

PORTFOLIO AREA: PROMOTING CARLISLE

Date of Meeting: 18th February 2008

Public

Key Decision: Yes

Recorded in Forward Plan: Yes

Inside Policy Framework

Title: DELIVERING CARLISLE RENAISSANCE

Report of: Director of Carlisle Renaissance

Report reference: CE 07/08

Summary:

A report from multi-agency Task & Finish Group proposes the establishment of a new delivery model for Carlisle Renaissance. This report has now been considered by Corporate Resources Overview & Scrutiny Committee.

Recommendations:

The Executive Committee is recommended to: -

- a) Consider the response of the Corporate Resources Overview & Scrutiny Committee and make a recommendation to Council on the establishment and adoption of the proposed delivery model as part of the Council's policy framework
- b) Request Council to approve the release of funds to support the delivery of Carlisle Renaissance in accordance with the Council's budget resolution

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Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

1. INTRODUCTION

- 1.1 At its meeting on 21st January 2008 the Executive Committee (CE 06/08) received the Final Report of the Task & Finish Group (Delivering Carlisle Renaissance) and forwarded it for consideration by Corporate Resources Overview & Scrutiny Committee at its meeting on 4th February 2007. A copy of the report is included as an Appendix.
- 1.2 The response of the Corporate Resources Overview & Scrutiny Committee is included as an Appendix to this report and as an item elsewhere on this Executive Committee agenda.

2. CONSULTATION

- 2.1 The Task & Finish Group consisted of representatives from the City Council, Carlisle Partnership Economy & Enterprise Group, County Council, Cumbria Vision, the Northwest Development Agency and English Partnerships. Leading members of the main political groups of the City Council and County Council attended a workshop in November as part of the process of developing the proposed delivery model. A subsequent briefing session was held for City Council members.
- 2.2 The organisations represented on the Task & Finish Group are now considering the proposals set out in the Final Report. As proposed 'founding' partners alongside the City Council, the County Council Cabinet Committee will consider the proposals at its meeting on 1st March 2007 and the Northwest Development Agency will consider the proposals at a meeting of its Project Review Group.

3. RECOMMENDATIONS

- 3.1 The Executive Committee is recommended to:
 - a) Consider the response of the Corporate Resources Overview & Scrutiny Committee and make a recommendation to Council on the establishment and adoption of the proposed delivery model as part of the Council's policy framework.
 - b) Request Council to approve the release of funds to support the delivery of Carlisle Renaissance in accordance with the Council's budget resolution

4. REASONS FOR RECOMMENDATIONS

- 4.1 To enable the Executive Committee to consider the response of Corporate Resources Overview & Scrutiny Committee and respond to the proposals of the Task & Finish Group.

5. IMPLICATIONS

- Staffing/Resources – The Task & Finish Group report assumes the extension (subject to review) of fixed term contracts for existing Carlisle Renaissance staff employed by the City Council to 2010/11 and the appointment of three new employees on fixed term contracts, a Programme Director, Development Manager and PA/Office Manager (a role currently fulfilled via an internal secondment).
- Financial – The City Council has approved a revenue budget of £1.1428m for Carlisle Renaissance from 2005/06 to 2008/09 (excluding support services that amount to £0.306m over this period). The Council's budget resolution (2008/09 to 2010/11) includes a further £300,000 per annum for Carlisle Renaissance for 2009/10 and 2010/11.

The Task & Finish Group report includes an operating budget for 2008/09 to 2010/11 and the assumptions on which this is based are considered reasonable. Specific attention is drawn to the assumption of the provision of legal, financial and personnel support services by the City Council at cost. Further consideration of the allocation of costs for all support services will be required as part of any subsequent Service Level Agreement(s) between founding partner(s).

The operating budget includes a funding profile which provisionally allocates specific costs to the City Council, County Council and the Northwest Development Agency. The total cost allocated to the City Council for 2008/09 (£259,800) is within the existing approved budget. The total costs allocated to the City Council for 2009/10 (£278,900) and 2010/11 (£286,100) is within the amounts identified in Council's budget resolution.

The operating budget assumes funding for a 3-year period to 2010/11 and this position should be reviewed on an annual basis as part of the budget process to determine potential longer term funding requirements. Project specific funding and accountability for the use of any external funds will need to be considered as part of the process of preparing the Action Plan.

In assessing the City Council's potential contribution to the operating budget, consideration will need to be given to the contingent liabilities associated with the completion of fixed term contracts.

Costs allocated to the Northwest Development Agency are included in the revenue funding application endorsed by the Executive in December 2007 (CE 45/07) and will be considered by its Project Review Group. Costs allocated to the County Council will be considered by Cabinet Committee at its meeting on 11th March 2008. The operation of the proposed delivery model is dependent upon securing funding from all three 'founding' partners

- Legal – The proposals in the Task & Finish Group report are that the City Council should participate (along with other relevant partners) in establishing a Board of interested stakeholders which will be charged with the task of delivering the Economic Strategy and Action Plan referred to in the proposals which will encompass the Carlisle Renaissance initiatives and interventions. Details of how the Board will operate are set out in the Heads of Terms annexed. It is envisaged that those Heads of Terms will be worked up into a formal Collaboration Agreement between the relevant partners in due course.

In terms of the legal powers available to the City Council to enter into such arrangements, section 2 of the Local Government Act 2000 enables the authority to do anything which it considers is likely to achieve the promotion or improvement of the economic, social or environmental wellbeing of its area or part, or of all or any persons resident in the area. The power is wide ranging and includes the ability to incur expenditure, enter into agreements or arrangements with third parties and provide staff, goods, services or accommodation to any person. When deciding whether or not to exercise these powers, the Council must have regard to its own Community Strategy and to any relevant guidance issued by the Secretary of State.

The above powers are therefore wide enough to enable the Council to enter into the collaborative arrangements proposed in order to deliver the Carlisle Renaissance objectives. The authority has additional powers under section 112 of the Local Government Act 1972 to employ staff to carry out its functions on such reasonable terms and conditions as it determines which will enable it to appoint the staff referred to in the proposals.

In terms of governance arrangements, the Board is not to be a separate incorporated body (i.e. not a limited company) and the Heads of Terms make it clear that it is recognised that each partner will have their own decision making arrangements and

statutory powers which are not intended to be displaced by these collaborative arrangements but will need to be adhered to in connection with decisions made by or on behalf of the collaborating partners.

The intention is that certain matters will require the specific approval of each of the founding partners. These will include setting the Economic Strategy and any variations to it and approving the Action Plan or any variations. By this means, it is intended that the founding partners will collectively set the general direction and strategic parameters within which the Board must act (unless the partners each agree to any subsequent variation), and the Board will then have operational responsibility through its members for delivering that strategy and action plan, and be accountable to its founding partners for such delivery.

The proposals for the delivery model, given their importance, have been treated as though they were a strategy of the Council and have been commented on through the overview and scrutiny process and are to be recommended to full Council for adoption as part of the Council's policy framework

- Corporate – Carlisle Renaissance is a corporate priority of the City Council and the activities outlined in the report are referenced in the City Council's Corporate Improvement Plan. At its meeting on 1st May 2007 the Council agreed in principle to establish a form or regeneration company to manage the delivery of Carlisle Renaissance.
- Risk Management – Carlisle Renaissance is included in the City Council's Corporate Risk Register which is updated regularly to account for different types of risk.
- Equality and Disability – None
- Environmental – None
- Crime and Disorder – None
- Impact on Customers – None

APPENDIX A – TO FOLLOW

MINUTES OF THE
CORPORATE RESOURCES
OVERVIEW & SCRUTINY COMMITTEE

4TH FEBRUARY 2008

APPENDIX B

FINAL REPORT OF THE TASK & FINISH GROUP

DELIVERING CARLISLE RENAISSANCE

Delivering Carlisle Renaissance
Final Report of the Task & Finish Group
January 2008



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Carlisle Renaissance

Delivering Carlisle Renaissance

Final Report of the Task & Finish Group

January 2008

Reviewed and approved by:

Signature(s):

A handwritten signature in cursive script, appearing to read "David Tuck".

Name(s):

David Tuck

Job Title(s):

Managing Partner

Date:

11.01.08

GENECON

This report contains 17 pages

Ref: DT/JS

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Appendix III	Definition of Options
Appendix IV	Collaboration Agreement Heads of Terms
Appendix V	Terms of Reference for Steering Group

1 Introduction

1.1 Context

1.1.1 *An new Economic Strategy for Carlisle*

The Economic and Enterprise Priority Group of the Carlisle Local Strategic Partnership has overseen the preparation of a new economic strategy for Carlisle in its city–region. A draft strategy was published for consultation in October 2007 which draws together physical development objectives of Carlisle Renaissance (including the city centre Masterplan) with its wider economic development objectives under the themes of People, Connections and Place.

At this time a Task & Finish Group was established to prepare the case for a new delivery model capable of delivering the priorities of this new Economic Strategy. Its membership was drawn from representatives of Carlisle City Council, Cumbria County Council, Cumbria Vision, the North West Development Agency, English Partnerships and the Economy & Enterprise Priority Group

Consultation on the draft strategy finished on 23rd November 2007 and the final strategy was adopted by the Carlisle Partnership Executive on 7th January 2008. The Partnership is now seeking formal adoption of the strategy from its constituent members including: Carlisle City Council, Cumbria County Council and the North West Development Agency.

The Economic Strategy establishes the framework for growing the city's economy, and will underpin the rationale for future stakeholder interventions including the allocation of public sector funding.

The Economic Strategy has been developed in partnership with key sub-regional, regional and national stakeholders and clearly demonstrates the city's role as the sub-regional capital and the importance of Carlisle's economy to driving forward economic growth across Cumbria. On this basis the strategy is fully aligned with:-

- The Cumbria Economic Plan – the sub-regional economic strategy developed by Cumbria Vision; and
- The Regional Economic Strategy – developed by the Northwest Development Agency.

The vision and objectives of Carlisle's new Economic Strategy are therefore supported by all key public sector agencies. This alignment provides the platform for the evolution of more formalised collaboration arrangements (across the agencies) to champion the Carlisle Economic Strategy and effectively co-ordinate its delivery.

In October 2007 GENECON and Eversheds were commissioned by Carlisle City Council to advise the Task & Finish Group on the establishment of an appropriate mechanism/vehicle to lead and manage the delivery of Carlisle Renaissance and the priorities of the Economic Strategy. A copy of the consultant brief is included at Appendix I.

GENECON and Eversheds have wide experience of advising on regeneration delivery vehicles. They worked extensively on the establishment of Urban Regeneration Companies and are advising nationally on the potential for City Development Companies as a future model for economic development governance and delivery, in line with the Government's Sub National Review of Regeneration and Economic Development.

This final report pulls together a range of working documents that were produced during the consultancy process, illustrating the evolution of the governance proposals, the findings from stakeholder consultations, the options considered and the form and

rationale for a preferred model, including its proposed governance, legal, financial and operational management structure and a programme for establishment. Any reference in the report to Carlisle or 'the City' should be taken to infer the whole of the District of Carlisle.

2 Options appraisal

2.1 Overview

A range of stakeholders were consulted in order to develop an understanding of the key drivers for a new delivery model for Carlisle Renaissance. A schedule of consultees is included at Appendix II. These consultations and a review of current and emerging strategy documents enabled the consultancy team to define the principal areas of consensus amongst stakeholders and the potential objectives for a new delivery model. Following on from this a range of future options were devised for discussion at a Stakeholder's Workshop held on 15th November 2007.

2.2 Areas of consensus

Through the consultation process a range of key issues emerged over which there was general agreement amongst stakeholders:

The role of Carlisle

- There is increasing recognition of the City's potential as the sub-regional economic driver/sub-regional capital.
- The city economy has a strong asset base to build on but is currently underperforming.
- The importance of a coherent strategy and full City Council commitment is paramount.
- There is recognised value in strategic alignment with Cumbria Vision and the Northwest Development Agency.
- Carlisle's role and economic potential needs to be championed at the sub-regional level.

A leadership gap

- There is a clear desire to depoliticise Carlisle Renaissance and give confidence to funders and private sector interests on delivery capacity and capability.
- Strategic leadership by the public and private sectors is required to own/champion the strategy and co-ordinate delivery activities.

Gaps in physical delivery capacity

- There is an acknowledged gap in the city's physical development capacity.
- A delivery mechanism is required to implement the city centre Masterplan and district wide priority development and infrastructure projects.
- Co-ordination of agency inputs and effective private sector engagement is required to deliver the economic strategy.

2.3 Delivery model objectives

Given these key issues the following objectives were proposed for future delivery arrangements:

- To provide leadership at the city level, including effective private sector engagement.
- To give confidence to funding partners.
- To have an effective interface with sub-regional delivery arrangements.
- To provide physical development delivery capability/capacity.
- To provide capacity for co-ordination of existing delivery bodies for all aspects of economic development.
- To avoid set-up complexity and excessive timescales.
- To lead the development of an action plan to guide the delivery priorities for Carlisle Renaissance and the economic strategy.

Taking into account the 'gaps' identified in strategic and delivery capacity in Carlisle, two functional governance requirements were identified, reflecting the set of objectives outlined above:

1. **A high level, strategic 'programme management' function to:**

- champion and co-ordinate delivery of the new economic strategy with sufficient influence to hold local delivery agencies to account; and
- engage with regional and sub-regional partners.

2. **A focused physical delivery function responsible for:**

- leading the delivery of physical development through effective engagement with private sector; and
- co-ordination of public investment.

2.4 Delivery mechanism options

A range of strategic options were presented to the Stakeholders and discussed with the Task & Finish Group. A detailed definition and analysis of these options is set out in Appendix III and a brief overview of key principles presented below:

Option 1 – Do Nothing

A continuation of current arrangements and levels of delivery resource.

Option 2 – Carlisle Renaissance Management Board

Enhanced City-level control over both strategy and delivery co-ordination but supported through sub-regional level delivery resources.

Option 3 – Carlisle Renaissance Management Board

As per option 2 but with 'ring-fenced' city-level delivery resources.

Option 4 – Carlisle City Development SPV

A bespoke incorporated vehicle, similar in form to an Urban Regeneration Company.

2.5 Towards a preferred model

These options were subject to appraisal by key stakeholders at the workshop held on 15th November 2007. The stakeholders expressed a clear desire to avoid set-up complexity and for an unincorporated model in the absence of any clear added value from a more formal incorporated approach. A separate Local Asset Vehicle is under consideration which, if established, could sit alongside this mechanism and form part of the delivery arrangements for key physical projects linked to City Council assets.

At the other end of the spectrum, a wholly informal partnership arrangement was also discounted. Such a partnership could evolve through verbal agreement or a 'light touch' memorandum of understanding. Given the range of stakeholder interests and a desire to provide clarity over roles and responsibilities to both public and private sectors such an approach was considered to be inadequate for the purposes of driving forward Carlisle Renaissance in a timely manner.

Stakeholders preferred the proposition of a strategic management board, with responsibility for the management and delivery of the Economic Strategy devolved from the leading public sector partners – Carlisle City Council, Cumbria County Council and NWDA. The relationship with Cumbria Vision was highlighted as an important aspect in maintaining a sub-regional perspective on Carlisle's delivery activities, but critically the Stakeholders saw no reason why NWDA funding could not be devolved to the City level, with either the City or County Council acting as accountable body.

On this basis a formal Carlisle Renaissance Board, operating through a Collaboration Agreement, was considered to provide the most appropriate mechanism to champion/deliver economic development priorities in Carlisle.

Based on the preferences expressed by the Stakeholders, the consultancy team was instructed to develop more detailed proposals for:

- the establishment of the Carlisle Renaissance Board to co-ordinate all aspects of the delivery of the economic strategy and;
- the development of a Delivery Team to lead on the delivery of physical development projects and to co-ordinate programme management across the wider set of delivery agencies/activities which will contribute towards delivery of the economic strategy.

Heads of Terms have been developed to provide the framework for a Collaboration Agreement between the public sector stakeholders that would provide the key governance tool for future delivery management and co-ordination.

3 The proposed delivery model

3.1 The Collaboration Agreement

The proposed Heads of Terms provide for more formalised partnership arrangements by way of a Collaboration Agreement between the key public sector partners. The Collaboration Agreement does not constitute the creation of a corporate entity and is not legally binding. The agreement will not require the delegation of, or impact in any way upon, the statutory powers of the respective agencies. However, it will clearly identify the agreed duties, roles and responsibilities of each partner. Furthermore, the establishment of the Carlisle Renaissance Board must infer a willingness amongst the partners to delegate a sufficient degree of decision making (within agreed parameters) to enable the board to achieve its objectives.

The full Heads of Terms are set out in Appendix IV. A summary of the key features of the proposed Collaboration Agreement is set out below:

Governance structure

- The Board will be established by its Founding Partners – Carlisle City Council, Cumbria County council and NWDA.
- The individual Founding Partners will retain full authority over a range of reserved matters such as the admission of new partners to the Agreement or material variations to an agreed Action Plan that will guide its activities.
- The Collaboration will itself not be able to contract with third parties, hold assets or employ staff. It is proposed that Carlisle City Council shall be the ‘lead’ organisation, taking responsibility for such ‘business functions’.
- The Board shall comprise nine members, being a representative from each of the three founding Partners, one member nominated by Cumbria Vision and five private sector members. The Board chair will be a private sector member. Resolutions of the Board will be by majority vote.
- The Board should meet at least once a quarter and strict guidelines will be in place to govern attendance.
- The Economic Strategy and Action Plan will provide the Board with a clear framework within which to deliver projects and oversee the activities of other organisations engaged in delivery.

The Delivery Team

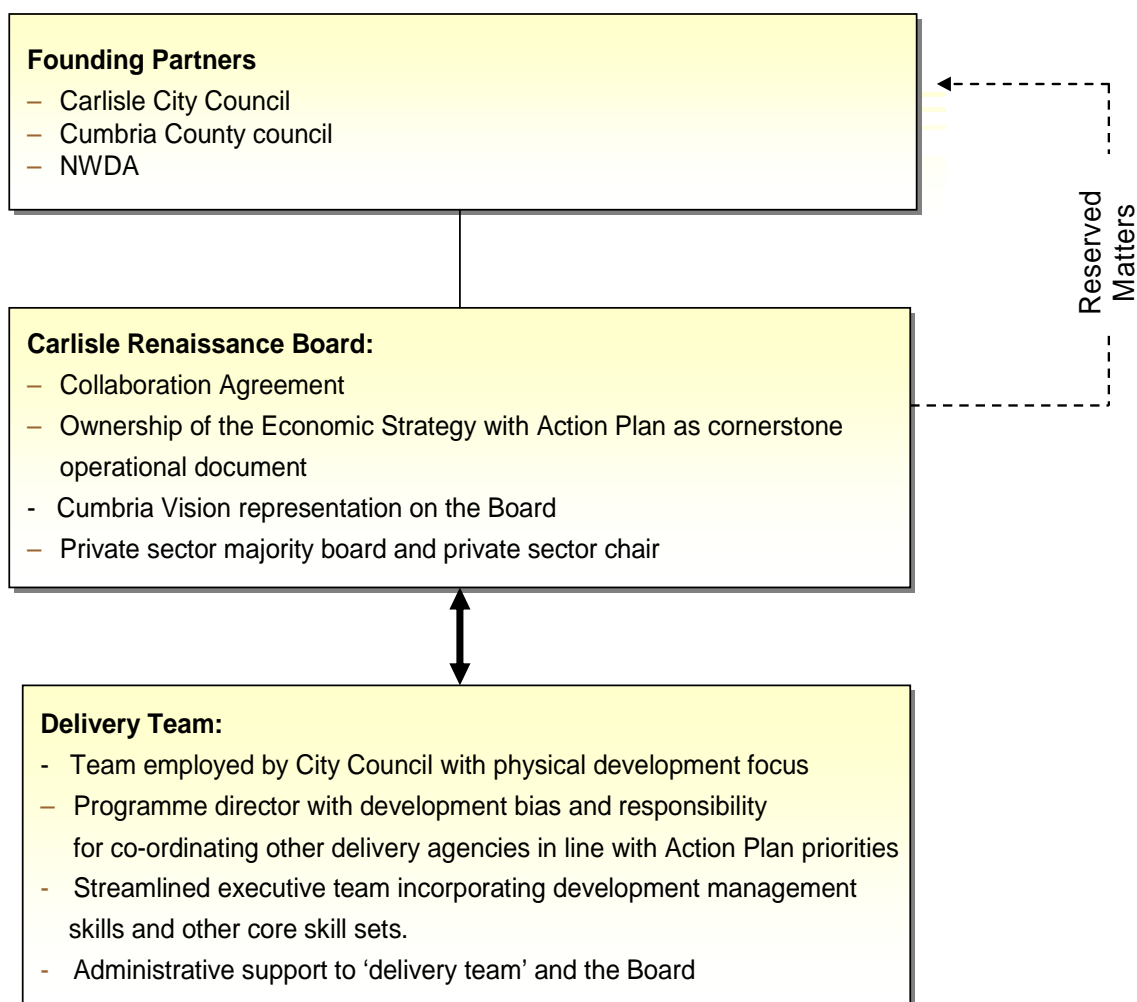
- A Delivery Team will be established to lead the delivery of the Action Plan with specific responsibility for leading the delivery of physical development projects.
- A Programme Director will be appointed to lead the Delivery Team and the day to day activities of co-ordinating the full range of delivery agencies relevant to the Action Plan.
- The Programme Director will interface with the Board and provide progress reports.
- Formal reporting arrangements will be developed by the Programme Director and the role of the Board will be to hold delivery agencies to account in respect of their objectives under the Action Plan.
- The Delivery Team will incorporate development management and urban design skills and have access to project management, communications and external funding support as required

The Action Plan

The Action Plan will:

- Comprise a programme of deliverable projects to secure the effective implementation of the priorities of the Economic Strategy. It therefore represents the key cornerstone operational document of the Board.
- Divide in to three distinct elements identifying objectives/projects for the: long (strategic plan), medium (forward programme) and short term (priority commitments).
- Set out details of priority projects including budget and funding forecasts, milestones, outputs and outcomes and project management arrangements.

Figure 1 Operational structure of Board and Delivery Team



3.2 Operational rationale

The Board is intended to address a gap within Carlisle's strategic capacity by providing high level championship of the Economic Strategy and overseeing the co-ordination of its delivery. From a delivery perspective a wide range of agencies currently exist which will be responsible for delivering relevant/appropriate components of the Action Plan.

At this stage it is anticipated that existing agencies can deliver work themes flowing from the People and Connections themes identified within the Economic Strategy but the need for better and more co-ordinated partnership working must be recognised. The work themes under 'Place' are considered to represent a greater challenge to existing delivery capacity. Many of the stakeholders consulted suggested that 'revitalising the city centre and communities' through a comprehensive programme of physical development projects represents a key priority for driving forward economic growth across the city.

Furthermore, all partners agree that there is insufficient existing capacity to effectively deliver development priorities and projects. On this basis, new/enhanced delivery arrangements are required. The Delivery Team, under the leadership of a Programme Director, will therefore have an initial focus on the delivery of physical development projects across the District. However, as champion of the wider Economic Strategy the Board will oversee other delivery agencies, in line with the prospective Action Plan, and the Programme Director's role will extend beyond management of the core physical development team to include the co-ordination of other priority Action Plan projects.

It is anticipated that over time, as physical development priority projects are brought forward, the Board will be better placed to broaden its focus over a wider range of economic development initiatives. This may require the expansion of the Delivery Team which could include a specialist 'programme management' function (of all delivery agencies) and/or the development of more formalised reporting arrangements to underpin the accountability of other delivery agencies to the Board.

3.3 Establishment plan

Based on the Heads of Terms, outlined above, an indicative establishment plan has been discussed with the Task & Finish Group. This is to be driven by a temporary Steering Group set up with a specific remit to lead the Board and Delivery Team establishment process and prepare a draft Action Plan for adoption by the Founding Partners and the Board. The Terms of Reference for the Steering Group are attached at Appendix V.

A summary of the key establishment tasks is set out below:

The set of tasks are not exhaustive nor are they intended to be sequential. Much of the preparatory work can run in parallel.

Carlisle Renaissance Establishment Process	
Work Stream	Action/Summary
1. Completing collaboration agreement	i) Finalise Heads of Terms (Heads) <input type="checkbox"/> Circulate Heads between Founding Partners and agree any suggested amendments.
	ii) Sign off by Founding Partners <input type="checkbox"/> Formal agreement of all Founding Partners prior to formal documentation being drawn up.

	<p>iii) Preparation of full Collaboration Agreement</p> <ul style="list-style-type: none"> <input type="checkbox"/> Instruct legal team(s) to draw up formal collaboration agreement <p>Agreement to be 'binding' however statutory powers not fettered.</p>
	<p>iv) Completion of Collaboration Agreement</p> <ul style="list-style-type: none"> <input type="checkbox"/> Final execution of collaboration may not be achieved before the April deadline for the new Carlisle Renaissance Board. <input type="checkbox"/> The formal documentation of Collaboration should not delay the establishment process, however all partners should encourage a swift conclusion to the legal process.
2. Establishing a Steering Group	<p>i) Agree membership arrangements for Steering Group</p> <ul style="list-style-type: none"> <input type="checkbox"/> Membership to include each of the Founding Partners plus private sector membership to be drawn from Economy and Enterprise Group and other private sector organisations. <input type="checkbox"/> Key Steering Group task is to commission and oversee the production of the Action Plan.
	<p>ii) Agree meeting programme for Steering Group</p> <ul style="list-style-type: none"> <input type="checkbox"/> Steering Group overseeing intense period of establishment activity and therefore frequent meetings required.
3. Preparation of Action Plan	<p>i) Finalise and adopt Economic Strategy</p> <ul style="list-style-type: none"> <input type="checkbox"/> Strategy to be finalised in January 2008 with formal adoption by City Council programmed for March 2008. <input type="checkbox"/> Obtain agreement/support of NWDA, Cumbria County Council and Cumbria Vision for Strategy.
	<p>ii) Prepare brief for external consultancy support for Action Plan development</p> <ul style="list-style-type: none"> <input type="checkbox"/> Priority action and principle role of Steering Group. <input type="checkbox"/> Final draft Action Plan required by end of March.
	<p>iii) Commission Action Plan development</p> <ul style="list-style-type: none"> <input type="checkbox"/> Relatively tight time period for producing comprehensive Action Plan so commissioning period etc needs to be timely.
	<p>iv) Finalise Action Plan for adoption by the Board</p> <ul style="list-style-type: none"> <input type="checkbox"/> Action Plan to be agreed/adopted at first Board meeting. <input type="checkbox"/> Anticipated prioritisation of physical development projects however non-physical projects also likely to be identified. Action Plan to identify lead delivery agencies for all priority projects. Board to champion delivery of overall Action Plan.

<p>4. Appointment of Board</p>	<p><i>i) Steering Group to define private sector Chair and other board member skills</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Diversity of skill sets and experience required to align with functions of the Board. <input type="checkbox"/> Consideration of inclusion of 'third sector' appointments
	<p><i>ii) Founding Partners to initiate chair process and appointment</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Open and transparent process.
	<p><i>iii) Undertake appointment process of remaining private sector chair members</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Open and transparent.
<p>5. Establishment of delivery Team (see budget schedule)</p>	<p><i>i) Steering Group to finalise remit of delivery team</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Strong physical development focus. <input type="checkbox"/> Requirement for administrative support for 'delivery team' and to service the Board. <input type="checkbox"/> City Council to be employing body. <input type="checkbox"/> Acknowledgement that certain services will be 'bought in' i.e. Project Management and legal.
	<p><i>ii) Recruit and appoint new employees</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Agree funding arrangements for new posts. Finalise job/person specifications and undertake recruitment process. <input type="checkbox"/> Programme Director is priority appointment. Given timescales and need to run effective recruitment process (and likely notice period of incoming Director) interim arrangements may be required to oversee initial period.
<p>6. Set-up arrangements</p>	<p><i>i) Identify and lease office</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> City Centre location
	<p><i>ii) Purchase furniture/equipment</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> To include CR stationary design etc.
	<p><i>iii) Establish accounting arrangements/financial protocols</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> To be established with the Collaboration Agreement and any associated Service Level Agreements.
	<p><i>iv) Prepare/commission marketing strategy</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> To include promotion of actual establishment of new arrangements and specific priority projects flowing from the Action Plan

3.4 Operational structure and budget

3.4.1 Rationale for the Delivery Team

The Delivery Team will play a central role in working with the private sector to bring forward priority projects. By leading and promoting the Action Plan and preparing detailed strategies and briefs for key projects, the Delivery Team will ensure that investment opportunities are brought forward in a co-ordinated manner. Barriers to investment will be identified, including site problems, planning, ownership and funding. The team will work directly with landowners, the Local Authorities, NWDA and potential investors to resolve such issues.

Where necessary, the Delivery Team will promote the use of public sector powers to assemble sites for the market. Where advanced public investment is required in site preparation, infrastructure provision and other aspects of public realm, the Delivery Team will identify the key priorities and will work with funding agencies to focus investment plans to best serve the Action Plan, thereby providing a strategic approach to stimulating private sector investment interest.

The Delivery Team will be pro-active in identifying development opportunities, and also matching these to the developer/end users best suited to deliver the scheme. In order to do this the Programme Director should be appointed on the basis of depth of market knowledge as well as project delivery experience.

The Delivery Team will become a single point of contact for developer interest in physical development projects identified in the Action Plan, bringing together all of the strands of local, regional and national government. This should help to streamline the development process for private developers and investors.

3.4.2 Delivery team composition and roles

A core team is proposed as a dedicated resource reporting directly to the Board and consisting of the following roles and functions:

Position	Roles/responsibilities
Programme Director	<ul style="list-style-type: none"> <input type="checkbox"/> Lead adviser to the Board on all aspects of strategy and Action Plan delivery. <input type="checkbox"/> Lead executive for Programme Management and performance monitoring in respect of the Delivery Team and other agencies with identified roles in Action Plan delivery. <input type="checkbox"/> Management of Delivery Team to ensure Action Plan targets are met.
Development Managers (3 no.)	<ul style="list-style-type: none"> <input type="checkbox"/> Managing the delivery of specific physical development projects as defined in the Action Plan. <input type="checkbox"/> Managing the interface between public and private sector interests in project delivery. <input type="checkbox"/> Working closely with private developers and public sector funding agencies to secure effective and efficient project delivery. <input type="checkbox"/> Formulating project delivery strategy and ensuring delivery targets are met. <input type="checkbox"/> Monitoring project delivery progress and supporting the Programme Director on all aspects of programme management and delivery.

Urban Designer	<ul style="list-style-type: none"> <input type="checkbox"/> Specialist urban design professional to shape and oversee the design quality of development projects. <input type="checkbox"/> Critical input into the design and delivery of physical projects to reflect the emphasis placed on design quality and connectivity.
Administrators (2 no.)	<ul style="list-style-type: none"> <input type="checkbox"/> Providing efficient and effective secretarial and administrative support to the Delivery Team. <input type="checkbox"/> Providing administrative support to the Board. <input type="checkbox"/> Establishing and maintaining administrative systems for the Delivery Team and Board.

The role of the Programme Manager will be critical in providing executive direction and leadership in the delivery of the Action Plan and will become a key agent in the promotion and co-ordination of programme delivery. As such, this is a senior position requiring high level expertise in property development and public-private sector partnerships in a regeneration context. The individual will also need well developed communication/negotiation skills commensurate with the complex and multi-agency nature of the key development projects and wider programme.

The Development Managers will be critical to the day to day progress of development schemes and will need to have the necessary skills and expertise to manage complex physical development projects and to work closely with private landowners and developers together with public sector agencies to bring projects to fruition.

The Programme Manager position will be a new appointment and subject to a national recruitment process. This is likely to require recruitment consultancy support to attract an appropriate candidate with the level of skills and experience required for the position. In addition, it is anticipated that one of the development manager roles and one of the administrator's roles will also be new appointments. The remainder of the core team represent existing City Council employees/secondees.

3.4.3 Technical support services

It is recognised that not all the necessary skills and expertise to secure project delivery need to be retained directly within the core Delivery Team. Where the Delivery Team requires additional specialist support on aspects of ongoing project delivery, this will be procured externally, either through the Partners, particularly the City Council or County Council or through consultancy support. The key areas where such support is envisaged include:

- Project Management (contracted in as required);
- PR/Communications (dedicated existing City Council employee and external PR agency support);
- Transport Planning (dedicated County Council employee);
- Co-ordination of bids to external funders (dedicated existing City Council employee)

In addition to this dedicated technical resource the Delivery Team will require project specific specialist advice such as quantity/structural surveying, property valuation and design, and these services will be contracted on a project by project basis and be reflected in project costs.

3.4.4 Operating costs

It is proposed that the Delivery Team should occupy premises at 'arms-length' from the Partners. This will assist in ensuring that Carlisle Renaissance is perceived as a public/private partnership with an appropriate degree of independence in its operations. This approach has proved effective with URCs nationally and can support the process of attracting private sector interest in the initiative.

The Delivery Team will retain its own separately identifiable budget to cover the costs of a range of operational expenses, including legal, financial and personnel services as well as equipment and consumables. At this stage it is assumed that the position of Chair of the Board may attract remuneration on a pro rata basis to be determined.

3.4.5 Establishment costs

A number of 'one-off establishment costs have been identified:

- Recruitment cost in relation to the Programme Director and Board members.
- Procuring external consultancy support services to develop the Action Plan.
- Legal costs relating to the development of the formal Collaboration Agreement and any Service Level Agreements required to formalise delivery arrangements of Action Plan between partners

3.4.6 Preliminary operational budget

A budget forecast for 2008/09 to 2010/11 set out in the table below. Salary costs are inclusive of employers 'on costs' and relocation expenses where appropriate. All costs are index linked at 2.5% per annum.

Proposed budget				
	Q4	All	All	All
	2007/08	2008/09	2009/10	2010/11
CORE TEAM				
Programme Director		106,633	101,099	103,626
Development Manager		62,520	64,083	65,686
Development Manager		60,000	63,000	66,000
Development Manager		30,409	41,132	42,161
Planner/Urban Designer		42,141	43,195	44,274
PA/Office Manager		26,621	29,476	30,213
Administrative Assistant		18,555	19,374	20,285
Employers Liability Insurance		4,000	4,200	4,200
Sub total		350,880	365,559	376,445
TECHNICAL SERVICES				
Project Management		80,000	82,000	84,050
PR / Communications		81,928	83,976	86,075
Transport Planning		52,641	46,782	47,952
External Funding		43,579	44,669	45,786
Sub total		258,148	257,427	263,862
OPERATING EXPENSES				
Lease		20,000	20,500	21,013
Consumables		10,000	10,250	10,506
Communications		12,000	12,300	12,608
Board Expenses		10,000	10,250	10,506
Staff Expenses		25,000	25,625	26,266
Office Equipment		20,000	20,500	21,013
Legal Accountancy Personnel		30,000	30,750	31,519
Sundries		10,000	10,250	10,506
Sub total		137,000	140,425	143,936
ESTABLISHMENT				
Recruitment	25,000			
Action Plan	75,000			
Legal Fees	50,000			
Sub total	150,000			
TOTAL	150,000	746,028	763,411	784,243

3.4.7 Funding sources

The Collaboration Agreement assumes that the three founding partners will meet the operating costs of the new delivery mechanism. The specific contributions of the City Council, County Council and the Northwest Development Agency are to be agreed but the tables below present a provisional funding breakdown for each partner:

Proposed City Council Funding				
	Q4	All	All	All
	2007/08	2008/09	2009/10	2010/11
CORE TEAM				
Development Manager		62,520	64,083	65,686
Development Manager		30,409	41,132	42,161
Urban Designer		42,141	43,195	44,274
PA/Office Manager		26,621	29,476	30,213
Administrative Assistant		18,555	19,374	20,285
Employers Liability Insurance		4,000	4,200	4,200
Sub total		184,246	201,460	206,818
TECHNICAL SERVICES				
PR / Communications		31,928	32,726	33,544
External Funding		43,579	44,669	45,786
Sub total		75,507	77,395	79,330
OPERATING EXPENSES				
Sub total		0	0	0
ESTABLISHMENT				
Sub total		0		
TOTAL		0	259,753	278,855
			278,855	286,148

The Executive of the City Council's draft budget proposals for 2008/09 to 2010/10 includes a revenue sum for Carlisle Renaissance based on a continuation of existing levels of funding.

Proposed NWDA Funding				
	Q4	All	All	All
	2007/08	2008/09	2009/10	2010/11
CORE TEAM				
Programme Director		106,633	101,099	103,626
Development Manager		60,000	63,000	66,000
Sub total		166,633	164,099	169,626
TECHNICAL SERVICES				
Project Management		80,000	82,000	84,050
PR / Communications		50,000	51,250	52,531
Transport Planning		52,641	46,782	47,952
Sub total		182,641	180,032	184,533
OPERATING EXPENSES				
Sub total		0	0	0
ESTABLISHMENT				
Recruitment	25,000			
Action Plan	75,000			
Legal Fees	50,000			
Sub total	150,000			
TOTAL	150,000	349,274	344,131	354,159

In December 2007 the City Council submitted a revenue funding application to the Northwest Development Agency for a range of core costs including those identified above.

Proposed County Council Contribution				
	Q4	All	All	All
	2007/08	2008/09	2009/10	2010/11
CORE TEAM				
Sub total		0	0	0
TECHNICAL SERVICES				
Sub total		0	0	0
OPERATING EXPENSES				
Lease		20,000	20,500	21,013
Consumables		10,000	10,250	10,506
Communications		12,000	12,300	12,608
Board Expenses		10,000	10,250	10,506
Staff Expenses		25,000	25,625	26,266
Office Equipment		20,000	20,500	21,013
Legal Accountancy Personnel		30,000	30,750	31,519
Sundries		10,000	10,250	10,506
Sub total		137,000	140,425	143,936
ESTABLISHMENT				
Sub total		0		
TOTAL		0	137,000	140,425
			143,936	

The table below summarises the balance of funding contributions based on the assumptions above.

Summary of proposed funding contributions				
	Q4	All	All	All
	2007/08	2008/09	2009/10	2010/11
Carlisle City Council	0	259,753	278,855	286,148
Cumbria County Council	0	137,000	140,425	143,936
Northwest Development Agency	150,000	349,274	344,131	354,159
TOTAL	150,000	746,028	763,411	784,243
Local Authority contribution		53%	55%	55%
NWDA Contribution		47%	45%	45%

APPENDIX I CONSULTANTS BRIEF

**INVITATION TO
TENDER FOR CONSULTANCY SERVICES**

The logo for Carlisle Renaissance, consisting of a dark red rectangular box with the words "Carlisle" and "renaissance" stacked vertically in a white, lowercase, sans-serif font.

Carlisle
renaissance

21ST September 2007

Introduction

The Northwest Development Agency is supporting Carlisle City Council and other partners wish to procure suitably qualified and experienced consultants to prepare the case for the establishment of a special purpose vehicle or other such appropriate mechanism to lead the delivery of Carlisle Renaissance.

Background

Carlisle Renaissance is an ambitious agenda for change launched in 2005 following the devastating floods of that year. Since its launch the City Council with the support of a wide range of partners and stakeholders has been working to put in place long term strategic plans for physical and economic development. The Carlisle Partnership (LSP) has led the preparation of a new Economic Strategy for Carlisle.

Detailed project plans and associated technical studies etc. are now being prepared for City Centre developments and over the last 12-months the City Council has embarked upon a series of pilot projects in areas such as training, business development and public realm improvement. In order to achieve the step change in the performance of the economy we aspire to it is vital that we now gear up for delivery on a more significant scale.

There are many ways in which this can be achieved and many examples of different approaches/mechanisms applied elsewhere in the Country, including Vision Boards and unincorporated partnership structures, Urban Regeneration Companies and more recently City Development Companies.

The City Council has resolved in principle to establish a form of regeneration company to manage the delivery of Carlisle Renaissance. However, both the City Council and its partners need to be assured that the mechanism that is put in place is fit for purpose and reflects specific objectives and priorities at a local level. This could involve the establishment of a special purpose vehicle.

In a parallel exercise the City Council is considering the potential of establishing a Local Asset Vehicle involving the use of its existing asset base and this will clearly have implications for the delivery landscape in Carlisle.

Scope of Work

The consultant will be required to work with a client side Task & Finish Group (see below for membership) in preparing the case for the establishment of a special purpose vehicle or other such appropriate mechanism to lead the delivery of Carlisle Renaissance. The scope of work is expected to involve: -

- Establishing the proposed remit/work programme based on a critical assessment of current strategies, plans and priorities

- Defining a 'preferred' delivery model based on a review of potential options for delivery models appropriate to this remit/work programme
- Establishing the proposed governance, financial and operation management structure of the preferred model
- Setting out a phased establishment process and appropriate transitional arrangements

It is anticipated that a number of workshop sessions will be required with the Task & Finish Group during the period of this commission with working papers issued as appropriate.

Provision must be made for additional briefing sessions with each of the organisations represented in the Task & Finish Group at an appropriate stage in the process. This may for example involve briefing senior managers, elected members and groups of key stakeholders.

A final report must be presented as an outline business case that is capable of use in securing the adoption of the preferred model by those organisations represented in the Task & Finish Group.

Procurement

Members of the Northwest Development Agency Appraisal Panel have been invited to tender for this commission. The tender evaluation and selection process will be undertaken by the Task & Finish Group. The selected consultant will be appointed directly by the Northwest Development Agency in accordance with the provisions, terms and conditions of their existing panel appointment.

Prospective consultants must provide the following information in their proposal:

-

- A method statement that demonstrates understanding of the brief, overall approach, key stages, tasks and activities, milestones, programme and risk factors
- The individuals who will be deployed, their respective roles and responsibilities (incl. CVs illustrating relevant experience) and where appropriate arrangements for the management of panel approved sub-contractors.
- A capability statement for the organisation(s) involved which demonstrates through project/subject experience their suitability to undertake the task
- A fixed fee proposal identifying the allocation of time per individual against key stages/tasks identified in the method statement and a day rate for additional draw down of support if required. Fees must be stated exclusive of VAT but inclusive of reasonable expenses.

Proposals must include for the provision of legal advice. It may be preferable for this to be secured from a legal advisor that is a member of the Northwest Development Agency Legal Panel. Details of this panel are attached.

Timetable & Reporting

The deadline for tender submissions is 11:00am on 8th October 2007. Tender documents received late will not be considered. The tender is to be submitted to:

-

Ian McNichol
Director of Carlisle Renaissance
Carlisle City Council
Civic Centre
Rickergate
Carlisle
CA3 8QG

Tenders will be evaluated and the successful consultant notified by 12th October 2007. A consultant inception meeting is scheduled for the afternoon of 19th October 2007 in Carlisle.

The consultant's final report must be completed and issued to the Task & Finish Group by the 17th December 2007.

The Director of Carlisle Renaissance will be the lead contact on day-to-day matters concerning the commission.

The City Council will provide such assistance as is appropriate to facilitate the organisation of meetings/workshops etc. and the provision/circulation of information, papers and reports etc.

Further Information

Detailed background information on Carlisle Renaissance is available from the City Councils web site at www.carlisle.gov.uk. Those expressing an interest in submitting a proposal will receive a copy of the Consultation Draft Economic Strategy for Carlisle. Prior to the formal launch of this document on 4th October it should be treated as strictly confidential.

The following organisations are represented in the Task & Finish Group

- Carlisle Partnership Economy & Enterprise Priority Group
- Carlisle City Council
- Cumbria County Council
- Cumbria Vision
- Northwest Development Agency

- English Partnerships

If you require and further information or any queries please contact Ian McNichol, Director of Carlisle Renaissance on 01228 817002 / 07968 743505 or via email to ianmc@carlisle.gov.uk

APPENDIX II SCHEDULE OF CONSULTEES

CR Delivery Mechanism List of Consultees	
Name	Organisation
David Chilton	English Partnerships
Allan Haile	Cumbria County Council
Mark Lambert	Carlisle City Council
Angela Brown	Carlisle City Council
Cllr Tim Stoddard	Cumbria County Council
Ian McNichol	Carlisle City Council
Maggie Mooney	Carlisle City Council
Cllr Tony Markley	Cumbria County Council
David Sheard	Cumbria County Council
Cllr Michael Boaden	Carlisle City Council
Cllr Colin Glover	Carlisle City Council
Catherine Elliot	Carlisle City Council
Robert Johnston	Cumbria Chamber of Commerce
Cllr Mike Mitchelson	Carlisle City Council
John Egan	Carlisle City Council
John Nixon	CUFC
Trevor Hebden	H & H Group
Richard Greenwood	Cumbria Vision
Cllr Jim Tootle	Carlisle City Council
Andrew Sproat	NWDA
Stewart Swift	NWDA
Cllr Ray Bloxham	Carlisle City Council
Cllr Barry Earp	Carlisle City Council
Cllr John Mallinson	Carlisle City Council

APPENDIX III

Definition of governance options

Option 1 'Do Nothing'

Option 1 analysis

Strengths

- Avoids governance complexity or costs for establishing new arrangements
- Maintains current levels of private sector engagement through Carlisle LSP/ Economic Task Group

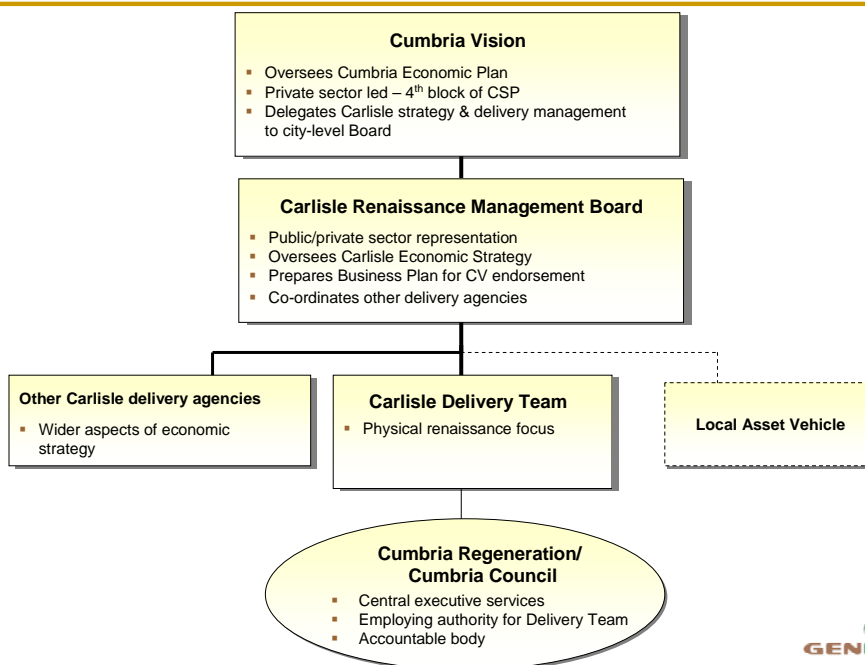
Weaknesses

- Lack of strategic leadership for strategy delivery
- Private sector interest likely to diminish
- Limited representation of Carlisle interests at sub-regional level

Impact

- Limited City control / influence over sub-regional delivery arrangements / priorities
- Delivery activities at City level likely to be piecemeal and lack co-ordination
- Requirement to increase delivery capacity at sub regional level.

Option 2



Option 2 analysis

Strengths

- Provides local ownership of strategy development and local accountability over delivery.
- Direct linkages with Cumbria Vision to maintain sub-regional approach
- Efficiency savings through centralised executive funding – increasing delivery capacity.
- Potential for sharing of resources and expertise across sub-region.
- County Council VAT status and 'cashflowing ability'.

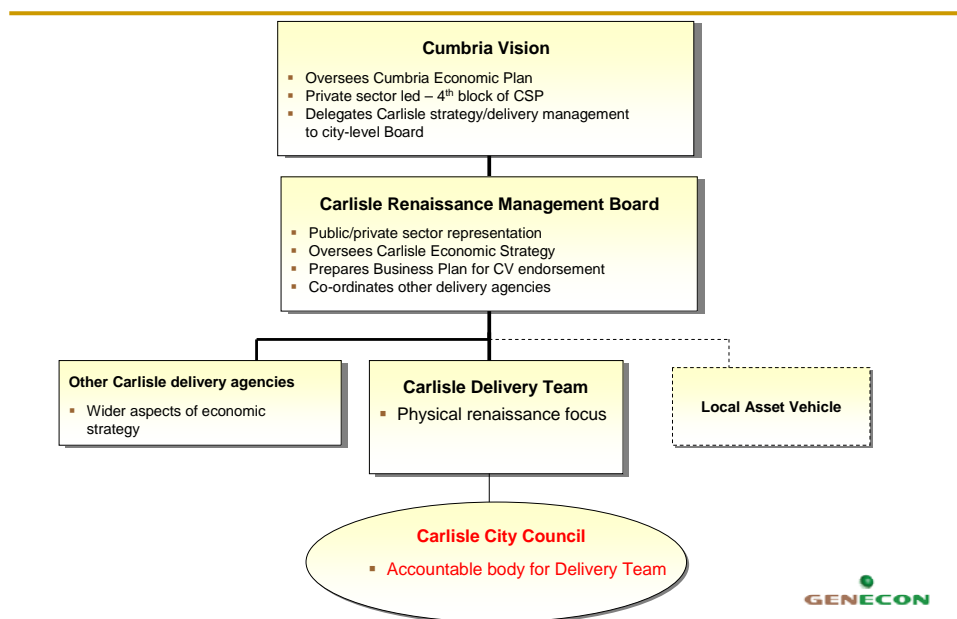
Weaknesses

- Unclear who has ultimate responsibility for strategy development.
- Other districts may require same arrangements.
- Timescales unclear.

Impact

- Role, function and composition of Carlisle Strategy Board is critical.
- Requirement to establish new entity - potentially governed through an MoU.
- County Council employees (within delivery team) being held to account by Carlisle Strategy Board – contractual arrangements / SLAs with delivery team.
- County Council responsible for tax, state aid and procurement considerations.
- Gives options for NWDA in terms of funding delegations.

Option 3



Option 3 analysis

Strengths

- Provides local ownership of strategy development and delivery.
- Direct linkages with Cumbria Vision to maintain a sub-regional approach.

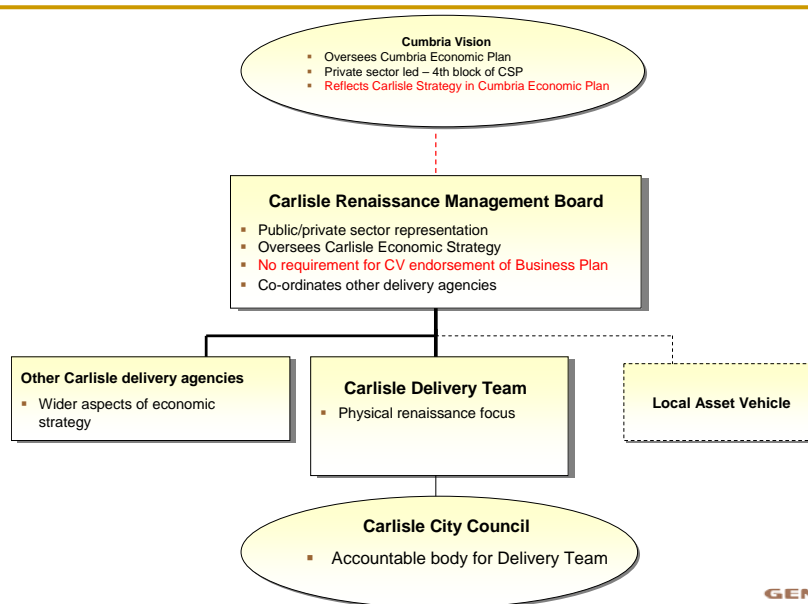
Weaknesses

- No efficiency savings achieved in relation to Carlisle.
- Impact on delegation of funding unclear.
- Other districts may require similar arrangements.
- Timescales unclear.

Impact

- Role, function and composition of Strategy Board is critical. Relationship with CV needs clarification.
- Requirement to establish new strategy entity - potentially governed through an MoU.
- County Council not responsible for delivery. Local capacity needs to be significantly enhanced.
- Delivery structure could take various forms (dependant on function)
- City Council responsible for tax, state aid and procurement considerations.

Option 4



Option 4 analysis

Strengths

- Provides local ownership of strategy development and delivery.
- Potential for funding delegation from NWDA

Weaknesses

- Lack of a cohesive strategy across Cumbria and weaker links to Cumbria Vision
- Impact on delegation of funding unclear.
- Formation of new bodies required.
- No efficiency savings achieved in relation to Carlisle.
- Timescales unclear.

Impact

- Potential for streamlined governance of economic development at city level
- Total local ownership of strategy and delivery, requiring NWDA funding delegation
- County Council not responsible for delivery. Local capacity needs to be significantly enhanced. Uncertainty over resources and availability of funding.
- City Council responsible for tax, state aid and procurement considerations.

APPENDIX IV COLLABORATION AGREEMENT HEADS OF TERMS

HEADS OF TERMS

1. INTRODUCTION

- 1.1 Carlisle City Council ("City"), Cumbria County Council ("County") and the North West Development Agency ("NWDA") (together, the "Founding Partners", such references in these Heads of Terms to include their statutory successors and who, together with any additional persons admitted to the Collaboration (as defined below) are referred to as the "Partners") have been working together and with others to develop economic strategies for the economic growth and development of the Carlisle City Region ("Carlisle") and Cumbria.
- 1.2 In the case of Carlisle a draft economic strategy was published for consultation on 5 October 2007 by the Economic Development and Enterprise Group forming part of the Carlisle Partnerships ("CP"), the Local Strategic Partnership for Carlisle whose membership is drawn from representatives of the public, private and voluntary sectors ("the Strategy").
- 1.3 Following a review by the Partners and other key stakeholders, the Partners have concluded that there is a requirement for the establishment of a strategic management board ("the Board") to co-ordinate and oversee the development and implementation of an action plan ("the Action Plan") to give effect to the Strategy once it has been endorsed in its final form (the "Collaboration"). The Collaboration will be a contractual arrangement between the Partners but will not involve the constitution of a formal legal partnership (incorporated or otherwise).
- 1.4 These Heads of Terms set out the basis on which the Collaboration will take place and summarise the principal terms of a collaboration agreement between the Partners (the "Collaboration Agreement"). The overarching purpose of the Collaboration Agreement is to reflect and record the commitment of the Partners in working together to achieve the deliverables set out in the Action Plan (as described in paragraph 7.1.1 below).
- 1.5 The Partners agree that these Heads of Terms are not intended to give rise to legally binding obligations enforceable in the Courts of England and Wales.
- 1.6 Although these Heads of Terms are made between the Founding Partners, the Founding Partners acknowledge that other organisations will need to be engaged or influenced in relation to the delivery of the Partners' aims and objectives in the Collaboration. The Partners will need to assess how these organisations will be engaged or influenced as part of the Collaboration and how their respective roles will be incorporated into the Collaboration Agreement and the Action Plan, if appropriate.

2. THE PROJECT REMIT AND PARTNER OBJECTIVES

2.1 The Founding Partners have agreed the following objectives which underpin their rationale entering into the Collaboration Agreement:

- 2.1.1 To establish more effective arrangements for the governance and co-ordinated delivery of economic development initiatives in Carlisle and specifically to champion the new Economic Strategy and prospective Action Plan.
- 2.1.2 To establish a mechanism for collaboration across key public stakeholders and identify respective roles and responsibilities of each public body;
- 2.1.3 To establish a mechanism for optimising private sector influence within the decision making process;
- 2.1.4 To establish a vehicle for effectively engaging with the private sector by providing clarity and confidence in local governance arrangements.

3. SCOPE OF THE COLLABORATION AGREEMENT

3.1 The scope of the Collaboration Agreement is to govern the activities of the Collaboration and to allocate responsibility between the Partners for the co-ordination and management of the delivery of all aspects of the Strategy. Activities of the Collaboration will include:

- 3.1.1 the definition of a programme of activity by the Partners to be set out in the Action Plan as amended from time to time - see paragraph 7;
- 3.1.2 ensuring the commitment of the Partners to the provision of appropriate resources and expertise to promote and deliver the Action Plan - see paragraph 5;
- 3.1.3 securing ownership of the Action Plan by the Collaboration and commitment by each of the Partners to its delivery - see paragraph 4;
- 3.1.4 the establishment of the Board to lead and champion the delivery of the Action Plan, ensure its effective co-ordination and report progress to the Partners on a timely basis - see paragraphs 7 and 8;
- 3.1.5 the appointment of a programme director ("Programme Director") to support the programme management functions of the Board in relation to the delivery of the Action Plan;
- 3.1.6 ensuring appropriate Partner representation on the Board and the facilitation of wider representation on the Board - see paragraph 5.2;

- 3.1.7 the effective advocacy of the Action Plan - see paragraph 4;
 - 3.1.8 the effective interface between the Collaboration and the private sector in order to enhance market confidence - see paragraph 5.2;
 - 3.1.9 empowering the Programme Director to co-ordinate Partner delivery activity and accountability in line with the Action Plan - see paragraph 5.3.
- 3.2 Notwithstanding the above or any other provision of these Heads of Terms, the Founding Partners recognise that each of them has its own decision making arrangements, statutory powers, duties and responsibilities and nothing in these Heads of Terms or in the Collaboration Agreement shall affect or fetter their respective rights, obligations and statutory discretions and that, therefore, the approval of any of the matters described in paragraph 5.1.3 will be subject to ratification by each Founding Partner in accordance with its own governance and delegation arrangements.

4. **RESPONSIBILITIES OF THE PARTNERS**

- 4.1 In connection with and to further the objectives of the Collaboration, all of the Partners will:
- 4.1.1 at all times act in good faith;
 - 4.1.2 promote all aspects of the Action Plan;
 - 4.1.3 deliver the actions for which it has accepted responsibility in line with the Action Plan;
 - 4.1.4 seek to ensure that funding and resources are in place for the operation of the Board and the activities of the Programme Director and an executive team ("Executive Team");
 - 4.1.5 seek to ensure that funding and resources are in place to support the Action Plan;
 - 4.1.6 identify the potential for Partners' current and future land assets in Carlisle to be used in support of the delivery of the Action Plan;
 - 4.1.7 through the Collaboration, create a forum in which "special purposes" may be identified and proposals formulated and considered for the establishment of dedicated delivery mechanisms to deliver aspects of the Action Plan. Such "special purposes" may include (without limitation) project delivery and/or funding structures;

- 4.1.8 notify and keep each other and the Board informed of all current policies (whether local, sub-regional, national or supra-national) which may affect the exercise of their powers and the ability to meet their obligations under the Action Plan and where there is a change in policy which has an implication on the deliverability of the Action Plan the Founding Partners shall meet to review the then current Action Plan in accordance with paragraph 7;
- 4.1.9 comply with the reporting and monitoring mechanisms established by the Programme Director - see paragraph 5.3.4;
- 4.2 The Partners shall work together to agree and identify what resources are required for the effective operation of the Collaboration and ensure that funding and resources are in place for the operation of the Board and the activities of the Programme Director and the Executive Team.

5. OPERATION OF THE COLLABORATION

5.1 Founding Partners

- 5.1.1 The following organisations will be the "Founding Partners" of the Collaboration.
 - 5.1.1.1 City
 - 5.1.1.2 County
 - 5.1.1.3 NWDA
- 5.1.2 No additional Partner may be admitted to the Collaboration without the prior unanimous consent of the Founding Partners.
- 5.1.3 The Collaboration shall operate through the Board save that the following shall require the prior written unanimous consent of the Founding Partners:
 - 5.1.3.1 the approval of or any variation to the Strategy (or any part of it);
 - 5.1.3.2 the approval of or any variation to the Action Plan (or any part of it);
 - 5.1.3.3 the application of any grant or other funding other than as set out in the Action Plan;
 - 5.1.3.4 the undertaking of any activity which conflicts with the Action Plan (or any part of it); and

5.1.3.5 the decision to transfer the activities of the Collaboration to any incorporated body.

5.1.4 If the Founding Partners are unable to agree on any matter referred to them pursuant to paragraph 5.1.3 due to a lack of unanimity, all Founding Partners shall submit to each other a written paper setting out their respective positions and the reasons for adopting such positions. The Founding Partners shall then meet and use their reasonable endeavours to resolve such dispute.

5.2 The Board

5.2.1 The Founding Partners shall establish the Board which shall be responsible for co-ordinating and overseeing the delivery of the Action Plan and which will also be responsible for ensuring effective interface between the Collaboration, Cumbria Vision and the private sector in order to enhance market confidence.

5.2.2 The Board shall be made up of nine members comprising:

5.2.2.1 one representative of each of the Founding Partners who shall have the right to appoint an observer who may attend and speak at meetings in his or her absence. Observers appointed under this paragraph 5.2.2.1 shall not have the right to vote on any resolutions put to the meeting. In the case of the City the representative shall be the Council Leader. In the case of the County, the representative shall be an elected member nominated by County and in the case of NWDA, the representative shall be a senior executive officer nominated by NWDA;

5.2.2.2 if willing to act, one person nominated by Cumbria Vision and drawn from the private sector representatives on its board;

5.2.2.3 five private sector members (each of whom shall be appointed through a transparent process by reference to agreed selection criteria) who shall not have the right to appoint an alternate; and

5.2.2.4 such other persons as the Founding Partners may nominate or as the Board shall agree from time to time (such persons to be observers (the "Observers")).

5.2.3 The initial chair of the Board ("the Chair") shall be drawn from the private sector and appointed by the Founding Partners. Subsequent

Board chairs shall be appointed by the Board from the private sector. "The Chair" shall regulate meetings of the Collaboration Board provided that:

- 5.2.3.1 the Board shall meet at least once in each quarter;
- 5.2.3.2 a representative from all of the Founding Partners must be present in order for a meeting to be quorate and able to transact business.
- 5.2.4 The Board may establish committees of the Board comprising one or more members representing the Founding Partners, private sector members who shall constitute a majority on any such committee and observers with or without the right to vote to consider and, if thought appropriate, submit proposals to the Board in relation to specific elements of the Action Plan and its delivery.
- 5.2.5 The Observers shall be entitled to attend meetings of the Board provided that the Chair has had reasonable prior notification of such attendance. The Chair shall determine the manner in which Observers may speak at meetings. The Observers shall not have a vote at any meeting of the Board.
- 5.2.6 Resolutions of the Board shall be by majority vote.
- 5.2.7 In the case of equality of votes at a meeting of the Board, the Chair shall have a casting vote.
- 5.2.8 The Board shall adopt a code of conduct regulating the behaviour of, and disclosure of personal interests by, its members based on the principles of good corporate governance and having regard to the code of conduct and code of planning good practice adopted by City.
- 5.2.9 A record of proceedings of the Board and its committees shall be made available for public inspection provided always that where a matter is exempt under the Freedom of Information Act 2000 such matter shall be exempt from being recorded in the record of proceedings of the Board or, as the case may be, its committees. The Board shall agree to adopt a policy in relation to freedom of information.
- 5.2.10 The Founding Partners shall, so far as it is lawful to do so, take all reasonable steps to minimise the personal liability of members of the Board arising out of their acts or omissions (save for any fraudulent or other criminal acts or omissions) including the taking out of insurance policies and the provisions of indemnities.

5.3 Programme Director

5.3.1 The Board shall appoint the Programme Director who shall have a proven record in relation to physical development and shall be responsible for the programme management and accountability of Partners against delivery of the Action Plan. See paragraph 8 for detail.

5.4 Executive Team

5.4.1 The Programme Director will lead an Executive Team, the composition of which will be determined from time to time based on the requirements of the Action Plan.

5.4.2 The Action Plan may, over time, set out the requirement for the establishment of the Executive Team to be led by the Programme Director and comprising a number of programme managers with responsibility for defined activity areas of the Action Plan.

5.4.3 The Action Plan will, from time to time, set out the requirements of the Collaboration in terms of size and structure of the Executive Team.

5.4.4 The Programme Director will establish monitoring and reporting mechanisms with the delivery teams within each of the Partner organisations. The Partners undertake to comply with these mechanisms. See paragraph 8 for detail.

5.5 Pending the establishment of the Board, the Partners shall establish a steering group ("the Steering Group") comprised of representatives drawn from the Economic Development and Enterprise Strategy Group of Carlisle Local Strategic Partnership and the Private Sector Leadership Group established by City whose principal tasks shall be:

5.5.1 to develop the Action Plan; and

5.5.2 to oversee the appointment of the Chair and the private sector members of the Board and the Programme Director

in order that the Board is established and the Action Plan is adopted in each case not later than 1 April 2008.

6. **"LEAD" ORGANISATION**

6.1 The Founding Partners recognise that the Collaboration will itself not be able to contract with third parties, hold assets or employ staff. Therefore, it is agreed by the Founding Partners that City shall be the "lead" organisation for the business of the Collaboration and will:

- 6.1.1 employ the Programme Director and any members of the Executive Team on terms and conditions approved by the Board;
 - 6.1.2 not remove the Programme Director from office or change the agreed resourcing of the Executive Team without the prior approval of the Board;
 - 6.1.3 enter into any contracts for services reasonably required by the Board to enable the Board to carry out its activities;
 - 6.1.4 lease any premises required by the Collaboration for the administrative purposes of the Collaboration.
- 6.2 All costs, liabilities, claims and expenses arising from the employment, dismissal or redundancy of the Programme Director and any member of the Executive Team and his or its operation (including administration and accommodation costs insofar as not covered by other proposed sources of funding) will be shared among the Founding Partners on terms to be agreed.

7. **ACTION PLAN**

- 7.1 The Action Plan shall be agreed upon by the Founding Partners and shall be comprised of:
- 7.1.1 a strategic plan - setting out the aims and objectives of the Collaboration in the long term;
 - 7.1.2 a forward programme – setting out the projected activities of the Partners in support of the Collaboration in the medium term; and
 - 7.1.3 a delivery plan setting out the committed activities of the Partners in support of the Collaboration in the short term.
- 7.2 The Partners agree and acknowledge that the Action Plan will be the key cornerstone operational document for the Collaboration and that the first Action Plan will be annexed to the Collaboration Agreement.
- 7.3 The Action Plan shall set out (without limitation) the following:
- 7.3.1 projects to be delivered by the Partners;
 - 7.3.2 projects being delivered by other agencies which complement or reflect the strategy and the Partner primarily responsible for liaising with or influencing the agency in question;
 - 7.3.3 budgets/forecasts for project delivery;
 - 7.3.4 timing (i.e. milestones) for project delivery;

7.3.5 lead organisations for identified projects;

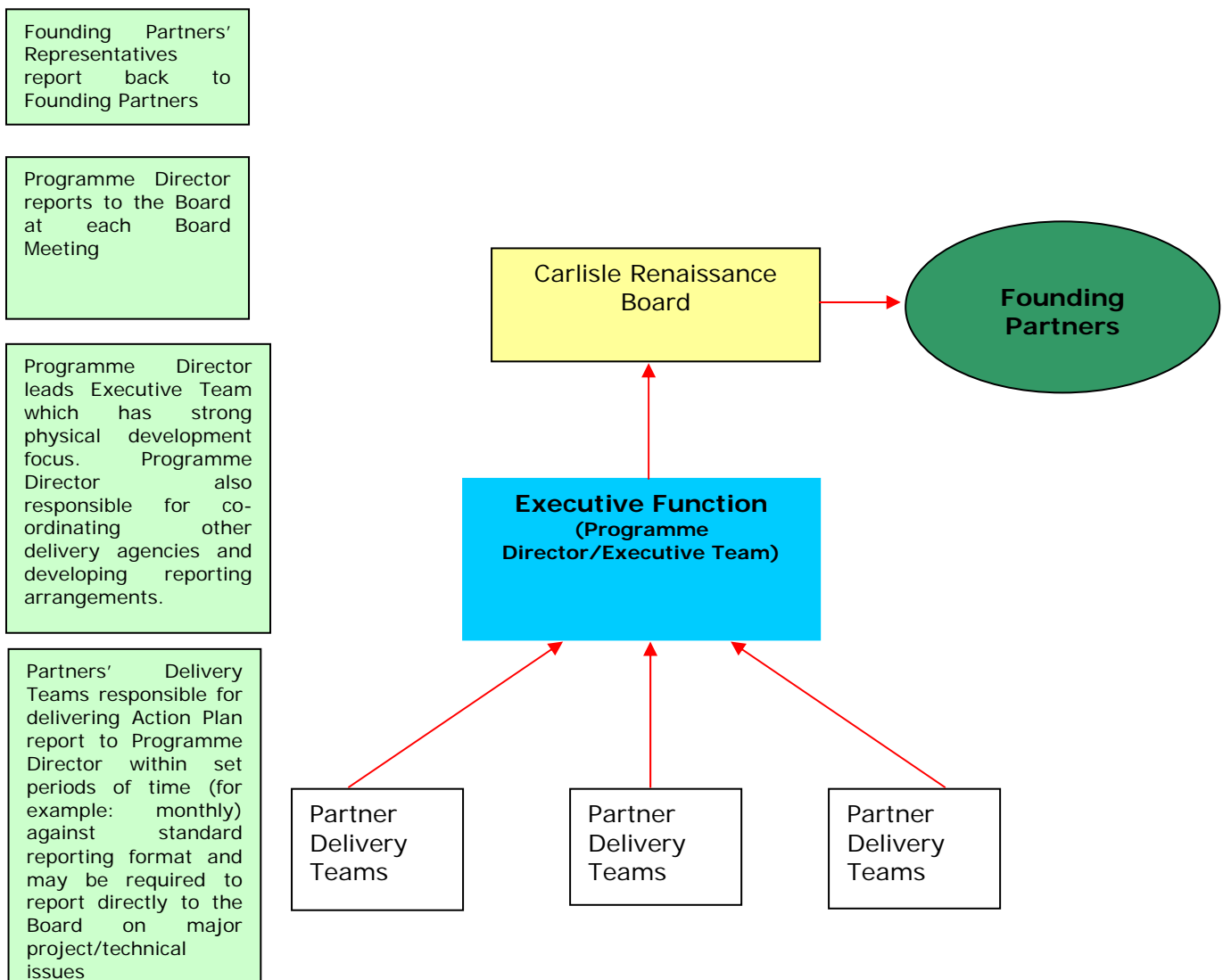
7.3.6 funding arrangements and risks associated with Action Plan delivery.

7.4 The Action Plan shall be reviewed at least once a year (or at such other times as the Board shall agree). It will be reviewed by the Board which will present an updated Action Plan to the Founding Partners for approval. For the avoidance of doubt, there shall be no variation to any Action Plan (or any aspect of it) without the Founding Partners' prior written consent.

7.5 Where there is a change in circumstances beyond the control of the Founding Partners which has an implication on the deliverability of the Action Plan the Founding Partners (as defined in paragraph 5.1) shall meet to review the then current Action Plan at the earliest opportunity and shall, if appropriate and acting reasonably, seek to revise the Action Plan to take account of such change in circumstances.

8. PROGRAMME MANAGEMENT & REPORTING AND MONITORING LINES

The reporting and monitoring lines will be as set out below:



9. **DURATION OF THE COLLABORATION**

- 9.1 The Partners agree that the Collaboration shall be long term collaboration.
- 9.2 Partners shall be entitled by giving not less than six months' written notice to the other Partners to expire at the end of a financial year to resign from the Collaboration but any such Partner shall be bound to fulfil its then current commitments as set out in the Action Plan at such time.
- 9.3 Should any Partner resign from the Collaboration, the Action Plan will be promptly reviewed and updated by the Board which will present an updated Action Plan to the remaining Founding Partners for approval.

APPENDIX V

TERMS OF REFERENCE FOR STEERING GROUP

STEERING GROUP

TERMS OF REFERENCE

Introduction

A number of groups have been established to engage the private sector in shaping the renaissance agenda for Carlisle.

An Economy & Enterprise Group has prepared a new Economic Strategy for Carlisle. It sets out a long-term vision and a series of objectives for achieving economic growth based around the themes of people, place and connections.

A Task & Finish Group has prepared the case for the establishment a new delivery mechanism for Carlisle Renaissance and achieve the objectives of the new Economic Strategy. This new mechanism will be based on a private sector led partnership Board and a dedicated delivery team supported by Carlisle City Council, Cumbria County Council and the Northwest Development Agency.

A Private Sector Leadership Group has met to review progress on Carlisle Renaissance and discuss potential priorities and projects within the context of the new Economic Strategy.

There are two critical milestones for Carlisle Renaissance; to establish the delivery mechanism and prepare an action plan for adoption by April 2008. It is proposed that the three groups be consolidated into a single steering group to oversee this process¹

Purpose

The purpose of the group is to oversee the establishment of the Carlisle Renaissance Board & Delivery Team and the preparation of an Action Plan by April 2008.

Scope of Work

The group will be required to provide strategic advice and guidance on the priorities, projects, milestones and funding of an Action Plan and participate in the process of recruiting the Board and a Programme Director to lead the Delivery Team.

Resources

The functions of the group will be supported by Carlisle City Council and facilitated by suitably qualified and experienced external advisors funded under

an agreement between Carlisle City Council and the Northwest Development Agency.

Membership & Chair

Private sector membership will be drawn from: -

- Economy & Enterprise Group,
- Task & Finish Group
- Private Sector Leadership Group

Public sector membership will be drawn from: -

- Carlisle City Council
- Cumbria County Council
- Cumbria Vision
- Northwest Development Agency

The Group will be chaired by the Vice Chancellor of the University of Cumbria. It will meet every two weeks in the period to 31st March 2008.

Milestones

Set out below are indicative tasks/milestones for the group: -

Milestone
Appoint advisors / review priorities and indicative projects
Agree job/role specs and recruitment process of Board and Programme Director.
Commence recruitment of Board Chair & Programme Director
Agree priorities and projects list / high level milestones etc
1st draft Collaboration Agreement (detailed)
Agree team structure and operational requirements
1 st full draft Action Plan
Outline funding requirements (revenue and capital)
Complete Collaboration Agreement
Appoint Board Chair
Approve Action Plan
Appoint Programme Director

ⁱ The Task & Finish Group completes its work on 18th December 2007. The Economy & Enterprise Group will recommend the final Economic Strategy for approval by the Carlisle Partnership Executive on 7th January 2008. The Carlisle Renaissance Board may replace its function/role as a sub group of the Carlisle Partnership when it is established.