

Appendix 2 – Summary of the obligations in the terms of the agreement.

Parties

The parties to the agreement are The English Sports Council (Sport England), and Fylde Council as the local authority applicant.

Purpose

The purpose is for Sport England to provide £220,000 in capital grant funding to Fylde Council to undertake energy efficiency improvements at St Annes YMCA Pool & Gym. This comes from the wider £100m government Swimming Pool Support Fund aimed at improving the sustainability and reducing energy use of public leisure facilities.

Facilities Covered

The grant funding is only for works at St Annes YMCA Pool & Gym. The facility is owned by Fylde Council and operated by Fylde YMCA.

Funded Works

The capital works covered are:

- Installation of photovoltaic panels
- Replacement of gas boilers over 20 years old

Associated design, technical and professional fees are also eligible expenditures.

Payment of Grant

- Sport England pays grant retrospectively based on actual eligible costs incurred
- Fylde Council can request either a single payment or multiple drawdowns
- Payment conditional on meeting requirements such as approved specifications and planning consents

Grant Term

- The "Facility Term" during which Fylde Council must operate the facility is 10 years from the date of the agreement
- Some obligations apply for the full "Grant Term" from date of agreement to expiry of Facility

Terms

Obligations of Fylde Council

Fylde Council is responsible for ensuring adherence to all terms of the agreement. Key obligations include:

Operation of Facility

- Must operate or procure operation of facility for 10-year Facility Term
- Cannot close facility or limit availability without Sport England's approval

Ownership and Disposal

- Cannot sell or dispose of interest in facility without Sport England approval

Use of Funding

- Can only use grant for approved energy efficiency works
- Cannot reallocate money between different facilities without consent

Governance

- Must have policies for equality, safeguarding, conflicts of interest and counter fraud

Reporting

- Provide quarterly data on finance, participation, energy use
- Comply with additional ad hoc monitoring requests from Sport England
- Allow access for site visits and audits

Other Key Terms

VAT - Fylde Council responsible for handling any VAT liabilities:

- Intellectual Property - Each party retains ownership of existing and newly created IP.
- Recognition of funding - Fylde Council must publicly acknowledge source of funding.
- Clawback of grant - Sport England can reclaim grant paid in certain circumstances such as misuse of funds or insolvency.
- Termination - Sport England can terminate agreement due to unviability or irremediable breach.

Onerous Terms

The key obligations for Fylde Council are:

- Requirement to operate the St Annes facility for full 10-year Facility Term regardless of financial viability.
- Extensive restrictions on ability to close, limit availability, dispose or change ownership of facility.
- Burdensome quarterly reporting requirements.
- Grant clawback provisions and termination rights favouring Sport England.