

## **Appendix 3 - Obligations on the Council acting as the Accountable Body**

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### **Accountable Body Function Obligations under the Government Memorandum of Understanding**

The MoU sets out the Council's obligations acting as the Accountable Body for the Freeport:

#### *Section 2 - Governance*

##### *Roles & Responsibilities*

- is accountable to DLUHC for the use of Seed Capital and Capacity Funding grants and for ensuring the good functioning of the Governing Body. (2.1.2)
- is required to be a member of the Governing Body (2.1.2)
- data retention and intellectual property- obligation for all documents and data to be retained by the relevant parties (i.e., the Council, Governing Body and rating authorities) for a minimum of seven years. ( 2.6.1).

##### *Freeport Governance*

- obligation to set out a process for determining the publication criteria for commercial confidential information, which should be aligned with Schedule 12A of the Local Government Act 1972 and information Commissioner's principles (2.2.2)
- responsible for the Freeport specific grant funding, i.e., Seed Capital and Capacity Funding, including monitoring and reporting against the use of these funds, and maintaining appropriate records relating to Freeport delivery, including project plans and risk registers for HMG funded activity. Ensure that the Governing Body operates in line with appropriate levels of transparency, propriety and inclusivity, and abides by the Nolan Principles. (2.2.4)
- To agree with the Governing Body and rating authorities a local process to manage any disputes which may arise in relation to section 2.2 of the MOU ( Freeport Governance) (2.2.7).

## *Public Sector Equality Duty*

- to ensure the Governing Body complies with the Public Sector Equality Duty, and to use data to ensure that the Freeport is optimised to advance equality and foster good relations, by highlighting any areas for improvement and ensuring adverse aspects of Freeport delivery relating to equality are mitigated and limited (2.4.1 2.4.2).

## *Section 3 – Financial Arrangements*

- to use the funding as agreed within the FBC and evidence the spend in accordance with the MOU's reporting requirements (see below).( 3.3.1).
- to develop and appraise project business cases for all Seed Capital Funded projects (including undeveloped projects and notify DHLUC once that have been approved (3.3.4, 3.3.5 & 3.3.6)
- managing grant payments to deliver and operate the Freeport. This includes managing the financial and fraud risks associated with grant payments and upholding the principles of Managing Public Money. The right to enforce risk management systems or audits the Governing Body in respect of the delivery of public money (3.4.2).
- reporting to DLUHC on a quarterly basis in relation to project and financial risks; demonstrating spend against previous funding and outputs being delivered; as well as site delivery – all in accordance with the approved FBC/Addendum and reporting requirement Framework in the MOU section 6.2.3 of the MOU (3.4.4).

## *Procurement*

- use all public funds received in a manner which complies with all regulations and best practice standards to ensure that best value for money is achieved and that the Freeport objectives are met (3.5).

## *Subsidy control*

- ensure that any public funded which is granted to recipients as a subsidy is compliant with the subsidy control regime, with evidence demonstrating compliance (3.6).

### *Collected Business Rates*

- obligations together with the rating authorities on the use and management of retained business rates in line with the FBC, investment plan and principles contained within Managing Public Money (3.7).

### *Section 6 – Performance Management, Assurance and Evaluation*

- working with the Governing Body to collaborate with DLUHC on the processes and reporting requirements set out in the Framework of the MoU (6.3)