therefrom and the recipient, in seeking to place reliance on the contents of this letter, must duly acknowledge the same if any error or omission is later to be found. This opinion is addressed to Homes England and is solely for its benefit. It may not be disclosed to or relied upon by any other person or made public in any way without my prior consent. This opinion is limited to matters addressed herein and is not to be read as an opinion with respect to any other matter.

Yours faithfully

Head of Legal Practice
3C Shared Services
(On behalf of Cambridge City Council)

There follows the specimen signatures and titles of those who will or may attest the execution as a deed of the Agreement referred to above.

Name	Title	Specimen Signature
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Schedule 5 - Representations and Warranties

- 1 **Powers, vires and consents**
- 1.1 It:
 - 1.1.1 has the power to enter into and to exercise its rights and perform its obligations under the Finance Documents and the Project Related Documents (to which it is a party); and
 - 1.1.2 has taken all necessary action to authorise the execution by it of and the performance by it of its obligations under the Finance Documents and Project Related Documents (to which it is a party) (or, in the case of any other Project Related Document or Finance Document to be executed by it after the date hereof, such action will be taken before such execution).
- 1.2 It is not subject and will not become subject to any other obligation, compliance with which will or is likely to have a Material Adverse Effect.
- 1.3 Its obligations under the Project Related Documents and the Finance Documents (to which it is a party) constitute its legal, valid and binding obligations, enforceable in accordance with their terms.
- 1.4 The execution, delivery and performance by it of the Project Related Documents and the Finance Documents (to which it is a party) do not:
 - 1.4.1 insofar as it is aware contravene any applicable law or directive or any judgment, order or decree of any court having jurisdiction over it;
 - 1.4.2 conflict with, or result in any breach of any of the terms of, or constitute a default under, any agreement or other instrument to which it is a party or any licence or other authorisation to which it is subject or by which it or any of its property is bound; or
 - 1.4.3 contravene or conflict with its constitutional documents or arrangements.
- 1.5 All consents or steps, required by it in connection with the execution, delivery, issue, validity or enforceability of the Project Related Documents and the Finance Documents (to which it is a party) have been obtained or taken and have not been withdrawn or omitted.
- 1.6 It is not in breach of or in default under any agreement to which it is a party or which is binding on it or any of its assets which has or could have a Material Adverse Effect.
- 1.7 No claim is presently being asserted and no litigation, arbitration or administrative proceeding is presently in progress or, to the best of its knowledge, pending or threatened against it or any of its assets which will or might have a Material Adverse Effect.
- 1.8 It has not committed any Prohibited Act.
- 1.9 It has not, and its Associated Persons have not, engaged in and will not engage (directly or indirectly) at any time, in any activity, practice or conduct that would constitute an offence under the Bribery Act 2010.

2 Deliverability

- 2.1 No third party has any Security over the Core Site or, once acquired or possessed by the Project Partners (or Group Companies of the Project Partners), the Relocation Site or any part of it or any other assets of the Grant Recipient which would prejudice the delivery of the Project or the Wider Project.
- 2.2 All Consents (as are required to be in place at the time of the relevant Claim) have been obtained and have not been withdrawn.
- 2.3 It is not aware, after due enquiry, of anything which materially threatens the success or successful completion of the intention or purpose of this Agreement.
- 2.4 It will procure that the Project has been and will be undertaken:
- 2.4.1 in a way to ensure that the Project meets the Required Standards and permits the delivery of the Core Housing Outputs; and
- 2.4.2 in accordance with the terms of the Bid.
- 2.5 Save as disclosed in the Certificate of Title, the Core Site or, once acquired or possessed by the Anglian Water, the Relocation Site is free from any conditions, restrictions or covenants which do or might affect the right to carry out the Project or the Wider Project or achieve Practical Completion of the Project and Wider Project.
- 2.6 It shall take all reasonable steps to satisfy Homes England that its members and the Developers and any Contractors employed in connection with the Project or the Wider Project are suitable and competent in all respects to allow the proper performance of all necessary work or tasks in relation to the Project or the Wider Project.
- 2.7 Save as disclosed in the Certificate of Title, the Project Partners (or Group Companies of the Project Partners) have in respect of the Core Site and, once acquired or possessed by the Project Partners (or Group Companies of the Project Partners), the Relocation Site:
- 2.7.1 good title, free from Encumbrances other than a Permitted Encumbrance or freedom to use those assets for that purpose under all applicable laws; and
- 2.7.2 (so far as is reasonably necessary at the date this representation is given) access to and freedom to use under all applicable laws:
- (a) the relevant Site;
- (b) any buildings or fixtures on the relevant Site;
- (c) any easement, wayleaves or other rights necessary for access to and use of the relevant Site.
- 2.8 The Grant Recipient shall procure that Anglian Water is (where the Relocation Site has been acquired) in compliance with all applicable Environmental Laws so far as they relate to the Relocation Site and shall procure that U and I will carry out any development works in compliance with all applicable Environmental Laws so far as they relate to the Core Site.

- 2.9 The Grant Recipient is or shall procure that the Developers are in compliance with the terms of all Environmental Consents in relation to the Core Site or (from the date of acquisition) the Relocation Site) necessary for the ownership and operation of the Core Site and Relocation Site, facilities and businesses as presently owned and operated and as presently proposed to be owned and operated.
- 2.10 To the best of its knowledge and belief (having made all reasonable and proper enquiries) and save as disclosed in the Certificate of Title, there is no Environmental Claim in relation to the Core Site or (from the date of acquisition) the Relocation Site) which is current, pending or threatened against it and there are no past or present acts, omissions, events or circumstances that could form the basis of any Environmental Claim against it.
- 2.11 To the best of its knowledge and belief (having made all reasonable and proper enquiries) and save as disclosed in the Certificate of Title, there are no circumstances that may prevent or interfere with it obtaining or being in compliance with any Environmental Consent in relation to the Core Site or (from the date of acquisition) the Relocation Site) in the future and no action is pending or threatened by any authority against it which would result in any Environmental Consent being revoked, suspended or varied.
- 2.12 To the best of its knowledge and belief (having made all reasonable and proper enquiries) and save as disclosed in the Certificate of Title, no Dangerous Substance has been used, disposed of, generated, stored, transported, dumped, released, deposited, buried or emitted at, on, from or under the Core Site (from the date of acquisition) the Relocation Site) in circumstances where this results or could be expected to result in a liability on the Grant Recipient.
- 3 Operational issues**
- 3.1 No Event of Default has occurred and is continuing or would result from the making of any payment of HIF Funding.
- 3.2 No other event or circumstance is continuing which constitutes (or with the giving of notice, the lapse of time, the determination of materiality or the fulfilment of any other applicable condition or any combination of the foregoing), would or could be expected to constitute a default by it under any other document or arrangement which is binding on it or on any of its assets in any case to an extent or in a manner which has or could be expected to have a Material Adverse Effect.
- 3.3 Other than the registration of the Finance Documents at Companies House, the Financial Conduct Authority, the Land Registry and the Land Charges Registry (as appropriate), it is not necessary that any document be filed, recorded or enrolled with any court or other authority in England or that any stamp, registration or similar tax be paid on or in relation to any Project Related Document or Finance Document to which it is a party or the transactions contemplated by the Finance Documents.
- 4 Information**
- 4.1 All information supplied by or on behalf of it to Homes England or its agents or employees in connection with the Grant Recipient's initial application for HIF Funding or in the course of the subsequent negotiations was at the time of submission and as far as it was aware (or ought to have been aware) having made all reasonable and proper enquiries true, complete and accurate in all respects.

- 4.2 It has informed Homes England of any material change that has occurred since the date of submission of which it is aware (or ought to be aware) having made all reasonable and proper enquiries which would render such information untrue, incomplete or inaccurate in any material respect.
- 4.3 It is not aware of any material fact or circumstance that has not been disclosed to Homes England and which might, if disclosed materially, adversely affect the decision of anyone considering whether or not to contract with it.
- 4.4 The Bid and the Expenditure Forecast supplied under this Agreement were arrived at after careful consideration and have been prepared in good faith on the basis of recent historical information and on the basis of assumptions which were reasonable as at the date they were prepared and supplied.
- 4.5 All data or other information submitted to Homes England to date under this Agreement is accurate.
- 4.6 So far as the Grant Recipient is aware (having made all reasonable enquiries) the Project and the Wider Project (including, inter alia, all Milestone Dates) remain capable of being delivered in accordance with the Project Details without the need for change.

5 Reports and Directions

No Report or Direction has been made nor is the Grant Recipient aware of any circumstances that would give rise to the making of a Report or a Direction in relation to the Grant Recipient's obligations under the Finance Documents and Project Related Documents (to which it is a party) constitute its legal, valid and binding obligations, enforceable in accordance with its terms.

Schedule 6 - Special Conditions

Part 1

- 1 The Project Partners must ensure that the following restriction is applied for at the HM Land Registry on the Proprietorship Register of the Core Site and, simultaneously with registration of Anglian Water as legal owner of the Relocation Site, the Relocation Site within 10 Business Days from:
 - 1.1 the date of this Agreement (in relation to the Core Site); and
 - 1.2 completion of the purchase by Anglian Water of the Relocation Site (in relation to the Relocation Site):

"No disposition of the registered estate (other than a charge) by the proprietor of the registered estate is to be registered without a certificate signed by a conveyancer that the provisions of Clause 7.4.1 of Grant Agreement dated 21 March 2020 and made between (1) the Homes and Communities Agency (2) Cambridge City Council (3) CWRP Relocation Limited (4) Anglian Venture Holdings Limited and (5) AWG C4 Limited have been complied with or that they do not apply to the disposition."
 - 1.3 once the Core Housing Output Practical Completion has been achieved the Project Partners shall notify Homes England and Homes England shall provide such reasonable assistance as is required to enable the removal of the restriction as soon as is reasonably practicable.

Part 2

Recycling Strategy

1 Definitions

The following words and Phrases have the following meanings in this Schedule:

"AAP" the area action plan relating to the Core Site and other land, as may be updated from time to time

"Aggregate Proceeds" the aggregate net receipts on all Disposals due to the LLP pursuant to paragraph 9.2.6 of the Master Development Agreement as at the date of the relevant Disposal Date

"Aggregate Costs" means the total sum of:

- (c) the aggregated Plot Indexed Base Values of each Disposal up to the Disposal Date to the LLP;
- (d) aggregate of payments to the LLP of any Deferred LLP Payment;
- (e) payment due to the LLP of any payments agreed pursuant to paragraph 4.3 below which have not been repaid by CPCA;
- (f) █████ landowners' return on the Core Site Enabling and Servicing Costs to the LLP;
- (g) the Allowable Costs payable to the LLP;
- (h) the Retentions, in the circumstances where a Retention is permitted to be taken as determined by paragraph 3.4 of this Schedule;
- (i) aggregate of any prior Recycling Payment made;


"Allowable Costs"

Any of the following costs that are either incurred or where not yet incurred, the reasonable estimate by the Project Partners of such costs:

- (a) any reasonable costs (whether internal costs or costs of appointing external advisers) incurred by the Project Partners in respect of the Project and the Wider Project for the management and oversight of the LLP (until the final Calculation Date);
- (b) any reasonable and properly incurred cost overruns in the delivery of the Project over and above the Maximum Sum;
- (c) any increased operational expenditure reasonably incurred (until the final Calculation Date) by AWS (or any Group Company) from the current operational expenditure on the Core Site due to the relocation of the CWwTP as such expenditure is evidenced to and approved by Homes England (acting reasonably);
- (d) any reasonable and proper costs incurred by the LLP or the Project Partners and notified to Homes England in the Expenditure Forecasts in promoting the Additional Housing Outputs and the Additional Sites;
- (e) any properly incurred VAT on costs relating to the Project or Wider Project that the person paying (or contractually responsible for reimbursing such payment pursuant to) the VAT is unable to recover from HM Revenue and Customs;
- (f) any reasonable finance charge (as determined by reference to what is available from funders in the financial markets from time to time) actually incurred on incurred Allowable Costs, and where costs have been funded through the Project Partners own resources, a notional finance charge of [REDACTED] over the Base Interest Rate calculated from the date the cost has been incurred; and
- (g) any other reasonable and proper costs as may be agreed with Homes England (at Homes England's discretion) incurred by the

Project Partners or LLP in relation to the Project and Wider Project.

and for the avoidance of doubt any costs incurred and deducted in the calculation of Proceeds under the Master Development Agreement shall not be capable of inclusion under Allowable Costs.

"Base Value"	
"Calculation Date"	means a date that is six months after a Disposal under the Master Development Agreement
"Core Site Enabling and Servicing Costs"	(a) any costs incurred and properly recoverable as "Developer's Costs" pursuant to the Master Development Agreement; and (b) for any Calculation Date except the Final Calculation Date, any costs not yet incurred that once incurred would be properly recoverable as "Developer's Costs" pursuant to the Master Development Agreement, as the Project Partners reasonably estimate;
"CIL"	has the meaning given to it in the Master Development Agreement
"CPCA"	Cambridge and Peterborough Combined Authority of First Floor, Incubator 2 Boulevard Alconbury Weald, Huntingdon PE28 4XA, or any statutory successor thereof from time to time
"Deferred LLP Payment"	any sum payable from Proceeds to the LLP in relation to a Plot but not paid upon a Disposal due to there being insufficient Proceeds from that Disposal
"Disposal"	has the meaning given to it in the Master Development Agreement
"Disposal Date"	means the Disposal which is the subject of the Calculation Date
"Final Calculation Date"	One month after the issue of the final Monitoring Report
"Incurred Funding Level"	means the actual amount of grant funding in aggregate drawn down by the Grant Recipient pursuant to this Agreement
"Independent Expert"	means an expert appointed pursuant to paragraph 5

	of this Schedule
"Index"	the "All Items" index figure of the Index of Consumer Prices published by the Office for National Statistics or any successor ministry or department of government
"Net Developable Area"	means the net developable area measured in acres (including parts of acres) in accordance with current "Code of Measuring Practice" from time to time as published by the Royal Institution of Chartered Surveyors
"Maximum Recycling Commitment"	A sum equivalent to the Incurred Funding Level less any shared Planning Contributions secured pursuant to paragraph 2.2 of this Schedule
"Planning Authority"	(as applicable) the Grant Recipient (in its role as local planning authority) and/or South Cambridgeshire District Council, South Cambridgeshire Hall, Cambourne Business Park, Great Cambourne, Cambourne, Cambridge CB23 6EA
"Plot"	has the meaning given to it in the Master Development Agreement
"Plot Base Value"	the proportion of the Base Value to be attributable to any Plot (or part thereof) on any Disposal, such proportion to be calculated as follows: $\text{Plot Base Value} = \frac{\text{the Base Value} \times A}{B}$ <p>Where:</p> <p>A = the Net Developable Area of the Plot (or any part thereof) subject to the relevant Disposal</p> <p>B = the Net Developable Area of the Site,</p> <p>in each case determined by reference to the Planning Permission (as defined in the Master Development Agreement) for the Core Site at the date of the Disposal</p>
"Plot Indexed Base Value"	The Plot Indexed Base Value as calculated pursuant to clause 3.6.1
"Proceeds"	the net receipts on any Disposal due to the LLP pursuant to paragraph 9.2.6 of the Master Development Agreement

"Recycling Fund"	a fund proposed to be established by the CPCA for the funding of housing within the administrative area of the CPCA
"Recycling Payment"	Any payment due to the CPCA pursuant to this Schedule, to be allocated to the Recycling Fund
"Shared Planning Contributions"	The aggregate of all contributions (whether in monetary or non-monetary consideration (subject to evidence of costs of such non-monetary contribution being provided to Homes England)) received or receivable by the Local Planning Authority and/or CPCA by third party developers within the AAP to be used towards the delivery of housing in its administrative area as envisaged pursuant to paragraph 2.2
"S106"	a Planning Agreement (as defined in the Master Development Agreement, pursuant to s106 of the Town and Country Planning Act 1990)

2 Background

2.1 The purpose of the provisions contained in this Schedule is to set out the mechanism for calculating the Recycling Payments that may arise as a result of the change of use of the Core Site from an operational water treatment plant with ancillary properties, to a residential-led development site, it being acknowledged that the delivery of the residential-led scheme would not be feasible without the payment of the grant funding pursuant to this Agreement.

2.2 It is envisaged that any Recycling Payments payable in accordance with this schedule are to be utilised by the CPCA for the delivery of housing in its administrative region in accordance with paragraph 4 below. It is envisaged that the Planning Authority will also require similar contributions (whether monetary or non-monetary) towards the delivery of housing from developers of the Additional Sites and other sites within the AAP, pursuant to the following routes:

2.2.1 S106 contributions;

2.2.2 CIL payments/ contributions;

2.2.3 any site specific planning obligations; or

2.2.4 via any subsequent tariff structure or developer/ landowner contribution mechanisms that may be agreed between the Planning Authority with a developer or developers for the delivery of development of land within the Additional Sites or otherwise in the AAP,

and to the extent such additional contributions are secured by the Local Planning Authority or the CPCA (as applicable), the Maximum Recycling Commitment is to be reduced by the

aggregate amount of such contributions to reflect these additional third party developer contributions.

2.3 Throughout the term of this Agreement the Parties are to act in good faith so as to determine (working with the Local Planning Authority and CPCA so far as practicable) the amount of contributions secured by the Local Planning Authority and/or CPCA from developers of the Additional Sites and other sites within the AAP for the delivery of housing by the CPCA in its administrative region, to enable such contributions (whether monetary or non-monetary) to be properly taken into account in the calculation of the Incurred Funding Limit and the Recycling Payments pursuant to paragraph 3 of this Schedule.

2.4 It is acknowledged that there may be Plots where there are insufficient Proceeds to enable reimbursement of all costs due to the LLP pursuant to paragraph 3 below; costs not reimbursed to the LLP from Proceeds will form part of the recoverable costs from the next Plot or Plots and are accordingly included in the waterfall mechanism below as "Deferred LLP Payments".

2.5 It is acknowledged that Homes England propose to enter into an agreement with CPCA to document the transfer of the Recycling Payments to CPCA as envisaged by this schedule and Homes England will ensure that: a) such agreement will require CPCA to provide full details of any Shared Planning Contributions to Homes England as soon as secured to enable such contributions to be properly taken into account in the calculation of the Incurred Funding Limit and the Recycling Payments pursuant to paragraph 3 of this Schedule, and b) will oblige CPCA to comply with equivalent reimbursement provisions to those included at paragraph 4.2 and 4.3 below.

3 Calculation of Recycling Payments

3.1 The Recycling Payments are to be calculated on an open book basis.

3.2 On each Calculation Date, the Proceeds for the relevant Disposal will be calculated as per Clause 9 of the Master Development Agreement (Utilisation and Distribution of Receipts from Plot Sales) and the Recycling Payment made within 20 Working Days of the relevant Calculation Date (subject to paragraph 3.4) in accordance with the following calculation:

$$3.2.1 \quad \text{Recycling Payment} = \text{■} \times (A - B)$$

Where

A = Aggregate Proceeds

B = Aggregate Costs

Note: a worked example of this schedule is appended at Annexure 8. This worked example is for illustrative purposes only and the sums included within it are not to be taken as projected returns.

3.3 In calculating the distribution of Proceeds pursuant to paragraph 3.2:

3.3.1 there is to be no double counting of the Proceeds or any costs/ deductions made;

3.3.2 no Recycling Payment shall be made where the aggregate of preceding Recycling Payments exceeds the Maximum Recycling Commitment; and

3.3.3 if the result of the calculation is a negative figure, it shall be deemed to be zero.

3.4 Where costs have not yet been incurred and therefore estimated costs are used in calculating costs/ deductions pursuant to this Schedule, the Project Partners are to procure that once actual costs are known any adjustment to the distributions required to reflect the actual costs incurred is to be notified to Homes England by inclusion in the next Monitoring Report. Any adjustment (whether positive or negative) to the distributions to the Project Partners is to be properly netted off or added to (as appropriate) the next distribution payable pursuant to clause 3.3 save that for the final two Disposals the following procedure shall apply:

3.4.1 on both the penultimate and final Disposal the Project Partners shall be entitled to withhold from any Recycling Payment a reasonable retention from the Proceeds (such retention amount to be agreed by the parties (acting reasonably) ("the Retentions")) to ensure that they have sufficient monies to recover all costs actually incurred for the delivery of the Project and Wider Project;

3.4.2 the Project Partners shall issue a final Monitoring Report on the earlier of:

- (a) the date twelve months after the date of the final Disposal; or
- (b) the date one month after all costs have been actually incurred for the period up to the final Disposal;

3.4.3 On the Final Calculation Date, the calculation set out in paragraph 3.2 shall be run save for limb (f) of the definition of Aggregate Costs shall not apply.

3.4.4 Where the final Disposal has not occurred by 31 December 2043, the Retention shall be released to the CPCA.

3.4.5 For the avoidance of doubt nothing in this paragraph 3.5 is to be construed to require Homes England to pay a balancing payment where inadequate Retentions have been taken by the Project Partners to ensure all actual costs can be reimbursed.

3.5 Calculation of Plot Indexed Base Value

3.5.1 The Plot Indexed Base Value for the plot subject to a Disposal shall be calculated by reference to the following formula:

$$\text{PIBV} = \text{Plot Base Value} \times (\text{A} / \text{B})$$

Where:

PIBV = the Plot Indexed Base Value.

A = the Index last published before the Calculation Date.

B = the Index last published before the date of this Agreement.

3.5.2 If the reference base used to compile the Index changes after the date of this Agreement, the value of "A" in paragraph 3.5.1 of this Schedule will be adjusted to give the figure which would have been shown as the Index if the reference base current at the date of this Agreement had been retained.

3.5.3 If the Index ceases to be published, the parties must use all reasonable endeavours to agree an alternative index reflecting changes in consumer prices to use for the purposes of calculating the Price.

4 Role of the CPCA

4.1 Each Recycling Payment is to be paid within 20 Working Days of being calculated/determined pursuant to paragraph 3 above to the CPCA for further housing delivery and/or funding of the delivery of infrastructure to unlock housing in the region administered by the CPCA, the specific uses of such funding within the above to be agreed by the CPCA and Homes England from time to time and are to be notified to the Project Partners on written request.

4.2 In the event of accidental overpayment of the Recycling Fund to the CPCA, where the error is notified within 5 Working Days the CPCA is to use all reasonable endeavours to reimburse such overpaid sums as soon as is reasonably practicable and in any event within 20 Working Days of request.

4.3 Should the Project Partners need to reclaim any of the Recycling Fund for unforeseen requirements approved by Homes England (acting reasonably), Homes England is to use reasonable endeavours to procure reimbursement by the CPCA of such monies to the Project Partner nominated by the Project Partners, subject to a notice period of 24 months (although Homes England will use reasonable endeavours to facilitate earlier repayment so far as practicable for it to do so). The Project Partners are to use reasonable endeavours to mitigate the need for such reimbursement by reducing subsequent Recycling Fund payments to the CPCA in accordance with limb (c) of the definition of Aggregate Costs above to recoup so far as practicable from Recycling Payments the sums agreed by Homes England to be reclaimed sums from the Recycling Fund.

5 Dispute Resolution

5.1 In the event that the Parties are unable to agree any Recycling Payment, the Incurred Funding Level, or any other matter arising pursuant to this Schedule, such dispute shall be referred in a timely manner to an Independent Expert.

5.2 An Independent Expert shall be appointed by agreement between the Project Partners and Homes England, or, if the Homes England and the Project Partners are unable to agree an appointment, either of them may request the appointment to be made by the President.

5.3 An Independent Expert must be a Fellow of the RICS, with at least ten years' post qualification experience including experience of similar properties to the Core Site.

5.4 If an Independent Expert appointed dies or becomes unwilling or incapable of acting, or does not deliver the decision within the time required by this clause, then:

5.4.1 either Homes England or the Project Partners may apply to the President to discharge the appointed Independent Expert and to appoint a replacement Independent; and

5.4.2 this clause shall apply in relation to the replacement Independent Expert as if the first appointed Independent Expert.

5.5 The Independent Expert shall act as an expert and shall be required to prepare a valuation report addressed to Homes England and the Project Partners of the decision and give a copy of the decision to both Homes England and the Project Partners within 10 Working Days of the date of the Independent Expert's appointment.

5.6 Homes England and the Project Partners shall each be entitled to make submissions to the Independent Expert and shall provide (or procure that others provide) the Independent Expert with the assistance and documents that the Independent Expert reasonably requires to reach a decision.

5.7 The Independent Expert's written decision shall be final and binding in the absence of manifest error or fraud.

5.8 The costs of the Independent Expert shall be borne equally by Homes England and the Project Partners or in such different proportion as the Independent Expert shall direct.

6 **Quarterly Statement**

The Project Partners shall provide within each Monitoring Report details of sums due and payments to the Recycling Fund including payments on a cumulative basis and subsequent onward payments to the CPCA.

Schedule 7

Pre Commencement Conditions

- 1 Prior to the date of this Agreement, the Grant Recipient has provided the following to Homes England (in forms satisfactory to Homes England):
 - 1.1 the initial draft Enabling Stage Expenditure Forecast and initial draft Enabling Stage Delivery Plan;
 - 1.2 confirmation by the Project Partners that the LLP will be the corporate body which will contract with the Developer for the delivery of the Core Housing Outputs;
 - 1.3 the incorporation documents for the LLP;
 - 1.4 an indicative Delivery Stage Delivery Plan;
 - 1.5 evidence of the procedures put or to be put in place for the selection process of the Relocation Site;
 - 1.6 evidence that the cost of the Project follows relevant procurement processes and will achieve value for money;
 - 1.7 the Enabling Stage Risk Register;
 - 1.8 the relevant corporate authorisations of the Project Partners;
 - 1.9 the Acquisition Plan;
 - 1.10 confirmation that up to [REDACTED] of any Cost Overruns will be borne by the Project Partners;
 - 1.11 a Legal Opinion dated prior to the date of this Agreement;
 - 1.12 a confirmation from the Grant Recipient's Section 151 Officer that all expenditure to which HIF Funding will be applied is classified (according to proper accounting practices) as capital expenditure;
 - 1.13 an opinion from the Grant Recipient's Solicitor as to the State Aid treatment of the Project.

Schedule 8
Enabling Stage Delivery Plan

**Housing Infrastructure Fund Grant Determination Agreement
(Forward Funding) (“the Agreement”)**

**Homes England and Cambridge City Council and CWRP Relocation
Limited and Anglian Venture Holdings Limited**

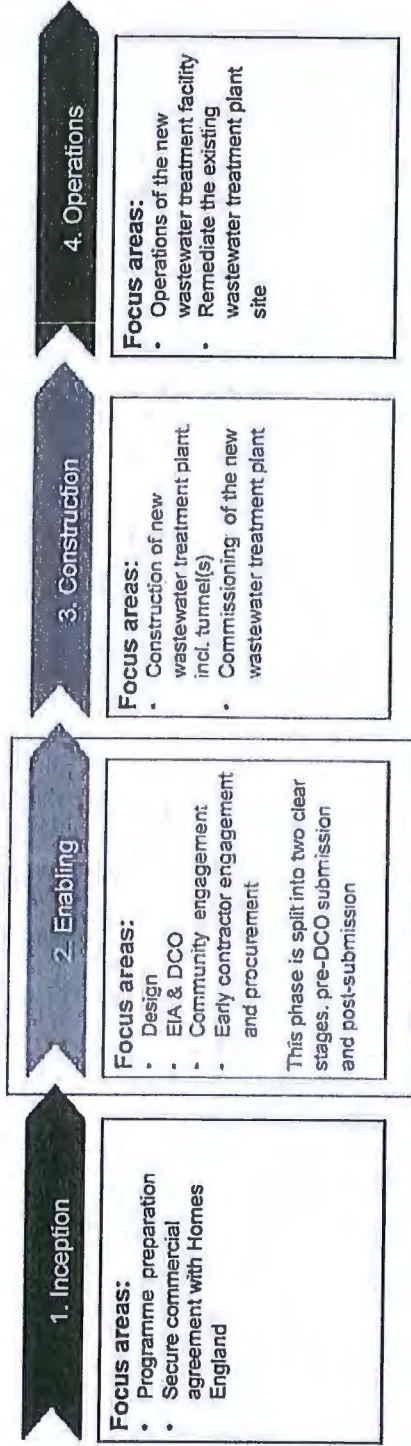
**In satisfaction of the requirements under Clause 1.1
of Schedule 7 of the Agreement**

**Enabling Stage Delivery Plan and
Enabling Stage Expenditure Forecast**

17th March 2020

Introduction and Purpose

The purpose of this document is to summarise the process followed by Anglian Water to develop the Enabling Stage Delivery Plan and Expenditure Forecast for the project. The Enabling Stage runs from the signing of the Agreement through to the award of the DCO, which enables Anglian Water to commence construction of the new wastewater treatment plant. The key phases of the programme are outlined below.



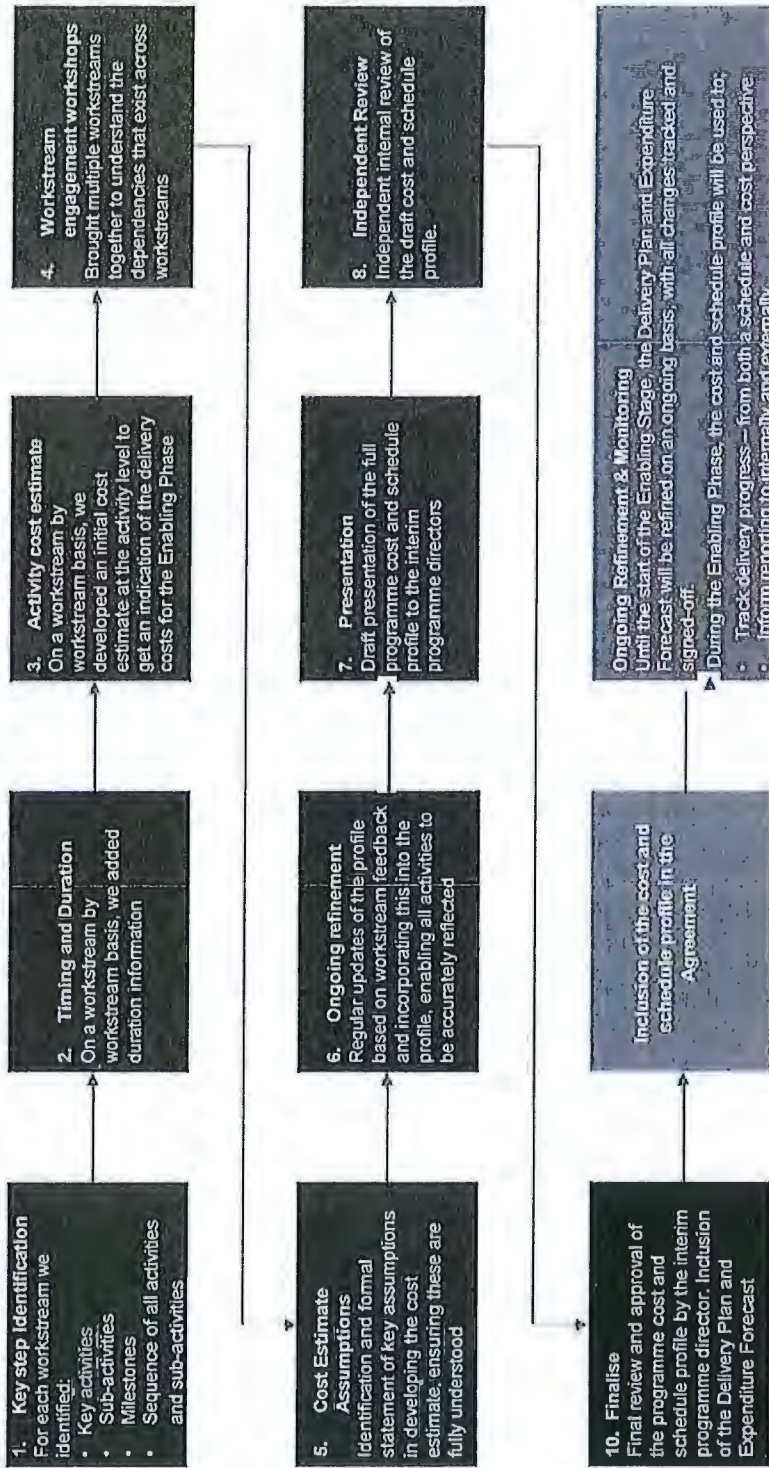
The Enabling Stage Delivery Plan and Expenditure Forecast covers over 1,000 activities and sub-activities. The Enabling Stage is due to last for 44 months, starting on the signing of the Agreement.

This document includes the following.

- A summary of the process followed to develop the Enabling Stage Delivery Plan (see Appendix 1) and Expenditure Forecast
- A summary of the key outputs, including an overview of the budgeted monthly expenditure and contingency
- The key assumptions made in developing the Delivery Plan and Expenditure Forecast
- An audit trail of information received to collate the Delivery Plan and Expenditure Forecast

Development Approach

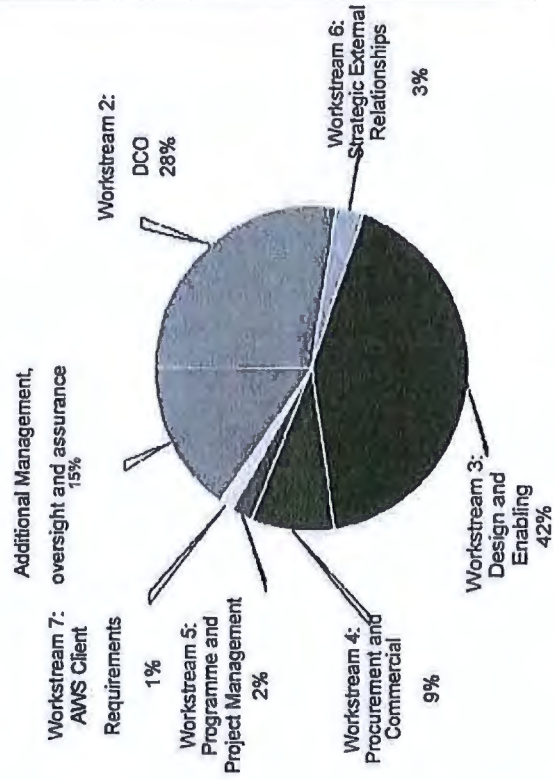
In arriving at the Delivery Plan and Expenditure Forecast, following key steps have been followed.



Draft Cost Profile Enabling Phase

The Expenditure Forecast for the Enabling Stage is summarised below. Costs outlined in this figure are based upon the version to the CWWTPRP cost and schedule profile dated 26 September 2019.

Total Cost per workstream



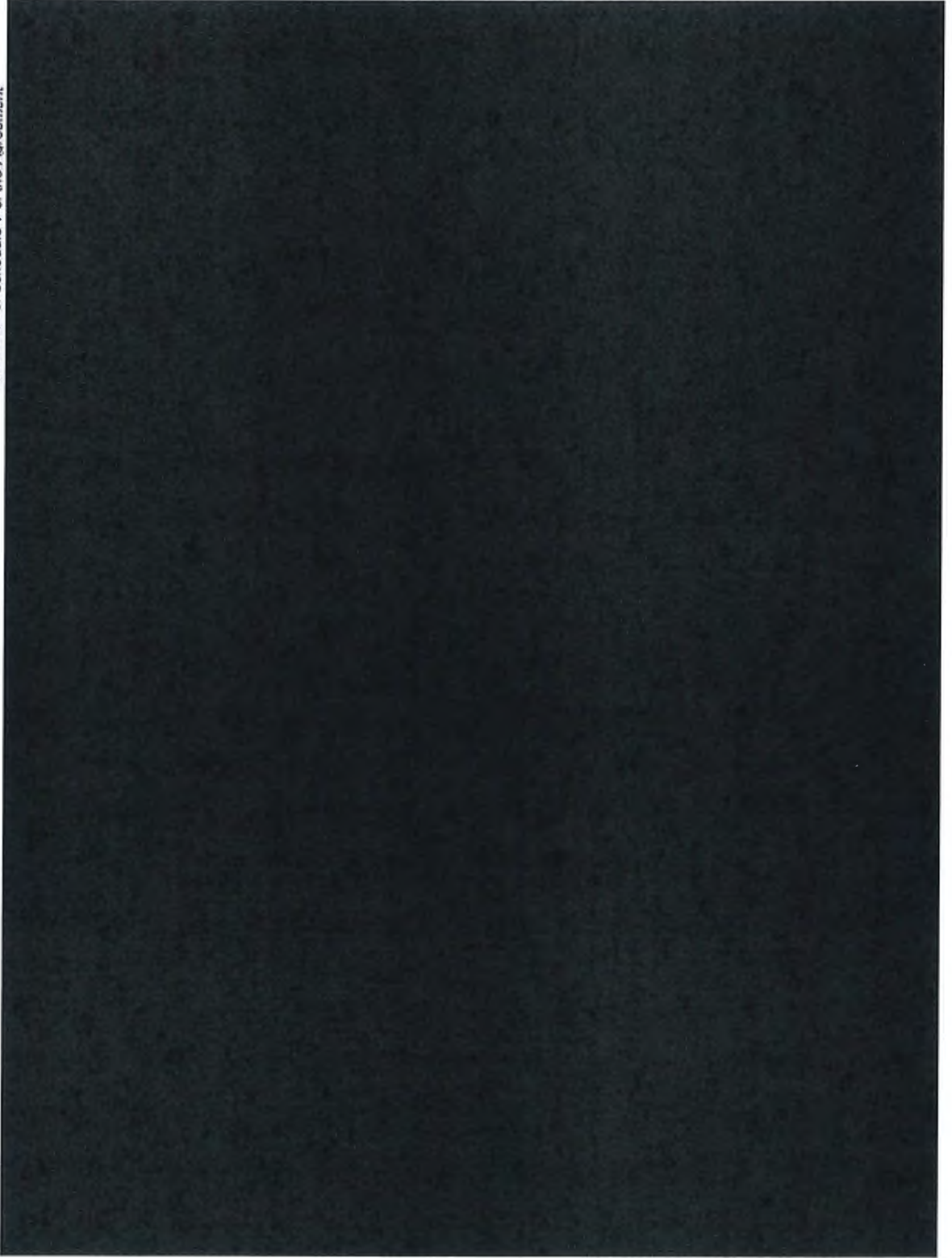
Key Assumptions & Caveats

A series of assumptions were made and caveats created in developing the draft cost and schedule profile. The key assumptions supporting the basis for the overall cost and schedule profile are listed below, as well as key caveats. The below assumptions and caveats are applicable across all workstreams.

- Inception phase is complete as of Day 1 of the Enabling Phase and any costs associated with Phase 1 one are not included
- The Enabling Phase (Phase 2) is split into two sub-phases:
 - Phase 2a – Pre-examination, represents the period from Commercial Agreement completion to DCO submission (incl. e.g. EIA)
 - Phase 2b – Examination, represents the period from DCO submission to DCO grant
- No overall contingency has been included for unforeseen circumstances or requirements, but workstream specific contingency has been included.
- Costs for any post consent approval requirements have not been included in the estimate – e.g. road upgrades, landscaping and other infrastructure improvements. These costs are to be included in the construction phase 3 cost estimate.
- Demolition and remediation of the existing waste water treatment plant site has not been included in the estimate
- Internal Anglian staff and associated costs have been estimated based upon a programme wide team structure considered by the interim programme board and workstreams.
- Expenses have been estimated on the Enabling phase being delivered from a dedicated programme office. The location of this office is yet to be confirmed.
- Expenses for Anglian Water employees have been calculated based upon current allowances for staff travel across the organisation
- No VAT has been included in the cost estimate
- Where possible external costs (e.g. designer) have been forecast on proposals, with some external costs budgeted based on expert input as to market rates. Budgets will be refined as suppliers are appointed and contracts are negotiated with them.

Clause 1.1 of Schedule 7 of the Agreement

17th March 2020





Schedule 9
Delivery Plan



Schedule 10

Enabling Stage Works

Such works required to enable the commencement of the Delivery Stage Works, including (but not limited to):

- 1 securing the Development Consent Order, or otherwise obtaining a planning permission and CPO together with any Consents required for development of the Relocation Site and or in connection with the Delivery Stage Works in their connecting infrastructure (all in forms satisfactory to Homes England);
- 2 the discharge of conditions in relation to the Development Consent Order, planning permission or CPO (as applicable) or any other statutory consent required to be satisfied to enable commencement of the Delivery Stage Works;
- 3 carry out surveys, feasibility/viability studies, investigations and reports reasonably required to establish whether a Proposed Relocation Site and routes for wastewater transfer and final effluent discharge is viable for the delivery, construction, commissioning, testing and use of the Relocation Plant as a waste water treatment plant;
- 4 negotiating and, where appropriate, entering into agreements for the sale (either by way of transfer of the freehold or grant of a leasehold interest), option agreements or any other legal documentation which may be required to:
 - 4.1 secure the acquisition by Anglian Water of a secure legal interest in the Relocation Site and any other land required for the Delivery Stage Works (not including the costs related to the acquisition itself);
 - 4.2 vary or extinguish any third party rights that would otherwise impede the carrying out of Delivery Stage Works and/or use of the Relocation Plant;
- 5 negotiating and, where appropriate, entering into oversail licences or any other necessary agreements with third parties (and the exchange of such agreements) required to enable the carrying out, commissioning and operation of the Delivery Stage Works and/or use of the Relocation Plant;
- 6 preparation of a procurement methodology and process (or processes) for the design and development of the Delivery Stage Works (or any part thereof) and the costs of carrying out such procurement and the procured works;
- 7 preparation and implementation of a procurement methodology and process (or processes) for the appointment of all Contractors and the Professional Team required for the delivery of the Delivery Stage Works (or any part thereof) and the costs of carrying out such procurement;
- 8 any other enabling activities required to enable the acquisition of the Relocation Site (including construction of connecting infrastructure) and the construction, commissioning, testing and use of the replacement CWwTP as a waste water treatment plant.

Schedule 11

Delivery Stage Works

Such works to complete the Project including (but not limited to):

- 1 the discharge of any conditions contained in any development consent order planning permission planning agreement or other statutory requirement relating to the Relocation Site and Core Site (where not satisfied as the Enabling Stage Works);
- 2 remediation, site clearance or demolition works required to be undertaken to enable the construction and servicing of the Relocation Plant;
- 3 any costs or compensation payable to third parties for the acquisition or variation of any legal or equitable rights or covenants required to enable the acquisition of the Relocation Site (for the avoidance of doubt not including the Relocation Site Acquisition Costs);
- 4 carrying out and connection/commissioning of utilities and other infrastructure required for the Relocation Plant including the provision of working areas and access ways, and the construction of underground tunnels from the existing sewer network to the Relocation Plant and back to a suitable discharge point on the River Cam;
- 5 any works required for the construction commissioning testing and operation of the Relocation Plant at the Relocation Site;
- 6 decommissioning of the existing plant on the Core Site by the Project Partners (and for the avoidance of doubt, this does not include any works carried out by the Master Developer);
- 7 the cost of insuring the Delivery Stage Works referred to at 1 and 2 above; and
- 8 any other works required to enable the acquisition of the Relocation Site and the construction, commissioning, testing and use of the Relocation Plant as a waste water treatment plant (including connecting works but excluding any Enabling Stage Works).

Schedule 12

AVH Guarantee Provisions

- 1 **Obligations guaranteed**
 - 1.1 AVH irrevocably and unconditionally guarantees to Homes England Anglian Water's performance of its obligations pursuant to and in accordance with the terms of this Agreement.
 - 1.2 AVH further agrees with Homes England to comply with the terms of this Agreement if Anglian Water does not do so and as an independent and primary obligation to irrevocably and unconditionally indemnify Homes England against any breach of those terms or if any of the obligations guaranteed by it pursuant to paragraph 1.1 above become unenforceable, invalid or illegal.
 - 1.3 AVH shall pay all sums due to Homes England under this guarantee and indemnity without any legal or equitable set-off, counterclaim or deduction.
- 2 **Continuation of the guarantee**
 - 2.1 The obligations of AVH shall not be released or affected by:
 - 2.1.1 any delay or neglect by Homes England in enforcing the terms of this Agreement or any time allowed by the Homes England for their performance;
 - 2.1.2 any amendment, novation, supplement, extension, or variation of the terms of this Agreement;
 - 2.1.3 any Event of Default;
 - 2.1.4 the disclaimer of this Agreement by the Crown or by a liquidator or trustee in bankruptcy of Anglian Water;
 - 2.1.5 Anglian Water being struck off the register of companies or otherwise ceasing to exist, or any insolvency or similar proceedings;
 - 2.1.6 any unenforceability, illegality or invalidity of any obligation of any person under this Agreement or any other document ;
 - 2.1.7 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of AVH or Anglian Water or any other person;
 - 2.1.8 Anglian Water or Homes England giving consent or waiver to any matter under this Agreement;
 - 2.1.9 any legal limitation, immunity, disability, incapacity or other circumstances relating to Anglian Water, whether or not known to Homes England; or
 - 2.1.10 anything else which would have released AVH whether by the variation of the obligations guaranteed or by the conduct of the parties,

provided that this guarantee is to cease in circumstances where Anglian Water has no further liability pursuant to this Agreement and in such circumstances Anglian Water or AVH may request that Homes England enter in a memorandum with AVH confirming the release of such guarantee, and Homes England will promptly enter into such release where (acting reasonably) it is satisfied Anglian Water have no further liability pursuant to this Agreement.

3 Guarantor intent

Without prejudice to the generality of paragraph 2, AVH expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to this Agreement provided AVH is party to such variation.

4 Immediate recourse

Save where such waiver would contravene any legislation AVH waives any right it may have of first requiring Homes England to proceed against or enforce any other rights or security or claim payment from any person before claiming from AVH under this Schedule 12. This waiver applies irrespective of any law or any provision of the Agreement to the contrary.

5 Deferral of Guarantors' rights

5.1 Where Homes England are exercising its rights against AW pursuant to the Agreement AVH will not in competition with Homes England exercise any rights which it may have by reason of performance by it of its obligations under the Agreement or by reason of any amount being payable, or liability arising, under this Schedule 12:

5.1.1 to be indemnified by Anglian Water;

5.1.2 to exercise any right of set-off against Anglian Water;

5.1.3 to claim or prove as a creditor of Anglian Water, provided that this clause is not to prevent AVH from exercising its rights against AW where Homes England is not exercising any rights it may have pursuant to the Agreement, or where Homes England are also exercising their rights but AVH agrees that Homes England's claim is to take priority.

5.2 If AVH receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to Homes England by AVH under or in connection with this Agreement to be repaid in full on trust for Homes England and shall promptly pay or transfer the same to the Homes England.

Annexure 1

Plan

**Housing Infrastructure Fund Grant Determination Agreement
(Forward Funding) ("the Agreement")**

**Homes England and Cambridge City Council and CWRP Relocation
Limited and Anglian Venture Holdings Limited**

**In satisfaction of the requirements under Clause 1.9 of Schedule 7
of the Agreement**

***Land and Planning Strategy for the Development Consent Order or
Planning Application/Compulsory Purchase Order***

This document sets out the land and planning strategy for gaining the land and planning consents necessary to facilitate the relocation of Cambridge Waste Water Treatment Plant (CWWTP) ("the Project", as defined in the Agreement).

The strategy is centred on either:

1. securing a Development Consent Order (DCO) under Part 5 of the Planning Act as amended by the Localism Act 2011; or
2. submitting a planning application to Cambridgeshire County Council and Cambridge City Council applying to the Secretary of State for a compulsory purchase order ("PA/CPO").

The preferred way of obtaining the necessary consents is by a DCO given the opportunity it provides to gain all the land and planning consent within the same Order and at the same time. It is, typically, a faster way of obtaining the consent when compared to the PA/CPO route.

DCO

The Project meets the criteria within the Planning Act 2008 to be defined as a Nationally Significant Infrastructure Project (NSIP), and as such automatically falls into the DCO route to gain the necessary consents. The DCO is the requisite means of conferring powers for the construction, operation and maintenance of the Project.

The DCO process is structured and time limited. Using the DCO route to secure the necessary land and planning consents will give the Project Participants the best chance of meeting the Milestones contained within the Agreement and allows the combined consent and CPO powers to be obtained following the Examination stage. The DCO process consists of the stages shown in the diagram below.



Source: Savills

The Pre-submission Stage

This will involve the preparation of an application to PINS (who administer the DCO process) to a standard to submit to the Secretary of State. As a result, it will:

- (a) specify the development to which it relates;
- (b) be made in the prescribed form;
- (c) be accompanied by the consultation report; and,
- (d) be accompanied by documents and information of a prescribed description.

In order to produce the information necessary for (a) to (d) above, Anglian Water Project Board has designated the process of obtaining a DCO as a work stream within its project structure. The following diagram shows the DCO work stream within the structure.



The Anglian Water Project Board has assigned the following resources to the DCO Work Stream.

- **Savills** (Work Stream Lead, DCO advice, EIA advice (audit), Land Access and Acquisition advice)
- **Anglian Water** (interface with Anglian Water Regional Engagement and Anglian Water Operations)
- **Counter Context** (Stakeholder Engagement and Communications advice)
- **Mott MacDonald** (Consulting engineers: site selection advice, EIA advice, tunnels and other infrastructure advice)
- **Black & Veatch** (Consulting Engineers: process and site civil engineering)
- **Eversheds Sutherland** (DCO legal advice)

These resources will work in a collaborative way, drawing on their knowledge of Anglian Water, the process of designing, constructing and operating a waste water treatment plant and the requirements of the DCO process.

Obtaining a DCO requires the submission of detailed information as part of the application hence the engagement of Mott MacDonald and Black and Veatch as consulting engineers to develop the necessary information to meet the requirements of the PINS in accepting the DCO application for examination.

This combined engineering resource will be available for the duration of the DCO process, and so will be able to deliver the necessary engineering input to the determination of the DCO, including the availability of experts to appear at the Examination and/or to provide information to the rest of the DCO Work Stream Team (see above).

Anglian Water has also engaged Counter Context (Stakeholder Engagement and Communications advice) to assist with the delivery of a compliant consultation process and programme to ensure item (c), in the list set out above, is achieved.

A key part of the DCO process is engagement with stakeholders. This ensures that host local authorities and all other key stakeholders are engaged in all stages of the DCO process including:

- consultation on the screening/scoping of the environmental impact assessment;
- input into the content and methodology of the consultation exercise; and,
- building the evidence base.

The Acceptance Stage

During this stage, PINS reviews the application submitted to see if it meets the requirements of a DCO application. The DCO Work Stream Team will be on-hand answer any questions from PINS and take all steps necessary to ensure acceptance of the application.

The Examination and Decision Stage

An Inspector will be appointed by the Secretary of State to examine the DCO application to ensure it complies with the requirements of the Planning Act 2008.

Post Decision Stage

Once the DCO is confirmed, the compulsory purchase powers contained within the DCO will be used to acquire land. This will be done in accordance with the compulsory purchase code.

The collaborative work streams will continue to have responsibility for the implementation of the DCO, monitoring and discharging any requirements as necessary.

Planning Application and Compulsory Purchase Order Route

In the event of Anglian Water not being able to contain a DCO, the Project Participants will implement the following strategy to obtain a planning permission and Compulsory Purchase Order for the new WWTP:

- Anglian Water will prepare and submit a planning application for the new WWTP; and,
- Cambridge City Council will prepare, and apply for a compulsory purchase order (CPO) under its powers as Local Planning Authority and/or Housing Authority to acquire the site of the existing WWTP and a site for the new WWTP;
- with the latter following the granting of the planning permission.

In following this strategy, the Project Participants will carry out the following actions, using the same team of resources as described in the DCO section above.

- Carry out a gap analysis of work carried out during the DCO process to decide if further work is needed to prepare for a planning application.
- Carry out Pre-Application discussions with Cambridgeshire County Council prior to the submission of the planning application.
- Request an EIA Scoping Opinion from Cambridgeshire County Council.
- Carry out any required environmental surveys.
- Implement the public engagement strategy in accordance with Cambridgeshire County Council's Statement of Community Involvement.
- Prepare the Environmental Impact Assessment.
- Prepare the planning application documents.
- Submit the planning application and ensure it is validated by Cambridgeshire County Council.
- Respond to any questions or requests from Cambridgeshire County Council.
- Await the determination of the planning application.
- If the application is refused, submit an appeal to the Secretary of State and await its determination.
- In parallel with the above, Cambridge City Council would prepare the compulsory purchase order for the acquisition of the existing WWTP and the site for the new WWTP². The latter would have been identified as part of the preparation of the planning application (see above).
- The CPO application would be submitted to the Secretary of State when a resolution to grant planning permission had been made by Cambridgeshire County Council.
- Prepare for, and attend, the public inquiry.
- Await the Inspector's decision and for it to be confirmed by the Secretary of State.
- In parallel with the CPO process, agree a s106 agreement with Cambridgeshire County Council and complete it when Cambridge City Council received confirmation of the CPO.
- Cambridge City Council exercises its powers under the CPO and Anglian Water implements the planning permission on the new site.

² It is likely that an agreement will be entered into between Cambridge City Council and Anglian Water for the sale/purchase of the existing WWTP, so that a CPO over the existing WWTP would not have to be exercised.

Annexure 2
Expenditure Forecast

**Housing Infrastructure Fund Grant Determination Agreement
(Forward Funding) (“the Agreement”)**

**Homes England and Cambridge City Council and CWRP Relocation
Limited and Anglian Venture Holdings Limited**

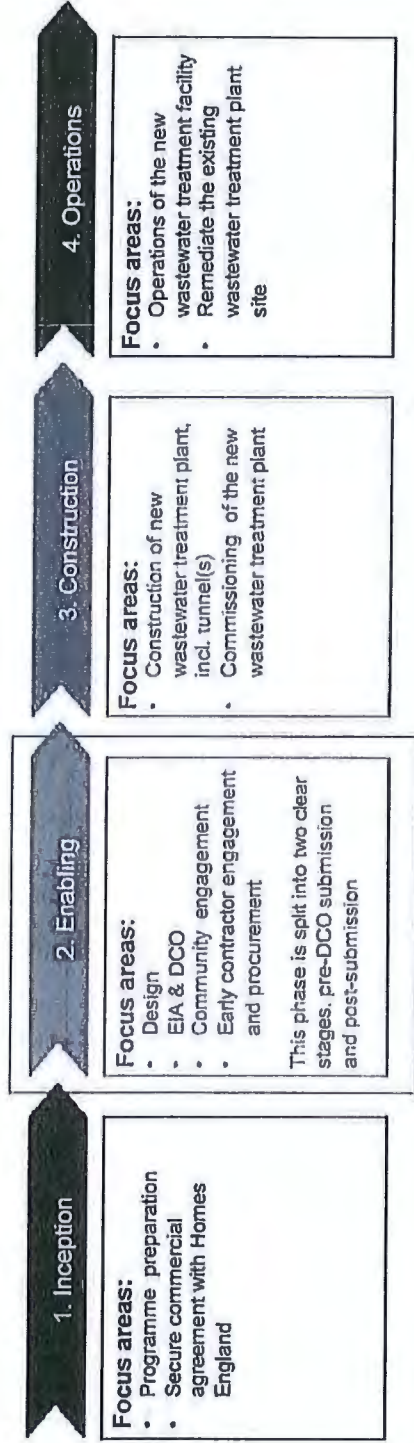
**In satisfaction of the requirements under Clause 1.1
of Schedule 7 of the Agreement**

**Enabling Stage Delivery Plan and
Enabling Stage Expenditure Forecast**

17th March 2020

Introduction and Purpose

The purpose of this document is to summarise the process followed by Anglian Water to develop the Enabling Stage Delivery Plan and Expenditure Forecast for the project. The Enabling Stage runs from the signing of the Agreement through to the award of the DCO, which enables Anglian Water to commence construction of the new wastewater treatment plant. The key phases of the programme are outlined below.



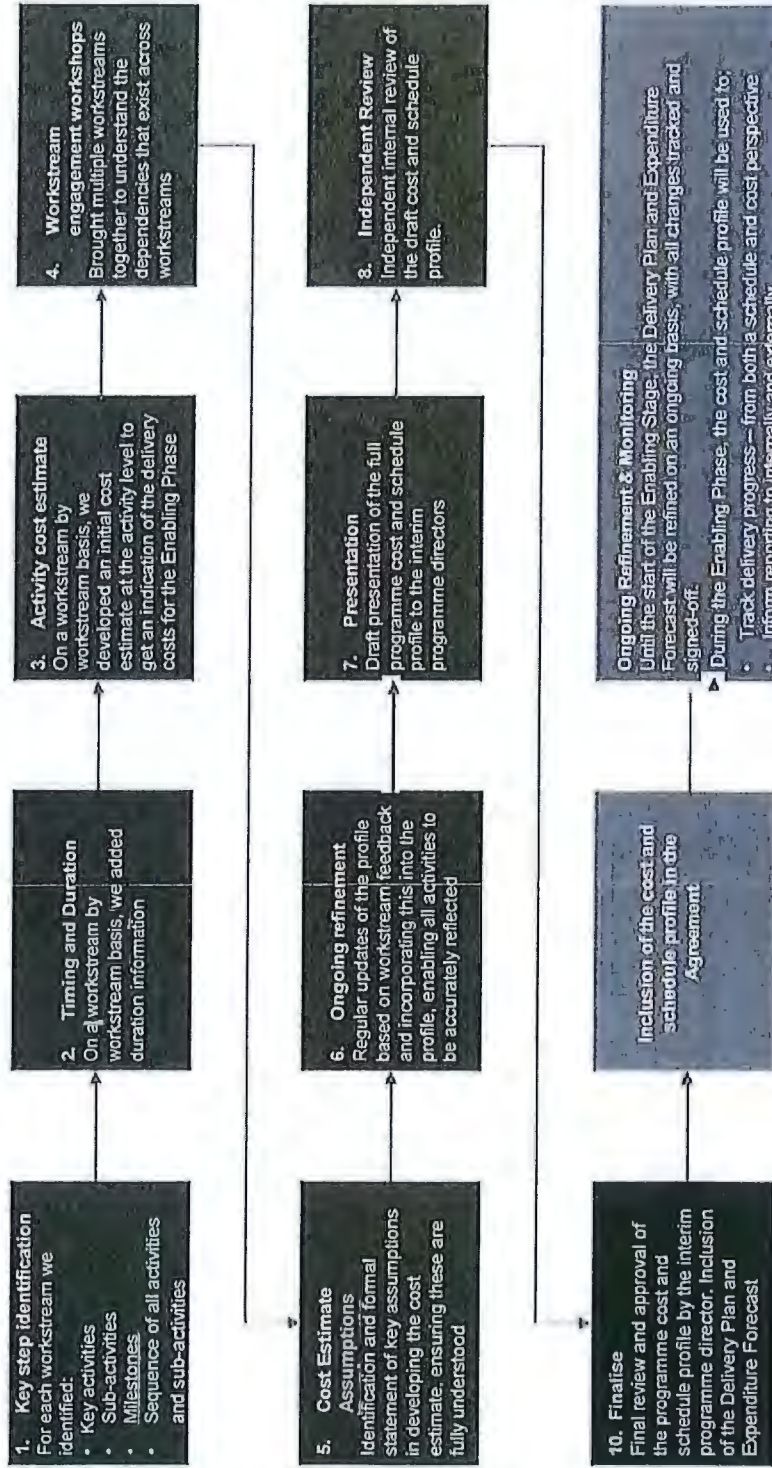
The Enabling Stage Delivery Plan and Expenditure Forecast covers over 1,000 activities and sub-activities. The Enabling Stage is due to last for 44 months, starting on the signing of the Agreement.

This document includes the following.

- A summary of the process followed to develop the Enabling Stage Delivery Plan (see Appendix 1) and Expenditure Forecast
- A summary of the key outputs, including an overview of the budgeted monthly expenditure and contingency
- The key assumptions made in developing the Delivery Plan and Expenditure Forecast.
- An audit trail of information received to collate the Delivery Plan and Expenditure Forecast.

Development Approach

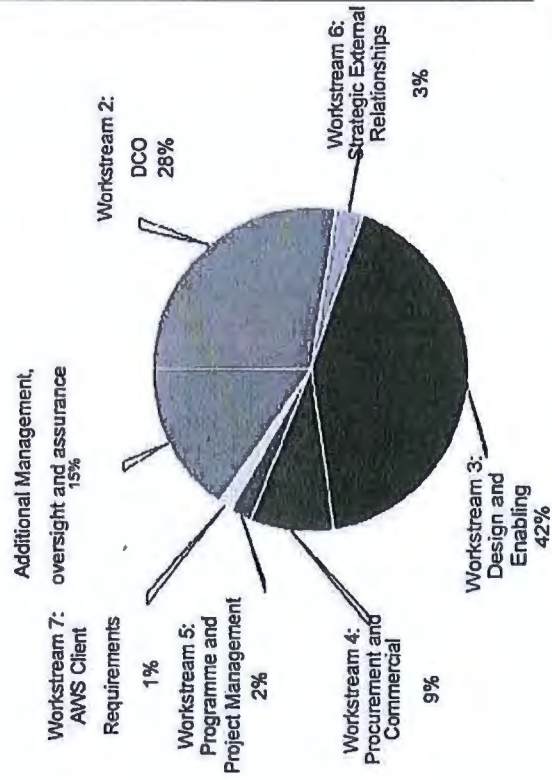
In arriving at the Delivery Plan and Expenditure Forecast, following key steps have been followed.



Draft Cost Profile Enabling Phase

The Expenditure Forecast for the Enabling Stage is summarised below. Costs outlined in this figure are based upon the version to the CWWTPRP cost and schedule profile dated 26 September 2019.

Total Cost per workstream



Key Assumptions & Caveats

A series of assumptions were made and caveats created in developing the draft cost and schedule profile. The key assumptions supporting the basis for the overall cost and schedule profile are listed below, as well as key caveats. The below assumptions and caveats are applicable across all workstreams.

- Inception phase is complete as of Day 1 of the Enabling Phase and any costs associated with Phase 1 one are not included
- The Enabling Phase (Phase 2) is split into two sub-phases:
 - Phase 2a – Pre-examination, represents the period from Commercial Agreement completion to DCO submission (incl. e.g. EIA)
 - Phase 2b – Examination, represents the period from DCO submission to DCO grant
- No overall contingency has been included for unforeseen circumstances or requirements, but workstream specific contingency has been included.
- Costs for any post consent approval requirements have not been included in the estimate – e.g. road upgrades, landscaping and other infrastructure improvements. These costs are to be included in the construction phase 3 cost estimate.
- Demolition and remediation of the existing waste water treatment plant site has not been included in the estimate
- Internal Anglian staff and associated costs have been estimated based upon a programme wide team structure considered by the interim programme board and workstreams.
- Expenses have been estimated on the Enabling phase being delivered from a dedicated programme office. The location of this office is yet to be confirmed.
- Expenses for Anglian Water employees have been calculated based upon current allowances for staff travel across the organisation
- No VAT has been included in the cost estimate
- Where possible external costs (e.g. designer) have been forecast on proposals, with some external costs budgeted based on expert input as to market rates. Budgets will be refined as suppliers are appointed and contracts are negotiated with them.

17th March 2020

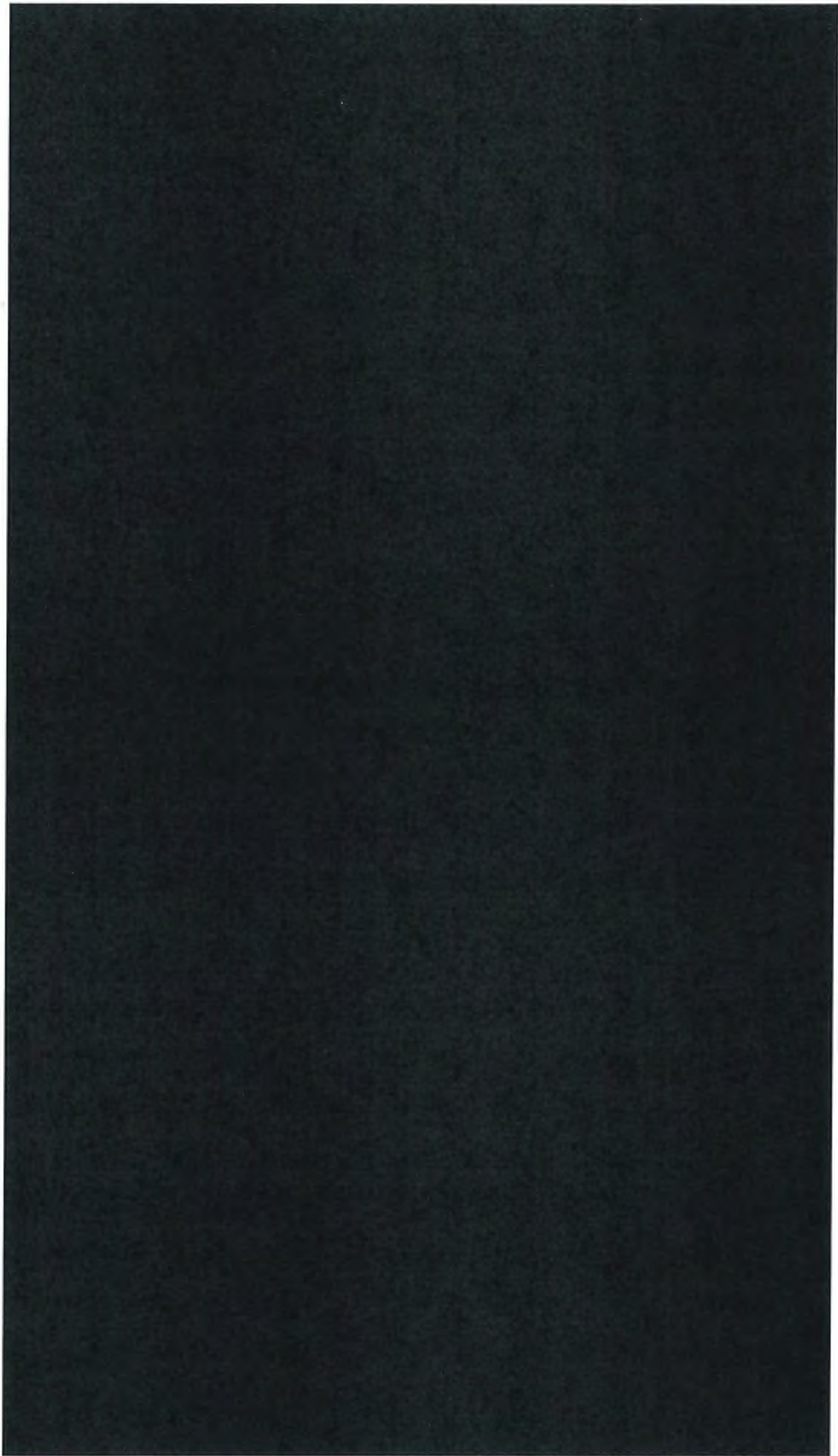
Clause 1.1 of Schedule 7 of the Agreement

Audit trail of information received to collate the cost & schedule profile

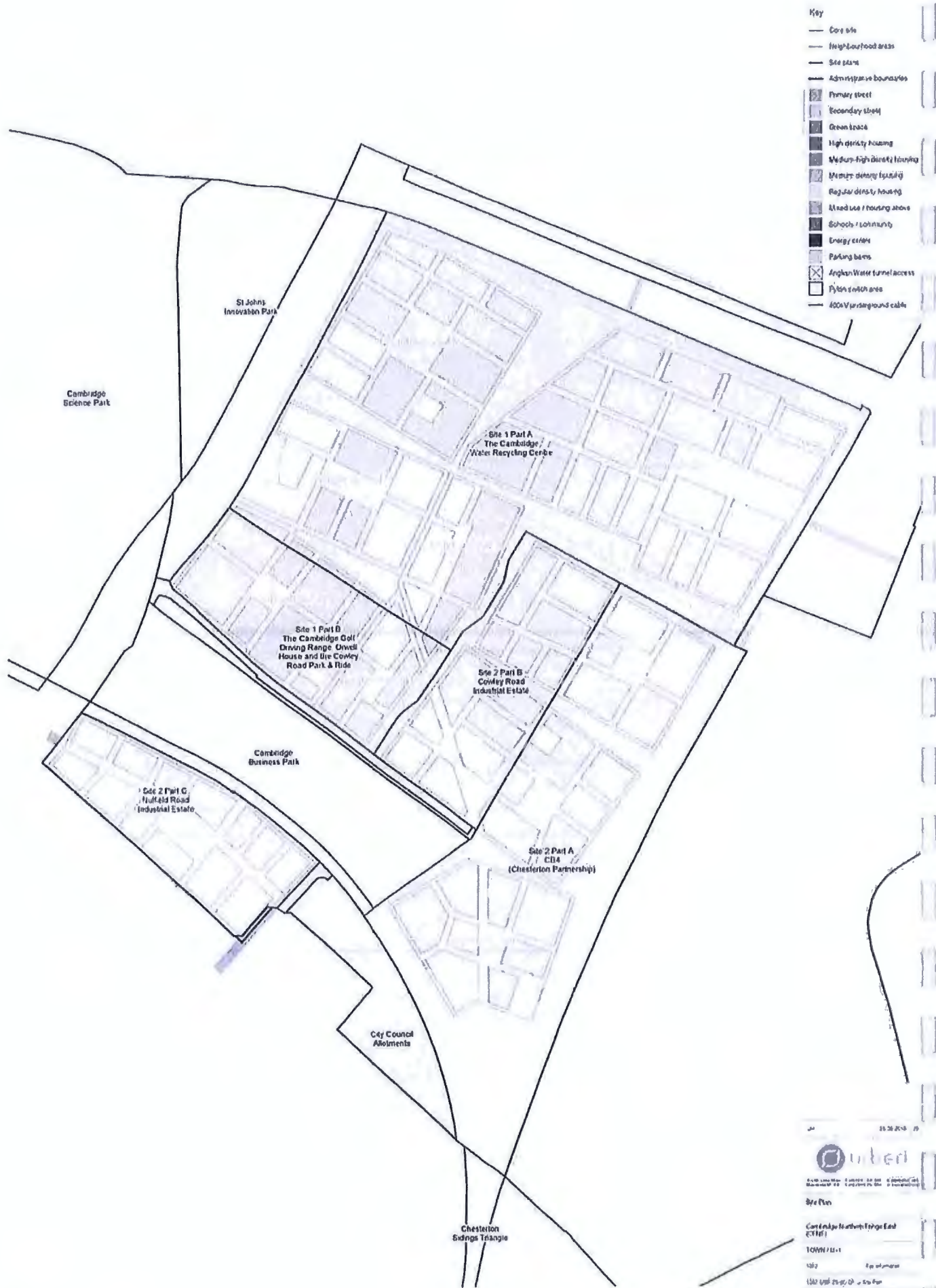
As per the flow chart on page 3 of this document, the Expenditure Forecast has been developed through an iterative process. The below table documents the key iterations, as well as those roles and organisations engaged to develop it.

WS or WS interface	Contributing Organisation or AW owner	Detail provided	Date
DCO and Strategic External Relationship workstream activity schedule	External DCO & Communication partners, Anglian workstream lead	Activity breakdown structure for each respective workstream	12 July 2019
DCO and Strategic External Relationship workstream base cost estimate – external costs only	External DCO & Communication partners	Activity cost breakdown structure for each workstream	16 July 2019
Collated DCO and Strategic External Relationship cost and schedule profile – refinements for each workstream	External DCO & Communication partners	Workshop held to review materials and indicate refinements where necessary in preparation for August IPB meeting	6 August 2019
Procurement and Commercial workstream activity breakdown structure	Anglian Procurement & Commercial workstream lead	Initial draft of activities for the Procurement and Commercial workstream	19 August 2019
Design and Asset Planning workstream activity cost estimate	External design partner	Activity cost breakdown structure for the Design and Asset Planning workstream	2 September 2019
DCO; Asset Planning and Design; and Procurement and Commercial workstreams interfaces working sessions	External design & DCO partner, Anglian Procurement & Commercial workstream lead	Understand the interfaces and dependencies between the three workstreams	10 September 2019
Design and Asset Planning workstream activity schedule	External design partner	Activity based schedule for the Design and Asset Planning workstream activities	13 September 2019
Procurement and Commercial workstream activity cost estimate	Anglian Procurement & Commercial workstream lead	Activity cost breakdown structure for Procurement and Commercial workstream	19 September 2019
Anglian Water people and management costs input	Anglian programme leadership & HR	Team structure and associated people rates	24 September 2019
Programme team review and refinement of the combined programme cost and schedule profile	All workstreams	Final review and refinements of the combined cost and schedule profile prior to development "freeze"	26 September 2019





Annexure 3
Additional Sites Plan



- Key**
- Core site
 - Neighbourhood areas
 - Site plans
 - Administrative boundaries
 - Primary street
 - Secondary street
 - Green space
 - High density housing
 - Medium-high density housing
 - Medium density housing
 - Regular density housing
 - Mixed use / housing above
 - Schools / community
 - Energy centre
 - Parking areas
 - ⊗ Anglian Water tunnel access
 - Flyover catch area
 - 400V underground cables

25.08.2015

Urban Edge
 6th Floor, 100, The Quadrant, Cambridge, CB2 1JG
 01223 313000 | www.urban-edge.co.uk

Site Plan

Cambridge North Edge East (T1E)

TOWN / 1:1

1502

1502 Urban Edge East T1E Plan

1502/011 15.08.2015 25.08.2015

For detailed information, please refer to the Urban Edge East T1E Plan and the Urban Edge East T1E Plan. The Urban Edge East T1E Plan is a site plan and should not be used for any other purpose.

Annexure 4

Core Site

Annexure 5
Assurance Framework



**Homes
England**

**Assurance Framework for the Housing
Infrastructure Fund – Forward Funding**

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Introduction

1. The Housing Infrastructure Fund (HIF) is £5.5 billion of capital grant funding available from 2017/18 to 2023/24. It has been allocated to local government on a competitive basis, providing infrastructure targeted at unlocking up to 650,000 new homes where housing demand is greatest. HIF was announced at Autumn Statement 2016 as part of the National Productivity Investment Fund, with £2.3 billion funding available. An additional £2.7 billion was announced at Autumn Budget 2017, and a further £500m was announced at Autumn Budget 2018.
2. HIF is divided into two funding streams:
 - **Marginal Viability Funding (MVF)** – for typically smaller, stalled sites that aren't viable due to infrastructure costs and where the Fund will be the final, or missing, piece of the funding puzzle. Grants of up to £10m¹ were available to lower tier Local Authorities (districts, metropolitan, London boroughs, or unitary authorities); and
 - **Forward Funding (FF)** – for strategic projects where HIF may be the first piece of funding needed to lever in and secure private investment and other public sector funding. Grants of up to £250m² are available to the upper tier of Local Authorities (combined authorities, or counties and unitary authorities).
3. This document sets out the Assurance Framework requirements for Forward Funding projects receiving HIF funding from 2019/2020.
4. In addition to the Assurance Framework, there will be a HIF FF Grant Determination Agreement (GDA) that will be specific to each project. GDA's will be entered into following a period of funding clarification which will confirm the amount of grant awarded and project deliverables. Further details regarding funding clarification and the GDA are set out in Section 4 of this document.

¹ MVF schemes had a "soft" cap of £10 million, however higher funding amounts could be awarded in exceptional cases.

² FF schemes had a "soft" cap of £250 million, however higher funding amounts could be awarded in exceptional cases.

Section one

Audience of the document

1. This document should be read by those Local Authorities who were successful in their application to the HIF for Forward Funding.
2. It is understood that, in some instances, the Local Authority submitting the bid will not be the recipient of the funding and another local authority will be responsible for utilizing the HIF Funding. In these circumstances, this document should also be read by the recipient of funding.
3. The GDA will confirm the recipient of the grant funding and the accountability of the parties.

Section two

How the Assurance Framework works with the Accountability Statement for Local Government

1. The Assurance Framework for the HIF Forward Funding builds on the checks and balances established in the Accountability System Statement for Local Government. It includes regular reporting, an annual performance review, and a robust approach to monitoring and evaluation.

The Accountability System Statement for Local Government

2. The Accountability System Statement for Local Government sets out how the MHCLG Accounting Officer will meet their responsibilities and assure themselves that local government spends its money with regularity, propriety and value for money. It sets out the core local government accountability framework and, since the HIF FF grant is expected to be paid to local authority accountable bodies, applies to how the HIF FF grant is managed by those local authorities.
3. This Assurance Framework (the Assurance Framework for the Housing Infrastructure Fund – Forward Funding) provides the additional specific arrangements to assure MHCLG of value for money for the HIF FF grant.

Section three

Allocation of the Housing Infrastructure Fund – Forward Funding

Expressions of Interest

1. Allocations of the HIF FF projects were informed by an assessment of an expression of interest submitted by Local Authorities. Bids were assessed using three main criteria:
 - Value for money
 - Deliverability
 - Strategic approach to delivering housing growth.
2. The assessment, based on Green Book principles, shortlisted bids with the strongest expressions of interest and projects. The assessment was undertaken by analysts and officials, providing a fuller understanding of the projects, particularly around strategic approach, delivery and value for money. This process was moderated to ensure a consistent and transparent approach to assessment. The investment decisions were made via a cross-government panel with MHCLG Ministerial agreement.

Co-Development

3. Following shortlisting, projects were invited into a period of co-development before submitting a full business case (answering questions which follow the "five case model"). Through co-development, Homes England played a critical friend role, supporting shortlisted bids to complete a business case and agree local support packages based on the needs and capabilities of the Local Authority. Support was delivered by a team of local and technical leads, other government department specialists, and procured consultancy support to deliver the economic case. MHCLG coordinated cross-government and department interest in the bid, and sought to unblock any cross-Whitehall issues.

Funding Decisions

Business Case Assessment

4. All HIF business cases are assessed against the criteria set out in the published prospectus and guidance documents. Assessment of bids is carried out by a multidisciplinary team drawing on the commercial expertise of Homes England, MHCLG (economic analysts and policy), and experts from relevant government departments.

5. As part of the assessment process, Homes England is conducting initial due-diligence on projects and will partner with external consultants where required in order to do so. During this time it is likely that further information will be required, if sufficient evidence was not provided in the business case, or if further clarity is required.
6. Recommendations will be made to the Investment Panel, and will follow the process detailed below.

Investment Panels

7. Funding recommendations to Ministers for FF bids are made by a cross-Whitehall Investment Panel chaired by MHCLG. Attendees include MHCLG, Homes England, Infrastructure and Projects Authority (IPA), HMT and Other Government Departments (OGD's). The Investment Panel shall act as official-level sign off on the project.
8. When making recommendations to Ministers the Investment Panel may choose to include wider considerations such as fitting the spending profile, or wider economic benefits.

Funding Conditions

9. The Investment Panel will agree a series of funding conditions which will ensure decisions can be made and certainty offered, without compromising Government's funding or accounting positions. Conditions will be set, taking account of views from key Government Stakeholders including OGDs, IPA, HMT and the Prime Minister's Office and these will be focused on ensuring delivery and value for money, while nevertheless giving Local Authorities and Homes England sufficient flexibility to proceed in the best way. For instance, the conditions could include the securing of planning permissions, or ensuring final costs are within a certain variance, etc. Homes England will ensure these conditions are attached to successful projects, and reserves the right to attach further project-specific conditions to ensure appropriate delivery and monitoring arrangements are in place (for example, the appointment by the Grant Recipient of an independent monitoring surveyor, employer's agent or project manager where deemed necessary).

Future Funding

10. Any future awards of HIF, or similar grant programmes, will be informed by a consistent track record of successful implementation and demonstration of value for money, which will act as an important incentive to ensure quality and deliverability of projects. This includes the funding awarded under MVF or FF.

Section four

How Local Authorities receive and utilise their Housing Infrastructure Fund

Due Diligence

1. The allocation of grant may be subject to a period of further due diligence which will be undertaken before the GDA is concluded.
2. This will provide further assurance on the deliverability of the project and ensure that the details provided in the bid present an accurate and current representation of the project, including financials, site conditions and planning and procurement status. The further due diligence will also ensure that the approval conditions agreed in the Investment Panel are met and confirm any specific contracting or drawdown conditions required.
3. The bid, business case and any due diligence work will provide the required metrics that will be used for the GDA and baseline.
4. Local Authorities that commence project activity, or enter in to any legal contracts (including the ordering or purchasing of any equipment or services), or incur expenditure prior to completing the contracting process outlined above, and prior to receiving formal confirmation that any pre-conditions have been met, do so entirely at their own risk.

Grant Determination Agreement

5. The GDA will be agreed following the conclusion of the due diligence. The parties to the GDA will be Homes England and the local authority that receives the grant, referred to as the Grant Recipient, plus any other entity that may be critical to the delivery of the scheme. All Grant Recipients will be required to sign up to the GDA by March 2020, unless otherwise agreed, even if grant funding is not required until future years.
6. The GDA will set out the terms and conditions for the grant funding, including the availability period, within which the funds are available to be drawn, and the project end date. The GDA will define the 'project' and the deliverables (including key milestones & outputs) to be monitored. The GDA will also include an initial cashflow setting out costs, values, funding and outputs.
7. The cashflow is a key document which will set the annual HIF funding profile for the project. In order to ensure that HIF FF spend for all projects is in line with the profile agreed with HMT, it is required that any alteration to an individual project's annual profile is agreed, in writing, by Homes England.
8. The Grant Recipient is accountable for the successful delivery of the project,

with the relevant Grant Recipient's Section 151 Officer (or equivalent senior officer if the Grant Recipient is not a Local Authority) responsible for signing off satisfaction of conditions, claims, representations and warranties. Therefore, Homes England requires the Grant Recipient to have in place suitable governance and monitoring arrangements, including an appropriately qualified professional team (which may vary depending on the project and the contracts in place). Homes England must be satisfied with these arrangements which will need to be proportionate to the scale & complexity of the project. Homes England may require amendments/additions to the governance and monitoring arrangements to be put in place, including the professional team if the proposals are not considered sufficient for the project. This will be confirmed through the due diligence process and reflected in the Grant Determination Agreement.

Project type

9. Homes England will be providing funding to projects with amounts provided ranging from c.£10m up to £250m (potentially more in exceptional circumstances), and for many of these will be a major (or sole) funder. Therefore, the approach to monitoring these projects needs to be proportionate not just to the size of project, but also to the complexity of the projects (for example the number of infrastructure types, partners, sites, etc).
10. Therefore, it is proposed that there will be two categories of project as follows:
 - Monitoring Arrangement A – for those projects deemed to be "standard" (i.e. less complex and/or smaller in scale).
 - Monitoring Arrangement B – for those projects deemed to be "complex" and/or larger in scale.
11. The monitoring arrangements relating to Category B are to be more involved and are considered proportionate to the scale and complexity of the project. The determination of the category is to be set by Homes England.
12. Dependent on the project type the monitoring requirements will differ as outlined below.

Payment mechanism

13. All funding allocations will be paid to the Grant Recipient. All payments will be made by Homes England under Section 19 of the Housing and Regeneration Act 2008.
14. Once all relevant conditions have been met, the payments will be on a standardised basis, following first drawdown.
15. Payments will be made in installments on the receipt of a valid claim form (with required supporting documentation), as well as evidence of progress from the most recent monitoring return provided by the Grant Recipient. The Grant

Recipient will need to confirm that delivery is on track and that there is a reasonable expectation that they will be able to spend the allocated funding on the infrastructure project within the financial year (1 April to 31 March). If the Grant Recipient cannot provide adequate assurance, then Homes England retains the right to withhold the grant payment.

16. The relevant Grant Recipient's Section 151 Officer sign-off (or delegated authority of appropriate seniority and experience) must be received for all payments.
17. Grant Recipients may use grant funding to recover any capital which has been spent at risk on the project since 28 September 2017 and was identified in their bid, subject to the claim and supporting documentation being to the satisfaction of Homes England.
18. Due to the challenging nature of delivering infrastructure projects, it is recognised that there may be exceptional circumstances where urgent payments may be required. In these circumstances, the Grant Recipient can request an ad-hoc payment. Requests will only be granted on the condition that the previous grant payment has been spent and waiting until the next scheduled payment tranche could delay the progress of the project. Decisions will be made on a case-by-case basis by Homes England.
19. Any potential changes regarding the annual profile payments will be reviewed as part of the annual performance conversation or regular engagement with Homes England contract managers. Any changes to the agreed profile will require authorisation by Homes England, and, if significant, by MHCLG (and in some circumstances HMT).
20. Where required by Homes England, the GDA will set out the responsibility for the Grant Recipient to appoint a monitoring surveyor to review, monitor progress and report against the planned delivery and expenditure on such terms as Homes England shall reasonably require.
21. The GDA will set out specific funding requirements for the project and the relevant Grant Recipient's Section 151 Officer (or equivalent senior officer if the Grant Recipient is not a Local Authority) is required to agree to these and the following standard grant conditions to receive HIF funding:
 - a. The money is to be spent on capital related to the project;
 - b. The project will deliver by an agreed date, otherwise Homes England can recover unspent funding
 - c. Any funds recovered by the Grant Recipient may be retained, to be used for further housing delivery (subject to Homes England approval); and
 - d. The Grant Recipient will assure Government on delivery through proportionate regular reporting on progress, as set out in this document and the GDA.
 - e. In specific circumstances Homes England may demand repayment of HIF funding. The GDA will confirm these.

22. It will be the responsibility of the Grant Recipient to procure and manage spend on the agreed project, including through contracts for the delivery of infrastructure being funded by the grant. As part of the Grant Recipient's delivery plan, they will keep the procurement plan and associated timelines up to date.
23. Grant Recipients are responsible for ensuring that any funding they are awarded will be spent in accordance with all applicable legal requirements. This includes state aid, public procurement law, wider public law (including the Public Sector Equality Duty), and planning law.
24. Grant Recipients are expected to deliver the agreed projects. Where a Grant Recipient chooses to loan or pay money to developers or contractors to secure infrastructure delivery, the Grant Recipient will also be responsible for ensuring the recipient delivers on that agreement, and for taking any follow-up enforcement action. Government reserves the right to take track record of delivery on HIF projects into account when determining the allocation of future funding.

Payment frequency

25. For both Category A and Category B projects, payments will be made monthly in arrears (funding costs incurred); payments in advance can be requested by exception where necessary to cashflow substantial up-front costs (e.g. land assembly) and only where they are to be incurred both within an agreed period and in any event within the same financial year (1 April to 31 March). Payments will be made within 12 business days of receipt of a valid claim in accordance with the GDA. Annex A provides an overview of the claim process for these projects.

Section five

Monitoring and evaluating delivery

1. Each project will be subject to monitoring and evaluation. Grant Recipients will be required to monitor and report on a range of data including inputs, outputs and outcomes to demonstrate success and providing clarity to Government and the public about what HIF funding has delivered.
2. Relevant metrics include the progress of the infrastructure against milestones, wider project delivery, the amount of private sector investment leveraged, housing units started and completed, and wider benefits achieved (such as supporting SMEs / Modern Methods of Construction). Progress will be monitored by Homes England, enabling it to target support where issues arise.

Monitoring

3. The project's progress will be monitored throughout the life of the project, this includes prior to first payment and after last payment up to the point that the outputs enabled by the infrastructure are delivered and any recovery due is made to the Grant Recipient to ensure that projects remain on track. Monitoring returns will need to be signed off by the Grant Recipient's Section 151 Officer (or equivalent senior officer if the Grant Recipient is not a Local Authority).

"Category A Project" Monitoring

Category A Projects will be monitored in the following ways:

4. Prior to first payment:
 - a. **Project baseline.** A baseline of project deliverables and milestones will be agreed with Homes England in the GDA and appended cashflow. Monitoring returns, during the life of the projects, will be compared against this baseline to keep track of progress.
 - b. **Quarterly Grant Recipient monitoring returns (MR's).** Grant Recipients will provide Homes England with comprehensive data relating to each project on a Quarterly basis, including forecast spend, and project deliverables and progress and output metrics.
 - c. **MR Assurance.** A team of Homes England staff will carry out a contract management and assurance role, and will review project delivery and monitoring returns. This team will provide an assessment of project performance and sign-off drawdowns of grant funding to Grant Recipients. The allocated contract manager will attend meetings with Grant Recipients and carry out site visits as appropriate, depending on the size, complexity and risk profile of the projects. If

any concerns are raised by the contract manager (or Homes England colleagues) about the monitoring submission, they will be communicated to Grant Recipients and may require amendments to be made to the submitted return. These reviews, combined with regular engagement, provide an early warning system which highlights any emerging risks so that prompt action can be taken to address them. If a project is identified as not delivering as anticipated, Homes England reserves the right to request more frequent meetings and updates against progress and will work with Grant Recipients to put in place mitigation plans with appropriate mechanisms to address delivery concerns.

5. During payments:
 - a. **Quarterly Grant Recipient monitoring returns (MR's)** - as detailed above and will also include detail on actual spend to tie in with accompanying grant requests.
 - b. **MR Assurance**, as detailed above.
 - c. **Monthly grant request.** Prior to each grant payment, Grant Recipients will submit a grant request with evidence of costs incurred that are included in the claim. The grant request and additional assurance information will need to be signed off by the relevant Grant Recipient's Section 151 Officer (or equivalent senior officer if the Grant Recipient is not a Local Authority). Documentation provided from the most recently submitted MR, including an updated cashflow, and prior performance will be reviewed and considered by Homes England before confirming that the payment will be made. Relevant reporting information available to the Grant Recipient's project team may be requested to support the claim (e.g. an employer's agent or project manager's report; contractor/developer's monthly returns).
 - d. **Annual assurance reviews.** Homes England will use the information from the monitoring framework to conduct a performance review of project delivery over the past year. This will review how the project is performing compared to the agreed baseline and confirm a forward plan for the next 12 months. It will also agree a set of actions and next steps, if there are any issues to be addressed by the Grant Recipient or by central government.
6. After payments completed:
 - a. **Quarterly Project discussions.** Every quarter, through engagement with Homes England contract managers, Grant Recipients will confirm whether progress on site is in-line with the baseline and that the project is on-track to deliver the housing and any other expected outputs.
 - b. **Ongoing Quarterly Grant Recipient monitoring returns (MR's).** Grant Recipients provide Homes England with a progress report on the wider project works and the delivery of housing. This monitoring requirement will continue throughout the lifetime of the project. Homes England reserves the right to

request more frequent monitoring returns if the wider project is underperforming (e.g. monthly).

- c. The frequency of monitoring returns will be reviewed 5 years after the completion of the HIF funded infrastructure works, with any decision on the potential reduction of the number of monitoring returns required per annum being at Homes England's discretion.
7. Throughout the life of the project, Homes England reserves the right to have its representatives invited to attend formal decision-making forums relating to the project as an observer (i.e. they are permitted to attend, and participate and to receive all information provided to members of the forum), or with attendance to be as a full member with the ability to vote (as agreed with Homes England and set out in the GDA).

"Category B Project" Monitoring Process

The monitoring of Category B projects will be as is set out for Category A projects, with the following differences:

- a. **Monthly Monitoring Returns (MR's)**. Both prior to the first payment and during payment, the Grant Recipient shall provide the monitoring returns as set out in the Category A process on a monthly basis.
- b. MR Assurance site visits by Homes England are likely to be more frequent.
- c. Homes England may require additional duties of care from employer's agents, projects managers or similar for the benefit of Homes England.
- d. Homes England may require that the Grant Recipient appoints a monitoring surveyor with a duty of care to Homes England.

When things don't go to plan

8. It is understood that infrastructure projects are complex, often long term projects, and may not always go as expected. Homes England has therefore put in place a series of intervention measures depending on the nature and severity of the issues arising. These measures include, but are not limited to, the following:
9. Additional monitoring arrangements – increasing the frequency and/or detail of monitoring in place. Homes England reserves the right to introduce an external monitoring surveyor if deemed necessary (where one is not already in place), in these instances full co-operation from the Grant Recipient and contractor/development partners is expected

10. Technical support – this may be specific technical/commercial support from Homes England colleagues, or may involve Homes England funding 3rd party technical support/consultancy.
11. Government department level "unblocking" – should an issue arise which could be partially or fully resolved by leveraging relationships with OGD's or bodies, Homes England and MHCLG will carry out a "stock-take" meeting in order to facilitate the development of potential solutions with the relevant department(s) or body(ies).
12. Significant delivery issues – should there be significant cause for concern regarding the delivery of the project (including delays, material cost-overruns and contractor/developer failure) Homes England reserves the right to introduce a project manager/other professional support to ensure the project gets back on track.
13. Assurance reviews – where there are concerns regarding project management and delivery, Homes England reserves the right to carry out an assurance review of the project. This will involve members of the Assurance & Project Management team carrying out an assessment of processes and procedures, governance arrangements and capacity in place to deliver the project. The outcome of such a review will inform potential interventions, actions and support packages (including those outlined above).

Evaluation

14. As a recipient of grant funding, Grant Recipients will be required to participate in an evaluation of FF, to help inform future programme and policy development. The exact scope of the evaluation is to be determined but is likely to require the Grant Recipients and their partners (including those contracted to develop the infrastructure and housing) to provide data to Homes England and MHCLG throughout the life of the project. Where possible, data required for the evaluation will already be collected as part of the monitoring process. However, there may be some data which cannot be collected through these returns. In these instances, Grant Recipients will be required to share data with independent programme evaluators, i.e. third parties who are employed by/on behalf of MHCLG to complete an independent evaluation of the FF. The types of data Grant Recipients will be expected to share includes, but is not limited to, completion of surveys and interviews. Where information is potentially commercially sensitive/confidential, this will be considered on a case-by-case basis with MHCLG and the programme evaluators acting reasonably at all times. Grant Recipients will be supported through the evaluation process by Homes England and MHCLG.

Annex A Claim process overview - All Projects

- Payments will be made on a monthly basis in arrears.
- **All claims must be for spend incurred within the financial year (1 April to 31 March).**
- First payments will be made once the relevant GDA pre draw conditions are met.
- Claims should be submitted to Homes England **no later than the 20th of the month** using the claim form provided with the GDA in order for payments to be processed. Homes England reserves the right to consider claims made after the 20th of the month, however the decision as to whether to process any payment within the month of receipt of claim will be entirely at the discretion of Homes England.
- Payments will be made within 12 working days on receipt of a valid claim.
- All claim forms require a Section 151 Officer sign off (or delegated authority)
- If there is any expenditure that was not validated in a previous claim (i.e. appropriate evidence still to be provided) then this can be included within the next payment (if valid).
- Claim forecasts will be required within MRs.

24 September 2019

Annexure 6
Communications Protocol

COMMUNICATIONS, PUBLIC RELATIONS AND MEDIA PROTOCOL

January 2020 v4.1

1. Introduction

This document sets out the proposed communications and media protocol for the core partners

Core Partners: Cambridge City Council (CCC), Anglian Water, South Cambridgeshire District Council (SCDC), U+I, Homes England

Wider Partners: Cambridgeshire and Peterborough Combined Authority (CPCA), Cambridgeshire County Council (invited)

The overarching programme is complex and contains three main projects

1. The North East Cambridge Area Action Plan

Led by Stephen Kelly (Joint Director of Planning for Cambridge City and South Cambs District Councils) and the Greater Cambridge Planning Service, this will provide the planning framework for the wider district.

2. The Relocation of Anglian Water's Cambridge Waste Water Treatment Plant

Led by Anglian Water, this project will plan to secure the planning permission to relocate the plant through a development consent order, design and construct the new plant, commission it and decommission the plant at Cowley Road

3. The Development (Core Site)

Led by a joint venture between Anglian Water and Cambridge City Council, working with U+I, the master developer, this project will secure develop and implement Meanwhile use for the site (subject to planning), develop an approved scheme to secure a hybrid planning determination, and deliver serviced plots for disposal on the core site.

The communications lead for each element will be from the lead organisation.

2. CNFE Communications Working Group Terms of Reference and Communication Objectives

The role of the CNFE Communications Working Group is to coordinate communications across the core projects, ensure alignment and support of key messages and optimise communication and engagement opportunities across the programme.

The group will achieve this by:

- Ensuring coordination, consistent and complementary messaging across the partners regarding the projects
- Reviewing and agreeing messaging and media protocols
- Sharing information on each partner's individual communication and media plans
- Getting the right information about the programme and projects to the right groups
- Helping with the management of aspirations and expectations
- Managing/responding to any public relations matters around the projects
- Providing accurate and open information regarding the Local Planning Authorities' planning framework, relocation and core site development to alleviate public concerns
- Managing compliance with HIF Funding Agreement

3. Core Working Group Membership

The current membership includes:

Karen Barclay (Head of External Communications & Engagement, Anglian Water)
(Chair)

Fiona Bryant (CCC) Programme SRO

Stephen Kelly/Paul Frainer (GCSPS Representative)

Rachel Underwood (Programme Manager)

Gareth Bell (Communications Manager, SCDC)

Nicola Harvey (Media Manager, Anglian Water)

Emily Annable (Media Manager, U+I)

Ashley Perry (Media, Cambridge City Council)

Luke Page (CPCA)

TBC, Homes England

Membership may be varied from time to time

Other individuals may attend by invitation.

Meetings will be held monthly or at other intervals as deemed appropriate.

4. Provisions under the HIF Funding Agreement

Section 13 and section 14 14.1 and 14.2 of the HIF Funding Agreement refers to public relations, publicity and reputation. These sections are included at Annex 1 to this protocol. The agreement includes requirements for Homes England approval on proactive press releases in regard to the programme.

It should be noted, however, that statutory and legislative requirements for communications and PR around key areas such as (but not restricted to) planning and the DCO process remain outside of this protocol and will not require Homes England approval.

Partners will act within the spirit of the protocol and agreement wording included in Annex 1 outside of statutory requirements, and, where possible, within statutory processes, in regard to specifics such as references to HIF Funding, through the use of agreed statements e.g.

"The programme/relocation of the Cambridge Waste water Treatment Plant is being funded through the Housing Infrastructure Programme (HIF). HIF is a government capital grant programme awarded by MHCLG and administered by Homes England"

This document will be subject to review every 3 months by the CNFE Communications Working Group.

5. SIGN OFF PROTOCOL – APPROVING PRESS STATEMENTS AND MATERIALS FOR ALL AUDIENCES

Each of the three main projects has its own communications and engagement plans and the partners will work together to issue timely communications to local, national and trade press to develop positive engagement with the public.

All partners will be consulted on all aspects of public relations (subject to the statutory and legislative inclusions referred to in section 4 above) with 14 days' notice for planned activities, **except** where statutory requirements apply. In support of this document sits a project **Message House**, which will be updated every 3 months as a minimum or sooner as required.

Consultants working for the development partners are not authorised to issue their own releases regarding the project. They must ensure if approached by the media they refer the enquiry to one of the partners.

Reactive press

Any partner contacted by a journalist or third party enquiring about the scheme ("the contacted partner") will inform the other partners and use the agreed messages and statements within their responses.

Partners to respond within parameters agreed and with reference to agreed messages. Where there are not parameters pre-agreed and/or there are no appropriate existing pre-agreed messages, the contacted partner will propose these unless the partners agree otherwise. For project specific enquires, partners to direct to the appropriate media contact/ spokesperson within each partner. E.g. enquires about the Waste Water Treatment Plant relocation should be redirected to Anglian Water.

Sign-off Process for joint statements (Reactive PR):

- Partner taking press enquiry contacts media leads at partner organisations
- Agree with media leads appropriate organisation to respond (the lead organisation), taking into account which project(s) the enquiry relates to- if the parties are unable to agree within a reasonable timeframe who should be the lead organisation (having regard to the circumstances) to enable a timely response, the contacted organisation is to respond where it (acting reasonably) considers it necessary and in the best interests of the partners to do so.
- Lead organisation to draft response based on prepared key messages and current message house quotes (previously agreed by partners)
- Response and Quote circulated for approval before issue, if time permits, and/or copied to partners

It is acknowledged that the lead organisation will work to agree reactive press with partners before submission of responses wherever practical to do so but should proceed to meet the media deadline.

Sign-off Process for joint statements (Reactive PR):

- Partner taking press enquiry contacts media leads at partner organisations
- Agree with media leads appropriate organisation to respond
- Lead organisation to draft response based on prepared key messages and current message house quotes (previously agreed by partners)
- Response and Quote circulated for approval before issue, if time permits and/or copied to partners

It is acknowledged that the lead organisation will work to agree reactive press with partners before submission of responses but should proceed to meet the media deadline.

Proactive press

Proactive public relations work will be planned and agreed in advance between all partners guided by the communications milestones as agreed by the CNFE communications working group. However, partners are to conduct their own PR (in line with individual plans shared with the communications working group) ensuring the agreed messaging is used within the communications.

All proactive **joint** press releases must receive sign off from all partners before being distributed, allowing 14 days for approvals.

All partners must be notified and given the opportunity to comment, where appropriate, on newsletters, website updates and other forms of written material, before distribution.

Individual PR plans will be drawn up setting out PR actions and media opportunities envisaged at key dates and milestones over a set period and shared and discussed at the working group.

All partner media contacts will be sent draft materials at least two working days, preferably longer, before suggested distribution dates. This will ensure they are aware of planned PR activity and have the chance to be quoted where appropriate.

Images for the media:

- All to use the approved high res images agreed by all parties where it relates to general, cross-project communications

6. Key Strategic Programme Messages

- Development of the site is only enabled following a successful outcome of a bid for Housing Infrastructure (HIF) Funding. HIF is a government capital grant programme awarded by MHCLG and administered by Homes England. The announcement of the £227m award for the CNFE programme was made on 13th March 2019
- The Funding will support the relocation of the Cambridge Waste Water Treatment Plant, enabling development of the last major brownfield site in the City of Cambridge, and the wider North East Cambridge Area
- The Key aim of the relocation is to enable regeneration of the wider North East Cambridge Area, to deliver a new ***urban quarter of global significance – an innovative place to live, work, play and learn***
- The current draft of the emerging Area Action Plan for North East Cambridge includes a simple vision: ***'Cambridge Northern Fringe - A thriving low carbon place for innovative living and working; inherently walkable where everything is on your doorstep'***

- The area is very well located for sustainable development, being close to Cambridge North Station, the guided busway, as well as adjacent to key employment locations such as the Cambridge Science Park, St Johns Innovation Park and business parks.
- The regeneration planned is in alignment with the growth envisaged in the CPIER report, to help address the City's core housing needs and transport congestion issues
- The Core site (116 acres) owned by Anglian Water and Cambridge City Council will support a key part of the new District Centre including mixed employment development and c5600 mixed type and tenure housing units (subject to planning). 40% will be affordable housing.
- The wider North East Cambridge area will be enabled for a further c3000 housing units and extensive mixed development (subject to planning)
- The target is for a high quality, net zero carbon development, with a robust design code governing development design
- It aims to provide a high-quality gateway to the city and an area which is an important and attractive destination in itself
- The aspiration is for a district integrated and connected with, and within, the wider community
- The Ambition is to create an exceptional people focused place pushing the boundaries of smart city innovations (5G, data capture, autonomous vehicles, micro-mobility and others)
- People focused, diverse and connected green space is key to our development strategy and providing opportunities for the community to participate in the design and management of the spaces will be important in creating a sense of ownership and pride in the area.
- Achieving this will require an aspirational approach to design, density and innovation in use and connectivity of community, open and green spaces

Annex 1

Section 13 and section 14 14.1 and 14.2 of the HIF Funding Agreement refers to public relations, publicity and reputation. The following clauses are copied directly from that Agreement to inform this protocol

13. Public relations and publicity

Each Project Partner will ensure that, where appropriate, publicity is given to the Project by drawing attention to the benefits and opportunities afforded by it. In acknowledging the contribution and investment made by Homes England, the Project Partners must comply with any guidance on publicity provided by or on behalf of Homes England from time to time.

The Project Partners must not publicise or promote the HIF Funding without Homes England's prior written agreement provided that nothing in this clause is to be construed to prevent the Project Partners promoting the HIF Funding as permitted by the Communications Protocol.

Save as permitted by the Communications Protocol, the Project Partners shall not refer to Homes England or the HIF Funding in any publicity and/or promotional material relating to the Project without first receiving Homes England's written approval to such references.

Homes England reserves the right to use all data provided by the Project Partners in relation to the HIF Funding for publicity or promotional purposes provided they are not act in contravention of the Communications Protocol.

Where Homes England requires a non-exclusive, royalty free licence to use any photographs, records, images, articles or illustrations relating to the Project undertaken by or for either Project Partner for use in any publicity or advertising, whether published alone or in conjunction with any other person, it must obtain consent to such use from the Project Partners (such consent not to be unreasonably withheld or delayed, provided it shall be deemed reasonable for the Project Partners to withhold consent where they would be put in breach of any Project Related Documents by the provision of such photographs, records, images, articles or illustrations).

14.Reputation of the parties

The Project Partners will not, and will use all reasonable endeavours to procure that the Developer(s) will not knowingly do or omit to do anything in relation to the Project Related Documents, the Finance Documents, the Project or the Wider Project or in the course of their other activities that may bring the standing of Homes England into disrepute or attract adverse publicity for Homes England.

No party will publish any statement, orally or in writing, relating to the other party which might damage that other party's reputation or that of any of its officers or employees.

OFFICIAL

Annex 2

Press Leads shown below

Leads for agreeing Press Engagement

The following leads may change. If so all other parties will be notified.

U+I:

Emily Annable



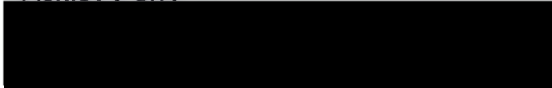
Anglian Water:

Nicola Harvey



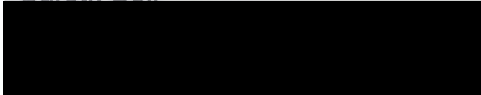
Cambridge City Council:

Ashley Perry



South Cambridgeshire District Council and Greater Cambridge Shared Planning Service:

Gareth Bell



Homes England

Email: media@homesengland.gov.uk

CPCA

Emily Martin



Annexure 7
Security Assignment

dated 2020

Cambridge 4 LLP

(as Assignor)

and

Homes and Communities Agency

(Homes England)

**Security Assignment in respect of Option Assignment-
Agreement Agreements**

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Deed

dated 2020

Parties

- (1) Cambridge 4 LLP (registered number ^{OC 427168} [COMPANY-NUMBER]) whose registered office is at [ADDRESS] (the Assignor); and *Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, England PE29 6XU-T#H*
- (2) Homes and Communities Agency (trading as Homes England) of One Friargate, Coventry, CV1 2GN (Homes England).

Introduction

- (A) Homes England has agreed to make a grant available on the terms of the Grant Agreement.
- (B) The Assignor has agreed to provide Security to Homes England to secure the performance and discharge of the Secured Liabilities.

Agreed terms

1 Definitions and Interpretation

1.1 In this Deed:-

Charged Property means all the property, assets and undertaking of the Assignor which from time to time are, or are expressed to be, the subject of the Security created in favour of Homes England by or pursuant to this Deed;

^{Contracts} **Contract** means the ~~contract~~ ^{Contracts} set out in Schedule 2 to this Deed;

Counterparty means the counterparty to the ~~Contract~~; ^{Contracts} ~~T#H~~

Default Rate means the rate of interest specified in, and calculated in accordance with, clause 5.2 of the Grant Determination Agreement;

Finance Documents means the Finance Documents (as defined in the Grant Determination Agreement);

Grant Determination Agreement means the Grant Determination Agreement dated [●] made between (1) Homes England, (2) the Grant Recipient, (3) CWRP Relocation Limited and (4) Anglian Venture Holdings as varied from time to time;

Grant Recipient means Cambridge City Council of the Guildhall, Market Hill, Cambridge CB2 3QJ;

LPA means the Law of Property Act 1925;

Notice of Assignment means a notice of assignment in the form set out in Schedule 1;

Receiver means any receiver, receiver and manager or administrative receiver of the whole or any part of the Charged Property;

Related Rights means in relation to any Charged Property:

- (a) the proceeds of sale of any part of that Charged Property;
- (b) all rights, benefits, claims, contracts, warranties, remedies, security or indemnities in respect of that Charged Property; and
- (c) any moneys and proceeds paid or payable in respect of that Charged Property;

Secured Liabilities means:

- (a) the full and prompt performance of all obligations (including financial obligations) of the Grant Recipient contained in the Grant Determination Agreement, as and when such obligations shall become due and performable in accordance with its terms; and
- (b) any liability expressed to be due, owing or payable by the Assignor or Grant Recipient under or in connection with this Deed or the Grant Determination Agreement; and

Security Period means the period beginning on the date of this Deed and ending on the date on which Homes England is satisfied (acting reasonably) that all the Secured Liabilities have been unconditionally and irrevocably satisfied in full and no further Secured Liabilities are capable of being outstanding.

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Grant Determination Agreement have the same meanings in this Deed.

1.3 Interpretation

The principles of interpretation set out in clause 1.2 of the Grant Determination Agreement shall apply to this Deed insofar as they are relevant to it and in this Deed, unless the context otherwise requires, a reference to a "Finance Document" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Finance Document or other agreement or instrument and includes any increase in, extension of or change to any facility made available under that Finance Document or other agreement or instrument.

1.4 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of Homes England.

1.5 Third party rights

1.5.1 Unless expressly provided to the contrary in this Deed a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Deed.

1.5.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

2 Covenant To Perform

2.1 Secured Liabilities

The Assignor covenants that it will on demand undertake the Secured Liabilities as and when they fall due in the manner provided in the Grant Determination Agreement.

2.2 Interest

The Assignor covenants to pay interest on any sum demanded in accordance with Clause 2.1 until payment (both before and after judgment) at the Default Rate.

3 Security

3.1 Assignment

As a continuing security for payment of the Secured Liabilities, the Assignor with full title guarantee:-

3.1.1 assigns by way of security all its present and future right, title and interest in and to, and all benefits accruing under or in connection with the ~~Contract~~ and all *Contracts* Related Rights in respect of the ~~Contract~~ in favour of Homes England subject to *Contracts* a proviso for reassignment on the satisfaction of the Secured Liabilities; and

3.1.2 to the extent not assigned or effectively assigned by Clause 3.1.1, charges by way of first fixed charge in favour of Homes England all its present and future right, title and interest in and to, and all benefits accruing under or in connection *Contracts* with the ~~Contract~~ and all Related Rights in respect of the ~~Contract~~. *Contracts*

3.2 Dealings

3.2.1 Until an Event of Default occurs and is continuing, but subject always to Clauses 4 and 5, the Assignor may continue to deal with each Counterparty in relation to the ~~Contract~~.

3.2.2 Upon the occurrence of an Event of Default which is continuing, the Assignor shall have no further right to deal with each Counterparty and Homes England may notify each Counterparty that it should deal only with Homes England.

3.2.3 The Assignor shall, if an Event of Default subsists, ensure that all money payable to, or other property receivable by, the Assignor under or in relation to any Charged Property is paid or delivered to Homes England (or that the Assignor pays over or delivers such amounts to Homes England) to be applied in accordance with the Finance Documents.

3.3 Trust

If or to the extent that for any reason the assignment or charging of any Charged Property is prohibited, the Assignor shall hold it on trust for Homes England,

4 Representations, Warranties and Undertakings

4.1 Duration and to whom made

The representations and warranties made by the Assignor in this clause 4 will remain in force for the period for which the Secured Liabilities are outstanding and are given to Homes England.

4.2 Charged Property

4.2.1 The counterparts and instruments comprising the ~~Contract~~^{Contracts} or other document, agreement or arrangement comprising the Charged Property as provided to Homes England before the date of this deed, evidence all terms of the relevant Charged Property, and there are no other documents, agreements or arrangements that may affect the operation or enforceability of any Charged Property.

4.2.2 The ~~Contract~~^{Contracts} or other document, agreement or arrangement comprising the Charged Property is not void, voidable or otherwise unenforceable.

4.2.3 No variation of the ~~Contract~~^{Contracts} or other document, agreement or arrangement comprising the Charged Property is contemplated.

4.2.4 The Assignor is not in breach of its obligations under the ~~Contract~~^{Contracts} or other document, agreement or arrangement comprising the Charged Property and nothing has occurred:

(a) which is, or would constitute (with the giving of notice or passage of time or both), an event of default (however described) under any of the ~~Contract~~^{Contracts} or other document, agreement or arrangement comprising the Charged Property; or

(b) which would entitle a person to terminate or rescind any of the ~~Contract~~^{Contracts}, ~~1311~~

or other document, agreement or arrangement comprising the Charged Property.

4.3 Undertakings

The undertakings in this Clause 4 remain in force from the date of this Deed until the end of the Security Period.

4.4 The Assignor shall:-

4.4.1 duly and promptly perform all its obligations and diligently pursue its rights, and use all reasonable endeavours to procure that all other parties perform their obligations, under the ~~Contract~~^{Contracts} ~~1311~~

4.4.2 shall not, unless Homes England agrees otherwise in writing:

- (a) amend or vary or agree to any change in, or waive any material requirement of;
- (b) settle, compromise, terminate, rescind or discharge (except by performance); or
- (c) abandon, waive, dismiss, release or discharge any action, claim or proceedings against any Counterparty or other person in connection with,
 - ~~the Contract~~ ^{Contracts} and any other document, agreement or arrangement comprising the Charged Property;

4.4.3 notify Homes England of any material breach by any person of any term of the ~~Contract~~ ^{Contracts} or any right of it or any other person to rescind, cancel or terminate the ~~Contract~~ ^{Contracts} promptly upon becoming aware of it;

4.4.4 supply to, Homes England within 5 Business Days of request, all information, accounts and records necessary to enable Homes England to verify all sums payable under the ~~Contract~~; ^{Contracts}

4.4.5 provide Homes England within 5 Business Days of request, any document in its possession, custody or control and provide or assist Homes England in obtaining any document or information which it may require in relation to the ~~Contract~~; ^{Contracts} and

^{TS11} 4.4.6 deliver to the relevant counterparty, duly executed Notice of Assignment on the date of this Deed.

4.5 Rights

The Assignor shall:

4.5.1 not waive any of Homes England's rights or release any person from its obligations in connection with the Charged Property; and

4.5.2 take all necessary or appropriate action against any person (including as reasonably required by Homes England) to protect and enforce its rights, and recover money or receive other property in connection with, the Charged Property.

4.6 Conduct of claims

The Assignor:-

4.6.1 shall promptly notify Homes England of any actual, threatened or anticipated claim relating to the ~~Contract~~ ^{Contracts}, and shall not, without Homes England's prior written consent (such consent not to be unreasonably withheld or delayed), compromise or settle any claim relating to the ~~Contract~~; ^{Contracts}

4.6.2 shall not, without Homes England's prior written consent (such consent not to be unreasonably withheld or delayed), commence any proceedings or refer any dispute to arbitration in connection with the ~~Contract~~; and ^{Contracts}

4.6.3 after the occurrence of an Event of Default which is continuing, authorises Homes England at any time and in any manner (whether in Homes England's name or the Assignor's name) to take, submit to arbitration, institute, stay, settle or discontinue any proceedings relating to any claim under the ~~Contract~~. *Contracts*

4.7 **Preservation of Charged Property**

The Assignor shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by Homes England or diminish the value of any of the Charged Property or the effectiveness of the security created by this Deed.

4.8 **Payments without deduction**

The Assignor shall calculate and make all payments under this Deed without (and free and clear of any deduction for) set-off or counterclaim.

4.9 **Assignor remains liable**

The Assignor shall remain liable to perform all its obligations under the ~~Contract~~ and Homes England shall be under no obligation or liability as a result of any failure by the Assignor to perform those obligations. *Contracts*

5 **Restrictions And Further Assurance**

5.1 **Security**

The Assignor shall not create or permit to subsist any Security over any Charged Property otherwise than in accordance with the Finance Documents.

5.2 **Disposal**

The Assignor shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub license, transfer or otherwise dispose of any Charged Property except as permitted by the Finance Documents.

5.3 **General**

The Assignor shall not (and shall not agree to):-

5.3.1 amend, supplement, substitute, rescind or cancel the ~~Contract~~ or any material provision of the ~~Contract~~; *Contracts*

5.3.2 release any obligation under the ~~Contract~~; or waive any material breach of the ~~Contract~~; *Contracts*

5.3.3 make any claim that the ~~Contract~~ are frustrated; *Contracts*

5.3.4 permit any party to the ~~Contract~~ to assign any of their rights, or transfer any of their obligations, under the ~~Contract~~; and *Contracts*

5.3.5 take or omit to take any action, the taking or omission of which might result in any alteration or impairment of any of the rights created by the ~~Contract~~ or this ^{Contracts} Deed, nor exercise any right or power conferred on it by the ~~Contract~~ in any ^{Contracts} manner materially adverse to the interests of Homes England.

5.4 **Preservation of Contract** ^{Contracts} ~~Contract~~ _{T&H}

The Assignor shall not take any Security in connection with its liability under this Deed from any guarantor of, or provider of Security for, any of the Secured Liabilities.

5.5 **Preservation of rights**

^{Contracts} ~~Contract~~ _{T&H} The Assignor shall not do, permit or suffer or to be done anything which may prevent Homes England (or any person claiming title through Homes England) from exercising the rights of the Assignor (including any right to receive payments) under all or any part of the ~~Contract~~ following the occurrence of an Event of Default which is continuing.

5.6 **Further assurance**

The Assignor shall promptly do whatever Homes England requires:-

5.6.1 to perfect or protect the Security created or expressed to be created by this Deed, or its priority; or

5.6.2 to facilitate the realisation of the Charged Property or the exercise of any rights vested in Homes England or any Receiver,

Including executing any transfer, conveyance, charge, assignment or assurance of the Charged Property (whether to Homes England or its nominees or otherwise), making any registration and giving any notice, order or direction.

6 **Demand And Enforcement**

6.1 **Enforcement**

The Security created by this Deed shall become enforceable upon:-

6.1.1 the occurrence of an Event of Default which is continuing;

6.1.2 any request being made by the Assignor to Homes England for the appointment of a Receiver or an administrator, or for Homes England to exercise any other power or right of enforcement available to it.

6.2 **Powers on enforcement**

At any time after the Security created by this Deed has become enforceable, Homes England may (without prejudice to any other rights and remedies and without notice to the Assignor) do all or any of the following:-

6.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;

- 6.2.2 apply any sums payable under the ^{Contracts} ~~Contract~~ in or towards satisfaction of the Secured Liabilities;
- 6.2.3 exercise all the powers and rights of the Assignor under the ^{Contracts} ~~Contract~~; and ^{Part}
- 6.2.4 subject to Clause 7.1, appoint one or more persons to be a Receiver or Receivers of all or any of the Charged Property.

6.3 Disposal of the Charged Property

In exercising the powers referred to in Clause 6.2, Homes England or any Receiver may sell or dispose of all or any of the Charged Property at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

6.4 Same rights as Receiver

Any rights conferred by any Finance Document upon a Receiver may be exercised by Homes England or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not Homes England shall have taken possession or appointed a Receiver of the Charged Property.

6.5 Delegation

Homes England may delegate in any manner to any person any rights exercisable by Homes England under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub delegate) as Homes England thinks fit.

7 Receivers

7.1 Method of appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by Homes England under this Deed shall be in writing under the hand of any officer or manager of Homes England (subject to any requirement for a court order in the case of the removal of an administrative receiver).

7.2 Removal

Homes England may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Charged Property) appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

7.3 Powers

Every Receiver shall have and be entitled to exercise all the powers:-

- 7.3.1 of Homes England under this Deed;
- 7.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;

- 7.3.3 of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 7.3.4 in relation to any Charged Property, which he would have if he were its only beneficial owner; and
- 7.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

7.4 Receiver as agent

The Receiver shall be the agent of the Assignor (which shall be solely liable for his acts, defaults, remuneration, losses and liabilities) unless and until the Assignor goes into liquidation, from which time he shall act as principal and shall not be the agent of the Assignor.

7.5 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

7.6 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by Homes England and the maximum rate specified in section 109(6) of the LPA shall not apply.

8 Application Of Moneys

8.1 Application of moneys

All sums received by virtue of this Deed and/or any other Finance Documents by Homes England or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

- 8.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by Homes England in relation to the Finance Documents, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full or other person entitled to it;
- 8.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of Homes England or any Receiver;
- 8.1.3 **thirdly**, in or towards payment of the Secured Liabilities in accordance with the Grant Determination Agreement; and
- 8.1.4 **fourthly**, in the payment of the surplus (if any), to the Assignor or any other person entitled to it,

and section 109(8) of the LPA shall not apply.

9 Power of Attorney

9.1 Appointment

The Assignor irrevocably and by way of security appoints:-

- 9.1.1 Homes England (whether or not a Receiver has been appointed);
- 9.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of Homes England; and
- 9.1.3 (as a separate appointment) each Receiver,

severally as the Assignor's attorney and attorneys at any time following an Event of Default which is continuing with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of the Assignor which the Assignor could be required to do or execute under any provision of this Deed, or which Homes England in its sole opinion may consider necessary or desirable for perfecting its title to any of the Charged Property or enabling Homes England or the Receiver to exercise any of its rights or powers under this Deed.

9.2 Ratification

The Assignor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 9.1 does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 9.1.

10 Consolidation

10.1 Combination of accounts

In addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, Homes England may at any time, without notice to the Assignor, combine or consolidate all or any accounts which it then has in relation to the Assignor (in whatever name) and any Secured Liabilities owed by the Assignor to it, and/or set-off or transfer any amounts standing to the credit of one or more accounts of the Assignor in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

10.2 Application

Homes England's rights under Clause 10.1 apply:-

- 10.2.1 whether or not any demand has been made under this Deed, or any liability concerned has fallen due for payment;
- 10.2.2 whether or not any credit balance is immediately available or subject to any restriction;
- 10.2.3 irrespective of the currencies in which any balance or liability is denominated, and Homes England may, for the purpose of exercising its rights, elect to

convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion; and

10.2.4 in respect of any Secured Liabilities owed by the Assignor, however arising.

11 Protection of Third Parties

11.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon Homes England, as varied and extended by this Deed, and all other powers of Homes England, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

11.2 Purchasers

No purchaser from or other person dealing with Homes England, any person to whom it has delegated any of its powers, or the Receiver, shall be concerned:-

11.2.1 to enquire whether any of the powers which Homes England or a Receiver have exercised has arisen or become exercisable;

11.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act; or

11.2.3 as to the propriety or validity of the exercise of those powers,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

11.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with Homes England, any Receiver or any person to whom any of them have delegated any of their powers.

12 Protection of Homes England and Receiver

12.1 No obligation

Notwithstanding any other term of this Deed Homes England shall not have any obligation or liability under the ~~Contract~~^{Contracts} by reason only of this Deed to:-

12.1.1 perform any of the obligations or duties of the Assignor under the ~~Contract~~^{Contracts};

12.1.2 make any payments under the ~~Contract~~^{Contracts};

12.1.3 present or file any claim or take any other action to collect or enforce any claim for the payment of any sum payable under the ~~Contract~~^{Contracts}; or ~~Contract~~^{Contracts} 1991

12.1.4 make any enquiries as to the nature or sufficiency of any payments received by it under this Deed.

12.2 No liability

None of Homes England, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

12.3 Indemnity

The Assignor shall indemnify and keep indemnified Homes England, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

12.3.1 any act or omission by any of them in relation to all or any of the Charged Property;

12.3.2 any payment relating to or in respect of all or any of the Charged Property which is made at any time by any of them;

12.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;

12.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and

12.3.5 any breach by the Assignor of any of its covenants or other obligations to Homes England,

except in the case of fraud, gross negligence or wilful misconduct of Homes England.

12.4 Interest

The Assignor shall pay interest at the Default Rate on the sums payable under this Clause 12 the date on which the liability was incurred to the date of actual payment (both before and after judgment).

12.5 Indemnity out of the Charged Property

Homes England, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Charged Property in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 12.3.

12.6 Continuing protection

The provisions of this Clause 12 shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

13 Provisions Relating to Homes England

13.1 Powers and discretions

The rights, powers and discretions given to Homes England in this Deed:-

- 13.1.1 may be exercised as often as, and in such manner as, Homes England thinks fit;
- 13.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and
- 13.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

14 Preservation of Security

14.1 Continuing Security

This Deed shall be a continuing security to Homes England and shall remain in force until expressly discharged in writing by Homes England notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

14.2 Additional Security

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which Homes England may have now or at any time in the future for or in respect of any of the Secured Liabilities.

14.3 Waiver of Defences

Neither the Security created by this Deed nor the obligations of the Assignor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it or Homes England) including:-

- 14.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 14.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- 14.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 14.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;

- 14.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security;
- 14.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- 14.3.7 an insolvency, liquidation, administration or similar procedure.

14.4 Immediate recourse

The Assignor waives any right it may have of first requiring Homes England to proceed against or enforce any other rights of Security or claim payment from any person before claiming from the Assignor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

14.5 Appropriations

During the Security Period Homes England may:-

- 14.5.1 refrain from applying or enforcing any monies, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 8.1 apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Assignor shall not be entitled to the same; and
- 14.5.2 hold in an interest-bearing suspense account any moneys received from the Assignor on or account of the Secured Liabilities.

14.6 New Accounts

If Homes England receives notice (whether actual or otherwise) of any subsequent Security over or affecting any of the Charged Property or if a petition is presented or a resolution passed in relation to the winding up of the Assignor, it may close the current account or accounts and/or open a new account or accounts for the Assignor. If Homes England does not open a new account or accounts immediately it shall nevertheless be treated as if it had done so at the time when the relevant event occurred, and as from that time all payments made by the Grant Recipient or the Assignor to Homes England shall be credited or be treated as having been credited the new account or accounts and shall not operate to reduce the Secured Liabilities.

14.7 Tacking

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 Homes England confirms on behalf of the Lenders that the Lenders shall make further advances to the Grant Recipient on the terms and subject to the conditions of the Finance Documents.

14.8 Deferral of Assignor's rights

During the Security Period and unless Homes England otherwise directs, the Assignor shall not exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

- 14.8.1 to receive or claim payment from, or be indemnified by an Obligor;
- 14.8.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Finance Documents;
- 14.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of Homes England under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by Homes England;
- 14.8.4 to exercise any right of set-off against any Obligor; and/or to claim or prove as a creditor of any Obligor in competition with Homes England.

15 Release

15.1 Release

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, Homes England shall, or shall procure that its appointees will, at the request and cost of the Assignor:-

- 15.1.1 release the Charged Property from this Deed; and
- 15.1.2 re-assign the Charged Property that has been assigned to Homes England under this Deed

15.2 Reinstatement

If Homes England (acting reasonably) *Considers that* considers that any amount paid or credited to Homes England under any Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

- 15.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and
- 15.2.2 the liability of the Assignor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

16 Miscellaneous Provisions

16.1 Severability

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

- 16.1.1 the validity or enforceability of any other provision, in any jurisdiction; or
- 16.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

16.2 Amendments and variations

This Deed shall remain in full force and effect notwithstanding any amendment, restatement, novation or supplementation of the Finance Documents (including any increase in the amount of the Secured Liabilities).

16.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of Homes England, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provide by law.

16.4 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

17 Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

18 Enforcement

18.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").

18.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

18.3 This Clause 18 is for the benefit of Homes England only. As a result, Homes England shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, Homes England may take concurrent proceedings in any number of jurisdictions.

Executed as a deed and delivered on the date appearing at the beginning of this Deed.

Schedule 1

Form of Notice of Assignment

[Assignor's headed paper]

To: [●] *[insert name and address of Counterparty]*

Attention: [●]

Date: [●]

Dear Sirs

NOTICE OF ASSIGNMENT – *[INSERT DETAILS OF CONTRACT]* DATED ** (THE "CONTRACT")

1 We refer to the Contract.

2 We notify you that:-

2.1 under a deed dated ** between us and the Homes and Communities Agency (Homes England) we have assigned by way of security and charged to Homes England all our right, title and interest in and to, and all benefits accruing under or in connection with the Contract as security for certain obligations owed to Homes England;

2.2 we may not, among other things, agree to amend, supplement, substitute, terminate, rescind or cancel the Contract or any material provision of the Contract, release any obligation under or in connection with the Contract or waive any material breach of the Contract;

2.3 until you receive written notice to the contrary from Homes England, you may continue to deal with us in relation to the Contract and credit all moneys to which we are entitled under the Contract to the following account in our name: ** *[insert details of account]*. After written notice is given by Homes England we will cease to have any right to deal with you in relation to the Contract and from that time you should deal only with Homes England; and

2.4 you are authorised to disclose information relating to the Contract to Homes England on request.

3 We request that you:-

3.1 after receipt of written notice in accordance with paragraph 2.3, ensure that all moneys to which we are entitled under the Contract are credited to the account of Homes England specified in that notice (and are not paid to another account);

3.2 give Homes England written notice of any breach of any term of the Contract as soon as you become aware of it; and

3.3 give Homes England not less than 30 days' written notice of your terminating, rescinding or cancelling/giving notice to terminate or cancel the Contract.

- 4 Please sign and return the enclosed copy of this notice to Homes England (with a copy to us) to confirm that you:
- 4.1 agree to the terms of this notice and to act in accordance with its provisions;
 - 4.2 have not received notice that the Assignor assigned its rights under the Contract to a third party or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party; and
 - 4.3 have not claimed or exercised, nor do you have any outstanding right to claim or exercise against the Assignor, any right of set-off, counter-claim or other right relating to the Contract.
- 5 The provisions of this notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

.....

For and on behalf of
Cambridge 4 LLP

[on acknowledgement copy]

To: **Homes and Communities Agency (trading as Homes England)**
One Friargate, Coventry, CV1 2GN

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

For and on behalf of
[insert name of Counterparty]

Date

Schedule 2
Contracts
-Contract

1. An option agreement dated [•] between (1) AWG-G4 Limited and (2) Anglian Water Services Limited and (2) AWG (C4) Limited (assigned by assignment deed dated [] made between AWG (C4) Limited and Cambridge 4 Limited)
2. An option agreement dated [] between (1) Anglian Water Services Limited and (2) AWG (C4) Limited (assigned by assignment deed dated [] made between AWG (C4) Limited and Cambridge 4 Limited)
3. An option agreement dated [] between (1) Cambridge City Council and (2) Cambridge 4 LLP.

7841

Signatory Page

The common seal of)
HOMES AND COMMUNITIES AGENCY)
is hereunto affixed in the presence of:)

Authorised Signatory

Executed as a Deed

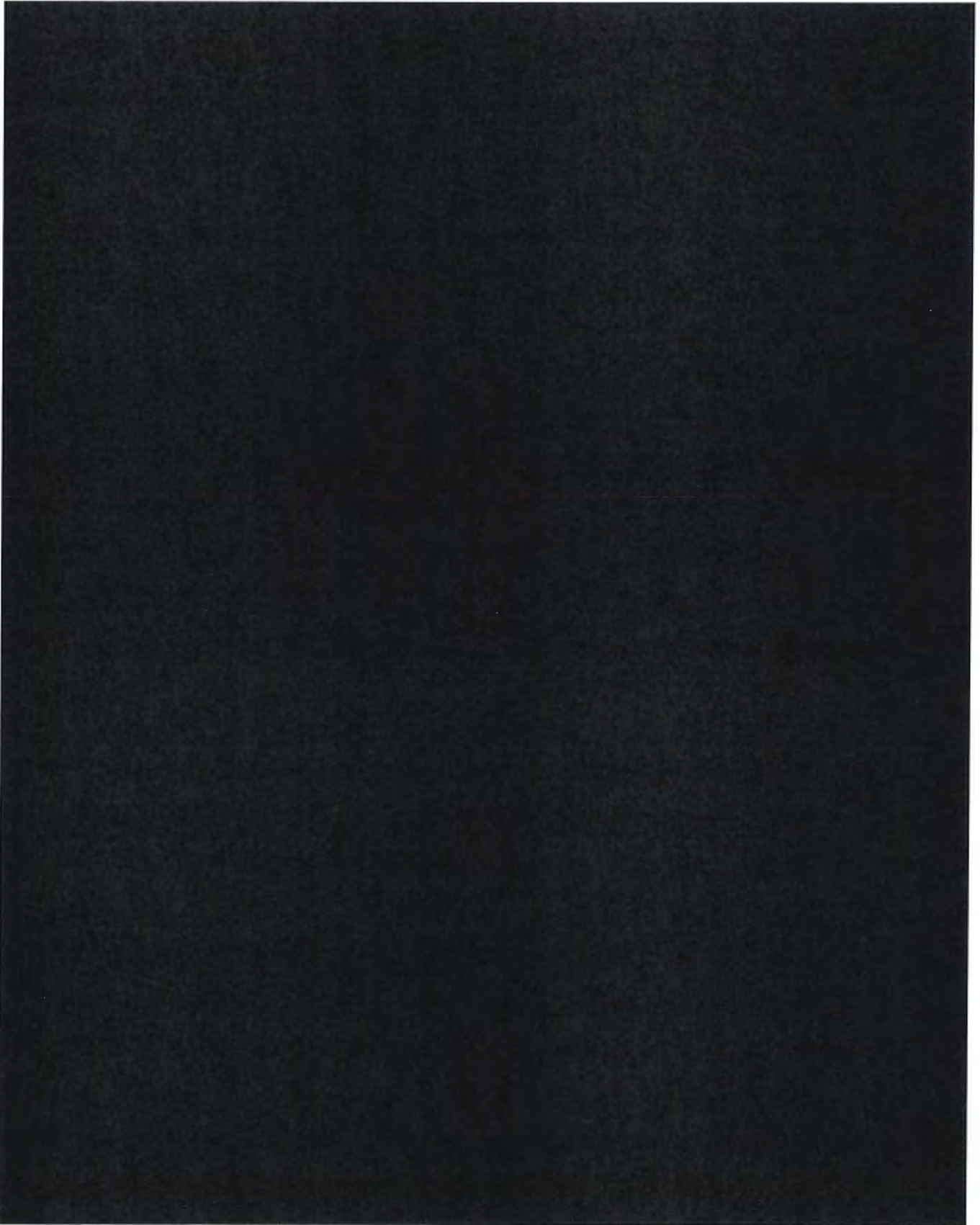
Signed as a deed by-)
by Cambridge GAMBRIDGE 4 LLP)
15 members acting by two directors or)
one director and its secretary)

Cambridge City Council
Signature of director

Signature of director/secretary-
AWG C4 Limited

THH

Annexure 8
Worked Example



Signatory page

This Agreement has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

The common seal of
HOMES AND COMMUNITIES AGENCY
is hereunto affixed in the presence of:



)
)
Gareth Blacker
General Manager - Infrastructure
and Complex Projects



.....
Name:
Authorised Signatory

EXECUTED as a DEED by affixing)
THE COMMON SEAL of)
CAMBRIDGE CITY COUNCIL)
in the presence of:)

Authorised Officer

Executed as a deed by)
CWRP RELOCATION LIMITED)
acting by two directors or)
one director and its secretary)

Signature of director

Signature of director/secretary

Executed as a deed by)
ANGLIAN VENTURE HOLDINGS LIMITED)
acting by two directors or)
one director and its secretary)

Signature of director

Signature of director/secretary

Executed as a deed by)
AWG C4 LIMITED)
acting by two directors or)
one director and its secretary)

Signature of director

Signature of director/secretary

Get in touch

You can contact us by:



Emailing at info@cwwtpr.com



Calling our Freephone information line on **0808 196 1661**



Writing to us at **Freepost: CWWTPR**



Visiting our website at www.cwwtpr.com

You can view all our DCO application documents and updates on the application on The Planning Inspectorate website:

<https://infrastructure.planninginspectorate.gov.uk/projects/eastern/cambri-dge-waste-water-treatment-plant-relocation/>