

## SCHEDULE 1

### HAG

## PART 4

### TERMS AND CONDITIONS ON WHICH ASSISTANCE IS PROVIDED

#### **Termination of a programme agreement**

- 13.** Any programme agreement may be terminated by the local authority if–
- (a) the grant recipient fails to deliver the programme to the reasonable satisfaction of that local authority; or
  - (b) the performance grading of the grant recipient reduces to a lower standard during the term of the programme agreement.

#### **Terms and conditions for HAG to provide, improve, adapt and repair units**

**14.** The terms and conditions on which HAG is provided to provide, improve, adapt and repair units (but these terms and conditions shall not apply for HAG for lead tenancies) are–

- (a) the grant recipient shall accept a tender for a programme or a project from a contractor only in the amount that the local authority has approved at tender stage;
- (b) the grant recipient shall develop the subjects in accordance with the project and for no other purpose whatsoever;
- (c) the units shall–
  - (i) be sold by the grant recipient for owner occupation;
  - (ii) where the sale is the first sale in a sale for shared ownership, be sold by the grant recipient; or
  - (iii) be available for rent;
- (d) the grant recipient shall not sell, let or otherwise dispose of the subjects, the units or any part thereof save as in accordance with the project and with sub-paragraph (c) above without written notification to the local authority prior to such sale, let or other disposal;
- (e) the grant recipient shall obtain vacant possession of the subjects;
- (f) where the project includes units for sale for owner occupation other than shared ownership, the units offered for sale shall not include new build property;
- (g) where the project includes units for sale for owner occupation or for shared ownership, the units shall be marketed by the grant recipient in accordance with a strategy agreed in writing with the local authority; and
- (h) any payment of HAG by the local authority to the grant recipient must be expended on the project by that grant recipient within 14 days after that payment by that local authority.

#### **Default**

**15.** Where HAG has been provided to provide, improve, adapt and repair units the breach of any of the terms and conditions detailed in paragraph 14 and regulation 6 shall constitute a default.

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

### **Effect of default**

16. In the event of a default, which is in the opinion of the local authority capable of being remedied, that local authority shall allow the grant recipient a period in which to remedy the default, said period being determined by that local authority on the basis of what it considers reasonable in the circumstances and that local authority shall serve a notice in writing on that grant recipient to that effect.

17. In the event of a default which is in the opinion of the local authority not capable of being remedied or is a default in terms of paragraph 16 that has not been remedied in terms of that paragraph—

- (a) where no HAG has been paid that local authority shall not make a payment; and
- (b) in all other cases where payment or part payment of HAG has been made the grant recipient shall immediately repay to that local authority any such payment or part payment up to the full amount of the HAG under deduction of any sums attributable on a pro-rata basis to any unit or units which are provided in accordance with the project.

### **Recovery of sums**

18. Where HAG has been paid to the grant recipient, the local authority may recover the full amount of the HAG or a proportion thereof from the date it ascertains that HAG should be repaid where—

- (a) in the case of HAG to provide, improve, adapt and repair units, no later than on completion of the project—
  - (i) the units provided differ from those specified in the offer of grant;
  - (ii) the proceeds from the sale of units for owner occupation or shared ownership differ from those specified in the offer of grant; or
  - (iii) the cost of the project is less than that specified in the offer of grant;
- (b) HAG has been paid to acquire or repair units for decant accommodation and these units are sold after use; or
- (c) HAG has been paid for furniture costs and the grant recipient ceases to provide a furnished unit within a period of five years from the date of the initial let of the unit.