

EVERSHEDS

Dated

23 APRIL

2010

- (1) NORTH EAST LINCOLNSHIRE COUNCIL
- (2) BALFOUR BEATY WORKPLACE LIMITED

Partnership Framework / Governance
Schedule 15

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1. **Introduction**

This Schedule details how the Partner and Council shall work together to achieve the partnership objectives stated throughout the Agreement, including through adhering to the values and utilising the governance structure outlined in this Schedule 15.

2. **Definitions**

The provisions of **clause 1** (Definitions) of this Agreement shall apply to all terms in this schedule which are expressed in upper case and not defined elsewhere in this schedule.

3. **Governance principles**

The parties acknowledge and agree that the following principles constitute the governance arrangements under this Agreement:

- 3.1 The Services, Agreement and Partnership relationship shall be managed between the parties at both a strategic and an operational level. The governance model comprises the following governance tiers:-
 - 3.1.1 Partnership Board - as detailed in paragraph 4 of this Schedule; and
 - 3.1.2 Operational Board- as detailed in paragraph 5 of this Schedule.
- 3.2 The governance arrangements are subject to the Council's constitution which, among other things, determines the Council's framework of decision making and delegation. Any action required to be taken by the Council, the Partner or a Partner Party, must be in accordance with the constitution of the Council and the Partner's or Partner Party's (as applicable) decision making framework, including the Companies Act and the relevant Memorandum and Articles of Association.
- 3.3 Nothing in the governance arrangements will prejudice the general role of the Council and the overall decision making powers of the Council shall remain with the Council's Cabinet, Full Council, Committees, Scrutiny arrangements and other applicable Council bodies, subject always to the provisions of the Council's Constitution. For the avoidance of doubt, the Partnership Board shall have no authority to take decisions that may only be taken by the Council's Cabinet, Full Council or any relevant statutory or regulatory committee.
- 3.4 The governance arrangements shall complement the existing governance arrangements of the Council, and will feed into and/or support the bodies that the Council has established to address its strategic objectives.
- 3.5 The timing and frequency of governance activities shall be aligned (insofar as is possible) with the Council's business timetable such that the Partnership Board develops, approves and considers issues in a timely manner to ensure that the Council's performance reporting, business planning, budget setting and other

functions take place in the same manner as if the Partner was a directorate of the Council.

- 3.6 The Partner shall have no right to attend Council meetings other than as expressly set out in this Agreement, provided that the Council may invite the Partner to attend appropriate business and corporate Council management meetings where appropriate and necessary in order to support and develop the Partnership ethos.
- 3.7 The Council may change the composition of its members of the Partnership Board from time to time to reflect changes in portfolios and the political composition of the Council.
- 3.8 The Council shall assist the Partner in its understanding of the relationship between both the Council's constitution and existing governance arrangements and the governance arrangements relating to this Agreement (including providing all such reasonable information necessary to aid the Partner's understanding and updating such information as and when necessary).

4. **Partnership Board**

4.1 Partnership Board Structure

- 4.1.1 The Partnership Board is responsible for overseeing the relationship between the Council and the Partner, and assessing the progress and performance of the Partner against the strategic objectives listed in Background section C and **clause 5** of this Agreement. The Partnership Board will direct and implement strategic direction, set priorities between Projects where necessary and take responsibility for maintaining the Partnership (including its integrity and purpose).
- 4.1.2 The Partnership Board will provide leadership and direction for the Services, and will act as the resolution point for issues escalated which have not been resolved by the Operational Board and as reviewer of Core Projects, Strategic Projects, strategic changes to existing Projects and for setting and maintaining vision and strategic intent.
- 4.1.3 The Partnership Board will be chaired by the Council's Chief Executive.
- 4.1.4 Each party shall be entitled to have an equal number of representatives on the Partnership Board.

4.2 Partnership Board Terms of Reference

The terms of reference for the Partnership Board will be as follows:

- 4.2.1 Provide strategic direction and vision for future developments in the Partnership;
 - 4.2.2 Reports to the Council's Cabinet in respect of key decisions;
 - 4.2.3 Advises the Council's Cabinet and Management Team in conjunction with the executive director of regeneration on strategic matters;
 - 4.2.4 Resolves issues escalated to the Partnership Board as described in **paragraph 4.1.2;**
 - 4.2.5 Defines any changes in Partnership objectives arising from development in Council policies and direction; and
 - 4.2.6 Actively promote new thinking and capabilities with input from multiple sources including best practice, and other local government exemplars.
- 4.3 For the avoidance of doubt, where the Partnership Board considers any issues escalated to it by the Operational Board in accordance with **paragraph 4.1.2**, this shall not extend to the consideration of issues arising from the Dispute Resolution Procedure.
- 4.4 Partnership Board Meetings

The frequency of Partnership Board meetings shall be as follows:

- 4.4.1 Meetings will be held monthly during the first six months of this Agreement and Quarterly thereafter, or at such other frequency as the parties may agree in writing from time to time;
 - 4.4.2 Additional meetings may be held as and when reasonably required by the parties from time to time, including to address exceptional circumstances such as critical escalations;
 - 4.4.3 The agenda for each Partnership Board meeting shall be set by the Council in consultation with the Partner.
- 4.5 Partnership Board Composition
- 4.5.1 The Partnership Board will be composed of the following individuals for the Council (or their nominated representatives):
 - 4.5.1.1 Chief Executive/chair;
 - 4.5.1.2 Finance Director/S151 officer;
 - 4.5.1.3 Executive Director of Regeneration;

- 4.5.1.4 Portfolio holder for Regeneration and Housing;
 - 4.5.1.5 Leader of the Council;
 - 4.5.1.6 Leader of the majority opposition party; and
 - 4.5.1.7 Leader of the minority opposition party.
- 4.5.2 The Partnership Board will be composed of the following individuals for the Partner (or their nominated representatives):
- 4.5.2.1 Managing Director of Local Authority Business;
 - 4.5.2.2 Operations Director;
 - 4.5.2.3 Partnership Director;
 - 4.5.2.4 Commercial Director;
 - 4.5.2.5 Heads of Service (as appropriate).
- 4.5.3 Subject to paragraph 8, the quorum for the Partnership Board shall be two Council representatives, to include one portfolio holder and one of either the Chief Executive or the Executive Director and two Partner representatives.
- 4.5.4 Decisions of the Partnership Board shall be taken by majority vote. Each Council representative shall have one (1) vote and the Partner representatives shall have an equivalent number of votes to the number of Council representatives in attendance. At least one Council representative and one Partner representative must vote in favour of a Partnership Board resolution in order for it to be passed. In the case of an equality of votes, the chairman of the Partnership Board shall not have a second casting vote.

5. **Operational Board**

5.1 Operational Board Structure

- 5.1.1 The Operational Board is an operational level board that has responsibility for day to day oversight of the Services and will be responsible for the development, implementation and continuous improvement of the Services and future Projects.
- 5.1.2 The Operational Board will be chaired by the Council's Partnership Director.

- 5.1.3 Each party shall be entitled to have an equal number of representatives on the Operational Board.

5.2 Operational Board Terms of Reference

The terms of reference for the Operational Board will be as follows:

- 5.2.1 Manages and co-ordinates all programmes and Projects within the Partnership to meet the needs of the Partnership Board;
- 5.2.2 Review and approve all Projects that are delegated to it by the Partnership Board for review;
- 5.2.3 Responsible for the delivery and management of effective and efficient Services;
- 5.2.4 Regular review of processes and procedures to develop Partnership working;
- 5.2.5 Regular review of processes and procedures to ensure business requirements are being met through demand management;
- 5.2.6 Provides a management board for discrete Projects where determined appropriate by the Partnership Board;
- 5.2.7 Monitoring of the Agreement;
- 5.2.8 Provides a monitoring function for all Projects; and
- 5.2.9 Reviews the Partner's provision of the Services including its performance against the Service Levels over the previous month.

5.3 Operational Board Meetings

The frequency of meeting and reporting for the Operational Board is as follows:

- 5.3.1 Meetings will be held monthly or at such other frequency as the parties may agree in writing from time to time;
- 5.3.2 Additional meetings may be held as and when reasonably required by the parties from time to time;
- 5.3.3 A representative of the Operational Board (such representative to be agreed between the parties from time to time) will attend and report to each meeting of the Partnership Board;
- 5.3.4 The agenda for each Operational Board meeting shall be set by the Council in consultation with the Partner.

5.4 Operational Board Composition

5.4.1 The Operational Board will be composed of the following individuals for the Council (or their nominated representatives):

5.4.1.1 Executive director of regeneration;

5.4.1.2 Deputy director of regeneration;

5.4.1.3 Deputy direct of transport and housing;

5.4.1.4 Group accountant;

5.4.1.5 Business support and contract compliance manager.

5.4.2 The Operational Board will be composed of the following individuals for the Partner (or their nominated representatives):

5.4.2.1 Partnership Director;

5.4.2.2 Commercial Manager;

5.4.2.3 Performance Manager;

5.4.2.4 Service heads (as appropriate);

5.4.2.5 The SHEQ Manager.

5.4.3 Subject to paragraph 8, the quorum for the Operational Board shall be two Council representatives and two Partner representatives.

5.4.4 Decisions of the Operational Board shall be taken by majority vote. At least one Council representative and one Partner representative must vote in favour of an Operational Board resolution in order for it to be passed. In the case of an equality of votes, the chairman of the Operational Board shall not have a second casting vote.

6. **Attendance at Meetings**

6.1 The parties shall attend and actively participate in all meetings identified in this Schedule in order to review the performance of the Services and to encourage development of the Services in a structured framework.

6.2 The parties shall ensure that all necessary Personnel, as reasonably required for each of the meetings identified in this Schedule, shall attend such meetings and shall have the required authority to provide the necessary information and make those decisions as the parties shall reasonably require at those meetings.

7. **Minutes of Meetings**

- 7.1 All actions agreed at any of the meetings referred to in this Schedule shall be documented by the Partner in the meeting minutes, which shall be circulated to all attendees of the relevant meeting within two (2) Business Days of the relevant meeting.
- 7.2 The Council shall have the right within five (5) Business Days of receiving each such minutes to require the Partner to amend any part of the minutes that it reasonably considers does not reflect what was discussed at the meeting and/or the agreed action points, but this shall be without prejudice to either party's right to raise any errors it becomes aware of arising out of the minutes at a later date with reasonable evidence as to such errors. Upon such requirement being made known, the Partner shall promptly amend the meeting minutes to reflect such reasonable requirement of the Council and shall circulate the amended meeting minutes within two (2) Business Days of such requirement being made known to the Partner.
- 7.3 In the event of any dispute between the Parties relating to any minutes and/or any action discussed at any of the meetings that cannot be resolved or agreed by the Council and Partner representatives who attended the relevant meeting, such dispute shall be referred to the Dispute Resolution Procedure as appropriate.

8. **Declaration of Interests**

- 8.1 Prior to participating in any discussions, voting or decision-making process at any of the meetings identified in this Schedule, each party shall ensure that their respective attendees each declare any interests they have in the matters which are the subject of such discussions, voting or decision-making process in accordance with the Council's policies on declaration of interests as amended from time to time.
- 8.2 Subject to the remaining provisions of this paragraph, the Partner acknowledges and agrees that any of its representatives who have interests in the subject matter of any meeting may, in accordance with Council policy, be excluded from further participation in any relevant discussions, voting or decision-making process, and that any such exclusion will not usually affect quorum for the relevant meeting. In the event that any of the Partner's (or Council's, as appropriate) representatives are excluded from participation in any discussions, voting or decision making in accordance with this **paragraph 8.2**, such excluded representative's vote shall be transferred to any of the remaining Partner's or Council's (as appropriate) Partnership Board representatives or Operational Board representatives (as appropriate).

8.3 The Partner shall ensure that at all times Personnel comply with the Council's policies on declaration of interests as amended from time to time (which such policies shall be provided to the Partner prior to the first meeting referred to in this schedule taking place).

9. **Statutory Planning Officer**

9.1 The Partner shall appoint one or more individuals to liaise with the Council's Statutory Planning Officer whose role involves ensuring that recommended delegated decisions and/or recommendations to the Council's planning committee reflect:

9.1.1 Statutory consultation requirements;

9.1.2 Consideration of any objections received;

9.1.3 Prevailing planning policy and any other material planning considerations;

9.1.4 Reasoned consideration of Conditions and, where applicable, S.106 Planning Obligations;

9.1.5 QA - mitigation of ombudsman risk and or Judicial Review; and

9.1.6 Probity requirements including ensuring that the Members approved Planning Code of Good Practice is being observed, especially in respect of conduct of site visits.

10. **Approval of Reports**

10.1 The Council will approve all reports to Full Council, Cabinet, JMB, Scrutiny, Committees or LSP. The Partner will submit such reports to the Council in accordance with the timescales set out by the Council.