

**'SUSTAINABLE WARMTH: LOCAL AUTHORITY DELIVERY
PHASE 3 AND HOMES UPGRADE GRANT PHASE 1
MEMORANDUM OF UNDERSTANDING'**



Department for
Business, Energy
& Industrial Strategy

Date: 05/08/2022

**SUSTAINABLE WARMTH MOU – CAMBRIDGE & PETERBOROUGH COMBINED AUTHORITY
(CPCA)**

RETURN OF UNSPENT GRANT FUNDING

To Whom It May Concern,

Following consideration of the Cambridgeshire and Peterborough Combined Authority Recovery Plan, with revisions to its original grant funding and homes deliverable, BEIS had approved the revised upper band estimate of £50.7m, plus an additional ~10% on the 27th of July 2022. This revised upper band incurs an underspend of £62,619,025 from the original value.

In accordance with paragraph 42 of the Memorandum of Understanding (MOU) between the Secretary of State for Business, Energy and Industrial Strategy and Cambridgeshire and Peterborough Combined Authority, it is the understanding of the Parties that the Secretary of State may request the Authority to repay all or any portion of the grant. In accordance with paragraph 45, a decision by the Secretary of State to ask the Authority to repay the grant will be communicated by letter (**this document**). The Authority will make that payment within **30 days** of the date of that letter or within any later reasonable timeframe agreed by the Secretary of State in writing.

BEIS is requesting recovery of the remaining funding and reserves the right, as part of the MPR process, to recover additional underspend, if further reprofile proves insufficient or uncovers further underspend.

In this instance, BEIS intends to agree in writing a reasonable timeframe for payment of the agreed funds. CPCA is expected to propose a timeframe for payment to BEIS for agreement after the monthly board meeting scheduled to occur in August 2022. The timeframe for payment of funds to BEIS is expected to be within **45 days** of the date of the August CPCA Board meeting.

Please refer to the attached repayment agreement for detail of the funds requested for return. Upon agreement of a date of repayment, the Authority will be expected to sign and return the repayment agreement and return the funds to BEIS by the date and method agreed.

Please confirm receipt of this letter.

Kind regards,

The Sustainable Warmth Team.

ADDENDUM TO THE MOU – RETURN OF FUNDING

The parties to the 'Local Authority Delivery Phase 3 and Homes Upgrade Grant Phase 1 MOU' have agreed the following addendum to the MOU:

	Amount
Original Local Authority grant funding allocation	£118,389,025
Underspend to be returned to BEIS	(£62,619,025)
Updated Local Authority grant funding allocation	£55,770,000

The Authority agrees to repay the underspend funds to BEIS, in line with paragraph 42 of the MOU.

Below is a list of key information regarding your payment back to BEIS. Please ensure that the payment is made on the relevant date shown below, with the correct reference and of the correct value.

Date for return of underspend by	
Underspend to be returned to BEIS	£62,619,025
BEIS bank account details:	
Sort Code	
Account Number	
Account Name	
Swift/BIC Code	
IBAN	
Bank Name	
Bank Address	
Payment reference	

Signed for and on behalf of the Secretary of State.
Signature:

Signed for and on behalf of the Authority.
Local Authority Name:
Signature:

Name:
Position: Project Director
Date:

Name:
Position:
Date:

