

DATED

MEMORANDUM OF UNDERSTANDING

between

PRESTON CITY COUNCIL (AS ACCOUNTABLE BODY)

and

XXXX (AS TEAM LEAD)

TOWNS FUND PROJECT XXXXXX

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THIS MEMORANDUM OF UNDERSTANDING is dated the day of 2021

PARTIES

- (1) **PRESTON CITY COUNCIL** of The Town Hall Lancaster Road Preston PR1 2RL (as accountable body for The Towns Fund) (“PCC”)**AND**
- (2) **XXXXXXXXXXXXXXXXXXXXX** (**TEAM LEAD**) at Preston City Council (“xx”)

Background

PCC is the Accountable Body for The Preston Towns Fund Grant

Funding is granted upon the basis of grant funding agreements entered into between the PCC and XXXXXXXX.

A copy of the form of grant funding agreement, which would typically be entered into with a third party applicant in relation to the funding for the Project, is set out in Annex B ("Project GFA"). This has been sufficiently completed so as to detail the expectations of XXXX as Project Lead in relation to the Project but it is not intended to be signed as a legally binding agreement.

PCC wishes to record the basis upon which XXXX will carry out his role as Project Lead in relation to successfully completing the Project.

Key objectives for the project

XXXX shall undertake the Project in accordance with the roles and responsibilities as set out in the Project GFA.

Principles of collaboration

XXXX agrees to adopt the following principles when carrying out the Project ("the **Principles**") in accordance with the Project GFA:

- Take appropriate and timely action to ensure that activities are delivered as required;
- be accountable; take on, manage, account to PCC adequate records for the performance of the respective roles and responsibilities set out in the Project GFA;
- be open; will communicate openly about major concerns, issues or opportunities relating to the Project;
- learn, develop and seek to achieve full potential; develop effective working practices, work to identify solutions, mitigate risk and reduce cost;
- adopt a positive outlook; behave in a positive, proactive manner;
- adhere to statutory requirements and best practice; comply with applicable laws and standards including applicable procurement rules, data protection and freedom of information legislation;

act in a timely manner; recognise the time-critical nature of the Project and respond accordingly to requests for support;

manage stakeholders effectively;

deploy appropriate resources; ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in this MoU; and

act in good faith to support achievement of the Project in accordance with the Project GFA.

Escalation

If either party to this MoU has any issues, concerns or complaints about the Project, or any aspect of this MoU, that party shall notify the Project Sponsor who shall then seek to resolve the issue by a process of consultation.

If the issue cannot be resolved within a reasonable period of time, the matter shall be escalated to the PCC's Management Team

If either party receives any formal inquiry, complaint, claim or threat of action from a third party (including, but not limited to, claims made by a supplier or requests for information made under the Freedom of Information Act 2000) in relation to the Project, the matter shall be promptly notified to the Project Sponsor. No action shall be taken in response to any such inquiry, complaint, claim or action, to the extent that such response would adversely affect the Project, without the prior approval of the PCC and XXXX acting unanimously.

Term and termination

This MoU shall commence upon the date first appearing above, and shall expire on the date the Project GFA would have been expected to terminate were it a legally binding document.

Variation

This MoU, including the Annexes, may only be varied by written agreement on behalf of both of the parties.

Status

This MoU is not intended to be legally binding, and no legal obligations or legal rights shall arise from this MOU. The parties enter into the MoU intending to honour all the delivery duties and obligations relating to the Project.

Governing law and jurisdiction

This MoU shall be governed by and construed in accordance with the principles of English law and, without affecting the escalation procedure set out in clause 4, each party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

Signed for and on behalf of **PRESTON CITY COUNCIL**

Signature:

Full Name in block capitals:

Position:

Date:

Signed by **XXXX Project Lead**

Signature:

Position:

Date:

Each party agrees to sign this Memorandum of Understanding remotely via e-mail or other means and/or by electronic signature (whatever form the electronic signature takes) and that such method(s) of signature is as conclusive as if executed by the manuscript signature of each party's authorised representative.

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CONTACT POINTS

PCC

XXXXXXXXXXXX

Name:

Office address:

Telephone Number:

E-mail Address:

PROJECT LEAD

Name: XXXX

Title:

Office Address:

Telephone Number:

E-mail Address:

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Annex A. The Project

XXX Project Name

Full details of the scheme are set out within Schedule 2 of the Project GFA appended as Annex B.

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Annex B. PROJECT GFA

The Project: XXX copy as annexed.

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**CITY OF PRESTON TOWNS FUND
MONITORING ARRANGEMENTS**

Full Monitoring Arrangements

**including templates, outputs and outcomes for each
project are to be presented to a future meeting of the Board
for approval**

**The assurance framework Annex K will be updated
following that Board meeting**

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**CITY OF PRESTON TOWNS FUND
5% CAPITAL FUNDING PRE-PAYMENT PROTOCOL**

To support with project delivery, the Department for Levelling Up, Housing and Communities (DLUHC) have released an early payment of 5% of the total Heads of Terms offer. The Council as Accountable Body has received £995,000 - 5% of Preston's total Towns Fund grant in the form of a Section 31 grant.

The funding enables early-stage activity in project development. Funding can only be spent on Preston's 6 Towns Fund projects. The funding can be used for projects where Business Case Summary Documents have not yet been submitted to DLUHC. If a project within a Town Deal does not ultimately proceed to the delivery stage, DLUHC will not seek to claw back the 5% early draw down. The 5% pre-payment is an early release of money rather than new funding. As such, payments in the future will need to be adjusted in order to take into account the early drawdown.

It is expected that the 5% pre-payment should achieve spend in 2021/22. In the event that the 5% early payment is more than profiled for 2021/22, DLUHC will net this off future payments until the amounts are reconciled.

PCC as the accountable body can use freedoms and flexibilities including capital swaps and moving money between projects to achieve spend.

Project sponsors are required to provide information to enable the Towns Fund Board to approve an indicative allocation per project.

A grant funding agreement (GFA) or memorandum of understanding (MOU) will be required to be signed prior to releasing the 5% capital funding to project sponsors.

A schedule of payment terms will be set out within the GFA or MOU.

Project Sponsors will be required to provide monitoring updates/reports and will be required to maintain an audit trail to support records supporting the spend. Preston City Council as Accountable Body will be required to provide updates to MLUHC on the use of the 5% pre-payment funds.