

Date: 31 July 2007

Report: REVIEW OF REETH PARTNERSHIP CENTRE

Purpose of the report

1. To update members on progress concerning negotiations with Hudson House to secure a modified agreement for a presence within the Hudson House Rural Resource Centre after January 2008.
2. To seek a decision from Members on whether, in light of the terms proposed for a new agreement, they wish the Authority to continue as a partner in Hudson House.

Strategic Planning Framework

3. The information and recommendation(s) contained in this report are consistent with the Authority's statutory purposes and its approved strategic planning framework:

- ***National Park Management Plan objectives***

UE2. Promote awareness of the Yorkshire Dales National Park so that, by 2008, 90% of visitors are aware that they are in a National Park.

CC5. Support and contribute to meeting targets set in local Community Strategies and sub-regional programmes for improving access to services within or closer to communities.

- ***Best Value Performance Plan objectives***

Objective 3 - Priority A, C, D, E

To provide accessible, high quality communications and services that positively influence people's enjoyment and understanding of the special qualities of the Yorkshire Dales National Park so that:

- The YDNP profile throughout England and Wales, as measured by the national opinion poll 2001, rises from 7% to 10%
- 90% of visitors are aware that they are in a National Park and at least 50% have an understanding of National Park purposes and/or special qualities by December 2007
- All residents are aware of the National Park, 80% are aware of the National Park Authority, and at least 70% have an understanding of National Park purposes and/or special qualities by December 2009.

Background

4. In January 2007 the Authority considered a paper which presented options for the future of the Authority's partnership with Hudson House. The current agreement will end in January 2008. The options considered in that paper are shown at **Appendix 1**.

5. Following consideration of the paper members resolved that:

“(a) Officers be authorised to re-negotiate a new agreement in respect of the Authority’s involvement in the Hudson House Partnership, based on the following:

- Space allocation in relation to the retail function in order to reduce costs
- Agreement of the licence fee and future running costs of the facility
- Length and term of new agreement
- A clear understanding that a grant contribution would not form part of any new agreement
- Use of volunteers in delivery of the NPA function (*volunteers are only now in the process of being recruited, and have not yet been used to extend the front desk service at Hudson House*)
- More specific terms about provision of reception and signposting duties, to be reflected in the agreement at the outset

(b) The Member Champion for Promoting Understanding be involved in the negotiations referred to in (a) above; and

(c) A further report be brought to the Authority in May 2007, being an update on progress with the negotiations referred to in (a) above”.

Current Issues

6. In May 2007 the Chief Executive, the Member Champion for Promoting Understanding and the Sustainable Tourism Manager met representatives of Hudson House. The meeting provided the opportunity to discuss the following areas:

- The term of the agreement. Authority representatives suggested a 5 year agreement with a 3 year break clause. *The Hudson House solicitor has since suggested that the agreement should be a five year agreement but that a break clause is not appropriate for an agreement of less than ten years.*
- The Interpretation room. The Authority only requires one wall in this room to display leaflets, and will not replace the current interpretative display in this room. Hudson House representatives said this reduction in space would not affect the cost to the Authority as costs are not apportioned on the basis of square footage occupied.
- The annual licence fee. We have requested that the quarterly charge should be combined into one fee that will be known in advance of the start of the financial year. Hudson House representatives stated that there would be an increase to the annual fee.
- Opening hours. There is a requirement for stated opening times within the agreement, with flexibility to change the hours with the consent of the Hudson House manager.
- Volunteers A paper, outside the main agreement, should be produced to indicate who will provide training, when/where training will take place and duties that will/will not be covered by volunteers.
- Overall contribution The agreement should reflect all NPA contributions including staffing costs.
- Point of contact The agreement should state the first point of contact for all the partners and should identify arrangements for formal meetings.

7. On 26 June 2007 a further meeting took place between the directors of Hudson House and representatives of the main partner organisations; Richmondshire District Council (RDC), North Yorkshire County Council (NYCC) and the Authority; the North Yorkshire Police Authority was not represented. NYCC have agreed to use Hudson House as a contact point for some services and intend to contract this work via service level agreements with RDC. As one of the partners providing first point of contact to users of Hudson House, the Yorkshire Dales NPA will need to have a separate meeting with both those bodies to agree how this might be achieved. The meeting also gave officers the opportunity to review an earlier draft of the agreement (final draft attached at **Appendix 2**) and to suggest further amendments.

Financial Position

8. Existing costs in managing the NPAs four National Park Centres and our contribution to the Hudson House partnership are shown in Table 1, below. Members should note that the line 'Retail Contribution' in Table 1 is the gross profit made on retail sales at each centre; it does not represent net profit, but is a useful indicator of the proportion of retail activity at each centre.

Table 1 Actual Figures for Flagship NPC's and Hudson House 2006/07						
	National Park Centre					Notes
	Aysgarth	Grassington	Hawes	Malham	Hudson House	
Full Time Equivalent	2.1	2.4	3.1	2.4	1.3	Based on FTE and 2006/07 Total Salaries Spend Hawes assumes 20% of DCM Premises Costs
Salaries	£44,200	£43,500	£67,400	£43,500	£27,100	
Expenditure	£26,400	£8,800	£15,800	£8,000	£7,900	
Income	-£8,000	-£700	-£1,200	-£100	-£400	
Net total cost	£62,600	£51,600	£82,000	£51,400	£34,600	
Retail Contribution	-£21,500	-£21,500	-£21,700	-£21,400	-£6,500	Income x Margin @ 40%
Number of Visitors	147100	92300	131200	110900	42,700	To be updated
Cost per Visitor	£0.43	£0.56	£0.63	£0.46	£0.81	
Note = - denotes Income						

- Note – 1. The Hudson House Figure excludes the £5,000 per annum Grant
 2. Many Hawes NPC Costs are recorded under Dales Countryside Museum.
 3. Aysgarth Falls includes coffee shop income

9. The total net cost shown in the Hudson House column is exclusive of the £5k per annum grant that the Authority agreed to make during the first five years of the centre's operation.

Excluding salary costs, the net cost of running the centre was £7500 (£7,900 total cost net of £400 fee income from bed bookings).

10. Of the total 'non salary' expenses of £7900, **£6052** was for costs recharged under the Hudson House agreement, made up of a share of water, electricity, heating, cleaning, building insurance, maintenance, business rates **and telephone** bills (the latter totalling **£1932** for 2006/07).

11. Members will recall that the £5k per annum grant referred to above was originally intended to be an 'inclusive' arrangement, combining a cost recharge comparable to that of the overheads experienced by the Authority when running its own premises in Reeth, and as a capital grant (as 'licence fee' in support of the joint project); the whole sum (£25k) was paid in advance. In the event, Hudson House has also needed to recharge additional support costs as they have arisen, which is the explanation for the total of the annual recharged costs described in the above paragraph.

12. The key figure in cost comparison is the figure of **£6052** (for the financial year 2006/07), currently paid to Hudson House for recharged support costs.

New Agreement

13. The proposed final (draft) agreement for continuing with the Hudson House arrangements has now been received (on 16 July 2007). The two fundamental issues that Members need to consider when in deciding whether to sign up to this new agreement are:

1. Operational

The facilities on offer are fundamentally the same as the Authority already receives. The key differences in the new agreement relate to -;

- The Authority has requested a slight reduction in the area of the building occupied, although this is in a side room that in any case adds very little to the utility of our operation at Hudson House.
- A slight variation has been made at the request of the Authority to provide flexibility with regard to more effective staffing of the facility, and now states "*the hours of availability of the Partners which are specified in clause 3.2 above shall be subject to operational flexibility to accommodate peaks and troughs of demand...*", and
- The addition of a new major partner in Hudson House, North Yorkshire County Council, which will require RDC and YDNPA staff to provide additional services.

2. Financial

The annual recharge proposed within the draft agreement is for an annual fee of **£6200** (paragraph 3.1). However, Members will note that this **excludes** the cost of recharged phone and IT systems, which were included in the recharges that totalled £6052 in 2006/07, at £1932.

14. As officers asked Hudson House to cost the Authority's contribution in advance, there is logic in excluding the most variable item from the predicted cost, which is presumably why it has been excluded and the intention is to charge separately.

15. Officers were advised in June 2007 that there would be an inflationary increase in costs, and that this would be exacerbated by a predicted shortfall in anticipated revenue funding coming

into Hudson House. However, the total of the proposed fee and the telephone costs is effectively £8132 (and that assumes no inflation on the 2007/08 telephone and IT costs). This is an increase on the 2007/08 payments (£6052) of £2080.

16. An all inclusive sum of £5650 has been separately negotiated with North Yorkshire Police, outside the discussions with the other participants (YDNPA, RDC and NYCC), but the former's arrangements see them picking up the cost of their own IT and computer systems.

17. Members will need to consider whether they are satisfied with the level of cost increase indicated by the draft agreement, particularly given that the level of grant increase that the Authority is anticipating from Defra is currently 0% over the next three years.

Conclusion

18. The Hudson House Partnership Centre remains a successful project in terms of a facility for the local community. The Authority must decide whether it has been a success from the NPA point of view. There have been and continue to be increased costs associated with being a partner in this facility. However there are benefits in terms of Community relations.

19. Hudson House will continue to provide volunteers to support its work. The volunteers will carry out limited National Park Authority duties. A separate document outlining the detail of how volunteers will work with Authority staff will be developed. The NPA will be involved in training such volunteers.

20. Finally, the Authority appointed a member, Mr Lancaster, to represent it on the Hudson House Partnership. However Mr Lancaster has become the financial director for Hudson House. As a result he is no longer able to represent the National Park Authority on the board or to participate in debates in the Authority due to his personal and prejudicial interest in this matter. Members may have to consider their response to this issue.

RECOMMENDATION

21. That Members consider the new arrangements and decide whether they wish to continue as a partner in Hudson House project.

Julie Barker
Sustainable Tourism Manager

18 July 2007

Background documents:

30 January 2007 NPA Review of Reeth Partnership Centre

Option 1 NPA remain in Hudson House Partnership (no change)

Pros	Cons
<ul style="list-style-type: none"> • No redundancy costs • Less disruptive • Public perception – good in area • Contact with local community • Ranger accommodation already in place • Planning surgery • Extended opening hours (with partnership RDC) • Hudson House remains open • Opportunity to see wide range of people as offering main reception service 	<ul style="list-style-type: none"> • Cost of service • Agreement (licence) fee • Taking on additional responsibilities (e.g. reception). • Low reduced retail spend (does not fit trend for other NPCs) • Limited space • Not on Wide Area Network • No exclusive use of space

Option 2 NPA pull out of the Hudson House Partnership (and close NPC provision)

Pros	Cons
<ul style="list-style-type: none"> • Cheaper: savings on operational costs, and considerably greater savings on staff costs: would free up resources for other priorities • Allows NPA to concentrate on ‘flagship centres’ 	<ul style="list-style-type: none"> • Public perception • Ranger position • Planning surgery • Loss of contact with local community • Morale reduces due to loss of staff • Redundancy costs • Alternative provision required (PIP) • Loss of retail outlet • Loss of ‘local’ expertise on open access information from Information Advisors • Potential loss of local amenity if HH had to close

1. In addition to savings on running costs, the ‘salary’ savings of this option, spread across three part-time posts, would amount to approximately £14k (This figure assumes retention of one of these posts in another capacity, but would otherwise be approximately £27k)

2. The loss of facilities for the Swaledale-based Area Ranger could be resolved, either by renting office space for occasional use, or by using existing facilities in Hawes. The Area Ranger is already reasonably peripatetic, and uses facilities at Bainbridge and Hawes according to convenience, including the newly-refurbished ‘North Platform’ office (use of which allows contact with Ranger colleagues). The Planning surgery would have to rent accommodation from Hudson House or a similar facility in Reeth. There is some evidence that planning surgeries elsewhere tend to attract local callers from the vicinity of the surgery, but not from elsewhere in that particular planner’s geographical area of responsibility, because of the distances that are involved. In either case, the Hudson House managers were not prepared to allow the Authority to operate its Wide Area Network from the premises (a resource which has since been reallocated to other premises), so full network access to the Authority’s planning and other systems is not possible from that site.

Option 3 Amend NPA involvement in Hudson House Partnership

Pros	Cons
<ul style="list-style-type: none">• More cost-effective than at present, as opportunity to negotiate fee and new contract terms• More retail space would bring income more in line with other NPCs• Dedicated interpretation area would better promote understanding• Hudson House amenity remains open• NPA maintains presence in the area• Ranger accommodation already in place• Planning surgery available• Extended opening hours (with partnership RDC)	<ul style="list-style-type: none">• Potentially difficult negotiations ahead would need full member support. Members need to be aware that it may be very difficult to achieve the required outcomes, based on the track record of discussions over the past four years

4. This final option is to remain within the Hudson House premises, but with changes being made to the agreement to address some of issues identified above.

**HUDSON HOUSE –
A RURAL RESOURCE CENTRE FOR SWALEDALE AND
ARKENGARTHDALE**

PARTNERSHIP AGREEMENT

BETWEEN:

- Hudson House Limited
- North Yorkshire Police Authority
- Richmondshire District Council
- Yorkshire Dales National Park Authority
- North Yorkshire County Council

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Schedule 1 – Partnership Principles

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Appendix 1 – List of Grant Aid Received

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PARTIES

1. **HH** **Hudson House Reeth Limited** whose registered office is at Hudson House, Reeth, North Yorkshire and whose Company Registration number is 4247561
2. **NYPA** **North Yorkshire Police Authority** of BBP House, Keld Close, Barker Business Park, Melmerby, Ripon, North Yorkshire, HG4 5NB
3. **RDC** **Richmondshire District Council** of Swale House, Frenchgate, Richmond, North Yorkshire, DL10 4JE
4. **YDNPA** **Yorkshire Dales National Park Authority** of Yoredale, Bainbridge, Leyburn, North Yorkshire, DL8 3EE
5. **NYCC** **North Yorkshire County Council** of County Hall, Racecourse Lane, Northallerton, North Yorkshire, DL7 8AD

BACKGROUND

1. HH was incorporated in 2001 for the purpose of providing a multi use rural resource centre from the former Barclays Bank branch office at Hudson House, Reeth, North Yorkshire.
2. HH has received grant aid and other assistance from a number of sources including the North Yorkshire Small Project Fund, the Countryside Agency, Yorkshire Forward and the European Regional Development Fund, as is more particularly detailed in Appendix 1, and the Partners have agreed to make certain financial commitments on a revenue basis in accordance with the terms of this Agreement.
3. HH and the Partners have agreed that the Premises should be used by the Partners as a Rural Resource and Enterprise Centre to enable them to provide facilities and services to the local communities.
4. HH and the Partners have agreed that such use shall complement the other services to be provided from Hudson House by a number of other agencies including (but not limited to): -
 - ◆ The Upper Swaledale and Arkengarthdale Business Association
 - ◆ Reeth & District Community Transport Ltd
 - ◆ The Swaledale Festival
 - ◆ The Chevin Housing Group (who will provide housing on the first floor of the Building)
 - ◆ The Reeth Community Orchard Group
5. HH and the Partners have agreed to enter into this Agreement which will set out the rights and responsibilities of each Party.

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THE AGREEMENT

PART 1 – DEFINITIONS AND INTERPRETATION

1. In this Agreement the following definitions are used: -

Building	Ground floor of Hudson House, Reeth, North Yorkshire and the adjacent building known as 'the Barn'.
HH Representative	The nominated representatives of HH, details of whom are set out in Schedule 3
Partners	NYPA, RDC, YDNPA and NYCC.
Partnership Principles	The principles to be applied by the Partners which are contained in Schedule 1
Partner Representatives	The nominated representatives of each Partner, details of whom are set out in Schedule 3
Plan	The plan attached
Premises	The parts of the Building shown on the Plan. (nb new plan required to include the Barn – Valuation Office visits on 5 June 2007)
Project	The adaptation and use of the Building as a Rural Resource and Enterprise Centre
Representatives	The HH Representatives and the Partner Representatives
Services	The Services and other obligations to be provided and performed in or for the benefit of the Premises by HH which are referred to in Schedule 2
Licence Fee	The charge by HH to the Partners for the Services which is reviewable in accordance with Clauses 1 to 4 of Part 3
Start Date	24 January 2008 or such other time as HH and the Partners may agree.
Term	Five years from the Start Date.

2. This Agreement is governed by English law and comprises the entire Agreement relating to the Project between the Parties.

3. References to any act or regulation include references to any amendment or re-enactment of them.

4. References to: -

- ◆ Masculine include the feminine and vice versa

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- ◆ Singular include the plural and vice versa
- ◆ Persons include companies and corporations and vice versa
- ◆ Clauses are to clauses in the parts of this Agreement and reference to Clauses “above” or “below” are to clauses in the same part of the Agreement
- ◆ Schedules are to the 5 Schedules to the Agreement
- ◆ Parts are to the 5 parts of this Agreement
- ◆ Paragraphs are to paragraphs in the Schedules

5. This Agreement does not constitute a legal partnership between the Partners or between the Partners and HH.

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PART 2 – THE OPERATIONAL PHASE

1.0 The Licence to Occupy

1.1 HH agrees with each of the Partners to grant to them the right to occupy the Premises: -

- ◆ In common with the other Partners and any other agencies agreed by the Partners, such agreement not to be unreasonably withheld
- ◆ For the purpose of contributing to the achievement of the Partnership Objectives
- ◆ For the Term
- ◆ In accordance with the terms of this Agreement

1.2 HH further grants to the Partners (and their servants, agents and visitors) the right on a non-exclusive basis to: -

- ◆ Use the car park serving the Building
- ◆ Use the toilets and kitchen facilities in the Building
- ◆ Use the meeting facilities in the Building subject to availability and prior booking.

1.3 This Agreement does not create (and shall not be interpreted as creating) the relationship of landlord and tenant between HH and the Partners.

2.0 HH's Obligations

2.1 HH agrees with the Partners: -

- (a) To provide the Services to their reasonable satisfaction
- (b) To indemnify the Partners from and against all actions, claims, costs, proceedings and demands relating to personal injury (including death) or damage to or loss of property which are attributable to the act or default of HH, its servants or agents and to maintain adequate insurance for this purpose under a policy and with an insurer approved by the Partners
- (c) Not to assign this Agreement or any part of it except with the prior written consent of the Partners and only to sub-contract the provision of the Services (in the case of Services capable of being sub-contracted) in accordance with arrangements previously approved in writing by the Partners which consent shall include the provision that HH shall be liable for the acts and defaults of the sub-contractor.

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3.0 **The Partners' Obligations**

3.1 The Partners and HH agree that the purpose of the Hudson House Partnership is the creation of a Rural Resource and Enterprise Centre for the community of Swaledale and Arkengarthdale.

3.2 The Partners and HH agree that NYPA, RDC, YDNPA and NYCC will occupy the common area in the Building to provide services to the community including: -

(a) Access to **Police Services** including the production of documents, the reception and recording of found property and the recording of lost property, the conduct of interviews and other Police services. NYPA will enjoy open access to the Premises and will attend "as required".

(b) Access to **District Council Services** including collection of Council Tax and other income, provision of information re District Council Services and other organisations and "signposting" visitors to the other Partners and the provision of other District Council and community services. RDC will provide a community office assistant to work in the premises between 10.00 am and 4.00 pm Wednesday, Thursday and Friday from and including 1 November until 1 April and (by arrangement by YDNPA to meet demand) for 18 hours per week from 31 March to 31 October.

(c) Access to **National Park Services** including the provision of tourist information, details of National Park services and "signposting" visitors to the other Partners. YDNPA will provide an information advisor to work in the Premises between 10.00 am and 4.00 pm on Saturday and Sunday from 31 October until Easter weekend and from 10.00 am to 5.00 pm Monday to Sunday from Easter weekend until 31 October.

(d) Access to North Yorkshire County Council Services. Access to these services will, in principle, be through the existing RDC staffing. However there will be the provision of information on NYCC services including leaflets, and if decided by NYCC by an open access computer. Attendance by NYCC staff will usually be by appointment only.

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Comment [c1]: I still feel we need more detail in this section as to what the services are. It could be that we add a schedule of services for each Partner and link this section to the schedule.

Comment [c2]: Detail to be added

3.4 All four Partners will be linked by telephone and IT to their respective headquarters to facilitate sufficient access to all services provided by them.

3.5 The Partners shall be responsible for the provision of their own furniture and equipment except to the extent agreed with HH. Schedule 4 comprises inventories of items owned by each party, which shall each be responsible for the maintenance and replacement of such items. The Partners shall be responsible for the insurance of their own equipment.

3.6 Although RDC and YDNPA will primarily be responsible for their own areas of activity, their services (and those of HH, NYPA and NYCC) will overlap. It is intended that their staff will continue to develop effective joint working arrangements, enabling each of them to provide cover where possible and appropriate for the other users of the Premises. The Partners will continue to apply the Partnership Principles and will work together to encourage community involvement in service provision and will commit jointly with HH and other "stakeholders" to ensuring the provision of a quality service from the Rural Resource Centre.

3.7 Whilst RDC and YDNPA staff and volunteers will remain the responsibility of RDC (or YDNPA, as the case may be) joint working between RDC and YDNPA is encouraged and is expected to further develop over the Term and it is anticipated that this style of working will produce synergetic benefits and a more consistent and user friendly service to the community.

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- 3.8 The Partners and HH mutually agree to work together in accordance with the Partnership Principles.
- 3.9 The Partners agree that any requests to carry out work to the Building must be agreed in writing by the HH Board, such agreement not to be unreasonably withheld.
- 3.10 The Partners shall only assign this Agreement when required by operation of law including, but without limitation, by reason of the reorganisation of Local Government.
- 3.11 Each Partner (in sub-clause (a) '**the Indemnifying Partner**') agrees with the other Partners and with HH:
- (a) To indemnify the other Parties and HH from and against all actions, costs, proceedings and demands relating to personal injury (including death) or damage to or loss of property which are attributable to the act or default of the Indemnifying Partner, its servants or agents and to maintain adequate insurance for this purpose.
 - (b) Not to assign this Agreement or any part of it (except where required to do so as part of any reorganisation required by statute) provided that any Partner may, after consultation with the other Partners and HH engage third party agencies to assist them in delivering the Services.

4.0 **Staffing - General**

- 4.1 The Partners agree with each other and with HH that: -
- (a) The Partners may use volunteers to facilitate the delivery of Services from the Premises in accordance with arrangements agreed with HH and their Partners and shall ensure that such use of volunteers is also in accordance with individual Partner's policies on their deployment. The Partners shall ensure that any volunteers enter into a written agreement outlining their duties and shall ensure that adequate training is provided to such volunteers.
 - (b) Staff located by the Partners in the Premises shall be and shall remain the employee (or agent in the case of volunteers) of individual Partners.
 - (c) HH staff involved in the administration of the Project shall be appointed by HH in consultation with the Partners to the extent agreed as appropriate.
 - (d) The hours of availability of the Partners which are specified in Clause 3.2 above shall be subject to operational flexibility to accommodate peaks and troughs of demand, periods of authorised absence (e.g. on sick leave or annual leave), other contingencies and lunch and other breaks.

PART 3 – FINANCIAL OBLIGATIONS AND REVIEW

1.0 **NYPA Obligation**

- 1.1 NYPA agree to pay HH an annual licence fee of £5,650 annually in advance, the first payment being made on the date of this Agreement, with subsequent payments being made before 1 February in each year of the Term.
- 1.2 The NYPA fee shall be adjusted by HH on the first and subsequent annual anniversaries of the Start Date by an amount equivalent to the movement in the RPI "all items excluding

housing” index. HH undertakes to inform the Partners of any increase by 30 September in each year of the Term.

1.3 The NYPA fee is inclusive of outgoing and running costs including, but not limited to, business rates, electricity, gas, water payable by NYPA to HH.

1.4 NYPA are responsible for the direct payment of telephone and IT lines used for their operations in the Premises.

2.0 **RDC Obligation**

2.1 RDC agree to pay HH an annual licence fee of £6,000 annually in advance, the first payment being made on the date of this Agreement, with subsequent payments being made before 1 February in each year of the Term.

2.2 The RDC fee shall be adjusted by HH on the first and subsequent annual anniversaries of the Start Date by an amount equivalent to the movement in the RPI “all items excluding housing” index. HH undertakes to inform the Partners of any increase by 30 September in each year of the Term.

2.3 The RDC fee is inclusive of outgoing and running costs including, but not limited to, business rates, electricity, gas, water payable by RDC to HH.

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2.4 RDC will be re-charged by quarterly invoice for their use of ~~are responsible for the direct payment of~~ telephone and IT lines provided and maintained by HH, and used for RDC’s operations in the Premises.

3.0 **YDNPA Obligation**

3.1 YDNPA agree to pay HH an annual licence fee of £6,200 annually in advance, the first payment being made on the date of this Agreement, with subsequent payments being made before 1 February in each year of the Term.

3.2 The YDNPA fee shall be adjusted by HH on the first and subsequent annual anniversaries of the Start Date by an amount equivalent to the movement in the RPI “all items excluding housing” index. HH undertakes to inform the Partners of any increase by 30 September in each year of the Term.

3.3 The YDNPA fee is inclusive of outgoing and running costs including, but not limited to, business rates, electricity, gas, water payable by YDNPA to HH.

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3.4 YDNPA will be re-charged by quarterly invoice for their use of telephone and IT lines provided and maintained by HH, and used for YDNPA’s operations in the Premises.

4.0 **NYCC Obligation**

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4.1 NYCC agree to pay HH an annual licence fee of £4,000 annually in advance, the first payment being made on the date of this Agreement, with subsequent payments being made before 1 February in each year of the Term.

4.2 The NYCC fee shall be adjusted by HH on the first and subsequent annual anniversaries of the Start Date by an amount equivalent to the movement in the RPI “all items excluding housing” index. HH undertakes to inform the Partners of any increase by 30 September in each year of the Term.

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4.3 The NYCC fee is inclusive of outgoing and running costs including, but not limited to, business rates, electricity, gas, water payable by NYCC to HH.

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4.4 NYCC will be re-charged by quarterly invoice for their use of telephone and IT lines provided and maintained by Hudson House Ltd, and used for NYCC's operations in the Premises.

5.0 **General**

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5.1 All charges to Partners will be made by invoice from Hudson House Ltd.

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6.0 **Review**

Comment [c3]: Graham – I have deleted the entire clause relating to invoice payment as the Licence Fee is to be paid on an annual basis and no invoices will be produced. Please confirm this is correct.

6.1 HH will convene occasional management meetings of staff based at the Premises which will be chaired by HH's site manager.

6.2 The HH Representative is the first point of contact for queries in respect of the day to day operation of the Premises. The Partners and/or HH have the right to request a meeting on not less than [30] days notice. Such meetings will: -

- (a) be held at the Premises.
- (b) be attended by the Representatives and such other Partner and HH staff as may be appropriate.
- (c) be minuted by the Partners and HH in accordance with appropriate arrangements to be agreed before the meeting.

Annual Partners Review Meeting

6.3 HH and the Partners (and other users of Hudson House) will hold an annual meeting between 1 January and 1 March in each year of the Term. The annual meeting will receive a detailed report prepared by HH in such a format as the Partners may reasonably require.

PART 4 – GENERAL PROVISIONS

1.0 **Dispute Resolution**

1.1 HH and the Partners acknowledge that wherever reasonably possible and appropriate the Partnership Principles shall be applied to avoid the risk of disputes and the resolution of any which may have arisen. The remaining provisions of this Clause apply to disputes where the Partnership Principles are not considered to be the appropriate mechanism for dispute resolution by one or more of the parties to this Agreement.

1.2 Any dispute or difference (in this Clause '**the Dispute**') which arises between the Parties as to the construction of this Agreement or as to their respective rights, duties and obligations or as to any other matter arising out of or connected with the Agreement (including, but without limitation, any unresolved matters relating to the exit strategy referred to in Clause 2 below) shall be determined in accordance with the provisions of this Clause.

1.3 The parties involved in the dispute (in this Clause '**the Disputing Parties**') shall jointly submit the Dispute to a neutral adviser appointed by agreement between them to assist them in resolving the Dispute. Any party may give written notice to the other involved in the

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Dispute, describing the nature of the Dispute, requiring it to be submitted to such a neutral adviser and proposing the name of a suitable person to be appointed. If no such person is appointed by agreement within 14 days after such notice is given or, if no such notice is given within 28 days after the Dispute has arisen, the party may request the Centre for Dispute Resolution to appoint a neutral adviser acceptable to the parties.

- 1.4 With the assistance of the neutral adviser appointed in accordance with Clause 1.2 above the Disputing Parties shall seek to resolve the Dispute by using an Alternative Dispute Resolution (in this Clause 'ADR') procedure agreed between them or in default of such agreement established by a neutral adviser.
- 1.5 If the Disputing Parties accept any recommendations made by the neutral adviser or otherwise reach agreement as to the resolution of the Dispute such agreement shall be recorded in writing and signed by the Disputing Parties and, if applicable, the neutral adviser and it shall be binding upon the Disputing Parties.
- 1.6 If: -
 - (a) The Dispute has not been resolved to the satisfaction of the Disputing Parties within 60 days after the appointment of the neutral adviser; or
 - (b) Any Disputing Party fails or refuses to agree or participate in the ADR procedure; or
 - (c) In any event the Dispute is not resolved within 90 days after it has arisenthen the Dispute shall be resolved under Clause 1.7 below.
- 1.7 Any Dispute which is to be resolved under this sub-clause shall be resolved by the decision of an expert whose decision shall, save as to manifest error, be final and binding on the Disputing Parties. The expert shall be appointed by agreement between the Disputing Parties or, if within 10 days after the Dispute fails to be resolved, the Disputing Parties have been unable to agree then on application of any of them to the President for the time being of the Chartered Institute of Arbitrators.
- 1.8 Any costs and fees incurred by the Disputing Parties which are not met in accordance with an agreement reached through ADR or in accordance with a decision reached by the expert under Clause 1.7 above shall be borne by the Disputing Party by whom they were incurred.

2.0 **Termination**

- 2.1 The Partners acknowledge that by entering into this Agreement with HH they intend to use the Premises for the full duration of the Term. The Partners acknowledge, however, that foreseeable risks could arise during the Term which could require the Agreement to be terminated prematurely and the remaining provisions of this Clause provide how such risks shall be managed.
- 2.2 If HH: -
 - (a) Has offered a gift or consideration as an inducement to enter into this Agreement or has committed any offence under the Prevention of Corruption Acts 1889 – 1916; or
 - (b) Has a Receiving Order made against it; or
 - (c) Has a Winding Up Order made against it; or
 - (d) Is in persistent and/or fundamental breach of its obligations under this Agreement

then the Partners may jointly terminate this Agreement.

- 2.3 If any irreconcilable conflict of interest has arisen between HH and one or more Partners (and for the purpose of this sub-clause of the commission of a serious criminal offence by HH (or any member of it) may constitute such irreconcilable conflict) then the Partners may jointly terminate the Agreement but without prejudice to any rights the Partners (or any of them) may have against HH as a consequence.
- 2.4 HH may terminate this Agreement if one of more Partners are in fundamental breach of their obligations under this Agreement but without prejudice to any rights it may have against the Partners (or any of them).
- 2.5 It is foreseeable that even though grounds for termination may not exist in Clauses 2.2 – 2.4 above the Partners and HH may agree that it is appropriate for the Agreement to be terminated prematurely. No such agreed termination shall take place until the Partners and HH have jointly prepared a detailed exit strategy which, so far as is possible, will protect the interests of the Partners, recognise their financial and other contributions to the Project and which will take account, so far as is reasonable and appropriate, of all relevant factors relating to the circumstances of the termination.

3.0 **Variation and Amendment**

- 3.1 Any of the Parties may from time to time request a variation (in this Clause 'a **Variation**') to all or any of the Services or any other matter relating to the Premises or this Agreement. Such a request may be made by reason of the impact of new legislation, changes in operational requirements or for any other reason.
- 3.2 The party requesting a Variation shall serve a notice (in this Clause 'a **Variation Notice**') on the other parties identifying the proposed Variation and relevant details of it including, but without limitation, its effect, timing, benefit and any costs associated with it.
- 3.3 The parties receiving the Variation Notice shall reply to it within 28 days and, wherever possible, Variations shall be considered by the review meetings referred to in Part 4, Clause 5.
- 3.4 If a Variation Notice is accepted by all the parties then the following procedures shall apply: -
 - (a) The Variation shall be effected by the party proposing it (or as otherwise may be agreed).
 - (b) The costs of the Variation, if any, shall be borne in such proportions as may be agreed having regard to the benefit conferred by the Variation on any of the parties. Such costs shall include, for the avoidance of doubt, not only any capital costs of the Variation but any recurrent costs.
 - (c) The provisions of this Agreement shall be amended to reflect the Variation.
- 3.5 If either: -
 - (a) Any matter in Clause 3.2 above is not agreed within 28 days of its first having arisen;
or
 - (b) The Variation Notice is unacceptable to any party

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then the matter may be referred by any of the parties to Dispute Resolution under Clause 1 above.

3.6 Without prejudice to the above provisions of this Clause, no amendment to this Agreement shall be effected unless it refers expressly to this Agreement and is evidenced in writing in a document signed by or on behalf of the parties.

4.0 **Representatives**

4.1 The Parties shall appoint the Representatives as soon as possible after the Start Date.

4.2 The Representatives are the persons authorised to act on the Parties' behalf in connection with the routine operation of the Project.

4.3 Details of the Representatives are set out in Schedule 3.

5.0 **Force Majeure**

5.1 No Party shall become liable for any default under this Agreement caused by force majeure including, but without limitation, act of God, act of Government, war, civil unrest or industrial action.

6.0 **Option to Renew**

6.1 If a Partner does not wish to enter into negotiations to enter into a further agreement pursuant to Clause 6.2 below it should use all reasonable endeavours to notify HH and the other Partners to this effect in writing before 24 January 2012

6.2 At any time before or during the last year of the Term the Partners may either individually or collectively negotiate a further agreement for the Project with HH on such terms as they may agree to be appropriate. It is acknowledged that there is no commitment on any party to offer to enter into a further Agreement but the parties acknowledge that they are free to make whatever arrangements they feel are appropriate for a continuation of the Project after the expiration of the Term.

7.0 **Statutory Compliance, Confidentiality and Third Party Rights**

7.1 The Parties shall each comply with all relevant legislation and regulations relating to or affecting the use of the Premises, including, but without limitation, the Freedom of Information Act 2000 and the Data Protection Act 1998.

7.2 Subject to 7.1, the Parties shall treat as confidential all information acquired by them as part of the Project where the need for such confidentiality has been notified. We need some guidance here as to how this sits with FOIA – I think para 7.1 covers it.

7.3 Any person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Agreement.

8.0 **Entire Agreement**

Comment [c4]: FOIA rules can exempt any information which was intended to be confidential. I think your requirement to notify that the material should be confidential is adequate. That said, the courts do look at these things on a case by case basis and if it is felt that public interest overrides the confidentiality it will be made available to the public.

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- 8.1 This Agreement constitutes the entire agreement between the Parties and supersedes all prior representations, communications, negotiations and understandings concerning the Project.
- 8.2 Without prejudice to the general provisions of 8.1, the Parties acknowledge that in the event of any of the other occupiers of the Building (whether or not they are referred to in "Background" paragraph 4 above) deciding to vacate the Building the Partners (or any of them) shall have no liability to HH in respect of 'stepping in' to assume the liabilities of any such vacating occupier.

SIGNED by authorised agents of HH, NYPA, RDC, YDNPA and NYCC

.....
for HH

.....
for NYPA

.....
for RDC

.....
for YDNPA

.....
for NYCC

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SCHEDULE 1

PARTNERSHIP PRINCIPLES

1. This Agreement is not a partnership in a legal sense either between the Partners themselves or the Partners and HH. But all the parties acknowledge that the primary objective of this Agreement is to enable the Partners to work closely with HH to enable communities served by Hudson House to benefit from a single site.
2. The Project necessitates working together closely which will enable operational and financial efficiencies to be made through economies of scale.
3. The Partners and HH mutually acknowledge that without commitment, flexibility and understanding the Project cannot achieve the joint benefits required.
4. The Partners and HH acknowledge that from time to time problems may arise in connection with the use of the Premises for a variety of reasons which may include faults or omissions on the part of one or more partners or for other reasons unconnected with their actions or conduct. The Partners and HH further acknowledge that the joint working arrangements enabled by this Agreement, although a welcome innovation, may from time to time create friction or cause disputes between the Partners' operational staff who are based at Hudson House or between such staff and HH or other users of the Premises. Each Partner and HH agrees to take whatever steps as are reasonably appropriate to remedy any such problems including, but not limited to, training or, exceptionally, disciplinary action against their employees or volunteers.
5. The Partners and HH agree: -
 - ◆ To work together to minimise the frequency of such problems
 - ◆ To focus upon learning rather than blame
 - ◆ To consider all relevant circumstances where problems have arisen
 - ◆ To take an holistic view of problems and not to focus on minor issues in isolation
 - ◆ To take such further steps – through joint training and staff education, for example - as are necessary to train their staff to focus upon problem solving and effective outcomes rather than culpability and to deal professionally, effectively and equitably with any problems
 - ◆ If appropriate to apply the procedure in paragraph 6 below before any Disputes are referred to formal dispute resolution under Part 4 Clause 1
 - ◆ To afford to each Partner and HH such access to information relating to the operation and use of Hudson House or any aspect of it which is reasonably necessary to facilitate its effective operation
6. The Partners and HH shall comply with the following provisions without prejudice to Clause 1 of Part 4: -
 - (i) In the first instance any Disputes under the Agreement shall be dealt with by the members of staff having responsibility for the subject matter of the Dispute and they shall use their best endeavours to resolve the Dispute within as short a time as reasonably possible
 - (ii) If a Dispute is not resolved under (i) above the matter shall be referred to the relevant Representatives who shall use their best endeavours to resolve the Dispute within 14 days.
 - (iii) If the Dispute has not been resolved in accordance with (ii) the matter shall be referred to the respective Chief Officers of the Partners and/or the Chief Executive of

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HH as appropriate who shall use their best endeavours to resolve the Dispute as soon as possible and in any case within 28 days.

- (iv) If the Chief Officers of the Partners and a nominated Director of HH have not resolved the Dispute within 28 days the matter may be referred to formal dispute resolution under Clause 1 of Part 4.
- 7. The Partners and HH will work together at all times to ensure that there are no strict demarcation lines in the Premises except where otherwise agreed and operationally necessary.
- 8. The Partners and HH will at all times endeavour to ensure that the Premises are operated and perceived to be operated as a single facility serving the local community.
- 9. The Partners may agree with HH such joint publicity arrangements as are appropriate relating to the Project and each Partner may publicise the provision of its own services from the Premises.
- 10. The Partners and HH shall use all reasonable endeavours to minimise avoidable disruption caused by any other of the Partners to the others as a result of their operational activities.

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SCHEDULE 2

THE SERVICES

The Services to be provided for or in respect of the Premises by HH are: -

1. Premises which meet the requirements of Health and Safety at Work legislation. Staff will ensure that fire safety requirements are met.
2. Maintenance and repair including fixtures, fittings and contents but excluding any equipment owned by the Partners.
3. Internal and external decoration.
4. Cleaning.
5. Lighting and heating.
6. Management (including, but not limited to, administration, accounting and security arrangements) by on site manager.
7. Payment of ~~Council Tax~~ Non-Domestic rate and other outgoings relating to the Premises.
8. Insurance of the Building in accordance with a policy and an insurer approved by Partners, such approval not to be unreasonably withheld.
9. Provision of public liability insurance.

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SCHEDULE 3

REPRESENTATIVES

Partner Representatives

Comment [c5]: Check these details are correct

1. **NYPA Representative** – Sheila Peacock, Business Manager, Western Area..
Address: North Yorkshire Police, Western Area HQ, Ripon Police Station,
North Street, Ripon, North Yorkshire, HG4 1HJ

Telephone No:

E-mail: sheila.peacock@northyorkshire.pnn.police.uk
2. **RDC Representative** – Carole Dew – Head of Customer Services
Address: Richmondshire District Council, Swale House, Frenchgate House,
Frenchgate Richmond, North Yorkshire, DL10 7AF

Telephone No: 01748 829100

E-mail: c.dew@richmondshire.gov.uk
3. **YDNPA Representative** – Julie Barker - Sustainable Tourism Manager
Address: Colvend, Hebden Road, Grassington, BD23 5LB

Telephone No: 01756 751600

E-mail: Julie.Barker@yorkshiredales.org.uk
4. **NYCC Representative** – Robin Mair – Service Head, Access to Services
Address: County Hall, Racecourse Lane, Northallerton, North Yorkshire DL7
8AD

Telephone No: 01609 533806

E-mail: robin.mair@northyorks.gov.uk

HH Representative

1. HH Representative - Graham Wilkinson, Manager and Company Secretary
Address: Hudson House, Reeth, Richmond, North Yorkshire, DL11 6TB

Telephone No: 01748 884485

E-mail: themanager@hudsonhouse.info

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SCHEDULE 4

INVENTORY

PART A – RDC EQUIPMENT

Comment [c6]: All the inventories will need to be brought up to date

<u>Quantity</u>	<u>Description</u>
1	PC
1	Flat Screen
1	Keyboard
4 2	Printers
1	Bar Code Scanner
1	Mouse
1	Modem
1	Dudbuster
1	Fan
1	6 Plug Extension Bar
1	Operators Chair
1	Double Drawer Unit
1	Telephone Extension Cable
5	Wire Leaflet Racks
1	Coin Tray
1	Notice Board
1	Litter Bin
1	Security Bag
1	Desk Pen
4	Mugs
1	Mouse Mat
1	Detective Marker
1	Kiosk

PART B – YDNPA EQUIPMENT

YDNPA Office, Reeth

2	JPI Computers
1	YTB Computer and Printer
1	Fax Machine
1	Franking Machine and Scales
1	Filing Cabinet
1	Till
1	PDQ Machine
1	Bar Code Scanner
1	Information Desk
1	Retail Fixtures and Fittings
	Racking
	Sales Stock
1	Step Ladder
	Interpretation Panels
	Table and Shelving Interpretation Room
1	Computer Chair
	Free Leaflets, Fixtures and Fittings
	Stationery
	Office Equipment

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Rangers Office, Reeth

- 1 Desk
- 1 Computer Chair
- 1 Computer and Printer
- 2 Filing Cabinets

PART C – HH EQUIPMENT

[To be completed]

PART D – POLICE EQUIPMENT

[To be completed]

PART E – NYCC EQUIPMENT

[To be completed]

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APPENDIX 1

LIST OF GRANT AID RECEIVED

The Rural Integrated Development Plan.

Introduced post-Foot and Mouth disease and administered by *Yorkshire Forward*, the Regional Development Agency.

£123,000 in total. (2002–2003)

European Regional Development Fund.

Richmondshire District is an Objective 2 area and 23rd in the Index of Multiple Deprivation for England and Wales.

£73,250. (2001–2003)

The Countryside Agency.

Funded part of the refurbishment and many of the internal fixtures and fittings.

£47,000 in total. (2002 – 2003)

The Countryside Agency also provided £11,800 for architect's fees for the barn development. (2004-5)

DEFRA

(Rural Enterprise Scheme) approved a grant of £91,875 towards the refurbishment of the barn to provide additional community and office accommodation. (2005–2006)

The Learning + Skills Council.

£25,000 towards computer network equipment. (2003)

Barclays Bank plc.

Sold the building to Hudson House Ltd. at half the market value.

A donation 'in kind' of £80,000.

Sale of Lease.

The lease on the first floor was sold to a Housing Association for £70,000 for a period of 99 years. Chevin Housing also acted as agents for Hudson House Ltd. during the refurbishment, and paid the architect's fees.

Small Grants.

From Richmondshire District Council, Yorkshire Dales National Park Authority and the Small Grants Scheme.