

COUPAR ANGUS TOWNSCAPE HERITAGE INITIATIVE
Standard contract for Priority Projects and Reinstatement of
Architectural Details Projects

THIS AGREEMENT dated _____ is made between the Coupar Angus Townscape Heritage Initiative Executive Committee (“the THI Executive Committee”) and [_____] (“the Grantee”).

The THI Executive Committee who administer the Coupar Angus Townscape Heritage Initiative Scheme, supported by the Trustees of the National Heritage Memorial Fund (“NHMF”), agrees to pay and you, the Grantee, accept from the THI Executive Committee a grant of up to [_____] Pounds (£[_____]) (“the Grant”) towards the cost of [either the repair and/or reinstatement works described in your application numbered [_____] (“the Project”) of or meeting the conservation deficit in connection with the development described in your application numbered [_____] (“the Project”) of] [address] (“the Property”) subject to the following conditions:

1. You will use the Grant only to carry out the eligible works to the Property identified in the THI Executive Committee’s offer letter to you in accordance with [refer to specification /drawings, development appraisal, etc], as varied or supplemented with the written agreement of the THI Executive Committee (“Eligible Works”). The Grant is not transferable.
2. You must confirm ownership of the building or, if a tenant, provide evidence of your contract with the owner and written evidence of the owner’s agreement to the [Eligible Works/the Project].
3. Planning Permission, Listed Building Consent and/or Building Warrant (where appropriate) must be obtained before a grant can be formally offered and work started.
4. You will carry out the [Eligible Works/the Project] in accordance with current best practice in the conservation of historic buildings and to a quality appropriate to a project of importance to the national heritage. Until the completion date specified below you must not carry out work on the Property other than the Project that in the THI Executive Committee’s opinion detracts from its value or integrity as a heritage asset.
5. Grants cannot be awarded retrospectively: no work must be started on the Eligible Works until an offer of Grant has been made by the THI Executive Committee in writing and you have accepted in writing.
6. You must accept the Grant within three months of the date of the formal offer. You must commence the Eligible Works within six months of, and complete them within twelve months of, the date of the formal Grant offer unless otherwise agreed with the THI Executive Committee in writing. The signing of the Application Form by the named applicant, the receipt of a formal offer letter from the THI Executive Committee and the acceptance of that offer

by the applicant, form the basis of a binding contract between the applicant and the THI Executive Committee.

7. Unless agreed otherwise in writing, you must obtain at least three tenders for Eligible Works and submit to the THI Executive Committee a summary of the tenders received and your reasoning (if relevant) for not wishing to accept the lowest tender. If the THI Executive Committee disagrees with the reason given by you for not accepting the lowest of the tenders submitted, the Grant will be reduced by an amount which bears the same proportion to the difference between the tender you accept and the tender the THI Executive Committee considers to be the lowest acceptable tender, as the Grant bore to the estimated cost of the relevant Eligible Works. [Refer to EU Procurement Regulations if relevant].

8. Contracts entered into by you in undertaking the Eligible Works must be on terms which do not differ materially from those that would be entered into by a reasonably experienced building employer engaging parties to provide similar work or services for projects of the size, value, complexity and prominence of the Eligible Works. The costs of Eligible Works and any ineligible costs should be itemised in the contract.

9. Any additional works discovered to be necessary during the course of carrying out the Eligible Works are your responsibility and must be resolved at your own cost. Where a Repairs Notice has been issued for necessary repairs, a Repair Grant may be available.

10. If the Eligible Works are completed for less than the cost estimate on which the grant offer was based, you must return to the THI Executive Committee any Grant received by you and unspent. Grant for these purposes will be deemed to have been spent pro rata with funds due to be provided to carry out the Eligible Works from other sources. The Grant will not be increased if there is an overspend.

11. You must keep all your records of the Project for the period of this Agreement and provide the THI Executive Committee with such financial and other information, and such access to the Property, as it or NHMF may require to monitor the conduct, progress and proper completion of the Project. You shall give due consideration to any recommendations regarding the Project made by the THI Executive Committee or any person duly authorised by the THI Executive Committee.

12. You must publicly acknowledge the Grant by displaying any sign provided for the purpose while the Project is in progress. **[Critical Projects only:** You must display educational information approved by the THI Executive Committee to promote the heritage of the area and works being carried out at the Property.]

13. You must provide appropriate access to the Property, to be agreed with the THI Executive Committee, for the purposes of education and training. This may take the form of, for example, access and education for the general

public or providing professional training in appropriate heritage construction skills. Grants may be available from Historic Scotland.

14. Claims for payment of the Grant must be made in arrears using the appropriate claim form. Claims must specify whether they are interim or final. Payment will be authorised when accompanied by verified receipts for completed Eligible Works and subject to those works being carried out to the satisfaction of the THI Executive Committee. The THI Executive Committee will retain a retention of 10% until the contractor's final account for the Project is settled and the THI Executive Committee is satisfied with the quality of the works.

15. While the Project is in progress, you must maintain adequate insurance cover on the Property, the works executed to it and any unfixed materials and goods delivered to it, against any loss or damage arising as a consequence of the Project being undertaken. Such insurance should be held in the joint names of you and your contractor unless the THI Executive Committee agrees otherwise in writing. The proceeds of any claims must be applied towards the cost of the reinstatement of the Eligible Works and the Property, the rectification of any loss or damage caused to the Property and the replacement of any goods or materials damaged, as necessary. If, in the opinion of the THI Executive Committee, such reinstatement, rectification or replacement is not reasonably practical due to the extent of the damage, then you must apply the proceeds of all claims under the insurance firstly to the repayment of any sums received by you from the THI Executive Committee.

16. The THI Executive Committee cannot be held liable for any design or construction faults. It is your responsibility to ensure that the work is completed satisfactorily.

17. Following completion of the Eligible Works, you must:

17.1 insure the Property to such standard and in relation to such risks as is reasonable and appropriate in all the relevant circumstances; and

17.2 maintain the Property in a manner consistent with the then character, appearance and amenity of the area.

18. The Grant will become repayable, and any future payments stopped, if:

18.1 any of these conditions are breached;

18.2 you change your status, cease to operate, are declared bankrupt or placed in receivership or liquidation;

18.3 you are shown to the THI Executive Committee's satisfaction to have completed your application for the Grant fraudulently, incorrectly or misleadingly in any material particular;

18.4 you act fraudulently or negligently in carrying out the Project; or

18.5 any competent authority directs the repayment of the Grant.

Repayment may not be required if any default is capable of being, and is, rectified within whatever period the THI Executive Committee prescribes, or in relation to any discrete element of the Eligible Works which has been completed and whose benefit the THI Executive Committee agrees is not jeopardised by failure to complete the remainder.

EITHER

[Recovery clause: for grants made on the conservation deficit basis for development projects to bring vacant floorspace in to use. The following set out NHMF's normal minimum requirements, but since all elements of a grant from the common fund should normally be subject to the same conditions, it may be necessary to agree with NHMF the details on a scheme by scheme basis, in the light of conditions attached to the partnership funding.]

19(A) On completion of the disposal of your entire interest in the Property, or two years from completion of the Project (whichever is the earlier), you must recalculate accurately the conservation deficit (on the same basis as you were required to calculate the estimated conservation deficit in the development appraisal included in your application) using the actual building and other development costs and (at the option of the THI Executive Committee) either:

19.1 the value realised in an open market sale of your entire interest in the Property; or

19.2 a valuation on that basis as defined by the Royal Institution of Chartered Surveyors prepared by [the Valuation Office Agency/a qualified independent valuer approved by the THI Executive Committee]

and submit that recalculation to the THI Executive Committee. You must forthwith repay to the THI Executive Committee an amount which the THI Executive Committee agrees bears the same proportion to any reduction in the conservation deficit as the Grant bore to the estimated cost of the Project.

19(B) For the purposes of Clause 19.2 above, your interest in the Property shall be deemed to be the interest you were assumed to have for the purpose of calculating the estimated conservation deficit or your current interest, whichever is the more valuable.

OR

[Recovery clauses: for grants made on a percentage basis for building repair, reinstatement of architectural detail, infilling gap sites or public realm works. The following set out NHMF's normal minimum requirements, but since all elements of a grant from the common fund should normally be subject to the

same conditions, it may be necessary to agree with NHMF the details on a scheme by scheme basis, in the light of conditions attached to the partnership funding. For grants including a contribution from NHMF of over £25,000 with a 10 year agreement life, use 19(A) and (B). For grants where the NHMF contribution is under £25,000 with a three year agreement life, use 19(A) and (C).]

19(A) If you decide to sell, or otherwise transfer ownership of your entire interest in all the Property (a “sale”), you must notify the THI Executive Committee immediately and on completion of the sale pay to the THI Executive Committee a proportion of any increase in the value of your interest in the Property subsequent to undertaking the Project, the sum repayable to be calculated as follows:

$$\frac{G}{V1 + C} \times (V2 - (V1 + (C - G)))$$

Where

G Grant

C Actual cost of the project

V1 Open market value of your entire interest in all of the Property before commencing the Project

V2 Open market value of your entire interest in all of the Property immediately prior to the sale or disposal

Any increase in value agreed by the THI Executive Committee to be attributable to improvements undertaken at your expense subsequent to completion of the Project may be deducted from V2.

19(B) For the purposes of this calculation, V1 is agreed to be £[].

19(C) For the purposes of this calculation, V1 shall be such sum as is agreed by the THI Executive Committee to have been the open market value of your interest in the Property prior to the commencement of the Project.

19(D) Unless the THI Executive Committee agrees otherwise, if you dispose of an interest in the Property other than by way of sale (for example sale of part, lease or licence) (a “disposal”) you must on completion of the disposal pay to the THI Executive Committee an amount which bears the same proportion to the sum calculated in accordance with 19(A), as the open market value of the interest the subject of the disposal bears to V2.

19(E) For the purposes of a sale the THI Executive Committee may require V2 to be assessed by [the Valuation Office Agency/a qualified independent valuer approved by the THI Executive Committee] if it considers the sale not to have been made demonstrably at open market value (as defined by the Royal Institution of Chartered Surveyors). For the purposes of a disposal, V2 shall be so assessed unless the THI Executive Committee agrees otherwise.

19(F) This Clause 19 is enforceable by the THI Executive Committee notwithstanding any agreement by the THI Executive Committee to a sale or disposal at an undervalue (for example a disposal to a charity).

20. The cost of any valuation required under Clause 19 shall be borne by the THI Executive Committee (unless it is required due to a disposal under Clause 19(D), in which case the cost will be your responsibility).

21. The THI Executive Committee may at any time assign or transfer the benefit or burden of this agreement to NHMF and allow it to conduct for its own benefit any proceedings against you for breach of this agreement.

22. Should any dispute arise regarding the terms of this contract, appeal can be made to [], comprising representatives from []. Their decision will be final.

23. The THI Executive Committee reserves the right to suspend or stop payment of the Grant if NHMF is unable to continue funding the Coupar Angus Townscape Heritage Initiative Scheme owing to the National Lottery ceasing to operate or insufficient funds being made available to NHMF out of it.

24. Without prejudice to any pre-existing breach, the terms and conditions of this agreement will cease to be enforceable by either party on the expiry of the period of [not less than 3 or more than 10] years from the date of the Agreement.