

Dated 31 March **2020**

(1) The Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority

(2) The Durham, Gateshead, South Tyneside and Sunderland Combined Authority

(3) The Council of the City of Sunderland

and

(4) The North East Local Enterprise Partnership

North East Local Enterprise Partnership

Deed relating to change of

Accountable Body responsibilities

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This Deed is made on the 31st day of March 2020

Between

- (1) **The Newcastle upon Tyne, North Tyneside, Northumberland, Combined Authority** of Quadrant West, 2 Silverlink Way, Cobalt Business Park, North Tyneside NE27 0QQ (**'NTCA'**);
- (2) **The Durham, Gateshead, South Tyneside and Sunderland Combined Authority** of Town Hall and Civic Offices, Westoe Road, South Shields, Tyne and Wear. (**'NECA'**);
- (3) **The Council of the City of Sunderland** of Civic Centre, Burdon Road, Sunderland SR2 7DN (**'SCC'**); and
- (4) **The North East Local Enterprise Partnership** of 1 St James Gate Newcastle upon Tyne NE1 4AD acting by its Board (**'North East LEP'**);

together the **'Parties'** and each a **'Party'**.

Whereas.

- (A) The North East LEP was constituted in July 2011 from representatives of local businesses, local authorities and educational institutions. Operationally, the North East LEP shall be treated as a Party to this Deed.
- (B) The North East LEP operates over the geography of the local government areas of Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland South Tyneside and Sunderland (the **'North East LEP Area'**).
- (C) Central Government makes available funding to the North East LEP to deploy with the aim of delivering economic development outcomes. Such funding directly supports economic activity, job creation and unlocks development opportunities in the North East LEP Area. As the North East LEP is not a legal entity itself, another legal entity must act as accountable body (and host authority) for the purposes of receiving and administering such funding, employing staff to work on LEP activities and holding assets for the North East LEP's purposes.
- (D) The role of accountable body and host authority for the LEP was originally carried out by SCC.
- (E) On 15th April 2014 NECA was established as a Combined Authority for the North East LEP Area by the Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014 (SI 2014 No.1012). NECA subsequently became accountable body and host authority for the North East LEP and the associated transfer of responsibilities was recorded in the 2017 Deed (as defined below).

- (F) On 2nd November 2018, the 2018 Order (as defined below) created NTCA and changed the geographic boundaries of NECA by removing the local government areas of Newcastle upon Tyne, North Tyneside and Northumberland.
- (G) In contemplation of the creation of NTCA and the change in geographical boundaries of NECA, NECA and each of the local authorities within the North East LEP area entered into a Deed of Co-operation dated 4th July 2018 (the '**2018 Deed**').
- (H) The North East LEP has a Strategic Economic Plan and is developing a North East Local Industrial Strategy for the North East LEP Area, and is responsible for its delivery, working with partners. By the 2018 Deed NECA and the other local authorities in the North East LEP Area agreed to unequivocally support the work of the North East LEP and the Strategic Economic Plan.
- (I) The 2018 Deed provided, inter alia:
- a. That the North East LEP would be free to determine in accordance with its own rules and its constitution which body shall be its accountable body;
 - b. That the parties to that deed would use their best endeavours to procure that NTCA would be appointed the host combined authority (and thereby the Accountable Body for the purposes of this Deed) for the North East LEP and the 2017 Deed (as defined below) would be terminated in accordance with its terms;
 - c. The terms upon which NTCA would be required to implement the decisions of the North East LEP;
 - d. A commitment to the ongoing funding of the North East LEP and the sharing of liabilities;
 - e. The Accountable Body will make available and accessible adequate capacity and expertise of the Head of Paid Service, Monitoring Officer and Section s151/s73 Officer to ensure the timely operational input into decision making;
 - f. A commitment that the parties to the 2017 Deed that they would additionally ensure adequate capacity and expert support is provided to the North East LEP under SLA terms (to be agreed) from any of the Local Authorities in the North East LEP Area, NECA or NTCA.;
 - g. That there should be no financial or operational detriments to the North East LEP operations as a consequence of the 2018 Order or any change to the host authority or accountable body of the North East LEP (other than any move to cost recovery arrangements for services provided to the North East LEP in accordance with arrangements described in the 2018 Deed which are matched by a corresponding increase in the contributions of the local authorities in the North East LEP Area increasing the overall North East LEP Budget);
- (J) On 25th July 2019 the North East LEP Board agreed in principle to change its accountable body from NECA to NTCA and delegated final approval and sign off of this Deed to the Chair and Vice Chair of the North East LEP Board on the basis that the following conditions were met, namely that:
- a. the North East LEP would suffer no financial detriment;

- b. the North East LEP would suffer no detriment or diminution in support;
 - c. the North East LEP would suffer no detriment in the speed of decision making or the implementation of those decisions; and
 - d. the North East LEP staff would suffer no detriment to their terms and conditions of employment or other rights as a result of any change in employer.
- (K) It has been agreed between the Parties that with effect from and including the Effective Date NTCA shall assume the role of Accountable Body for the North East LEP on the terms of this Deed.

NOW this Deed witnesses as follows:

1. Interpretation

In this Deed

1.1. the following expressions shall have the meaning ascribed to them below:

2017 Deed	the Host Authority and Accountable Body Agreement dated 14 th June 2017 and made between SCC, NECA and the North East LEP;
2018 Deed	the Deed of Co-operation dated 4 th July 2018 and made between NECA and each of the local authorities for the local government areas of Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland respectively;
2018 Order	the Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority (Establishment and Functions) Order 2018 (SI 2018 No. 1133)
Accountable Body	the body appointed to be responsible and legally accountable for the North East LEP activities and Funding on behalf of the North East LEP Board and to undertake the Accountable Body Responsibilities;
Accountable Body Responsibilities	those responsibilities to be discharged by the Accountable Body as set out in Schedule 1;
Assets	all the assets held by a Party relating solely or substantially to the operation of the North East LEP or its employees including, without limitation: <ul style="list-style-type: none"> • freehold and leasehold property; • fixtures, fittings, furniture and equipment;

- grants, contracts, leases and hire purchase agreements;
- intellectual property and know-how;
- cash (including bank deposits);
- the benefit of right(s) interest(s) or claim(s) under any:
 - (a) grant funding agreement or deed;
 - (b) other agreement, contract or deed;
 - (c) charge, or other security, (including without limitation, any debenture, mortgage, guarantee, lien or right whether at law or in equity)
 - (d) any other right which it acquired for the benefit of the North East LEP Operations or to protect any of the above assets

BEIS	the Secretary of State for the Department for Business, Energy and Industrial Strategy or its successor Government department;
Board Member	a person who is appointed or nominated as a member of the North East LEP Board in accordance with the Constitution;
Budget	the North East LEP's budget from time to time made up of the Financial Contributions but excluding the Central Government Funding;
Business Day	any day (other than a Saturday or Sunday or a bank or public holiday in England);
CEDR	the Centre for Effective Dispute Resolution of International Dispute Resolution Centre, 70 Fleet Street, London EC4Y 1EU (www.cedr.co.uk);
Central Government Funding	any funding awarded or to be awarded by central government for the North East LEP Area pursuant to funding applications submitted by the North East LEP from time to time (including, without limitation the North East LEP Funds);
Chair	the Board Member who is nominated to act for the time being as chair of the North East LEP Board in accordance with the Constitution;
Charges	the sums due and payable by the North East LEP from the Budget or the LA7 Accountable Body Services budget line

to a Service Provider in consideration of the delivery of any of the Services to the North East LEP in accordance with an SLA and this Deed;

Chief Executive	the officer appointed by the North East LEP to execute the day to day running of its Operations as directed by the North East LEP Board;
Confidential Information	information, the disclosure of which would constitute an actionable breach of confidence, which has either been designated as confidential by a party in writing or that ought to be considered as confidential (however it is conveyed or on whatever media it is stored) including commercially sensitive information, information which relates to the finances, business, affairs, properties, assets, trading practices, goods/services, developments, trade secrets, intellectual property rights, know-how, employees and other workers, customers and suppliers of a party and all personal data and sensitive personal data (or special category data) as defined in the Data Protection Act 2018:
Constitution	the North East LEP constitution as amended from time to time;
DCA	the Secretary of State for the Department of Constitutional Affairs or its successor Government department;
Deed	this deed including all schedules and documents annexed hereto;
DEFRA	the Department for Environment, Food and Rural Affairs or its successor Government department;
Effective Date	00.01am on 1 st April 2020;
EIR	the Environmental Information Regulations 2004 together with any code of practice made pursuant to those Regulations and any related guidance issued by DEFRA, the Information Commissioner or the DCA;
Financial Year	1st April to 31st March in each year;
Financial Contribution(s)	an annual contribution to be paid by each local authority in the North East LEP Area in respect of each Financial Year towards the Budget or the LA7 Accountable Body Services Budget Line to be determined during the North East LEP annual budget setting process and in accordance with the 2018 Deed in conjunction with NTCA (and in consultation with each relevant local authority);
FOIA	the Freedom of Information Act 2000 and any subordinate legislation (as defined in the Interpretation Act 1978) but excluding the EIR, as amended modified or re- enacted from time to time, together with all codes of practice made

pursuant to that Act or pursuant to that subordinate legislation from time to time, together with any related guidance issued by the Information Commissioner or the DCA;

Force Majeure

means circumstances beyond the reasonable control of a Party including, without limitation:

- (a) acts of God;
- (b) acts of any governmental and supra national authority;
- (c) war or national emergency;
- (d) acts of terrorism, riots, civil commotion, fire, explosion, flood, epidemic, lock-outs (whether or not by that Party);
- (e) strikes and other industrial disputes (in each case, whether or not relating to that Party's workforce); or,
- (f) constraints or delays affecting carriers, inability or delay in obtaining supplies or adequate or suitable materials and currency restrictions.

Growing Places Fund

Central Government funding awarded by MHCLG (when the Department for Communities and Local Government);

Information

has:

- (a) in relation to the FOIA, the meaning given under section 84 of the FOIA; and
- (b) in relation to the EIR, the meaning given under the definition of "environmental information" in section of the EIR;

Intellectual Property Rights
IPR

includes

- (a) copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, trade marks, rights in Internet domain names and website addresses and other rights in trade names, designs, Know-How, trade secrets and other rights in Confidential Information;
- (b) applications for registration, and the right to apply for registration, for any of the rights

listed at (a) above that are capable of being registered in any country or jurisdiction; and

- (c) all other rights, including unregistered rights, having equivalent or similar effect in any country or jurisdiction;

LA7 Accountable Body Services Budget Line	The budget held in the name of the seven local authorities of the North East LEP Area, from where, at the date of this Deed the majority of the costs of providing the Services are met as referred to in Schedule 2
Local Growth Fund	monies made available to the North East LEP by BEIS and its predecessor departments;
MHCLG	the Secretary of State for the Ministry for Housing, Communities and Local Government or its successor Government department;
North East LEP	the North East Local Enterprise Partnership (an unincorporated voluntary partnership arrangement formerly known as the North Eastern Local Enterprise Partnership);
North East LEP Area	collectively the local government areas of Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland;
North East LEP Board	the strategic and representative board of the North East LEP formed and operating in accordance with the Constitution and, where the context permits, includes such of those Board Members as are present at a duly convened meeting of the North East LEP Board at which a quorum is present;
North East LEP Budget	<p>the pool of funds held by the Accountable Body for the North East LEP in relation to the Operations which is made up of:</p> <ul style="list-style-type: none">(a) the Financial Contribution(s);(b) annual Central Government Funding (which shall include any European funding which may be awarded in favour of the North East LEP) awarded to support the North East LEP in implementing the Strategic Economic Plan; and(c) Enterprise Zone business rate related income or rebates for areas situated within the North East LEP Area;(d) the Central Government Funding awarded to the North East LEP from time to time.

(e) other funds secured of the North East LEP's operational resources or other purposes.

North East LEP Funds / Funding	the Growing Places Fund, Regional Growth Fund and Local Growth Fund and any other funding award to or secured by the North East LEP;
North East LEP Operational Staff	those employees who are employed by NTCA as Accountable Body for the North East LEP to deliver the Operations
North East LEP Scheme of Delegations	such scheme of delegations approved by the North East LEP Board from time to time in accordance with its Constitution (and provided in writing to the Accountable Body and, to the extent legally necessary, approved by it) which sets out the authorisations by the North East LEP Board to other Boards of the North East LEP and officers acting on its behalf to make decisions on behalf of the North East LEP (and, to the extent legally necessary, the Accountable Body);
Operations	the economic regeneration of the North East LEP Area which shall include the encouragement and development of new and existing businesses, a skilled workforce and the physical infrastructure necessary to enhance competitiveness as a business location together with such other activities as are in accordance with the Strategic Economic Plan and the Delivery Plan prevailing from time to time;
Parties	the parties to this Deed collectively;
Personnel	the Personnel employed by a Service Provider to provide a Service;
Projects	any scheme(s) agreed by the North East LEP to promote economic activity in the North East LEP Area including without limitation schemes funded through North East LEP Funding;
Requests for information	shall have the meaning set out in section 1 of the FOIA and any request for Information under the EIR whether or not made under section 1 of the FOIA;
Service Level Agreement	an agreement made between the Accountable Body (on behalf of the North East LEP) and a Service Provider for the provision of one or more of the Services
Service Provider	NECA, NTCA or any of the local authorities within the North East LEP Area which provides a Service

Services	the services which are to be provided to the Accountable Body so as to support the Operations of the North East LEP which shall include (but not be limited to) those services listed in Schedule 2: and a reference to a 'Service' shall denote any one of the Services;
Regional Growth Fund	the Central Government Funding awarded by BEIS;
Resources	all the North East LEPs resources, including the Assets, the Budget and the Central Government Funding;
Strategic Economic Plan	the plan entitled "More and Better Jobs: A Strategic Economic Plan for the North East" dated March 2014 (as refreshed and amended from time to time);
Term	the period commencing on the Effective Date until the expiry or termination (howsoever occasioned) of this Deed in accordance with the terms of this Deed;
TUPE	the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended by the Collective Redundancies and Transfer of Undertakings (Protection of Employment) Regulations 2014 and any subsequent amendment, consolidation or other variation of such regulations from time to time in force;
Working Day	has the meaning given to it in s.10(6) FOIA in relation to FOIA Requests for Information and otherwise means Monday to Friday excluding public holidays in the UK; and,
Year	during the Term any twelve (12) Month period commencing on the Effective Date or any anniversary thereof.

- 1.2. References to any statute or statutory provision include, unless otherwise stated, a reference to the statute or statutory provision as modified or re-enacted and in force from time to time prior to completion and any subordinate legislation made under the relevant statute or statutory provision in force prior to completion. References to persons will be construed so as to include bodies corporate, unincorporated associations and partnerships.
- 1.3. References to clauses, schedules and appendices are to clauses of, schedules and appendices to this Deed.
- 1.4. The schedules and appendices form part of this Deed and will have the same force and effect as if expressly set out in the body of this Deed.

- 1.5. The headings to the clauses of this Deed and to the paragraphs of the schedules will not affect its construction.
- 1.6. References to singular in this Deed include the plural and vice versa and references by way of male pronoun shall include references to all other genders and vice versa.
- 1.7. Save as otherwise expressly provided, nothing in this Deed shall in any way fetter or constrain a Party from acting in any other capacity, nor shall the exercise by a Party of their respective duties and powers in any other capacity lead to any liability under this Deed (howsoever arising) on the part of any Party.
- 1.8. In the event of any conflict or inconsistency between the provisions of this Deed and save as otherwise expressly provided in this Deed, the conflict or inconsistency shall be resolved according to the following descending order of priority:
 - 1.8.1. the body of this Deed;
 - 1.8.2. the Schedules and Appendices to this Deed;

2. Acknowledgement and Assurance.

- 2.1. The Parties acknowledge the following commitments of NECA and each of the local authorities in the North East LEP Area in the 2018 Deed:
 - 2.1.1. unequivocally to support the work of the North East LEP and the North East Strategic Economic Plan (or appropriate regional strategic economic policy document to be developed by the North East LEP);
 - 2.1.2. to maintain a Chief Executive Group of which the Chief Executive of the North East LEP shall be a member alongside the Chief Executives of the said local authorities and the Heads of Paid Service of NECA and NTCA;
 - 2.1.3. that the North East LEP Board may from time to time determine in accordance with its own rules and the Constitution which body shall be its Accountable Body;
 - 2.1.4. that the appointment and dismissal of the Chief Executive of the North East LEP will be a matter for the North East LEP Board and will be implemented by the Accountable Body for the North East LEP as legal employer;
 - 2.1.5. that the Accountable Body shall make available and accessible adequate capacity and expertise of a Head of Paid Service, Monitoring Officer and Section 151/73 Officer to ensure timely operational input and decision making;
 - 2.1.6. that the local authorities and combined authorities in the North East LEP Area shall procure that additional capacity and expert support is provided to the North East LEP under Service Level Agreements from any of the said local authorities, NTCA and/or NECA subject to agreeing recharging arrangements;
 - 2.1.7. that there shall be no financial or operational detriments to the North East LEP Operations as a consequence of the 2018 Order or any change to the host authority or accountable body of the North East LEP (other than

any move to cost recovery arrangements for services provided to the North East LEP in accordance with arrangements described in the 2018 Deed which are matched by a corresponding increase in the contributions of the parties to the 2018 Deed increasing the overall North East LEP Budget);

- 2.1.8. to indemnify the others in respect of the actual or purported exercise of any statutory power and any costs, claims, liabilities and expenses as a consequence of SCC or NECA acting as accountable body for the North East LEP prior to date of the 2018 Deed.
- 2.2. The Parties acknowledge the commitment of each of the local authorities in the LEP Area in the 2018 Deed to:
- 2.2.1. share, in equal shares, the running costs and liabilities (without limitation including pension liabilities) of the Accountable Body reasonably attributable to the exercise of its functions in acting as the Accountable Body for the North East LEP and that such costs and liabilities shall be incorporated in the North East LEP budget; and
 - 2.2.2. indemnify the Accountable Body in equal proportions for all and any costs, claims, liabilities and expenses that may arise from the Accountable Body acting as the Accountable Body for the the North East LEP unless the costs, claims, liabilities and expenses are incurred as a result of a negligent act or default of one or more of the said local authorities, in which case only that or those local authorities shall indemnify the Accountable Body

3. Commencement and Agreement

- 3.1. The Parties have granted each other the rights and accepted the obligations set out in this Deed and agree that the provisions of the 2017 Deed shall be terminated on the Effective Date.
- 3.2. From the Effective Date NTCA shall:
 - 3.2.1. act as the Accountable Body for the North East LEP and will perform the Accountable Body Responsibilities during the Term;
 - 3.2.2. acknowledge the LEP Scheme of Delegations;
 - 3.2.3. accept the day to day funding administration responsibilities in relation to the North East LEP Funding awarded during the Term and implement Projects in accordance with the relevant terms and conditions of such funding on behalf of the North East LEP; and
 - 3.2.4. in accordance with clause 6.2 ensure that the Services are provided in accordance with the terms of the relevant Service Level Agreements during the Term;
 - 3.2.5. for the period until 1 April 2026 ensure that the costs of the employer pension contributions which are charged to the North East LEP Budget in respect of the North East LEP Operational Staff shall be no greater than they would have been had the North East LEP Operational Staff been employed by NECA provided that the Parties agree that:

- 3.2.5.1 where the North East LEP can properly recoup the employer pension contributions of any such North East LEP Operational Staff from an external source of funding, then it shall do so and thereby reduce the financial liability of NTCA under this provision; and
 - 3.2.5.2 in the event of a significant change in economic circumstances and/or any other occurrence which materially affects employer contribution rates at the time of the 2023 triennial valuation, then the Parties shall agree the extent to which NTCA shall thereafter mitigate the cost of the employer pension contributions for the LEP Operational Staff
- 3.3. The North East LEP acknowledges agrees and confirms:
 - 3.3.1. the appointment of NTCA as its Accountable Body in succession to SCC and NECA from the Effective Date on the terms of this Deed, and for the purpose of accepting North East LEP Funding awarded; and
 - 3.3.2. that this Deed shall govern the relationship of the Parties in relation to the provision of the Services.
- 3.4. In relation to any North East LEP Funding awarded in connection with the Operations and / or the administration and letting of Projects, the North East LEP acknowledges agrees and confirms:
 - 3.4.1. to undertake to progress the Operations in accordance with:
 - 3.4.1.1. its Constitution; and
 - 3.4.1.2. the principles regarding its relationship with the Accountable Body as set out in Schedule 3; and
 - 3.4.2. to take all reasonable steps as are necessary to facilitate and ensure that the terms of funding conditions and requirements of any North East LEP Funding are met.
- 3.5. The Parties acknowledge agree and confirm that the appointment of NTCA as Accountable Body to the North East LEP shall continue in full force and effect until terminated in accordance with clauses 10 or 11 or otherwise by agreement of all the relevant Parties.

4. North East LEP Board Members' Liability

- 4.1. The Parties acknowledge and agree with each other that the Board Members and individual members of the North East LEP shall not be personally liable for the acts and omissions of the North East LEP or the North East LEP Board (each acting collectively as a constituent body) save in the case of their individual fraud or dishonesty and save insofar as it shall be unlawful to limit such liability.
- 4.2. The Parties agree that the North East LEP Board Members shall be entitled to be indemnified by the Accountable Body in respect of all liabilities, costs, claims and expenses incurred or suffered by them or any of them in the bona fide execution of their duties as a North East LEP Board Member save to the extent any such liabilities, costs, claims and expenses were caused by the fraud or dishonesty of that

North East LEP Board Member and save to the extent that such liability is the subject of any third party indemnity insurance taken out for the benefit of the North East LEP Board Members by any of the Parties from time to time.

5. Accountable Body Responsibilities and Services.

5.1. NTCA will implement the decisions of the North East LEP Board and the decisions of such other Boards and officers of the North East LEP, who are duly authorised by the LEP Scheme of Delegations save that NTCA shall not be obliged to act upon any decision or direction of the North East LEP which is.

5.1.1. not made or given in accordance with the Constitution;

5.1.2. not made or given in accordance with the terms of this Deed;

5.1.3. inconsistent with principles of probity or sound financial practice (including, without limitation, if such a decision or a direction would cause the Accountable Body to be in breach of any relevant funding terms);

5.1.4. inconsistent with public law principles; or

5.1.5. illegal

provided that (subject to the above) NTCA acknowledges that its role as Accountable Body is one of administration and management to implement the decisions and directions of the North East LEP and does not involve the commercial or economic review of any decision or direction of the North East LEP as to the use of North East LEP Funds or the Budget.

5.2. In relation to the Services provided (or procured from a Service Provider) b NTCA shall not take any action or make any omission, which would incur expenditure in excess of the relevant Budget provision provided for the Year in relation to the relevant North East LEP Funding (including but not limited to the North East LEP Funds) without the approval of the North East LEP.

5.3. NTCA shall carry out its obligations under this Deed with all reasonable care and skill.

5.4. In relation to any North East LEP Funding that NTCA has accepted responsibilities for financial accountability and funding conditions to the funding bodies, NTCA as the Accountable Body shall be responsible for overseeing the legal and financial management of those funds and ensuring that funds received are applied in accordance with the relevant objectives, criteria and in accordance with the relevant terms and conditions for those funds.

5.5. NTCA will, on request of the North East LEP, provide a written report summarising payment performance in respect of payments made by it in pursuance of and compliance with the Accountable Body's Responsibilities. The Accountable Body shall not be required to provide more than one payment performance summary report to the North East LEP in any rolling four-week period.

5.6. The Parties agree with each other that, wherever a Party is the legal owner or beneficial owner of Assets then that Party shall continue at all times to apply such Assets and/or enforce such rights for the benefit of the North East LEP (in

accordance with any instruction lawfully and properly given by the North East LEP and at the LEP's cost, to be met from the Budget) and shall liaise with the Accountable Body to achieve this effect.

5.7. Each party to this Deed shall act in good faith towards the others, and do and perform (or shall cause to be done and performed) all such further acts and shall execute and deliver all such other agreements, certificates, instruments and documents as a Party hereto reasonably may request in order to carry out the intent and accomplish:

5.7.1. the proper performance of the obligations of the Accountable Body (or former accountable bodies SCC or NECA) or the North East LEP or the delivery of the North East LEP Operations;

5.7.2. the proper discharge of responsibilities of the North East LEP or in relation to the North East LEP Operations; and

5.7.3. the proper enforcement of the rights, security and title of the North East LEP or in relation to the North East LEP Operations

notwithstanding the name of the Party that took on or currently holds the legal responsibility, rights or title to the same.

6. The Services

6.1. At the Effective Date the Accountable Body has put in place Service Level Agreements between NTCA and the Service Providers listed in Schedule 2 for the provision of the Services to support the LEP and its Operations. The Accountable Body will ensure that arrangements are in place for the delivery of these Services throughout the Term.

6.2. NTCA, as Accountable Body for the LEP, shall use all reasonable endeavours to ensure that each Service Provider delivers the Services in accordance with the terms of the relevant Service Level Agreement and that the Service Provider does so:

6.2.1. using reasonable skill, care and alacrity;

6.2.2. in accordance with all applicable Law;

6.2.3. in a manner which does not do or omit to do anything that is or may be detrimental to the reputation of North East LEP; and

6.2.4. where equipment is provided as part of any Service or Services, ensures that such equipment complies with all applicable legislation and regulation

6.3. The Parties agree that the level of Services which the North East LEP require shall be reviewed during the course of each Year with a view to establishing the Services which will be required for the following Year.

6.4. Prior to the commencement of each Year the Parties shall agree the level of Services which the North East LEP requires for that Year and NTCA shall, in agreement with the North East LEP, put in place a Service Level Agreement with each Service Provider (and, in accordance with clause 2.1.7 any change in the Charges relating

to those Services shall be reflected in the North East LEP Budget or the LA7 Accountable Body Services Budget Line without detriment to the overall funding available for deployment by the North East LEP).

- 6.5. Save as otherwise expressly agreed between the Parties, NTCA shall ensure:
- 6.5.1 reasonable access to the NTCA Monitoring Officer, the NTCA Chief Finance Officer and the NTCA Head of Paid Service as required to support the effective delivery of the North East LEP Operations, the interface with accountable body decision making and representing and supporting the North East LEP operations at internal and external committee and decision-making boards and committees as necessary; and
 - 6.5.2 the prompt execution of deeds, agreements and other documents as required by the North East LEP

7. Personnel

- 7.1. The Accountable Body will use reasonable endeavours to maintain up-to-date records of the Personnel engaged in the provision of each Service and provide the North East LEP's Chief Executive from time to time with a list of Personnel engaged in delivery of each Service.
- 7.2. NTCA shall take all reasonable steps to ensure (or shall procure) that:
 - 7.2.1. Service Level Agreements or other arrangements are in place to ensure each Service is delivered throughout the Term
 - 7.2.2. Personnel shall give the same priority to North East LEP matters and meetings as they give to similar matters and meetings which they deal with for the relevant Service Provider; and
 - 7.2.3. all of the Personnel comply with all of North East LEP and NTCA policies when providing the relevant Service.
- 7.3. NTCA will provide the North East LEP with such information regarding operational and staffing matters as the North East LEP may reasonably require from time to time..
- 7.4. The North East LEP shall be entitled to contact Personnel directly in respect of each Service.
- 7.5. The North East LEP shall be entitled to provide feedback on the performance of Personnel to the relevant Service Provider and the Accountable Body shall encourage the Service Provider to utilise this feedback in their performance system.
- 7.6. The Parties may choose to work with the Personnel to improve their performance, such arrangements to be agreed between the Parties.

8. Charges

- 8.1. The Charge payable for each Service in the Financial Year beginning on the Effective Date is set out in Schedule 2.

- 8.2. Any changes in the Charges arising from the review of the Services under clause 6.2 shall be dealt with in accordance with clause 2.1.7.
- 8.3. The Accountable Body agrees that the North East LEP (acting reasonably) will be responsible for confirming in each case that the Services have been delivered in accordance each SLA and for certifying that the Charges are due and payable for Services before the said Charges are paid from the Budget or the LA7 Accountable Body Services Budget Line
- 8.4. Charges may not be taken from the Budget or the LA7 Accountable Body Services budget line without the prior agreement of the North East LEP (acting reasonably).

9. Confidentiality and FOI

- 9.1. Each Party acknowledges that each other Party is a public authority within the meaning of section 84 of the FOIA in the event of a receipt of a request under the FOIA will use all reasonable endeavours to comply with the protocol set out in Schedule 5.
- 9.2. Each Party:-
 - 9.2.1. shall treat all Confidential Information belonging to another Party as confidential and safeguard it accordingly;
 - 9.2.2. shall not disclose any Confidential Information belonging to another Party to any other person without the prior written consent of the latter Party, except to such persons and to such extent as may be necessary for the performance of this Deed or except where disclosure is otherwise expressly permitted by the provisions of this Deed.
- 9.3. The Parties shall take all necessary precautions to ensure that all Confidential Information obtained from the another Party under or in connection with this Deed:-
 - 9.3.1. is given only to such of the employees and professional advisers or consultants engaged to advise it in connection with this Deed as is strictly necessary for the performance of this Deed and only to the extent necessary for the performance of this Deed; and
 - 9.3.2. is treated as confidential and not disclosed (without prior written consent) or used by any employees or professional advisers or consultants otherwise than for the purposes of performing its obligations under the Deed.
- 9.4. Where it is considered necessary in the reasonable opinion of the LEP, NTCA shall ensure that employees or professional advisers or consultants sign a confidentiality undertaking before commencing work in connection with this Deed.
- 9.5. No Party shall not use any Confidential Information received otherwise than for the purposes of the Deed or for the delivery of the North East LEP Operations.
- 9.6. The provisions of clauses 9.1 to 9.5 shall not apply to any Confidential Information received by one party from the other:-

- 9.7. which is or becomes public knowledge (otherwise than by breach of this clause or through act or default on the part of the receiving Party or the receiving Party's agents or employees);
- 9.8. which the receiving Party lawfully obtained from a third party who:
- 9.8.1. lawfully acquired it;
 - 9.8.2. did not derive it directly or indirectly from the disclosing Party; and
 - 9.8.3. is under no obligation restricting its disclosure;
 - 9.8.4. which the receiving Party can prove by documentary evidence was developed independently by an agent or employee of the receiving party without access to the disclosing Party's Confidential Information; or
 - 9.8.5. which must be disclosed pursuant to a statutory, legal or parliamentary obligation placed upon the Party making the disclosure, including any requirements for disclosure pursuant to clause 9.1 or otherwise in accordance with a court order, or the recommendation, notice or decision of a competent authority.
- 9.9. Without prejudice to the generality of clause 6, Confidential Information shall not be deemed to be generally available to the public by reason that it is known only to a few of those people to whom it might be of commercial interest, and a combination of two or more portions of the Confidential Information shall not be deemed to be generally available to the public by reason only of each separate portion being so available.
- 9.10. Nothing in this clause shall prevent a Party from:-
- 9.10.1. disclosing any Confidential Information for the purpose of:-
 - 9.10.1.1. the examination and certification of that Party's accounts; or
 - 9.10.1.2. any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which that Party has used its resources; or
 - 9.10.2. disclosing any Confidential Information obtained from another Party:-
 - 9.10.2.1. to any other department, office or agency of the Crown; or
 - 9.10.2.2. to any person engaged in providing any services to the other Party for any purpose relating to or ancillary to the Deed;
 - 9.10.3. provided that in disclosing Confidential Information under sub-clause 9.10.2.1 or 9.10.2.2 a Party discloses only the Confidential Information which is necessary for the purpose concerned and requires that the Confidential Information is treated in confidence and that a confidentiality undertaking is given where that Party considers it appropriate.

- 9.11. Nothing in this clause shall prevent a Party from using any techniques, ideas or Know-How gained during the performance of this Deed in the course of its normal business, to the extent that this does not result in a disclosure of Confidential Information or an infringement of Intellectual Property Rights.
- 9.12. The provisions of this clause 9 are without prejudice to the application of the Official Secrets Acts 1911 to 1989 to any Confidential Information.
- 9.13. The provisions of this clause 9 shall continue following expiry or termination for any reason of this Deed without limit in time.

10. Termination of this Deed

This Deed shall continue in full force and effect from and including the Effective Date until the Parties agree in writing to its termination.

11. Termination of Appointment of the Accountable Body.

- 11.1. Subject to Clauses 11.2 – 11.4 the North East LEP shall be entitled to serve written notice on the Accountable Body to require an Accountable Body to cease (no sooner than 6 months after the date on which the notice is given) to act as Accountable Body as a whole, or in respect of any North East LEP Funding that such Accountable Body had agreed to assume Accountable Body Responsibilities in relation to, and require the appointment of a new Accountable Body. No such notice may be given to an Accountable Body without the prior consent of the provider of the North East LEP Funding in respect of which that Accountable Body has accepted such Accountable Body Responsibilities.
- 11.2. No notice under clause 11.1 shall be effective if a replacement Accountable Body has not been identified and the replacement organisation identified has not agreed in writing to accept such role on the terms of this Deed within 3 (three) months of the date of such notice.
- 11.3. If an effective notice is given under clause 11.1 the North East LEP and the outgoing Accountable Body shall use their reasonable endeavours to agree in good faith and as soon as reasonably practicable, a detailed exit and continuity strategy in relation to the monitoring of and reporting in respect of all existing Projects and the addressing the consequences of any notice given to the Accountable Body terminating its appointment and each Party shall enter in to such assignments and/or novation arrangements as are reasonably required in order to achieve the hand over of all of the Accountable Body Responsibilities in connection with the matters set out in the notice referred to in Clause 11.1 above.
- 11.4. Following the service by the North East LEP of an effective notice (and the expiry of the period set out in that notice) under clause 11.1, the appointment of the Accountable Body shall terminate two weeks from the date on which the Accountable Body and the North East LEP agree in writing that they are satisfied that they and any other relevant parties have entered into any such assignments and/or novation agreements as are reasonably required in order for the Accountable Body to achieve the hand over of its Accountable Body Responsibilities as detailed in the notice served in accordance with Clause 11.1 above.

12. Consequences of Termination of this Deed

- 12.1. Where this Deed is terminated for whatever reason, the Parties agree that all Assets, monies and resources held by the Accountable Body in regard to the North East LEP Funding and/or the Operations shall firstly be applied to discharge any outstanding obligations and/or liabilities of the North East LEP, SCC, NECA and/or of the NTCA incurred in relation to or for the purpose of the North East LEP Funding and/or the Operations, with such Assets, monies and resources to be distributed on a pro rata basis in accordance with the quantum of any outstanding obligations retained by the North East LEP, SCC, NECA and NTCA respectively. Any remaining Assets, monies and resources (if any) will be distributed as unanimously agreed between the North East LEP and NTCA in writing, taking account of the terms and conditions of North East LEP Funding imposed by the relevant funding department and any deficit arising from the termination will be borne equally by the local authorities in the North East LEP Area as set out in the 2018 Deed and any replacement of that Deed).
- 12.2. The termination of this Deed:
- 12.2.1. shall be without prejudice to any accrued rights and liabilities of any of the Parties;
- and
- 12.2.2. any agreement between the Accountable Body and the North East LEP in that regard for completion of incomplete tasks of the Accountable Body shall remain in full force and effect notwithstanding termination of this Deed
- 12.3. Before the date of termination of this Deed the North East LEP and NTCA, shall use their reasonable endeavours to agree in good faith a detailed exit and business continuity strategy that addresses adequately all the consequences of this Deed coming to an end (whether as a result of a termination or otherwise).
- 12.4. On termination howsoever arising, the North East LEP and NTCA, in consultation with the local authorities in the North East LEP Area will use their reasonable endeavours to minimise the liabilities arising out of this Deed or the Operations including:
- 12.4.1. where possible offering alternative employment to employees engaged within the Operations who are not transferred to any other body;
- 12.4.2. where possible taking over the interest of Accountable Body in any assets or property used in connection with the Operations.

13. Right of the North East LEP to require service level improvements

- 13.1. The Accountable Body shall provide the North East LEP with the contact details of a named individual for each individual provider and confirm that the North East LEP may contact the Service Provider in the first instance in order to resolve any issues the LEP may have in respect of the quality or speed of delivery of the relevant Services.

- 13.2. To enable the North East LEP to monitor and influence compliance with clause 6 of this Deed (in respect of the delivery of the Services) the Accountable Body will ensure that each Service Provider is obliged to provide contact details for Personnel to the North East LEP and confirm that the North East LEP may contact the relevant Service Provider in the first instance in order to resolve any issues the North East LEP may have in respect of the quality or speed of delivery of the relevant Services.

14. Force Majeure

- 14.1. The Parties to this Deed shall not be deemed to be in breach of this Deed or otherwise liable to any other Party in any manner whatsoever for any failure or delay in performing its obligations under this Deed due to Force Majeure.
- 14.2. If a Party's performance of its obligations under this Deed is affected by Force Majeure, then:
- 14.2.1. it shall give written notice to the other Parties, specifying the nature and extent of the Force Majeure, within 14 days of becoming aware of the Force Majeure and will at all times use all reasonable endeavours to mitigate the severity of the Force Majeure;
 - 14.2.2. the date of performance of such unperformed obligation shall be deemed suspended only for a period equal to the delay caused by such a Force Majeure event; and
 - 14.2.3. it shall not be entitled to payment from the other Parties in respect of any extra costs and expenses incurred by virtue of a force majeure event.

15. Observance of Statutory Requirements

- 15.1. In carrying out their respective obligations under this Deed the Parties shall comply at all time with all applicable laws.
- 15.2. Without prejudice to clause 15.1 above, the Parties shall comply with all requirements of:
- 15.2.1. the Health and Safety at Work etc. Act 1974 and other Acts, Regulations, Codes of Practice or Orders pertaining to health and safety;
 - 15.2.2. the Equality Act 2010 and any relevant Codes of Practice issued pertaining to that Act,
 - 15.2.3. the Freedom of Information Act 2000;
 - 15.2.4. the Localism Act 2011;
 - 15.2.5. the Data Protection Act 2018; and
 - 15.2.6. all other statutory provisions and guidance made under the above and other statutory provisions relating to the matters covered by this Deed.

16. No Legal Partnership or Agency

- 16.1 Nothing in this Deed or in any document referred to in it shall constitute a legal partnership between the Parties hereto or constitute one as the agent of another and none of the Parties shall do or suffer anything to be done whereby it shall or

may be represented that it is the partner or agent of a Party hereto (save as aforesaid) unless such Party is appointed partner or agent of that other Party with the consent in writing of that other Party.

17. Waiver

- 17.1 The waiver by any Party of any default by any Party in the performance of any obligation of such other Party under this Deed shall not affect such first Party's rights in respect of any such default or of any subsequent default of the same or of a different kind, nor shall any delay or omission of any Party to exercise any right arising from any default affect or prejudice that Party's rights as to the same or any future default.

18. Variation of Deed

- 18.1 Any variation of this Deed shall be in writing duly signed by or on behalf of the Parties.

19. Severance

- 19.1 The illegality, validity or unenforceability of any clause or part of this Deed will not affect the legality, validity or enforceability of the remainder. If any such clause or part is found by any competent court or authority to be illegal, invalid or unenforceable the Parties agree that they will substitute provisions in a form as similar to the provisions deemed illegal, invalid or unenforceable as possible, which reflect the intentions of the Parties.

20. Electronic Communication

- 20.1. During the Term the Parties agree that they may communicate electronically with each other. The Parties all agree that the electronic transmission of information cannot be guaranteed to be secure or error free and such information could be intercepted, corrupted, lost or destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use.
- 20.2. The Parties agree to use commercially reasonable procedures to check for the then most commonly known computer viruses before sending information electronically, but recognize that such procedures cannot be a guarantee that transmissions will be free of all computer viruses. Accordingly the Parties shall severally be responsible for protecting their own interests in relation to electronic communications and for ensuring that an electronic communication is not misaddressed.

21. Entire Agreement

- 19.1 This Deed together with the documents referred to in this Deed constitutes the entire agreement between the Parties in relation to the subject matter of this Deed and there are no representations, promises, terms, conditions or obligations between the Parties other than those contained or expressly referred to herein.

22. Assignment

- 20.1 Save as otherwise expressly provided for in this Deed, no Party shall assign, transfer or novate any of its benefits, rights obligations or burden hereunder without the prior written consent of the other Parties.

23. Contracts (Rights of Third Parties) Act

- 23.1. Without limiting the effect of Clause 23.2 below, the Parties to this Deed do not intend that any of the terms of this Deed will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it;
- 23.2. For the purpose of this Clause 23 and the Contracts (Rights of Third Parties) Act 1999, the Parties acknowledge and agree that each of following persons shall be regarded as a party to this Deed and/or a party entitled to enforce the terms of clause 3 of this Deed:
- 23.2.1. The Chair of the North East LEP Board; and
 - 23.2.2. Any Vice Chair of the North East LEP Board

24. Dispute Resolution

24.1. Preliminary Dispute Resolution

- 24.1.1. The Parties agree that they will vigorously pursue necessary and appropriate dispute resolution in accordance with this clause where another Party notifies them of a dispute;
- 24.1.2. The Parties will use their reasonable endeavours to resolve any dispute relating to this Deed between themselves by negotiations in good faith in the first instance through day to day consultation but if the Parties fail to resolve any dispute within 14 days the matter shall be escalated to the chief executives of the Parties and the Chairman of the North East LEP Board;
- 24.1.3. In the event that the chief executives and the Chair of the North East LEP Board fail to resolve any dispute escalated to them as provided for in Clause 24.1.2 within 14 days then any of the Parties shall be entitled to request that the matter be referred to mediation in the first instance as provided for below.

24.2. Mediation

- 24.2.1. Any Party may following the exhaustion of the process in clause 24.1 refer any dispute to mediation in accordance with the CEDR Model Mediation Procedure by giving notice in writing (the '**Mediation Notice**') to the other party in accordance with clause 25.
- 24.2.2. The Parties will seek to agree the appointment of a mediator but failing agreement within 14 days of service of the Mediation Notice, will ask CEDR to appoint a mediator. If either party refuses at any time to participate in the mediation procedure and if in any event the dispute is not resolved within 60 days of service of the Mediation Notice then either party may refer the dispute to arbitration in accordance with clause 23.

24.3. Arbitration

- 24.3.1. Any Party may refer any dispute to arbitration by giving notice in writing (the '**Arbitration Notice**') to the other Party in accordance with the notice

clause 24 in accordance with the rules of the Chartered Institute of Arbitrators in force at the time.

24.3.2. The number of arbitrators will be one. The place of arbitration shall be the City of Newcastle upon Tyne or within a 20-mile radius of the City of Newcastle upon Tyne and the arbitration shall be conducted in English.

24.3.3. The arbitrator's decision shall be final and binding except for the right to apply to the High Court under the Arbitration Act 1996 for the determination of any question of law arising in the course of any reference to arbitration under this clause.

25. Notices (General)

25.1. Except as otherwise expressly provided within the Deed, no notice or other communication from one Party to another shall have any validity under the Deed unless made in writing by or on behalf of the Party concerned.

25.2. Communication which is to be given by a Party to another and not being contractual or formal notice to be given under this Deed shall be given by letter (sent by hand, post, registered post or by the recorded delivery service, facsimile transmission or electronic mail). Such letters shall be addressed to the other Party in the manner referred to in clause 26. Provided the relevant communication is not returned as undelivered, the communication shall be deemed to have been given 2 Business Days after the day on which the letter was posted, or four hours, in the case of electronic mail or facsimile transmission or sooner where the other Party acknowledges receipt of such letters or item of electronic mail.

25.3. Any contractual or formal notice referred to be given under this Deed shall be given by letter to be sent by:

25.3.1. hand;

25.3.2. post, registered post or by the recorded delivery service.

Such notice shall be addressed to the other party in the manner referred to in clause 25.4 and should be deemed to have been given 2 Business Days after posting if sent by post or immediately if given by hand delivery.

25.4. For the purposes of this clause 25 the address of each Party shall be the addresses set out in Schedule 5 of this Deed or such other addresses as the relevant party shall notify the other parties in accordance with this Deed.

25.5. Any Party may change its address for service by serving a written notice in accordance with this clause.

26. Law and Jurisdiction

This Deed shall be governed by and construed in accordance with the laws of England and Wales and each of the Parties submits to the exclusive jurisdiction of the English Courts.

27. Counterparts

This Deed may be executed in any number of counterparts or duplicates, each of which shall be an original, and such counterparts or duplicates shall together constitute one and the same instrument. Any party to this Deed may enter into this Deed by executing any such counterpart.

28. Effective Date

The Parties agree and confirm that this Deed takes legal effect on the Effective Date and shall remain in force during the Term

29. Continuing Obligations

- 29.1. Save as otherwise expressly provided in this Deed the expiry or termination of this Deed (howsoever occasioned) shall be without prejudice to any accrued rights or obligations under this Deed prior to its expiry or termination, and that it shall not affect the continuing rights and obligations of the parties under clauses 1 (Interpretation), 4 (North East LEP Board Member's Liability), 5 (Accountable Body Responsibilities), 9 (Confidentiality and FOI), 10 (Termination of Deed), 12 (Consequences of Termination of this Deed), 16 (No Legal Partnership or agency), 17 (Waiver), 18 (Variation of Deed), 19 (Severance), 20 (Electronic Communication), 21 (Entire Agreement), 22 (Assignment), 23 (Contracts (Rights of Third Parties Act)), 24 (Dispute Resolution), 25 (Notices), 26 (Law and Jurisdiction), 27 (Counterparts), 28 (Effective Date), 29 (Continuing Obligations), or under any other provision of this Deed which is expressed to survive termination or which is required to give effect to such termination or the consequence of such termination.
- 29.2. The clauses of this Deed which expressly or impliedly have effect after expiry or termination will continue to be enforceable notwithstanding termination.

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Schedule 1 - Accountable Body Responsibilities

The Accountable Body – on behalf of the North East LEP- shall, during the Term:

1. be responsible for the legal and financial management of all North East LEP Funding received by it (or held by or on its behalf by SCC or NECA) and ensuring that they are spent in accordance properly and appropriately in accordance with the directions of the North East LEP including (without limitation).
 - ensure that probity is achieved in the use of North East LEP Funds and public funds held on behalf of the North East LEP;
 - work with the North East LEP in developing standard written procedures.
 - will provide financial monitoring statements on a quarterly basis to the North East LEP in relation to the North East LEP Budget, which will cover both project costs and management and administration costs incurred in performing the Accountable Body Responsibilities.
2. promptly ratify all deeds and things properly done by the North East LEP and allocate funding received by the Accountable Body to Projects approved by the North East LEP.
3. in relation to any LEP Funding which it receives as Accountable Body or held on its behalf by SCC or NECA undertake a co-ordinating role in relation to fulfilling the Accountable Body Responsibilities. These functions will include but are not limited to the following (which the Accountable Body may carry out itself or seek to deliver through the Service Level Agreements):
 - 3.1 the development and maintenance of efficient administrative systems to enable the Accountable Body and the North East LEP to fulfil their respective responsibilities;
 - 3.2 upon receipt of grant monies from the funding body, paying grant or making available loan to a party in relation to any project which that party is to deliver under any North East LEP Funding;
 - 3.3 receiving and consolidating monitoring funding returns from the recipients of funding allocated under paragraph 3.2 above;
 - 3.4 paying grant or making available loan to approved recipients upon receipt of grant monies from the funding body (within time limits specified in the agreement documenting such loan or grant);
 - 3.5 where applicable submitting grant claims to relevant funders and the North East LEP for approval;
 - 3.6 collating and submitting to the relevant funding body any interim or final claims and/or returns in relation to any programme or project and arranging any required audit of grant claims and payments;
 - 3.7 the receipt and management of funds comprising the North East LEP Budget.
 - 3.8 handling staff payroll and accounts payable and accounts receivable.

- 3.9 arranging appropriate organisational insurance policies are in place and are maintained (for example and without limitation Employers; Liability, Travel, Buildings and Contents and Directors' and Officers' Liability)
- 4 ensure that the conditions associated with any North East LEP Funding in relation to any project which it delivers, as a recipient of grant monies allocated under paragraph 3.2 of this Schedule 1 are met. The responsibilities of the Accountable Body in this respect will include but are not limited to the following (which the Accountable Body may carry out itself or seek to deliver through the Service Level Agreements)::
- 4.1 preparing appraisals and carrying out financial due diligence to the required standards for the Project for which it is responsible;
 - 4.2 production of implementation plans in relation to the Project for which it is responsible;
 - 4.3 implementing arrangements for monitoring and receiving monthly monitoring returns from Projects for which it is responsible including monitoring and reporting to the North East LEP on impacts and outputs;
 - 4.4 undertaking the required audit and quality control work in relation to the Projects for which it is responsible. In particular, internal and external auditors of the North East LEP shall have the right of access at any reasonable time to all records and information which they require in order to discharge their responsibilities effectively;
 - 4.5 monitoring expenditure and outputs in relation to Projects for which it is responsible and forwarding financial monitoring statements to the North East LEP:
 - 4.6 submitting grant claims to the relevant funding bodies;
 - 4.7 implementing procedures for competitive tenders and procurement consistent with proper application of funds;
 - 4.8 complying with all UK and EU laws and regulations relating to the project/programme, including social value related legislative framework and state aid compliance; and
 - 4.9 In relation to a project/programme which involves work with children and young people, having applicable procedures in place for ensuring compliance with relevant children's and young persons' legislation.
 - 4.10 Allowing access for third party audit of LEP Funding and the Budget – such as the EU court of Auditors, The National Audit Office and others.
 - 4.11 Ensure that the North East LEP has adequate access to the Accountable Body's Head of Paid Service, monitoring Officer, Section 151/73 Officer, Data Protection Officer and Senior Information Risk Officer to ensure timely operational input and decision-making and compliance with legal obligations within statutorily prescribed time limits.

- 5 respond to requests for information under Freedom of Information legislation, in accordance with the provisions agreed between the Parties and as set out in Schedule 5;

Schedule 2 – Services

SLA ref	Services Provided	LA providing service in 2020/21	Lead Contact 2020/21	LEP Budget	LA7 Budget	2020/21 Value £	TO: Lead Contact
NCC017	NELEP - Employee Services	Newcastle	Mark Nicholson / Paula Trott		5,150	5,150	mark.nicholson@newcastle.gov.uk
NCC019	NELEP - Insurance	North Tyneside	Janice Gillespie		3,240	3,240	janice.gillespie@northtyneside.gov.uk
NCC020	NELEP - Legal and Governance Services	Newcastle	John Softly		12,000	12,000	john.softly@newcastle.gov.uk
NCC021	NELEP - Legal Services and Monitoring Officer	Newcastle	John Softly		5,000	5,000	john.softly@newcastle.gov.uk
NCC022	NELEP - Occupational Health	Newcastle	Gerard Gray		1,000	1,000	ged.gray@newcastle.gov.uk
NCC023	NELEP - Risk Management	Newcastle	Susan Richards		6,625	6,625	susan.richards@newcastle.gov.uk
NCC024	NELEP - Strategic HR Advice & Guidance	Newcastle	Gerard Gray		9,000	9,000	ged.gray@newcastle.gov.uk
NTC001	NELEP - Chief Financial Officer	North Tyneside	Janice Gillespie		12,000	12,000	janice.gillespie@northtyneside.gov.uk
NTC002	NELEP - Finance and Accounting Services and Systems	North Tyneside	Janice Gillespie		8,000	8,000	janice.gillespie@northtyneside.gov.uk
NTC003	NELEP - Financial Support	North Tyneside	Janice Gillespie	5,000		5,000	janice.gillespie@northtyneside.gov.uk
NTC004	NELEP - Internal Audit	North Tyneside	Allison Mitchell	1,000		1,000	allison.mitchell@northtyneside.gov.uk
NTC006	NELEP - Procurement Services	North Tyneside	Denise Pearson	3,000		3,000	Denise.Pearson@northtyneside.gov.uk
NTC007	NELEP - Transactional Finance Services	North Tyneside	Janice Gillespie	2,300		2,300	janice.gillespie@northtyneside.gov.uk
NTC008	NELEP - Treasury Management	North Tyneside	Janice Gillespie		3,000	3,000	janice.gillespie@northtyneside.gov.uk

SCC019	NELEP - North East Investment Fund - Financial Management, Support Services and Coordination	Sunderland	Paul Dixon			hourly rates for specific activities	Paul.Dixon@sunderland.gov.uk
SCC020	NELEP - ICT Services	Sunderland	Jon Ritchie	33,000		33,000	jon.ritchie@sunderland.gov.uk
SCC021	NELEP - Information Governance including Data Protection Officer and Freedom of Information services	Sunderland	Rhiannon Hood		3,000	3,000	rhiannon.hood@sunderland.gov.uk
				44,300	68,015	112,315	-

Schedule 3 - Principles to be observed by the LEP

The North East LEP agrees that:

1. The North East LEP will operate in accordance with the Constitution. The North East LEP Board will undertake all decision-making on behalf of the North East LEP (save where the LEP Board has delegated its decision-making powers under the LEP Scheme of Delegations).
2. The North East LEP shall undertake the Operations using the Accountable Body to implement the decisions of the North East LEP on the terms of this Deed.
3. In relation to the Operations and the North East LEP Funding and for which one or more of the other Parties have assumed or will assume financial accountability to the relevant funding bodies and responsibility, the North East LEP Board and NTCA agree and confirms that:
 - 3.1 the North East LEP Board is responsible for overall management of the North East LEP, for determining its policies and for setting in place such structures and arrangements as are necessary to ensure that the Operations are carried out effectively; and
 - 3.2 the North East LEP Board shall develop with the relevant Party or Parties a framework for the involvement of the Chief Executive and representatives of the North East LEP Board.
4. In making decisions in relation to the North East LEP Funding (including but not limited to Local Growth Fund) awarded for the North East LEP Area the North East LEP Board will:
 - 4.1 take into account any reasonable representations made by the Chief Executive; and
 - 4.2 adopt a timely and transparent decision making process in accordance with its Constitution and comply with the conditions applicable to the North East LEP Funding and support the effective implementation of decisions to help ensure the Operations deliver value for money.
5. In relation to the application of the North East LEP Funding (including but not limited to the Growing Places Fund, Local Growth Fund on behalf of the North East LEP and the Regional Growth Fund) the North East LEP agrees with the Parties that throughout the term of this Deed, the North East LEP will:
 - 5.1 keep projects under review and promptly make and communicate all decisions relating to the projects to the Accountable Body;
 - 5.2 promptly approve or make decisions relating to projects and the allocation of funds to each project including provision for the expenses and costs of the Accountable Body and the any other Party r and to promptly communicate these to the Accountable Body and/or such other Party as the case may be;
 - 5.3 create and approve a plan setting out the priorities and strategies for each programme including the approach to grant allocations in line with

submissions made and funding agreements for any project in respect of which the North East LEP Funds are received; and

- 5.4 promptly develop approve and submit to the Accountable Body and/or any other Party (as the case may be) an annual Delivery Plan, planned expenditure and output targets.

6 In relation to the Accountable Body:

- 6.1 the North East LEP and its boards, committees and working groups will carry out their activities so far as practicable in a manner which enables the Accountable Body to comply with the terms of any North East LEP Funding received in connection with the Operations and to ensure that the functions and affairs of the North East LEP are carried out with regard to the principles of sound financial practice and applicable central government guidance and best practices.
- 6.2 the North East LEP shall agree the amount of payment payable to the Accountable Body and/or any other Party as part of North East LEP's annual budget setting and all of the Parties must agree any payment which exceeds the budgeted amount to be paid by or from funds for which the Party acts as the Accountable Body as the case may be.

Schedule 4 - Address for service of notice

1. NTCA:

The Newcastle upon Tyne, North Tyneside, Northumberland, Combined Authority

FAO: the Monitoring Officer

Quadrant,
Cobalt Business Park
The Silverlink North
North Tyneside NE27 0BY

2. NECA:

The Durham, Gateshead, South Tyneside and Sunderland Combined Authority

FAO: the Monitoring Officer

Town Hall and Civic Offices
Westoe Road
South Shields
Tyne and Wear

3. NORTH EAST LEP Board:

The North East Local Enterprise Partnership Board

FAO: Chief Executive Officer,

The North East Local Enterprise Partnership

1 St James Gate
Newcastle upon Tyne
NE1 4AD

4. SCC

Sunderland City Council

FAO: the Monitoring Officer

Civic Centre
Burdon Road
Sunderland
SR2 7DN

Schedule 5 - Freedom of Information Provisions

1. Freedom of Information

- 1.1 The Parties acknowledge that they are individually subject to the requirements of the FOIA and the EIR and shall assist and cooperate with any such Party (at their own expense) receiving a request for disclosure under the information disclosure requirements in this paragraph 1 (a 'Receiving Party').
- 1.2 Each Party shall procure that its employees, agents and sub-contractors shall:
 - 1.2.1 Provide the Receiving Party with a copy of all information within the meaning of section 84 of FOIA in its possession or power in the form that the Receiving Party requires within five working days (or such other period as the Receiving Party may specify) of the Receiving Party requesting that Information; and
 - 1.2.2 provide all necessary assistance as reasonably requested by the Receiving Party to enable it to respond to a Request within the time for compliance set out in section 10 of the FOIA or Regulation 5 of the EIR.
- 1.3 The Receiving Party has absolute discretion for determining whether any information:
 - 1.3.1 is exempt from disclosure in accordance with the provisions of the FOIA or the EIR;
 - 1.3.2 is to be disclosed in response to a Request it has received and in no event shall any other Party respond directly to a Request received by another Party unless expressly authorised to do so by the Receiving Party.
- 1.4 The Parties acknowledges that the Receiving Party may be obliged under the FOIA or the EIR to disclose Information:
 - 1.4.1 without consulting with the other Parties, or
 - 1.4.2 following consultation with the other Parties and having taken its views into account.
- 1.5 The Parties shall ensure that all information produced in the course of or relating to this Deed is retained for disclosure and shall permit the other Parties to inspect such records as requested from time to time.
- 1.6 The Parties acknowledge that any lists or schedules provided by them outlining commercial sensitive information not for disclosure are of indicative value only and that the Parties may nevertheless be obliged to disclose it in accordance with the FOIA or the EIR.
- 1.7 The provision of this clause 1 of this Schedule 5 shall survive the expiry or termination of this Deed (howsoever occasioned) and shall continue in full force and effect notwithstanding the expiration or such termination.