



Grant Offer: Funding Agreement Submitted by the Department for Transport (DfT) to Transport for London in Relation to the Plugged-in Places Scheme

Definitions

1. In this funding agreement, except where the context otherwise requires:

"DfT" means the Department for Transport, for the purposes of this document the DfT is used to refer to the Office for Low Emission Vehicles.

"Funding Period" means the period from 1 April 2010 until the end of 31 March 2011.

"Grant Recipient" means the authority or organisation, which, having accepted this offer of grant, is responsible for receiving, expending (including passing on funds to consortia partners as detailed in the Plugged-In Places application) and accounting for the funds paid under it for the purposes of the Project and for ensuring compliance with all the terms and conditions of the grant.

"Project" means the Project which was described in the Plugged-In Places application submitted by Transport for London.

"PiP" means the Plugged in Places scheme.

Legal basis for funding through grant

Section 5 of the Science and Technology Act 1965 provides a legal basis for funding the Project through grant funding.

However (for non-public sectors organisations), the funding provided through this grant must comply with state aid rules. Certain of the project's elements (such as standard charging points) are not regarded as aid under EU State Aid rules and consequently there is no public funding threshold set by State Aid rules, provided infrastructure contracts are competitively tendered.

However, some of the more innovative elements of the project could be considered as Experimental Development under the General Block Exemption Regulation. In such cases funding may be capped at 25% of eligible costs (with potentially higher thresholds for small or medium sized enterprises, and / or organisations working in partnership).

Eligible expenditure

Eligible expenditure consists of payments by the Grant Recipient for the purposes set out below. Eligible expenditure does not include contributions in kind.

Grant offer

Subject to the Grant Recipient making satisfactory progress with the Project, and, in particular, with delivery or achievement of the objectives, activities and milestones set out in the PiP application, and subject to the Grant Recipient complying with the grant terms and conditions set out in this funding agreement, the Secretary of State offers to pay grant to the Grant Recipient for eligible expenditure.

Purpose of the grant

The purpose of the grant is to deliver the programme of work as outlined within the Grant Recipient's Plugged-in Places application (submitted to DfT on 31 January 2010) and in subsequent correspondence submitted on 12 February, 22 February and 9 March 2010.

Amount of Grant until the end of 31 March 2011

The maximum amount of grant payable for the funding period will be £5,479,670. Any unspent funds will not normally be carried over into future years.

Funding for future years

The Grant Recipient has indicatively been allocated £3,028,950 for 2011/12 and £822,080 for 2012/13. However, the Grant Recipient is expected to submit (by 5pm on 30 September 2010) a revised estimate of funding requirements for 2011-12 and 2012-13. DfT currently intends that these will be considered alongside the second round of Plugged-In Places bids and, which it currently expects to confirm by the end of 2010. At present DfT expects that further grant offer letters will be issued for 2011-12 and 2012-13, subject to the Grant Recipient being successful in the second round of bidding. DfT may allow and / or require the Grant Recipient to update the funding request at a later stage. The Grant Recipient will be notified of any obligation or opportunity to do this during the course of the funding period.

Grant funding is not intended to cover any of the following:

- a) Activities of a political or exclusively religious nature.
- b) Works or activities that any person has a statutory duty to undertake.
- c) Depreciation, amortisation or impairment of fixed assets.
- d) Input VAT reclaimable by the Grant Recipient from H. M. Revenue and Customs.
- e) Interest payments or service charge payments for finance leases.
- f) Gifts.
- g) Entertaining.
- h) Payments by the Grant Recipient in advance of need.
- i) Fines or penalties.

Payment arrangements

The Grant Recipient will be paid quarterly in arrears. Claims must be sent to the Grant Recipient's principal contact in DfT. Grant claims must be made on the standard form attached at Annex 1, and must be certified by the Grant Recipient's chief financial officer (or equivalent) or by such other person appointed for this purpose by the Grant Recipient with the approval of DfT.

Invoice Schedule

The Grant Recipient will invoice DfT on the following dates

Period	Invoice Due
1. April to June 2010	31 July 2010
2. July to September 2010	31 October 2010
3. October to December 2010	31 January 2011
4. January to March 2011	30 April 2011

Notification of changes to forecasts

The DfT is not liable for any overspends on the project. If the Grant Recipient becomes aware that the projected quarterly claim for grant funding of the Project is likely to be different from the previous forecast by more than 10% the Grant Recipient must inform DfT as soon as possible and provide an explanation in writing.

DfT expects the Grant Recipient to issue updated forecasts each quarter, one month prior to the invoice issue date (through revisions to the form at Annex 2) with explanations for any revision.

Monitoring progress under the grant scheme

DfT expects the Grant Recipient to maintain a close working relationship so that progress under the grant scheme can be effectively monitored. This relationship will be formalised through membership of a joint working group, or similar constructs, that will include representatives of DfT, the Grant Recipient's project delivery team, and representatives from the other PiP Grant Recipients.

One of PiP's central aims is to inform the possible development of an integrated nation-wide electric vehicle infrastructure. To this end, DfT expects participating regions to be involved, and potentially lead, in the resolution of certain issues that may affect roll out at a national level.

The Grant Recipient must ensure that DfT receives a regular project update report on a quarterly basis as a minimum, the contents and format of which will be agreed by the DfT and the Grant Recipient. The Grant Recipient will also agree to all reasonable information requests from DfT regarding progress of the project.

A further condition of the grant is that DfT (or in due course, a delivery partner acting on behalf of DfT) be given a standing invitation to the appropriate board that oversees the Grant Recipient's project delivery so that, where appropriate, DfT can observe the decision making process. DfT expects to work with the Grant Recipient to identify and agree key decision points within the Grant Recipient's programme that might affect the market or suppliers wider than the immediate region. DfT expects to be able to comment on these key decisions and will agree with the Grant Recipient an approach for delivering this role that is mutually helpful with an emphasis on constructive comment or guidance within the Project's timescales. This is likely to include some form of service level agreement on the timescales in which DfT will respond to information provided by the Grant Recipient.

Details of the appropriate board to which DfT (or its delivery partner) may want to sit and a schedule of meeting dates, should be provided to DfT together with

confirmation of acceptance of this grant offer. DfT (or its delivery partner) will have regularly scheduled project meetings, at dates to be mutually agreed with the Grant Recipient to discuss the Project's progress.

The Grant Recipient must:

a) Agree in advance with DfT any significant changes to the Project or to any of the objectives, activities and milestones set out in this letter. A significant change would be one that affects the annual or quarterly grant spend profile by +/- 10% or results in the addition or deletion to any of the planned work streams. It would also include any change to the total project cost which would result in DfT's contribution rising above 50%.

b) Maintain and operate effective monitoring and financial management systems for the Project in order to control expenditure and to ensure that the costs of achieving the objectives, activities and milestones set out in this letter can be clearly identified.

c) Keep a record of expenditure funded partly or wholly by grant and all income generated by the Project, and retain all accounting records relating to that expenditure and income for a period of at least six years after the end of grant funding. [Note: accounting records include, purchase orders, original invoices, receipts, accounts and deeds, whether in writing or electronic form.] Such records must also be kept for any income generated with the help of grant. The Grant Recipient must make these available at any reasonable time for inspection by officials from DfT or their representatives or by the Comptroller and Auditor General or his representatives.

d) Commit to maintaining collaborative relationships with the other PiP Grant Recipients. This will include active participation within the working group and may also entail leading work to resolve cross-cutting issues relating to the wider roll-out of electric vehicle infrastructure such as ensuring interoperability¹, joint procurement of infrastructure and services for example. If necessary, the Grant Recipient will be able to submit a further funding application to cover any additional eligible costs of such work in future rounds of Plugged-In Places applications.

e) Subject to any unavoidable confidentiality requirements, commit to publish and publicise the results, findings and learnings from the Project as requested by DfT. This is likely to include attendance at information events to publicise future waves of plugged in places applications as well as making content available to the wider public through, for example, an open access website as advised by DfT. The Grant Recipient is also expected to respond openly and collaboratively with all reasonable requests for information and advice from other consortia interested in applying for future rounds of plugged-in places.

f) Commit to allowing DfT the option to comment on or steer the specifications for any future procurement programmes as necessary to ensure that the requirements are consistent with the needs of other PiP Grant Recipients and a potential national electric vehicle infrastructure programme.

¹ Infrastructure must be available, as a minimum for use by all electric and plug-in hybrid electric vehicles eligible for the Plug-in Car Grant. For further information about the Plug-in Car Grant please see <http://www.dft.gov.uk/olev>

g) Ensure that the infrastructure delivered by the Project is maintained in a serviceable condition and is available for use for at least three years, from the point of first installation, unless given specific permission otherwise by the DfT.

Value for money and procurement requirements

The Grant Recipient must secure the best value for money in all purchases of goods and services made for the purposes of the Project. In placing contracts for such equipment the Grant Recipient must take account of the likely market impacts, including the ability of the market to fulfil expected demand in order to avoid any unfair disadvantages being placed on other PiP locations. All contracts for standard and fast charging must be awarded on the basis of open, competitive tenders. The Grant Recipient must obtain quotes for the provision of all goods and services with a cost of £500 or more, and where the cost is £5,000 or more, it must, if practicable, obtain at least 3 written tenders. If the Grant Recipient follows a single tender procedure, for example, where the value of a contract is very low or where there is only one supplier capable of providing the goods or services concerned, it must keep a record of the reasons why that procedure was thought to be appropriate.

Fixed assets

The Grant Recipient must keep a register of fixed assets, including freehold (but not leasehold) land and buildings, acquired or improved, at a cost exceeding £5,000, wholly or partly using financial assistance provided under this funding agreement, for a period of at least three years or the life of each asset, whichever is shorter.

For each fixed asset in the register the following particulars must be shown where appropriate:

- a) date of acquisition or improvement;
- b) description of asset;
- c) cost, net of recoverable VAT;
- d) location of the asset;
- e) serial or identification numbers;
- f) location of the title deeds (where appropriate);
- g) date of any disposal;
- h) proceeds of any disposal net of VAT; and
- i) the identity of any person to whom the fixed asset has been transferred or sold.

If fixed assets are sold or their ownership transferred while they have any economic value, the Grant Recipient must notify DfT as soon as possible. DfT may require the Grant Recipient to repay the proceeds or an appropriate part of them, in which case the Grant Recipient must repay the amount to DfT within 30 days of being asked to do so.

The Grant Recipient must not allow a third party to take a charge on any fixed asset funded wholly or partly by funds provided under this grant.

Conflicts of interest and financial or other irregularities

Officers, members and employees of the Grant Recipient must be careful to avoid conflicts of interest. The Grant Recipient must set up formal procedures to require all such persons to declare any personal or financial interest in any matter concerning

the Project and to be excluded from any discussion or decision-making relating to the matter concerned.

If the Grant Recipient has any grounds for suspecting financial irregularity in the use of any grant paid under this funding agreement, they must notify DfT immediately, explain what steps are being taken to investigate the suspicion, and keep DfT informed about the progress of the investigation. For these purposes "financial irregularity" includes fraud or other impropriety, mismanagement, and the use of grant for purposes other than the purposes of the Project.

Other Grant Conditions

The Grant Recipient must:

- a) Ensure that they have all necessary permission and authority (whether required by legislation or otherwise) to undertake the works and activities detailed in this letter.
- b) Take all reasonable steps to ensure that they and anyone acting on their behalf under the Project complies with the law for the time being in force in the United Kingdom, including, in particular (so far as binding on the Grant Recipient), the requirements of the Health and Safety at Work etc Act 1974, Data Protection Act 1998, the Human Rights Act 1998, the Sex Discrimination Act 1975, the Race Relations Act 1976, the Race Relations (Amendment) Act 2000 and the Disability Discrimination Act 1995 [Note: The Commission for Equality and Human Rights publishes Codes of Practice giving guidance on the law relating to equal opportunities and on good practices in employment].

Breach of Conditions and Recovery of Grant

If the Grant Recipient fails to comply with any of the conditions of grant set out in this funding agreement, DfT may reduce, suspend, or withhold grant payments, or require all or any part of the grant to be repaid. The Grant Recipient must repay any amount required to be repaid under this condition within 30 days of receiving the demand for repayment if;

- a) the Grant Recipient owes any sum to DfT under an offer of grant for any other project or activities under any scheme or programme administered by DfT for regeneration or development;
- b) the Grant Recipient purports to transfer or assign any rights, interests or obligations arising under this funding agreement without the agreement in advance of DfT;
- c) there is a change in control or ownership of the Grant Recipient or of the Project, or the Grant Recipient ceases to operate or changes the nature of its operations to an extent which DfT considers to be significant or prejudicial to the satisfactory continuance of the Project;
- d) the Grant Recipient is the subject of a proposal for a voluntary arrangement; or has a petition for an administration order or a winding up order brought against it; or passes a resolution to wind up; or makes any composition, arrangement, conveyance or assignment for the benefit of its creditors, or purports to do so; or is subject to the appointment of a receiver, administrator or liquidator; or is struck from the register at

the Charity Commission, or, being a company, is struck from the register at Companies House;

e) any information provided in the application for funding or in a claim for payment or in subsequent or supporting correspondence is found to be materially incorrect or incomplete to an extent which DfT considers to be material;

f) the Grant Recipient takes inadequate measures to investigate and resolve any reported irregularity;

g) it appears to DfT that the Grant Recipient no longer requires grant assistance in order to carry out the Project;

h) it appears to DfT that other circumstances have arisen or events have occurred which are likely significantly to affect the Grant Recipient's ability to complete or continue the Project in a satisfactory manner;

j) a report on a Statement of Grant Usage is unsatisfactory because it contains an adverse opinion, a qualified opinion or a disclaimer of opinion;

l) a charge is secured against a fixed asset acquired or improved wholly or partly using financial assistance provided under this funding agreement.

Where DfT has required the Grant Recipient to repay any amount, DfT may recover that amount by withholding, or deducting the amount from any sum due to the Grant Recipient from DfT under an offer of grant for any other project or activities under any scheme or programme administered by DfT for regeneration or development.

It is hoped that most difficulties encountered by the Grant Recipient can be overcome with the advice and support of DfT. In the event that it becomes necessary to take steps to enforce the terms and conditions of this funding agreement, DfT will write to the chief executive (or equivalent) of the Grant Recipient giving particulars of its concern about the Project or of any breach of a term or condition of the grant.

The Grant Recipient must act within 30 days (or earlier, depending on the severity of the problem) to address DfT's concern or rectify the breach, and may consult DfT or agree with it an action plan for resolving the problem. If DfT is not satisfied with steps taken by the Grant Recipient to address its concern or rectify the breach, it may take steps to withhold or suspend the further payment of grant, or to recover grant already paid.

Publicity, copyright and sharing good practice

The Grant Recipient must give appropriate publicity to the Project by drawing attention to the benefits and opportunities it affords. In acknowledging the Government's contribution, the Grant Recipient must comply with any guidance on publicity provided by DfT, and must, in particular, acknowledge that the Project has received grant from the Office for Low Emission Vehicles. Wherever practicable, publicity material must include the logo of the Office for Low Emission Vehicles.

The Grant Recipient grants a licence to the Secretary of State under section 91(3) of the Copyright Designs and Patent Act 1988 in relation to the future copyright in works funded in whole or in part by grant paid under this grant offer. This licence is non-

exclusive and is granted without provision for the payment of royalties for the full period protected by copyright in the works in order to allow the Secretary of State to copy, issue or adapt any such works for his own purposes.

Any information, know-how, system or process learned from or created in operating the Project (including examples of good practice in the design and implementation of a project under the Business Brokers Pilot Project Scheme) may be disseminated by DfT among all persons or bodies who have responsibility for similar projects under the Scheme. The Grant Recipient agrees that such persons may share and use freely all such information, know-how, system or process for their own purposes.

Reviewing the funding agreement

DfT may at any time, with the agreement of the Grant Recipient, revise, revoke or add to the terms and conditions of this funding agreement.

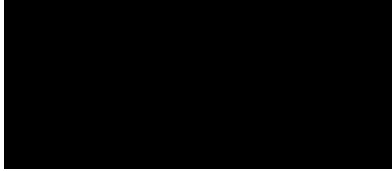
Termination of the funding agreement

DfT reserves the right to terminate this funding agreement by giving three months written notice to the Grant Recipient.

Acceptance of grant offer

If the Grant Recipient wishes to accept this offer of funding please sign both copies of the funding agreement in the space indicated below and return one of the copies to DfT.

Signature:



Name: (BLOCK CAPITALS)
MICHAEL HURWITZ.....

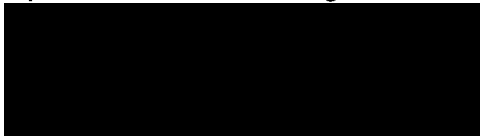
(authorised to sign on behalf of the Secretary of State)

Date:
20/04/10.....

accepts the offer of grant contained in this funding agreement and agrees to comply with the terms and conditions of grant on which the offer is made.

Signed by a person authorised to sign on behalf of the Grant Recipient:

Signature:



Name: (BLOCK CAPITALS) *NICK FAIRHOLME*

Position: *INTERIM DIRECTOR, CONGESTION CHARGES & TRAFFIC ENFORCEMENT*

Date: *1/10/10*.....

DfT PRINCIPAL CONTACTS:

Name: (BLOCK CAPITALS)
.....

Position:

Date:.....
.....
.....

Annex 1

Grant Claim Form

Instructions

All sections of this application form must be completed in BLOCK CAPITALS. On completion send this form together with all relevant supporting documentation, as set out to: *Office for Low Emission Vehicles, Zone 1/33, Great Minster House, 76 Marsham Street, London, SW1P 4DR*

Section A: Claimant's Details

Full company name

Trading name (if different from above)

Name of contact person

Address

Telephone

Fax

Email

Section B: Declaration

I claim the grant for the total amount shown in Section C. I certify that the claim is valid and in accordance with the terms and conditions set out in the grant offer letter. I certify that the facts and statements made in support of the claim have not changed.

Signed

Print name

Date

Job title

Section C: Grant Claim

Grant Year

Period of claim

Total claim amount

Annex 2

Quarterly delivery forecast

PLUGGED IN PLACES BUDGET PLANNING - OLEV FUNDING REQUEST

ISSUE DATE: March 2010

Type	Description	Assumptions	Qtrly Milestones				Request amount													
			Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Total									
	Work Package 1: e.g. Workplace charging infrastructure																			
	Work Package 2: e.g. public on street																			
	Work Package 3: e.g. rapid charge trials																			
	Work Package 4: e.g. IT back office																			
	Work Package 5																			
	Work Package 6																			
Total										£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00			