

APPENDIX 2: EXTRACT FROM RBC CONSTITUTION (SECTION 9.2 PARTNERSHIPS) WITH DESCRIPTION OF HOW NEW PARTNERSHIP AGREEMENT MEETS REQUIREMENTS

EXTRACT FROM RBC CONSTITUTION	REFERENCE IN PARTNERSHIP AGREEMENT
<p><i>9.2.1 Context</i></p> <p><i>Partnerships include any arrangements where the Council agrees to undertake, part fund or participate in a project with other bodies; either as a beneficiary of the project, or because the nature or status of the project gives the Council a right or obligation to support it. It is important to understand and distinguish between a partnership in this context and a supplier who the Council may refer to as a ‘partner’ due to the status that the Council has contractually awarded to it. Irrespective of the title applied to it, this latter type of partnership is a supplier relationship, which will be entered into in accordance with, and governed by, the Council’s Procurement Policies and Contract Procedure Rules.</i></p>	<p>n/a</p>
<p><i>9.2.2 Forming of partnerships</i></p> <p><i>The approval of both the Head of Legal & Democratic Services and Strategic Finance Director must be obtained prior to the Council entering into any partnership agreement where it is proposed that the Council adopts the role of ‘Accountable Body’ for a partnership. This is to ensure that the:</i></p> <ul style="list-style-type: none"> <i>(i) Legal status and financial viability of the arrangement are clearly established and that they are acceptable.</i> <i>(ii) Council’s financial commitment to the partnership is quantified and that this is can be accommodated within the existing budget provision.</i> <i>(iii) Financial and corporate governance arrangements in place for the partnership are robust, and acceptable from the Council’s perspective.</i> <i>(iv) The Council is not exposed to undue financial, legal or reputation risk as a consequence of its involvement in the partnership.</i> <i>(v) Council’s own financial accounting and reporting requirements can be satisfied.</i> <p><i>A partnership agreement must be produced that documents each of the above matters, and the arrangements for dispute resolution and for exiting the arrangement. The relevant service Committee is responsible for approving the partnership agreement, and any delegations and frameworks required by it, in respect of functions and services delegated to that committee. The Policy Committee will approve partnership agreements, delegations and frameworks which affect services which cut across the delegation of functions to committees, or where the decision falls outside the service committee’s normal cycle of meetings or is urgent.</i></p> <p><i>Directors will ensure that:</i></p> <ul style="list-style-type: none"> <i>(i) The approval of the Strategic Finance Director and the Head of Legal & Democratic Services is obtained prior to entering into a partnership agreement.</i> 	<p>Approvals being sought as part of sign-off process prior to submission to SEPT in June.</p> <p>See section 1.1 of Agreement on legal status</p> <p>See 8.1 finance</p> <p>See 8 finance & 6 governance</p> <p>See 8 finance and 12 risk</p> <p>See 8.5 on reporting</p> <p>The proposed Partnership Agreement documents these as set out above.</p> <p>Approvals being sought as part of sign-off process</p>

<p>(ii) <i>An appraisal is undertaken which demonstrates that the risks associated with the arrangement are minimal, or that appropriate arrangements are in place to mitigate any such risks.</i></p> <p>(iii) <i>The partnership agreement and arrangements will not impact adversely upon the services provided by the Council or upon its finances.</i></p> <p>(iv) <i>The proposed financial contribution by the Council to the partnership can be met from existing budget provision.</i></p> <p>(v) <i>Committee approval is secured for the agreement, and for all delegations and frameworks for the proposed partnership.</i></p>	<p>As part of SEPT report</p> <p>As part of SEPT report</p> <p>As part of SEPT report</p> <p>SEPT Report will secure this</p>
<p>9.2.3 Delegation of budget to a partnership</p> <p><i>Directors and Heads of Service must make clear, in their report to Committee, the Council's budget provision for the service covered by the proposed partnership arrangement. The report must specify where the authority will be the accountable body under the partnership, set out the financial implications and seek the necessary budget transfers and officer delegations to exercise this role.</i></p>	<p>As part of SEPT report – see also 8 on finance</p>
<p>9.2.4 Financial administration</p> <p><i>Where the Council is the 'accountable body', these Financial Regulations apply to decisions relating to the expenditure of that money. All expenditure must be authorised by an appropriate RBC officer, or by someone else who has a statutory power to authorise expenditure. Directors are responsible for ensuring that the Council is promoting and applying the same high standards of financial administration to the partnership that apply throughout the Council. Whenever any such arrangements are made there must be a written document which clearly establishes the responsibilities of the respective partners for managing the arrangement and the resources made available to the partnership. The document must also set out the arrangements in respect of unspent funding at each year end, unless this is to be returned to the Council as unspent money. Directors must provide information on the partnership arrangements to the Strategic Finance Director, in order that the appropriate disclosures can be made within the Council's annual Statement of Accounts.</i></p>	<p>Reflects current situation but made explicit in Partnership Agreement – see 8 on finance</p>
<p>9.2.5 Documenting and recording of partnership agreements</p> <p><i>Directors must ensure that all partnership agreements and arrangements are properly documented, and that all money for which the Council is accountable is spent via a written contract with the recipient (even if the recipient is a party to the arrangements) and that a register of those contracts must be maintained in accordance with procedures specified by the Strategic Finance Director.</i></p>	<p>Adoption of Partnership Agreement by both the Partnership and SEPT Committee will enable this</p>