

SCHEDULE 4

GPSE

PART 4

TERMS AND CONDITIONS UNDER WHICH ASSISTANCE IS PROVIDED

5. The terms and conditions on which GPSE is provided are—
- (a) GPSE shall be used by the grant recipient for the purpose of meeting the costs (including acquisition costs if applicable) of developing the subjects in accordance with the project and for no other purpose whatsoever;
 - (b) save where the grant recipient is an RSL, where the grant recipient owns the subjects that grant recipient shall not sell or otherwise dispose of the subjects or any part thereof during the term of the GPSE without the prior written consent of the local authority;
 - (c) where the grant recipient is an RSL and owns the subjects that RSL shall not sell or otherwise dispose of the subjects or any part thereof during the term of the GPSE without written notification to the local authority;
 - (d) any payment of GPSE by the local authority must be expended on the project by the grant recipient within 14 days after that payment by that local authority; and
 - (e) if required by the local authority the grant recipient will grant a standard security over the subjects in favour of that local authority in terms acceptable to that local authority.

Default

6. The breach of any of the terms and conditions detailed in paragraph 5 and regulation 6 shall constitute a default.

Effect of default

7. Save where paragraph 9 applies, 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 that 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.

8. Save where paragraph 9 applies, 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 7 that has not been remedied in terms of that paragraph—

- (a) where no GPSE has been paid that local authority shall not make a payment; and
- (b) in all other cases where payment or part payment of GPSE 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 GPSE.

9. In the event of a default by the grant recipient of failing to comply with paragraph 5(b), or where the owner of the subjects sells or otherwise disposes of the subjects or any part thereof during the term of the GPSE, the grant recipient shall repay to the local authority a sum equivalent to the amount by which the value of the subjects has increased as a result of the GPSE, as verified by a chartered surveyor, up to the full amount of the GPSE such repayment being made in full within 28 days of the sale or disposal.