

SCHEDULE 6

Subsidy Control

1. The Authority is subject to Subsidy Control Law.
2. The Operator will receive Subsidy from the Authority towards the costs of delivering a SPEI.
3. This Agreement establishes transparent and legally binding terms for the delivery of the SPEI including:

	Specification requirement set out SCA Section 29(5)	Specification
(a)	the SPEI Services in respect of which the Subsidy is given	<p>The delivery of the Services from the Facilities to the general public upon accessible terms (which the Authority expects to increase levels of exercise within the local community).</p> <p>Part 3 of the Agreement sets out specific provisions around the delivery of the Services.</p>
(b)	the enterprise that is tasked with providing the SPEI Services	The Operator is tasked with providing the SPEI Services;
(c)	the period for which the SPEI Services are provided	the SPEI Services must be delivered between the Commencement Date until the Expiry Date;
(d)	the geographical area in which the SPEI Services are to be delivered	all the Facilities from which the SPEI Services will be delivered are in Sheffield, South Yorkshire;
(e)	how the amount of subsidy given in respect of the SPEI Services is determined	<p>the Operator was selected through an open and competitive procurement process which has determined the financial model on which the LOBTA calculation at Schedule 22 is based.</p> <p>Part 7 of the Agreement sets out the payment provisions, including provisions which may limit or reduce the Subsidy.</p>
(f)	arrangements for the purposes of Section 29(6) of the SCA in respect of reviews and steps that may be taken for recovery	<p>Part 4 of the Agreement sets out performance monitoring provisions.</p> <p>This includes Section 20.2.1 which allows the Authority to <i>"undertake its own performance monitoring at any stage during the Contract Period for any purpose, including in order to ensure that the Services are being provided in accordance with this Agreement"</i>.</p> <p>For the avoidance of doubt, checks will be carried out at least as frequently as set out at Section 29(7) of the SCA.</p>

		<p>PART 8 (termination and consequences of termination) allows for the termination and suspension of the Subsidy in the event of breaches of the Agreement.</p> <p>The Authority has the right to recover under Section 77 of the SCA in the event of misuse of subsidies.</p>
--	--	--

4. The Subsidy does not:

- 4.1 breach Chapter 2 of the SCA;
- 4.2 materially impact trade in goods or wholesale electricity between the United Kingdom and European Union; and
- 4.3 give rise to a breach of international law.