

Dated

(1) Cambridgeshire County Council (CCC)

(2) Northamptonshire County Council (NCC)

(3) Milton Keynes Council (MKC)

Delegation and Joint Committee Agreement

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THIS AGREEMENT is made on

BETWEEN

- (1) Cambridgeshire County Council of Shire Hall, Castle Hill, Cambridge CB3 0AP (“CCC”)
- (2) Northamptonshire County Council of County Hall, Northampton NN1 1ED (“NCC”)
- (3) Milton Keynes Council of Civic Offices, 1 Saxon Gate East, Central Milton Keynes MK9 3EJ (“MKC”)

BACKGROUND

- (A) CCC, NCC and MKC are local authorities for the purposes of the Local Government Act 1972 and best value authorities for the purposes of the Local Government Act 1999.
- (B) CCC and NCC have established and participate in a joint committee (the “Joint Committee”) to facilitate the joint delivery of certain of their functions (the “CCC and NCC Delegated Functions”) with a view to their more economical, efficient and effective discharge. These functions comprise those associated with the Shared Services as listed in Schedule 2. CCC and NCC have delegated their Executive and Non-Executive functions as set out in Schedule 2.
- (C) MKC wishes to participate in the Joint Committee to facilitate the joint delivery of certain of its functions (the “MKC Delegated Functions”) with a view to their more economical, efficient and effective discharge. CCC and NCC have agreed that MKC should be a participant in the Joint Committee. The MKC Delegated Functions shall comprise those associated with the Shared Services as listed in Schedule 2. MKC has agreed to delegate its Executive and Non-Executive functions as set out in Schedule 2.
- (D) The Councils have entered into this Agreement in reliance on the exclusive rights

given to local authorities to undertake administrative arrangements of this nature in sections 101, 102, sections 112 and 113 of the Local Government Act 1972, and sections 19 and 20 of the Local Government Act 2000 and the regulations made under these Acts; together with the general power within section 2 of the Local Government Act 2000 and the supporting provisions within section 111 Local Government Act 1972.

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement the following expressions have the following meanings unless inconsistent with the context:

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| “Additional Benefits” | any benefits arising from any Pre-Existing Partnering Agreement which are in excess of the Planned Benefits |
| “Additional Investment Costs” | any investment costs above the Planned Investment Costs arising from any Pre-Existing Partnering Agreement |
| “Assets” | all and any assets used in delivery of the Shared Services including all items of furniture, information technology (including Software), and all other equipment supplied by the Councils for use in the delivery of the Shared Services |
| “Business Day” | any day other than a Saturday or Sunday on which banks are open for domestic business in the City of London; and additionally excluding 25, 26, 27, 28, 29, 30, 31 December |

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| “CCC and NCC Delegated Functions” | those functions and responsibilities set out in Schedule 2 which have been delegated by CCC and NCC respectively to the Joint Committee in the manner described in Schedule 2 |
| “CCC/NCC Distribution Formula” | the formula and principles by which the contributions of CCC and NCC for obligations relating to the Joint Committee arising before the Commencement Date shall be determined as described in Schedule 6 |
| “Commencement Date” | the date of this Agreement |
| “Commercially Sensitive Information” | any information in respect of which the Councils agree that disclosure would or would be likely to prejudice the commercial interests of any person |
| “Constitution of the Joint Committee” | the constitution set out at Schedule 1 |
| “Councils” | Cambridgeshire County Council, and Northamptonshire County Council and Milton Keynes Council |
| “Delegated Functions” | those functions and responsibilities set out in Schedule 2 which have been delegated by the Councils to the Joint Committee in the manner described in Schedule 2 |
| “DPA” | Data Protection Act 1998 |
| “Financial Schedule” | the principles by which the contributions of each of the Councils are determined as described in Schedule |

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| “Exempt Information” | any information or class of information relating to this Agreement which may fall within an exemption to disclosure under FOI Legislation |
| “FOI Legislation” | the Freedom of Information Act 2000 and subordinate legislation made under this and the Environmental Information Regulations 2004 |
| “Finance Officer to the Joint Committee” | the officer designated as Finance Officer to the Joint Committee by the Councils or such other officer of the Councils as may be agreed by the Joint Committee from time to time |
| “Financial Monitoring Report” | a financial report on the performance of the Shared Services |
| “Force Majeure Event” | the occurrence of (a) war, civil war, armed conflict or terrorism or (b) pressure waves caused by devices travelling at supersonic speeds which directly causes any party (“the Affected Party”) to be unable to comply with all or a material part of its obligations under this Agreement or (c) nuclear, chemical or biological contamination unless the source or cause of the contamination is the result of actions of the Affected Party |
| “Head of Paid Service” | an officer designated by a Council as the Council’s Head of Paid Service in accordance with section 4 of the Local Government and Housing Act 1989 |
| “Information Request” | a request for information under FOI Legislation |

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| “Intellectual Property Rights” | rights in patents, trade marks, service marks, design rights (whether registrable or otherwise), applications for any of the foregoing, copyright (including rights in software), database rights, knowhow, trade secrets, confidential business information, trade or business names and any similar or analogous rights to any of the above, whether arising or granted under the Laws of England or of any other jurisdiction |
| “Lawyer to the Joint Committee” | the officer designated as Lawyer to the Joint Committee by the Councils or such other officer of the Councils as may be agreed by the Joint Committee from time to time |
| “LGSS Director” | an officer appointed by the LGSS Managing Director and responsible for the management of one or more of the Shared Services |
| “LGSS Managing Director” | the officer appointed by the Joint Committee on behalf of the Councils with responsibility for managing the Shared Services. |
| “MKC Delegated Functions” | those functions and responsibilities set out in Schedule 2 which have been delegated by MKC to the Joint Committee in the manner described in Schedule 2 |
| “Net Budget Sharing Ratio” | the formula by which the percentage contributions of each of the Councils are determined as described in the Financial Schedule |
| “Planned Benefits” | the benefits which are expected to accrue from any Pre- Existing Partnering Agreement |

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| “Planned Investment Costs” | all investment costs expected to arise from any Pre-Existing Partnering Agreement |
| “Political Group Leader” | a person designated as the leader of a political group in accordance with the Local Government (Committees and Political Groups) Regulations 1990 |
| “Pre-Existing IPR” | shall mean all intellectual property rights which are proprietary to a Council prior to the Commencement Date |
| “Pre-Existing Partnering Agreement” | any agreement between CCC and/or NCC with a third party entered into before the Commencement Date relating to the Joint Committee for the delivery of services by CCC and/or NCC to that third party |
| “Previous Agreement” | the agreement between CCC and NCC dated 24 th August 2010 which first established the Joint Committee |
| “Relevant Posts” | those posts identified in Schedule 4 to this Agreement |
| “Relevant Employees” | employees employed in Relevant Posts and any contractors or agency staff engaged in Relevant Posts |
| “Reserved Function(s)” | the functions and responsibilities described in Schedule 2 as reserved function(s) and which have been reserved to any of the Councils and therefore not Delegated Functions and do not fall within the remit of the Shared Services described in Schedule 2 |
| “Secretary to the Joint Committee” | the officer designated as Secretary to the Joint |

Committee by the Councils or such other officer of the Councils as may be agreed by the Joint Committee from time to time (also known as "Committee Secretary")

"Section 151 Officer"

the officer designated by a local authority as the person responsible for the proper administration of its financial affairs, as required by section 151 of the Local Government Act 1972

"Shared Service(s)"

those services detailed in Schedule 2 and which are associated with the performance of Delegated Functions to include such additional services as are agreed by the Councils

"Shared Services Policies and Procedures"

any policies and procedures which the Councils agree should apply to the Relevant Employees or some of them

"Software"

any and all computer programs in both source and object code form, including all modules, routines and subroutines of such programs and all source and other preparatory materials relating to them, including user requirements, functional specifications and programming specifications, ideas, principles, programming languages, algorithms, flow changes, logic, logic diagrams, orthographic representations, file structures, coding sheets, coding and any manuals or other documentation relating to them and computer generated works

"Strategic Plans"

plans prepared in a format to be agreed by the Joint Committee including planned service levels of the Shared Services for a defined period including

financial and other related data

“Support Services”

the services within each Council which may be required to assist the Joint Committee in the discharge of the Delegated Functions including secretariat services to support the administration of the Joint Committee itself

- 1.2 References to any statute or statutory provision (including any EU Instrument) shall, unless the context otherwise requires, be construed as including references to any earlier statute or the corresponding provisions of any earlier statute, whether repealed or not, directly or indirectly amended, consolidated, extended or replaced by such statute or provision, or re-enacted in any such statute or provision, and to any subsequent statute or the corresponding provisions of any subsequent statute directly or indirectly amending, consolidating, extending, replacing or re-enacting the same, and will include any orders, regulations, instruments or other subordinate legislation made under the relevant statute or statutory provision.
- 1.3 The headings are inserted for convenience only and shall not affect the construction of this Agreement.
- 1.4 Words importing one gender include all other genders and words importing the singular include the plural and vice versa.
- 1.5 A reference in this Agreement to any clause, paragraph or Schedule is, except where it is expressly stated to the contrary, a reference to a clause or paragraph of or Schedule to this Agreement.
- 1.6 Any reference to this Agreement or to any other document unless otherwise specified shall include any variation, amendment or supplements to such document expressly permitted by this Agreement or otherwise agreed in writing between the relevant parties.
- 1.7 Words preceding “include”, “includes”, “including” and “included” shall be construed without limitation by the words which follow those words unless inconsistent with the context, and the rule of interpretation known as ejusdem generis shall not apply.

2 ESTABLISHMENT OF A JOINT COMMITTEE

- 2.1 In exercise of their powers under sections 101(5) and 102 of the Local Government Act 1972, sections 19 and 20 of the Local Government Act 2000 and all other enabling powers the Councils hereby agree to continue to constitute the Joint Committee which was originally constituted under the Previous Agreement as set out in Schedule 1 which shall govern the operation of the Joint Committee, to be known as The LGSS Joint Committee (and within this Agreement also referred to as “the Joint Committee”) with effect from the Commencement Date.
- 2.2 By entering into this Agreement CCC and NCC agree that the Previous Agreement is hereby superseded.

3. FUNCTIONS OF THE JOINT COMMITTEE

- 3.1 The Councils agree that the Joint Committee shall continue to be constituted and shall continue to operate and conduct its business in accordance with the terms of this Agreement including the Constitution of the Joint Committee as set out at Schedule 1.
- 3.2 The Councils hereby agree to establish a scheme of delegation from the Full Council, the Leader and the Head of Paid Service in order to empower the Joint Committee to discharge on their behalf the Delegated Functions as set out in Schedule 2 and empower the Joint Committee to arrange for the discharge of the Delegated Functions in the manner set out in this Agreement with effect from the Commencement Date.

4. PLANNING, REPORTING AND FUNDING

- 4.1 Each Council shall submit to the Finance Officer of the Joint Committee before the end of August each year, their estimate of the funding likely to be available to fund the Shared Services for the following three financial years.
- 4.2 The LGSS Managing Director shall submit draft proposals to the Joint Committee for the managing of budget reductions before the end of November each year.

- 4.3 The Joint Committee shall approve the budget for LGSS no later than 31st March.
- 4.4 The LGSS Managing Director shall prepare and submit to the Joint Committee no later than March each year a written Strategic Plan for the Shared Services for the next three financial years. This shall take into account any constraints arising from clause 4.1 above and set out the outcomes and outputs to be achieved and resource the impacts for the Shared Service.
- 4.5 On receipt of the Strategic Plan for the Shared Services, the Joint Committee shall by the end of the financial year, review, make such amendments as it thinks fit and approve the Strategic Plan.
- 4.6 The Joint Committee shall be responsible for reviewing the actual performance of the Shared Services against the Strategic Plan.
- 4.7 The Finance Officer shall produce and circulate the Financial Monitoring Report to the Councils' Section 151 Officers, LGSS Managing Director and LGSS Directors each month and shall produce the Financial Monitoring Report to the formal Joint Committee meeting on a quarterly basis not later than 2 months after the period to which the report relates.
- 4.8 The Finance Officer to the Joint Committee shall submit an annual account, detailing the expenditure and income of the Joint Committee to the Joint Committee by 30th May or as soon thereafter as is reasonably practicable in each year in respect of the previous financial year.
- 4.9 The Finance Officer to the Joint Committee shall submit a draft set of accounts to the Joint Committee for sign off prior to audit by 30th June each year, (or such other date as may be necessary to ensure compliance with statutory deadlines)
- 4.10 The LGSS Managing Director shall submit to the Joint Committee each year, an annual report on the activities of the Shared Services over the past year including the annual LGSS accounts and explaining the main plans and activities for the coming year.
- 4.11 The Councils' Section 151 Officers and other authorised officers shall have access at all times to the relevant financial records of the Councils' and shall be entitled to

seek explanations concerning queries relating thereto.

- 4.12 The Councils' Heads of Audit and Monitoring Officers shall have right of access to all records, assets, personnel and premises, including those of partner organisations and the authority to obtain such information and explanations as they consider necessary to fulfil their responsibilities.
- 4.13 The Financial Schedule shall be amended as the Councils may agree in the event that any Council withdraws from this Agreement.

5. OFFICE ACCOMMODATION FOR SHARED SERVICES

- 5.1 Each Council shall provide suitable working accommodation for each of the Relevant Employees as may be determined by the structure from time to time established by the Joint Committee for the performance of each of the Shared Services.
- 5.2 It is intended that Relevant Employees will remain in their existing locations where feasible, although re-location of staff may take place where, in the opinion of the Joint Committee, this will enhance the efficiency of the Shared Service. Any re-location of employees shall be undertaken in accordance with the employing Council's procedures in that regard.
- 5.3 At the Commencement Date, each Council shall provide suitable working accommodation for those of its employees who are Relevant Employees to enable them to perform the Shared Services. If at any time the Joint Committee decides that any Relevant Employees should relocate from one Council's accommodation to another Council's accommodation, the Council to which they relocate shall make such suitable flexible working arrangements for the Relevant Employees as it sees fit.

6. SUPPORT SERVICES

- 6.1 Support Services shall be provided by the Councils as may be necessary to support the Joint Committee in the strategic management of the Shared Services.
- 6.2 If any Council believes that additional Support Services may be required for the effective management or performance of the Shared Services it shall consult the

other Councils to reach agreement as to the appropriate way of providing the additional Support Services. If the Councils are unable to agree the appropriate way of providing the additional Support Services the matter shall be dealt with in accordance with the dispute resolution procedure set out at clause 14.

7. **ASSETS**

- 7.1 The Councils agree that from the Commencement Date they will make available all appropriate Assets under their respective control, free of charge, for use by the Councils in the delivery of the Shared Services.
- 7.2 The value of the Assets shall be distributed between the Councils on termination in accordance with clause 16.

8. **COSTS AND LIABILITIES IN RESPECT OF THE JOINT COMMITTEE**

- 8.1 Subject to clause 8.4 all losses, claims, expenses, actions, demands, costs and liabilities incurred by the Joint Committee from the date of this agreement in fulfilling obligations under this Agreement shall be shared by the Councils in accordance with the Net Budget Sharing Ratio.
- 8.2 Subject to clause 8.4 each Council shall (and hereby undertakes with the other Councils to) indemnify the other Councils against and/or contribute to and pay a share of all or any liabilities claims costs and/or expenses of or incurred by the other Councils arising out of or in connection with or in the course of or as a result of it being a member of the Joint Committee and fulfilling its obligations under this Agreement, including liabilities arising in relation to staff employed as a result of this agreement, with the intent that the Councils being indemnified and the other Council shall be jointly liable for all such liability to claims costs and/or expenses in accordance with the Net Budget Sharing Ratio or as otherwise agreed

PROVIDED THAT such indemnity on the part of the Councils shall not extend to liabilities or claims arising or costs and/or expenses incurred by reason or in consequence of any of the following on the part of the Council seeking to be indemnified that is to say breach by the Council of its obligations under this Agreement; gross negligence; gross misconduct; persistent breach of law or duty

(this is to say persisted in after the same shall have been brought to the attention of the relevant Council); any act or omission known or that should have been known to the relevant Council to be contrary to proper local government practice or local government law or substantial or persistent failure (after reasonable notice) to redress performance of the duties of the relevant Council which shall not comply with the requirements or the standards of or set by this Agreement.

- 8.3 For the avoidance of doubt, such indemnity shall include matters relating to the employment and transfer of staff, losses, costs, expenses or liabilities arising from contracts with third parties and in relation to assets, by way of illustration.
- 8.4 The Councils acknowledge and agree that CCC and NCC shall be liable for all losses, claims, expenses, actions, demands, costs and liabilities incurred by the Joint Committee in fulfilling obligations under Pre- Existing Partnering Agreements. CCC and NCC shall share all costs arising from such Pre- Existing Partnering Agreements in accordance with the CCC/NCC Distribution Formula (Schedule 6).
- 8.5 Subject to clause 8.6 the Councils acknowledge and agree that the benefits accruing to the Joint Committee under all Pre-Existing Partnering Agreements shall be shared by CCC and NCC in accordance with the CCC/NCC Distribution Formula (Schedule 6).
- 8.6 Where the Councils agree that the participation of MKC in this Agreement has resulted in Additional Benefits being generated under such Pre-Existing Partnering Agreements or in the reduction of Investment Costs for CCC or NCC relating to such Pre-Existing Partnering Agreements the Additional Benefits shall be shared between the Councils in accordance with the Net Budget Sharing Ratio and MKC shall pay any Additional Investment Costs arising above the Planned Investment Costs.
- 8.7 The Finance Officer to the Joint Committee shall at the end of each financial year prepare a statement which equalises the financial outturn for each Council in accordance with the Net Budget Sharing Ratio. In the event that there are any in-year individual transactions on the part of one Council which would have a loss of interest impact greater than £50,000 as a result of the cash flow, an ad hoc inter-Council payment will be agreed by the Councils to equalise the financial outturn for each Council.

8.8 This clause 8 shall survive the expiry or determination of this Agreement.

9. **INSURANCE**

9.1 Each Council shall ensure that:

9.1.1 it maintains throughout the duration of this Agreement (or procures the taking out and maintenance of) adequate insurance to the levels set out in clause 9.2 and any other such insurances which may be required by law;

9.1.2 the insurance obtained is effective no later than the date on which the relevant risk commences;

9.1.3 it is responsible for meeting and promptly pays all costs of all insurance premia for the insurances referred to in clause 9.2; and

9.1.4 upon written request it provides to the other Council making the written request:

9.1.4.1 copies of all insurance policies required under this clause;

9.1.4.2 evidence that all of the premia payable under such insurance policies have been paid in full; and

9.1.4.3 evidence that the insurances remain in full force and effect.

9.2 Each Council shall ensure that at all times an adequate level of insurance is maintained by it in respect of the provision of the Shared Services and in particular that public liability insurance of no less than £25,000,000 (twenty five million pounds) is taken out and maintained from the Commencement Date and throughout the duration of this Agreement.

9.3 Where any Council allows its premises to be used to allow Relevant Employees to work on matters relating to this Agreement that Council shall ensure that adequate insurance cover is effected and maintained to cover employee liability (including vicarious liability for Relevant Employees employed by the other Councils), public liability and any other insurance requirements which may accord with good practice.

- 9.4 Each Council warrants to the others that as at the date of this Agreement:
- 9.4.1 it has provided a copy of this Agreement to its insurer (in this clause 9, the “Insurer”); and,
 - 9.4.2 upon receipt of a notice from an Insurer to a Council that the terms of the insurances required under this clause 9 have changed or that the Insurer withdraws its insurance that Council shall promptly notify the others and use its best endeavours to forthwith obtain replacement insurance as required under this clause 9.

10. **STAFFING**

- 10.1 The Joint Committee shall appoint the LGSS Managing Director.
- 10.2 The Relevant Employees shall not be transferred to another employer as a result of the employing Council entering into this Agreement.
- 10.3 Where a Relevant Employee ceases to be employed in a Relevant Post thereby creating a vacancy or a new post is created that post shall be filled by the LGSS Managing Director or the LGSS Director of the Relevant Shared Service acting under their authority. Any newly appointed Relevant Employee shall be employed by or engaged by the Council which employed the former Relevant Employee unless otherwise agreed by the LGSS Managing Director taking account of factors including service requirements and the personal circumstances of the prospective employee.
- 10.4 The LGSS Director of each Shared Service shall be responsible for the day to day management of the Relevant Employees within his respective service functional areas, including but not limited to performance management, allocation of holiday, training, personal development reviews and sickness absence issues in accordance at all times with any applicable terms and conditions of employment and the agreed Policies and Procedures. For the avoidance of doubt this will include administering ill-health and disciplinary procedures, in respect of instances of long term sickness absence by a Relevant Employee and/or where formal disciplinary action may lead to dismissal of a Relevant Employee.

10.5 Each Council shall ensure that all Relevant Employees are provided with appropriate authorisation to perform the Shared Services.

10.6 The Councils each hereby agree to place their Relevant Employees at the disposal of the others, in accordance with Section 113 of the Local Government Act 1972 and any successor legislation, for the purposes of the efficient and effective provision, to the Councils, of the Shared Services.

11. DURATION OF AGREEMENT

11.1 This Agreement shall come into force on the Commencement Date and shall continue until terminated in accordance with the provisions of this Agreement.

12. VARIATION OF THIS AGREEMENT

12.1 Any of the Councils may request a variation to this Agreement by making such a request in writing to the Secretary to the Joint Committee.

12.2 The Secretary to the Joint Committee shall circulate the request to each of the Councils within 10 Business Days of receipt of the request for consideration and approval by the Councils.

12.3 If all of the Councils approve the variation then the Secretary to the Joint Committee shall arrange for the preparation of an appropriate Deed of Variation to this Agreement to be prepared for execution by all of the Councils and such change shall only take effect upon completion of that Deed and the costs associated with the preparation of such Deed of Variation shall be shared equally between the Councils.

12.4 If one of the Councils does not approve the change then the change to this Agreement shall not occur.

13. WITHDRAWAL FROM THE JOINT COMMITTEE

13.1 Any Council may withdraw from the Joint Committee in accordance with the following procedure:

- 13.1.1 Any Council which wishes to withdraw from the Joint Committee shall give not less than 18 months' notice (or such other period of notice as the Councils may agree) to the other Councils and the Secretary to the Joint Committee of its intention to do so. The Secretary to the Joint Committee shall consult the Councils upon which such notice has been served giving due consideration to:
- 13.1.1.1 any loss of funding which may arise from such withdrawal to include any non-payment, clawback or repayment of such funding;
 - 13.1.1.2 any other loss, liability, damage, claim or expense; which would be incurred by the Councils upon which notice has been served by reason of such withdrawal from the Joint Committee.
- 13.2 Any Council wishing to withdraw from the Joint Committee undertakes as a condition of such withdrawal to make, prior to withdrawal, such reasonable payment or payments which fairly reflect the actual costs, claims, losses, liabilities or expenses caused by or anticipated as a result of the withdrawal as shall be determined by the other Councils pursuant to clauses 4, 8 and 13.1 above and no notice under this clause 13 shall take effect unless and until such payment has been made.
- 13.3 The Joint Committee reserves the right to recover from any party to this Agreement the costs of any claims, costs, expenses, losses or liabilities of any nature or which have been caused by any act or omission of that party and which are discovered after the party's withdrawal from this Agreement.
- 13.4 Where more than one Council withdraws from this Agreement the Agreement shall terminate and the provisions of clause 16 shall apply.

14. INTERNAL DISPUTE RESOLUTION

- 14.1 The Councils (and where the context requires, the Heads of Paid Service of the Councils) undertake and agree to pursue a positive approach towards dispute resolution which seeks (in the context of this joint working arrangement) to identify a solution at the lowest operational level that is appropriate to the subject of the dispute and which avoids legal proceedings and maintains a strong working relationship between the parties.
- 14.2 Any dispute or difference shall in the first instance be referred to the LGSS Director to resolve in liaison with the other Councils. In the event that such matters cannot be resolved within 10 Business days it shall be referred to the LGSS Managing Director and in default of agreement within a further 10 Business Days the matter shall be referred to the Heads of Paid Service. If the Heads of Paid Service are unable to resolve the matter then it shall be referred to the Joint Committee for determination.
- 14.3 In the event of any dispute or difference between the Councils relating to this Agreement which it has not been possible to resolve through the decision making processes of the Joint Committee (whether this may be a matter of interpretation or otherwise) the matter shall be referred to arbitration in accordance with clause 15.

15. ARBITRATION

If at any time any dispute or difference shall arise between the Councils or any of them which they are not able to resolve in accordance with this Agreement the same shall be referred to and settled by a single arbitrator to be appointed by agreement by the Councils; or in default of agreement, nominated on the application of any of the Councils by the Secretary of State where the dispute or difference relates to costs and expenses arising under this Agreement, or by the President of the Law Society of England and Wales in respect of any other matter. The Councils further agree to bear their costs incurred in conducting the arbitration.

16. TERMINATION

- 16.1 Without prejudice to Clause 13.1 the Councils agree that this Agreement may be

determined upon terms agreed by all of the Councils subject to the terms of this Agreement.

16.2 In the event of termination of this Agreement:

16.2.1 Any party shall supply to any other party when requested any information which the other party requires for the continuing provision by that other party of any of the Shared Services.

16.2.2 Any Intellectual Property Rights created under this Agreement shall be owned by the then parties in equal proportions; and

16.2.3 Each of the parties shall undertake to pay such reasonable payment or payments which fairly reflect the obligations of that Council pursuant to this Agreement on the basis set out in clauses 4, 8, and 13.

16.3 In the event of termination of this Agreement, all Assets held by each of the Councils for the purposes of this Agreement shall:

16.3.1 Where reasonably practicable be divided between the Councils proportionate to the Net Budget Sharing Ratio; or

16.3.2 Be sold for the best consideration possible and the proceeds of sale divided between the Councils proportionate to the average cost of the Shared Services over the previous year, or where relevant; or

16.3.3 Be retained by each Council for its own use and purposes subject to an equitable financial settlement to the other Councils as agreed between the Councils; or

16.3.4 Be dealt with as otherwise agreed between the Councils; or

16.3.5 In the absence of agreement, in accordance with the dispute resolution procedure in clause 14.

16.4 It shall be the duty of all of the parties to try to minimise any losses arising from the determination of this Agreement. Amongst other issues the Councils shall use their best endeavours to offer priority redeployment to any employees then

employed in the provision of the Shared Services, by taking a transfer of any of the employees to provide the Shared Service or to be redeployed more generally and/or by helping to seek alternative employment for them.

17. NOTICES

17.1 Form of notice

Any demand, notice or other communication given in connection with or required by this Agreement shall be made in writing and shall be delivered to, or sent by prepaid first class post to, the recipient at the address stated in Schedule 3 (or such other address as may be notified in writing from time to time) or sent by electronic mail to the electronic mail address of the recipient stated in Schedule 3 (or such other address as may be notified in writing from time to time).

17.2 Service.

Any such demand, notice or communication shall be deemed to have been duly served:

17.2.1 if delivered by hand, when left at the proper address for service;

17.2.2 if given or made by prepaid first class post, two Business Days after being posted; or

17.2.3 if sent by electronic mail at the time of transmission

provided in each case that if the time of such deemed service is either after 4.00 pm on a Business Day or on a day other than a Business Day, service shall be deemed to occur instead at 10.00 am on the next following Business Day.

18. INFORMATION AND CONFIDENTIALITY

18.1 The Councils shall keep confidential any Commercially Sensitive Information relating to this Agreement or the Intellectual Property Rights of the parties and shall use all reasonable endeavours to prevent their employees and agents from making any disclosure to any person of any Commercially Sensitive Information relating to the Agreement or Intellectual Property Rights of the parties.

18.2 Clause 18.1 shall not apply to:

18.2.1 Any disclosure of information that is reasonably required by persons engaged in the performance of their obligations under this Agreement;

18.2.2 Any matter which a party can demonstrate is already generally available and in the public domain otherwise than as a result of a breach of this clause;

18.2.3 Any disclosure to enable a determination to be made under clause 15 (Arbitration);

18.2.4 Any disclosure which is required by any law (including any order of a court of competent jurisdiction), any Parliamentary obligation or the rules of any stock exchange or governmental or regulatory authority having the force of law;

18.2.5 Any disclosure of information which is already lawfully in the possession of the receiving party prior to its disclosure by the disclosing party;

1.2.6 Any disclosure by a party to a department, office or agency of the Government;

18.2.7 Any disclosure for the purpose of the examination and certification of a party's accounts.

18.3 Where disclosure is permitted under clause 18.2, the recipient of the information shall be placed under the same obligation of confidentiality as that contained in this Agreement by the disclosing Council.

19. DATA PROTECTION

- 19.1 The Councils shall at all times comply with the DPA, including maintaining a valid and up to date registration or notification under the DPA, covering any data processing to be performed in connection with this Agreement and their responsibilities as data processors and/or data controllers.
- 19.2 The Councils shall only undertake processing of Personal Data reasonably required in connection with the operation of this Agreement and in accordance with this clause and any relevant legal requirements.
- 19.3 The Councils shall not transfer any Personal Data to any country or territory outside the European Economic Area.
- 19.4 The Councils shall not disclose Personal Data to any third parties other than:
- 19.4.1 in response to a data subject access request;
 - 19.4.2 to employees and contractors to whom such disclosure is necessary in order to comply with their obligations under this Agreement; or
 - 19.4.3 to the extent required to comply with a legal obligation.

20. SCRUTINY AND AUDIT

- 20.1 The Councils agree that scrutiny relating to this Agreement and the Shared Services shall be the responsibility of each Council.
- 20.2 The relevant committees of each Council responsible for scrutiny and audit shall have the right to inspect any documents relating to this Agreement and to require the Joint Committee to answer any questions raised by them.
- 20.3 From the date of this Agreement until the end of the financial year 2017/18 the accounts relating to the Shared Services and this Agreement shall be the subject of audit by any external auditor appointed by any of the Councils and shall be open to inspection by any external auditor appointed by the Audit Commission. From the financial year 2018/2019 the accounts relating to the Shared Services and this Agreement shall be the subject of audit by any external auditor appointed by the

Councils.

20.4 Any increased cost in undertaking any audit relating to the Shared Services and this Agreement shall be shared pro rata between the Councils on such terms as may be agreed by the Councils.

20.5 The Councils agree that all procurement activities relating to the Shared Services or the Delegated Functions shall be undertaken in accordance with the contract procedure rules of CCC/NCC/MKC.

21. **VAT**

21.1 The Councils agree that so far as permitted by law they shall not charge VAT on any amounts payable under the terms of this Agreement as a non-business supply arising out of an administrative event.

22. **INTELLECTUAL PROPERTY**

22.1 This Agreement shall not affect the ownership of or the Intellectual Property Rights in any Pre-Existing IPR. All Intellectual Property Rights in material created by or on behalf the Councils during the provision of the Shared Services arising directly from the performance of this Agreement and excluding Pre-Existing IPR shall unless the Councils agree otherwise vest jointly in the Councils which will hold the Intellectual Property Rights and they shall be held on behalf of all of the parties to this Agreement at the time the rights were created.

23. **FREEDOM OF INFORMATION**

23.1 The parties recognise that the Councils are public authorities as defined by FOI Legislation and therefore recognise that information relating to this Agreement may be the subject of an Information Request.

23.2 The parties shall assist each other in complying with their obligations under FOI Legislation, including but not limited to assistance without charge, in gathering

information to respond to an Information Request.

23.3 Any Council shall be entitled to disclose any information relating to this Agreement and the Shared Services in response to an Information Request, save that in respect of any Information Request which is in whole or part a request for Exempt Information:

23.3.1 the Council which receives the Information Request shall circulate the Information Request and shall discuss it with the other Councils;

23.3.2 the Council which receives the Information Request shall in good faith consider any representations raised by the other Councils when deciding whether to disclose Exempt Information; and

23.3.3 the Council which receives the Information Request shall not disclose any Exempt Information beyond the disclosure required by FOI Legislation without the consent of the Council to which it relates.

23.4 The parties to this Agreement acknowledge and agree that any decision made by a Council which receives an Information Request as to whether to disclose information relating to this Agreement pursuant to FOI legislation is solely the decision of that Council. A Council will not be liable to any party to this Agreement for any loss, damage, harm or detrimental effect arising from or in connection with the disclosure of information in response to an Information Request.

24. **FORCE MAJEURE**

All parties shall be released from their respective obligations in the event that a Force Majeure Event renders the performance of this Agreement not reasonably practicable whereupon all money due to any party under this Agreement shall be paid immediately and clause 12 (Variation of this Agreement) shall apply, as if all Councils in membership of the Joint Committee had agreed to determine this Agreement.

25. **SEVERABILITY**

25.1 If at any time any clause or part of a clause or schedule or appendix or part of a schedule or appendix to this Agreement is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid or unenforceable in any respect:

25.1.1 that shall not affect or impair the legality, validity or enforceability of any other provision of this Agreement;

25.1.2 the parties shall in good faith amend this Agreement to reflect as nearly as possible the spirit and intention behind that illegal, invalid or unenforceable provision to the extent that such spirit and intention is consistent with the laws of that jurisdiction and so that the amended Agreement complies with the laws of that jurisdiction.

26. **SUCCESSORS**

This Agreement shall be binding upon and shall ensure to the benefit of each party's successors and permitted assigns.

27. **RELATIONSHIP OF PARTIES**

Each of the parties is an independent local authority and nothing contained in this Agreement shall be construed to imply that there is any relationship between the parties of partnership or principal/agent or of employer/employee. No party shall have any right or authority to act on behalf of another party nor to bind another party by contract or otherwise except to the extent expressly permitted by the terms of this Agreement.

28. **THIRD PARTY RIGHTS**

The parties agree that they do not intend that any third party which may benefit from this Agreement shall have any rights of enforcement under the terms of the Contracts (Rights of Third Parties) Act 1999.

29. **ENTIRE AGREEMENT**

This Agreement and all documents referred to in this Agreement set forth the entire agreement between the parties with respect to the subject matter covered by them

and supersede and replace all prior communications, representations (other than fraudulent representations), warranties, stipulations, undertakings and agreements whether oral or written between the parties. Each party acknowledges that it does not enter into this Agreement in reliance on any warranty, representation or undertaking other than those contained in this Agreement and that its only remedies are for breach of this Agreement, provided that this shall not exclude any liability which a party would otherwise have to the others in respect of any statements made fraudulently by or on behalf of it prior to the date of this Agreement.

30. LAW OF AGREEMENT OR JURISDICTION

This Agreement shall be governed by the laws of England and Wales and subject to clauses 15 and 16 (Internal Dispute Resolution and Arbitration) the parties submit to the exclusive jurisdiction of the courts of England and Wales.

IN WITNESS whereof the parties have caused their respective Common Seals to be hereunto affixed to this deed the day and year first before written

The Common Seal of
Cambridgeshire County Council
was hereunto affixed in the
presence of:

The Common Seal of
Northamptonshire County Council
was hereunto affixed in the
presence of:

The Common Seal of
Milton Keynes Council
was hereunto affixed in the
presence of:

SCHEDULE 1
Constitution of the Joint Committee

- 1 Each of the Councils shall appoint three Members (being elected members of that Council) as its nominated Members of the Joint Committee. The Members appointed shall have full voting rights.
- 2 Each Council may nominate one or more substitute Members to attend any meeting in place of an appointed Member from that Council, subject to notification being given to the Secretary to the Joint Committee before the start of the meeting. The Member appointed as a substitute shall have full voting rights where the member for whom they are substituting does not attend. If a Council's nominated Members attend a meeting of the Joint Committee, any named substitute may also attend as an observer but shall not be entitled to vote.
- 3 Each Member of the Joint Committee shall comply with the Code of Conduct of their Council when acting as a Member of the Joint Committee.
- 4 Each of the Councils may remove any of its nominated Members or substitute Members of the Joint Committee and appoint a different Member or substitute to the Joint Committee by giving written notice to the Secretary to the Joint Committee.
- 5 Each Council shall have three votes. These shall be exercised by the nominated Members who are elected members of the Council. In the absence of a Council's nominated Member, a vote may be exercised by the named substitute who is an elected member of the Council.
- 6 Each Member of the Joint Committee shall serve upon the Joint Committee for as long as he or she is appointed to the Joint Committee by the relevant Council but a Member shall cease to be a member of the Joint Committee if he or she ceases to be a Member of the Council appointing him or her or if the relevant Council removes him or her as a Member of the Joint Committee.

- 7 Any casual vacancies howsoever arising shall be filled by the Council from which the vacancy arises by notice in writing sent to the Secretary to the Joint Committee.
- 8 Meetings of the Joint Committee shall be held at the venue or venues as agreed by the Councils.
- 9 The appointment of a Chairman and a Vice Chairman shall be rotated between the Councils annually from 1st August each year as set out in the table below. The rotation process shall be repeated for subsequent years. The Members appointed as Chairman and Vice Chairman shall remain in their respective appointed roles until the first meeting taking place after the elapse of one year from their appointment unless either such Member ceases to be a Member of the Joint Committee.

| | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|
| Joint Committee Chair | NCC | CCC | MKC | NCC |
| Joint Committee Vice Chair | CCC | MKC | NCC | CCC |

10. The Joint Committee shall meet at least once every three months (quarterly) unless otherwise determined by the Joint Committee.
11. The Secretary to the Joint Committee may call additional meetings by providing at least five clear days' notice to Members of the Joint Committee, for the purposes of resolving urgent matters arising between the meetings of the Joint Committee. The Secretary to the Joint Committee must call a meeting of the Joint Committee if at least one Member of the Joint Committee from each Council requests it or the Head of Paid Service of each Council requests it.
12. Meetings shall be notified to Members of the Joint Committee by the Secretary to the Joint Committee.
13. The Secretary to the Joint Committee shall send electronically to all members and relevant officers of each Council the agenda for each meeting of the Joint Committee no later than five clear Business Days before the date of the relevant

meeting. The Secretary to the Joint Committee shall send to all Members of the Joint Committee, to the Political Group Leaders of each Council and relevant officers of each Council, printed (or electronic if individually preferred) copies of the agenda for each meeting of the Joint Committee no later than five clear working days before the date of the relevant meeting.

14. The Secretary to the Joint Committee shall arrange for written minutes to be taken of each meeting of the Joint Committee and shall present them to the Joint Committee at its next meeting for approval as a correct record. If the Joint Committee confirms that the minutes contain an accurate record of the previous meeting, those minutes shall be signed by the Chairman or Vice-Chairman.
15. Meetings of the Joint Committee will commence at a time to be agreed by the Joint Committee.
16. A meeting of the Joint Committee shall require a quorum of one Member of each Council who are entitled to attend and vote. If there is a quorum of members present but neither the Chairman nor the Vice Chairman is present, the Members present shall designate one Member to preside as Chairman for that meeting.
17. Subject to the provisions of any enactment, all questions coming or arising before the Joint Committee shall be decided by a majority of the Council Members of the Joint Committee immediately present and voting thereon. Subject to the provisions of any enactment, in the case of an equality of votes the Chairman shall have a second or casting vote but before exercising this, the Chairman shall consider whether it is appropriate to defer the matter to the next meeting of the Joint Committee.
18. Any Member of the Joint Committee may request the Joint Committee to record the votes of individual Members of the Joint Committee on a matter for decision.
19. A Member when speaking shall address the Chairman. If two or more Members wish to speak, the Chairman shall call on one to speak. While a Member is speaking other Members shall remain silent.

20. A Member shall direct his/her speech to the question under discussion or to a personal explanation or to a point of order.
21. Only one amendment to a proposal may be moved and discussed at a time and no further amendment shall be moved until the amendment under discussion has been disposed of, providing that the Chairman may permit two or more amendments to be discussed (but not voted on) together if circumstances suggest that this course would facilitate the proper conduct of the Joint Committee's business.
22. If an amendment be lost, other amendments may be moved on the original motion. If an amendment be carried, the motion as amended shall take the place of the original motion and shall become the motion upon which any further amendment may be moved.
23. The order of business shall be indicated in the agenda for the meeting.
24. When a motion is under debate by the Joint Committee no other motion shall be moved except the following:
 - 24.1 to amend the motion;
 - 24.2 to adjourn the meeting;
 - 24.3 to adjourn the debate;
 - 24.4 to proceed to the next business;
 - 24.5 that the question be now put;
 - 24.6 that a Member be not further heard;
 - 24.7 by the Chairman that a Member do leave the meeting;
 - 24.8 a motion under Section 100(A)(4) of the Local Government Act 1972 to exclude the public;
 - 24.9 to postpone consideration of the item.
25. A Member may move without comment at the conclusion of a speech of another Member, "That the Committee proceed to the next business", "That the question be

now put”, “That the debate be now adjourned”, or “That the Committee do now adjourn”, on the seconding of which the Chairman shall proceed as follows:

- 25.1 on a motion to proceed to next business; unless in his opinion the matter before the meeting has been insufficiently discussed put to the vote the motion to proceed to the next business
 - 25.2 on a motion that the question be now put; unless in his opinion the matter before the meeting has been insufficiently discussed he shall first put to the vote the motion that the question be now put
 - 25.3 on a motion to adjourn the debate or the meeting; if in his opinion the matter before the meeting has not been sufficiently discussed and cannot reasonably be sufficiently discussed on that occasion put the adjournment motion to the vote.
 - 25.4 The ruling of the Chairman shall not be open for discussion.
26. Any member of the Councils who is not a Member of the Joint Committee is entitled to attend the Joint Committee but he/she shall not be entitled to vote, shall not take part in the consideration or discussion of any business, save by leave of the Chairman and comments will be recorded only on the direction of the Chairman. A Councillor who attends a meeting in this capacity will be entitled to remain in the meeting when a resolution excluding the public is in force.
27. Meetings of the Joint Committee will be open to the public except to the extent that they are excluded under paragraph 29.
28. Members of the public wishing to address the Joint Committee (or a subcommittee of the Joint Committee) on Part I reports contained within the agenda for the meeting shall be given the opportunity to do so subject to:
- 28.1 the opportunity being extended to one person to speak in support of each agenda item and one person to speak against each agenda item when called to do so by the Chairman;
 - 28.2 an indication of the desire to speak on the agenda item being made by the person just prior to the meeting and the name supplied to the Committee Secretary in attendance (by means of the register), the first person

- registering to have precedence in the event of more than one person wishing to speak either for or against the agenda item;
- 28.3 each person addressing the Joint Committee or subcommittee of the Joint Committee being limited to three minutes' speech;
- 28.4 an opportunity being provided for an expression of a contrary view, even though no prior notice has been given, when a member of the public has spoken for or against the item;
- 28.5 in the event of the person having registered to speak on an agenda item not wishing to take up their right to speak on the agenda item because it was deferred, that person will automatically be given the right to speak on the agenda item at the next meeting of the Joint Committee or sub-committee of the Joint Committee; the Chairman of the meeting having discretion to rule that a person wishing to address the meeting shall not be heard if, in his/her opinion, that issue or the organisation or the person wishing to make representation on that issue has received an adequate hearing.
29. The public may be excluded from a meeting of the Joint Committee during an item of business whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that, if members of the public were present during that item, confidential information as defined in section 100A(3) of the Local Government Act 1972 or exempt information as defined in section 100I of the Local Government Act 1972 would be disclosed to them.
30. The Joint Committee may delegate a function to a Sub-Committee or an officer.
31. Any contractual arrangements that relate to a Shared Service will be undertaken by one of the Councils on behalf of the other Councils and that Council will apply its own financial regulations and contract procedure rules until such time as the Joint Committee adopts its own financial regulations and contract procedure rules. The LGSS Director of the relevant Shared Service that is incurring the expenditure will normally determine which of the Councils' financial regulations and contract procedure rules will apply and in the event of any dispute or uncertainty the matter should be referred to the LGSS Managing Director for decision.

32. The Secretary to the Joint Committee shall provide governance and secretarial support services to the Joint Committee on such terms as may be agreed from time to time between the Councils. The Councils shall make available committee officers to provide administrative services at the meetings of the Joint Committee.
33. The Lawyer to the Joint Committee shall provide legal advice and support services to the Joint Committee on such terms as may be agreed from time to time between the Councils.
34. The Finance Officer to the Joint Committee shall provide financial support services to the Joint Committee on such terms as may be agreed from time to time between the Councils.

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SCHEDULE 2
(Delegated Functions and Shared Services - See Separate Document)

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SCHEDULE 3
Notice Provisions

Cambridgeshire County Council, Shire Hall, Castle Hill, Cambridge CB3 0AP

Telephone: 01223 772961

Email: Quentin.Baker@cambridgeshire.gov.uk

Northamptonshire County Council, County Hall, Northampton, NN1 1ED

Telephone: 01604 367100

Email: PBlantern@northamptonshire.gov.uk

Milton Keynes Council, Civic Offices, 1 Saxon Gate East, Central Milton Keynes
MK9 3EJ

Telephone: 01908 252200

Email: Carole.Mills@milton-keynes.gov.uk

SCHEDULE 4
(Relevant Posts - Available on request)

DRAFT

SCHEDULE 5

Financial Schedule

This schedule refers to Appendix B of the Outline Business Case for Milton Keynes Council membership of LGSS Joint Committee (OBC) 'MKC / LGSS Partnership Financial Arrangements' dated 14th December 2015.

These source documents can be found at:

<http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/Meeting.aspx?meetingID=1095>

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SCHEDULE 6

CCC/NCC Distribution Formula

1. General

- 1.1 The overriding principle is that the Parties will share costs, expenses and savings involved in the LGSS fairly, transparently and on an equal share basis. There may need to be exceptions, recognising that there may be differences in relation to the historic and future usage of each of the Shared Services.
- 1.2 The Parties shall ensure that a separate account is kept in respect of all costs and expenses involved in supporting the Joint Committee and in the delivery of the Shared Services. Such account shall include the staff costs and agreed staff on costs incurred by each of the parties, as well as overheads which will be calculated to a jointly agreed formula. Where appropriate an equalisation payment between the councils may be required to reflect overheads being borne disproportionately by one of the councils.

2. Costs of the Joint Committee

- 2.1 Each Council shall be responsible for one half of all costs and expenses relating to the Joint Committee. Such proportion shall increase or reduce proportionately in the event that any Council withdraws from or any new Councils join into the provisions of this Agreement. This will include:
- 2.1.1 Costs of the Secretary; Finance Officer; and Legal support, where not already part of the LGSS;
 - 2.1.2 Meeting costs of room booking, refreshments and any Joint Committee training or events etc;
 - 2.1.3 Any other incidental expenses of Joint Committee members.

3. Shared Services Implementation/Investment Costs

- 3.1 Each Council shall be responsible for one half of the cost of any investment required for the Delegated Functions, except where only one Council participates in the Service. Investment shall include system changes, enhancements and service transformation costs, such as: the purchase of equipment or expenditure on enhancements to existing equipment; ICT software or hardware; expenditure on installation of any new or enhanced equipment, and the cost of employees/consultants to introduce and operate new equipment and systems.
- 3.2 Where part of the investment involves staffing reductions with consequent severance costs then both Councils will share the costs equally.

4. Costs Of Discharging The Delegated Functions (Operational Costs)

- 4.1 The annual cost of each Shared Service for CCC and NCC will be set and agreed with the Joint Committee based on an Annual Service Plan agreed with CCC and

NCC Councils as part of their annual MTFP planning procedures, and this annual cost will only be adjusted by agreement in the event of significant in-year changes requested in levels of service agreed for the year ahead by either Party during the financial year. Significant changes for this purpose shall be more than 5% total annual revenue cost change impacts for any relevant Shared Service.

5. Savings From Discharging The Delegated Functions

5.1 Any savings specifically accruing to CCC and NCC only achieved from the discharge of shared Delegated Functions shall continue be split equally as practiced to-date between the Councils with the following exceptions:

5.1.1. Any saving achieved in the administrating authority Pensions Service function shall be shared with LGSS in accordance with the formal Service Level Agreements agreed between LGSS and each Pension Fund and accrue directly to the Pension Fund of CCC and NCC Councils.

5.1.2 Any saving achieved as a result of joint working between the Councils on a service which is not included in the Delegated Functions is not covered by this Agreement.