

Appendix 1

Legal Services summary of Leisure Development Partner Framework Contract

Legal

The Leisure Development Partnership Framework Agreement is the form of Contract, which the Council will need to enter into with the selected bidder to form the collaborative partnership, which is to deliver the aims and objectives of the Agreement between the Parties.

The Framework is for a period of 4 years and it sets out the terms and conditions which each of the Parties will be required to work within in order to achieve the aims and objectives.

The terms include or will include when completed the main key points that will ensure all Parties to the Agreement behave transparently and in the spirit of partnership throughout the contractual period. Such clauses included in the Agreement are:

1. Governance Processes within which the Partnership will work, setting out the formal requirements for regular meetings, which will track the progress and success of the Framework and also help mitigate any risk elements by ensuring any problems are raised during the early course of the contract.
2. Client engagement procedures to ensure that for each client that undertakes to use the Framework Agreement there is a mechanism for the client to fully understand the terms and conditions of any call off contract, which they will enter into. This feature is particularly important as the client upon entering into its individual contract becomes responsible for its own risks through the mechanism of whichever contractual structure it chooses to engage the Contractor under, be that the JCT standard form design and build contract, the NEC3 standard form design and build contract or the Sport England standard form of contract. On this basis there is no further risk to DCC in terms of any on-going build.
3. Finance– the Framework Agreement is set out in such a way that the operation of the Agreement will generate DCC an annual income by way of fees from the Contractor and through profit gain mechanisms (which are set out more particularly within the finance section to the report). This system is protected within the framework agreement by the requirement to show open book accounting and transparency of dealings.
4. Risk elements from a DCC perspective have been kept to a minimum. Each client takes on board their own risk in each of the contracts they undertake, and the Contractor takes the initial cost risk for each of the potential clients to include the production of a feasibility report to RIBA stage 2.