

**Date: Thursday, 25 February 2016**

**Democratic and Members' Services**

Quentin Baker

LGSS Director: Law, Property and Governance

Shire Hall

Castle Hill

Cambridge

CB3 0AP

**14:00hr**

**Stanton House Training & Conference Centre, Stanton  
Way, Huntingdon, Cambridgeshire, PE29 6XL**

## **AGENDA**

**Open to Public and Press**

**1 Apologies and Declarations of Interest**

*Guidance for Councillors on declaring interests is available at  
<http://tinyurl.com/ccc-dec-of-interests>*

**Non Confidential Minutes of the 17th December Meeting** **3 - 6**

**160225-3 - LGSS 2015-16 Budget Monitoring** **7 - 20**

**160225-4 Arrangements for Milton Keynes Council to join LGSS** **21 - 88**  
**Joint Committee Shared Services Partnership**

**4 Exclusion of Press and Public**

That the press and public be excluded from the meeting during the consideration of the following report on the grounds that it is likely to involve the disclosure of exempt information under paragraph 5 of Part 1 Schedule 12 A of the Local Government Act 1972 and that it would not be in the public interest for the information to be disclosed (information in respect of which a claim to legal professional privilege could be maintained in legal

proceedings).

## **6 LGSS Law - Central Bedfordshire Council Update**

*Oral*

The LGSS Joint Committee comprises the following members:

Councillor Robin Brown (Chairman) Councillor Robert Middleton (Vice-Chairman)

Councillor Ric Brackenbury Councillor Keith McLean Councillor Bill Parker and Councillor Bob Scott Councillor Roger Hickford Councillor Noel Kavanagh and Councillor Ian Manning

*For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact*

Clerk Name: Daniel Snowdon

Clerk Telephone: 01223 699177

Clerk Email: [daniel.snowdon@cambridgeshire.gov.uk](mailto:daniel.snowdon@cambridgeshire.gov.uk)

The County Council is committed to open government and members of the public are welcome to attend Committee meetings. It supports the principle of transparency and encourages filming, recording and taking photographs at meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening, as it happens. These arrangements operate in accordance with a protocol agreed by the Chairman of the Council and political Group Leaders which can be accessed via the following link or made available on request: <http://tinyurl.com/ccf-film-record>.

Public speaking on the agenda items above is encouraged. Speakers must register their intention to speak by contacting the Democratic Services Officer no later than 12.00 noon three working days before the meeting. Full details of arrangements for public speaking are set out in Part 4, Part 4.4 of the Council's Constitution <http://tinyurl.com/cambs-constitution>.

The Council does not guarantee the provision of car parking on the Shire Hall site and you will need to use nearby public car parks <http://tinyurl.com/ccf-carpark> or public transport

## **LOCAL GOVERNMENT SHARED SERVICES JOINT COMMITTEE:**

### **MINUTES**

**Date:** Thursday 17<sup>th</sup> December 2015

**Time:** 2.00-3.40pm

**Place:** Suite 2, Stanton House Training and Conference Centre, Huntingdon PE29 6XL

**Present:** Cambridgeshire County Council (CCC): Councillors Paul Bullen and Ian Manning.

Northamptonshire County Council (NCC): Councillors Graham Lawman, Bill Parker (Vice-Chairman) and Bob Scott.

**Others in attendance:**

Quentin Baker (LGSS Director of Law, Property and Governance), Paul Blantern (Chief Executive Northamptonshire County Council), Matt Bowmer (LGSS Director of Finance), Ian Farrar (LGSS Director of IT Services), Sue Grace (Director of Customer Service and Transformation, Cambridgeshire County Council), John Kane (LGSS Managing Director), Christine Reed (Director of People, Transformation and Transactions), and Daniel Snowdon (Democratic Services Officer).

**Apologies:** Councillors Mac McGuire (Chairman) and Andre Gonzalez de Savage.

### **98/15 MINUTES – 12<sup>TH</sup> NOVEMBER 2015**

The minutes of the meeting held on 12<sup>th</sup> November 2015 were agreed as a correct record and signed by the Chairman.

### **99/15 DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **100/15 LGSS MONTHLY BUDGET MONITORING REPORT**

The Joint Committee received the monthly budget monitoring report that showed a decrease in the forecast variance from £478k to £372k. Members noted that around £700k had been set aside from reserves to smooth the anticipated trading shortfall. Officers also highlighted the forecast underspend on the budgets managed by LGSS on behalf of Northamptonshire County Council.

It was resolved to:

1. Note the financial monitoring position as at 31 October 2015.
2. Note the summary position on carry forward balances.

### **101/15 EXCLUSION OF PRESS AND PUBLIC**

The Committee resolved that the Press and Public be excluded from the meeting for the Following 4 items of business on the grounds that it contained exempt information under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed (information relating to the financial or business affairs of any particular person (including the authority holding that information)).

### **102/15 MILTON KEYNES APPROVAL OF OUTLINE BUSINESS CASE**

It was resolved to:

- i) Based on the Outline Business Case presented to the Joint Committee, support the proposal for Milton Keynes Council (MKC) to become a full partner of LGSS, and recommend to both Cambridgeshire County Council (CCC)'s General Purposes Committee and Northamptonshire County Council (NCC)'s Cabinet that they approve the proposal.
- ii) Subject to subsequent approval from CCC's General Purposes Committee and NCC's Cabinet, delegate to the LGSS Managing Director in consultation with the Joint Committee, authorisation to negotiate and agree, subject to appropriate terms:
  - a) the provision of services to MKC, under the auspices of the LGSS Joint Committee and the terms and conditions under which the Partnering and Delegation Agreement (PDA) will operate;
  - b) any changes to the staffing structures necessary or incidental to the implementation of the service delivery; and
  - c) to prepare, approve and complete any necessary legal documentation, including a proposal for amendments to the current PDA between CCC and NCC relating to the setup of CCC and NCC), this proposal will be brought to CCC and NCC Full Council for approval.

**103/15 PROPOSED LGSS PROVISION OF ICT SERVICES EAST CAMBRIDGESHIRE DISTRICT COUNCIL.**

It was resolved:

- i) To note the proposed service delivery model for the provision of ICT services to East Cambridgeshire District Council as set out in the report.
- ii) Subject to approval from East Cambridgeshire District Council Regulatory Services Committee delegate to the LGSS Managing Director and LGSS Director of IT, in consultation with the Chair and Vice Chair, authorisation to negotiate and agree, subject to appropriate terms.
  - a) The provision of ICT services to East Cambridgeshire District Council, under the auspices of the LGSS Joint Committee and the terms and conditions under which the Partnership and Delegation Agreement (PDA) will operate;
  - b) Any changes to the staffing structures necessary or incidental to the implementation of the service delivery; and
  - c) To prepare, approve and complete any necessary legal documentation.

**104/15 LGSS LAW/CENTRAL BEDFORDSHIRE POST SUBMISSION UPDATE.**

It was resolved to note the oral update provided to the Joint Committee.

Chairman



**LGSS Joint Committee**

**25 February 2016**

**Subject: LGSS 2015-16 Budget Monitoring**

**Paper presented by: Matt Bowmer**

**Actions:**

- 1. Note the financial monitoring position as at 31 December 2015.**
- 2. Note the summary position on carry forward balances.**

## 1. Summary Financial Position

	2011-12 Outturn £000	2012-13 Outturn £000	2013-14 Outturn £000	2014-15 Outturn £000	2015-16 Forecast £000
<b>Brought Forward (1 April)</b>	<b>0</b>	<b>-1,489</b>	<b>-3,289</b>	<b>-2,893</b>	<b>-2,005</b>
<b>Reinvestment</b>	<b>0</b>	<b>604</b>	<b>2,402</b>	<b>2,091</b>	<b>2,005</b>
<b>Repayment to Norwich City Council</b>	<b>0</b>	<b>0</b>	<b>184</b>	<b>0</b>	<b>0</b>
<b>Distribution of prior year dividend</b>	<b>0</b>	<b>0</b>	<b>700</b>	<b>700</b>	<b>0</b>
<b>Actual/Forecast Surplus</b>	<b>-1,489</b>	<b>-2,404</b>	<b>-2,009</b>	<b>-652</b>	<b>3</b>
<b>Drawdown from Smoothing Reserve</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3</b>
<b>Carried Forward (31 March)</b>	<b>-1,489</b>	<b>-3,289</b>	<b>-2,012</b>	<b>-754</b>	<b>0</b>
<b>Reinvestment c/f</b>	<b>0</b>	<b>0</b>	<b>-881</b>	<b>-1,251</b>	
<b>LGSS Reserves (31 March)</b>	<b>-1,489</b>	<b>-3,289</b>	<b>-2,893</b>	<b>-2,005</b>	

The Table above summarises:

- The outturn position for 2011-12 through to 2014-15 as previously reported to Joint Committee.
- The planned reinvestment for 2015-16 as detailed in Appendix 3.
- The 2015-16 forecast outturn position outlined in Section 2 of this report and detailed in Appendices 1(a) and 1(b). This would leave a balance of £750k on the Smoothing Reserve for carry forward approval to 2016-17.

Previous reports have highlighted the risk of the cost of LGSS redundancies in 2015-16 exceeding the balance on the redundancy reserve, (see Appendix 3). At the same time Directors had been asked to manage, or absorb, redundancy costs within their services in the first instance. Directors have now been able to confirm that the total, (in the order of £300k), can be fully absorbed and it is therefore proposed that the £120k redundancy reserve be rolled forward to 2016-17.



## 2015-16 Budget Monitoring – December 2015

	Previous Forecast Variance £000	Gross Exp Budget £000	External Income Budget £000	Internal Income Budget £000	Full Year Budget £000	Full Year Forecast Variance £000
<b>LGSS Operational</b>						
Trading Account	811	2,118	-24,088	-185	-22,155	747
Service Assurance	-10	778	0	-16	762	-39
Finance	-323	19,910	-7,458	-1,786	10,665	-342
People, Transformation and Transactions	-400	23,304	-1,777	-1,203	20,324	-460
Information Technology	50	15,376	-39	-2,449	12,888	50
Law, Procurement and Governance	47	3,547	-961	-624	1,962	47
<b>Total LGSS</b>	<b>175</b>	<b>65,033</b>	<b>-34,323</b>	<b>-6,263</b>	<b>24,447</b>	<b>3</b>

Any deficit on the Trading Account which is not offset by in-year underspends across LGSS Directorates will be met from the LGSS Smoothing Reserve at year end, (see page 2).

This report now reflects the restructure of the Law, Property and Governance Directorate with both Audit and Risk Management and Property Operations moving across to the Finance Directorate.

Further detail and commentary on the LGSS outturn position is provided at Appendices 1(a) and 1(b).

	Previous Forecast Variance £000	Gross Exp Budget £000	External Income Budget £000	Internal Income Budget £000	Full Year Budget £000	Full Year Forecast Variance £000
<b>Managed by LGSS on behalf of NCC:</b>						
Finance	-107	7,005	-629	-50	6,325	-107
People, Transformation and Transactions	-300	1,155	-205	0	950	-438
Information Technology	100	3,989	0	-46	3,943	100
Law, Procurement and Governance	-200	1,303	0	0	1,303	-200
<b>Total NCC Managed</b>	<b>-507</b>	<b>13,452</b>	<b>-834</b>	<b>-96</b>	<b>12,521</b>	<b>-645</b>
<b>Managed by LGSS on behalf of NBC:</b>						
Finance	0	220	0	0	220	0
People, Transformation and Transactions	0	129	0	0	129	-38
Information Technology	0	1,271	0	0	1,271	0
Law, Procurement and Governance	0	794	0	26	820	0
<b>Total NBC Managed</b>	<b>0</b>	<b>2,414</b>	<b>0</b>	<b>26</b>	<b>2,440</b>	<b>-38</b>
<b>Managed by LGSS on behalf of CCC:</b>						
Finance	864	10,211	-4,862	-557	4,792	818
Information Technology	-321	4,100	0	-1,884	2,216	-421
Law, Procurement and Governance	-14	2,488	-5	0	2,483	-14
<b>Total CCC Managed</b>	<b>529</b>	<b>16,799</b>	<b>-4,867</b>	<b>-2,441</b>	<b>9,491</b>	<b>382</b>

Further detail and commentary on the forecast outturn position for budgets managed by LGSS on behalf of others is provided at Appendix 2.

## **Appendix 1 (a)**

### **2015-16 Monitoring Detail – LGSS Budgets**

#### **Finance Directorate**

	<b>Previous Forecast Variance £000</b>	<b>Budget to Dec £000</b>	<b>Actual to Dec £000</b>	<b>Variance to Dec £000</b>	<b>Full Year Budget £000</b>	<b>Full Year Forecast Variance £000</b>
<b>Total Finance Directorate:</b>						
Finance	-123	4,793	4,736	-57	5,816	-123
Audit and Risk Management	-120	752	648	-104	1,021	-120
Property Services	0	2,132	2,412	280	2,447	0
Strategic Assets	-80	1,280	1,049	-231	1,753	-99
Pensions Operations	0	2,333	1,914	-419	-372	0
<b>Total Finance Directorate</b>	<b>-323</b>	<b>11,290</b>	<b>10,759</b>	<b>-531</b>	<b>10,665</b>	<b>-342</b>

The Directorate is forecasting a £342k underspend which is an increase of £19k from last month.

Finance is currently forecasting a £123k underspend. This is due to a forecast underspend of £107k on the CIPFA Trainee budget in the Cambridge office due to trainees taking up posts in other teams within LGSS. There is also a net £54k underspend forecast due to vacancies and changes following the Finance team restructure and additional income generated from a secondment to East Cambs., and a £22k underspend forecast in the Schools Finance team. These underspends are partially offset by an estimated £50k for temporary resources to support the housing company in Cambridgeshire and the cost of a joint class action re VAT on postage claims, (£10k). The forecast also takes into account redundancy costs within the team.

A significant in-year underspend is likely in Audit and Risk Management due to efficiencies from the restructure and also the carrying of vacancies. Some of this may be used to procure extra resources in the interim, but an underspend of £120k is still forecast. Additionally, it is anticipated that there will be an unspent balance on the DCLG CounterFraud Fund allocation at the end of 2015-16, and this will be carried forward to 2016-17.

Strategic Assets is currently forecasting an £99k underspend. This is due to savings on valuations in the Northampton Office (£40k) and an underspend due to in-year vacancies while recruiting to the new structure (£59k). The team is planning to recruit agency staff in the short-term in order to cover these in-year vacancies whilst working towards implementing the new structure.

## People, Transformation and Transactions Directorate

	Previous Forecast Variance £000	Budget to Dec £000	Actual to Dec £000	Variance to Dec £000	Full Year Budget £000	Full Year Forecast Variance £000
<b>Total P,T&amp;T Directorate:</b>						
PTT Central Management	0	564	560	-4	781	0
Policy & Strategy	-200	1,157	786	-371	1,392	-200
HR Business Partners	-100	1,847	1,346	-501	2,129	-160
Organisation Development	0	2,123	1,084	-1,039	1,723	0
Business Transformation Team	0	980	647	-333	972	0
Transactional Services	-200	4,127	3,385	-742	4,403	-200
Revenue and Benefits	0	4,303	4,407	104	5,237	0
LGSS Programme Team	100	2,857	3,435	578	3,687	100
<b>Total P,T&amp;T Directorate</b>	<b>-400</b>	<b>17,958</b>	<b>15,650</b>	<b>-2,308</b>	<b>20,324</b>	<b>-460</b>

The Directorate is forecasting a £460k underspend which is an increase of £60k from last month.

Policy and Strategy are forecasting an in-year underspend of £200k due to delays in recruitment to the Workforce Planning and Strategy team.

There is an underspend of £160k on HR Business Partners due to vacancies and delays in recruitment.

The restructure across Transactional Services was implemented in August 2015 and has resulted in a number of vacancies which are actively being recruited to. The impact of the vacancies is expected to provide an in- year underspend of £200k.

There is a forecast pressure of £100k on the LGSS Programme Team budget. A 2015-16 budget reduction for this amount was made on the assumption that reductions to the ERP contract could be negotiated with Fujitsu, but given the new shared service solution this is unlikely to be achieved.

## Information Technology Directorate

	Previous Forecast Variance £000	Budget to Dec £000	Actual to Dec £000	Variance to Dec £000	Full Year Budget £000	Full Year Forecast Variance £000
<b>Operations:</b>						
Northamptonshire County Council	50	2,432	2,617	185	3,243	50
Cambridgeshire County Council	0	1,519	1,540	21	1,308	0
Norwich	0	2,049	2,575	526	2,980	0
NHFT	0	2,621	2,548	-73	3,495	0
Strategy & Architecture	0	835	922	87	899	0
Service Delivery	0	875	965	90	963	0
<b>Total Information Technology Directorate</b>	<b>50</b>	<b>7,710</b>	<b>11,167</b>	<b>3,457</b>	<b>12,888</b>	<b>50</b>

The Directorate is forecasting a £50k overspend which is no change from last month.

The vacancy factor for NCC operations has not been met this year resulting in a £38.5k pressure. There is also a pressure within CCC Operations due to the cost of agency cover for long-term sickness.

There is a further pressure within the Directorate due to the additional recruitment of digital analysts to in source work previously procured at a premium by the retained organisations. There are also additional developer posts being recruited over and above the establishment in agreement with NCC and CCC. This pressure will be met as far as possible by in year vacancies, but it is envisaged there will be a residual cost that will need to be recovered from NCC and CCC. There will potentially be a need to recover these costs in future years from NCC/CCC who will benefit from a reduction in direct expenditure.

There is also a pressure this year with regard to the additional savings target of £75k allocated ahead of the IT service review, which has been offset this year by additional recharges to capital for work carried out by IT.

## Law, Procurement and Governance Directorate

	Previous Forecast Variance £000	Budget to Dec £000	Actual to Dec £000	Variance to Dec £000	Full Year Budget £000	Full Year Forecast Variance £000
<b>Total Law, Procurement and Governance Directorate:</b>						
<b>LGSS Law Ltd</b>						
Dividend Target	104	-527	2,015	2,542	-536	104
Overhead income target	0	0	0	0	-170	0
LPG Directorate	100	0	0	0	45	100
NBC Legal Budget	0	380	110	-270	506	0
CCC Corporate Legal Budget	-40	68	28	-40	102	-40
Procurement	-13	1,003	1,043	40	1,023	-13
Democratic Support Services	-104	759	608	-151	992	-104
<b>Total Law, Procurement and Governance Directorate</b>	<b>47</b>	<b>1,683</b>	<b>3,804</b>	<b>2,121</b>	<b>1,962</b>	<b>47</b>

The Directorate is forecasting an overspend of £47k which is no change from last month.

The budgeted target profit for LGSS Law Ltd is £536k which includes the “trading offset” stretch income target of £350k applied during 2014-15 budget planning process. It is currently estimated that the actual profit delivered will be in the region of £432k, which leaves a £104k shortfall against the target. In the previous financial year the shortfall against the target was £229k. At a time when the service is going through a period of significant change in systems and operating model, LGSS Law has been working towards achieving a proportionately higher level of surplus than previous years.

	2015-16 (previous month)	2015-16 (current forecast)
<b>LGSS Law Ltd - Projected Summary Profit &amp; Loss</b>	<b>£000</b>	<b>£000</b>
<b>Income</b>		
Cambridgeshire CC	1,704	1,704
Northamptonshire CC	2,422	2,422
Northampton BC	506	506
Other	486	486
<b>Total Income</b>	<b>5,118</b>	<b>5,118</b>
Expenditure	4,686	4,686
<b>Profit/Surplus (after tax)</b>	<b>-432</b>	<b>-432</b>

There is currently a overspend reported of £100k on the Head of LPG service line which is in relation to system developments costs and legal charges from the previous financial year. With regards to the legal charges, work is in progress to see if these can be recovered from clients.

The LGSS Law corporate Legal budget is currently forecast to underspend by £40k.

Procurement is currently forecasting a net underspend of £13k due to in-year vacancies.

Democratic Support Services is forecasting an underspend of £104k due to additional income generation from supporting the operation of the Northamptonshire Police and Crime Panel, (£40k), and an underspend in the Cambridge office due to an in-year vacancy and reduced expenditure on printing and other contracts, (£64k).

### Service Assurance, Customers and Strategy

	Previous Forecast Variance £000	Budget to Dec £000	Actual to Dec £000	Variance to Dec £000	Full Year Budget £000	Full Year Forecast Variance £000
<b>Total Service Assurance, Customers and Strategy Directorate:</b>						
Service Assurance & Customer Engagement	0	389	350	-39	518	-31
Leadership Support & Governance	-10	123	69	-54	149	-8
Communications & Marketing	0	71	67	-4	95	0
<b>Total Service Assurance Directorate</b>	<b>-10</b>	<b>583</b>	<b>486</b>	<b>-97</b>	<b>762</b>	<b>-39</b>

Service Assurance is reporting a £39k underspend which is an increase of £29k from last month.

There are currently a number of vacancies which are being covered by temporary members of staff. It is expected that all roles will be recruited to by the end of the financial year.

## **Appendix 1(b)**

Please note that this Appendix is not for publication by virtue of paragraph 3 of part 1 of 12a of the Local Government Act 1972 and has been circulated separately.



## Appendix 2

### 2015-16 Monitoring Detail – Budgets managed by LGSS on behalf of others.

	Previous Forecast Variance £000	Budget to Dec £000	Actual to Dec £000	Variance to Dec £000	Full Year Budget £000	Full Year Forecast Variance £000
<b>Northamptonshire County Council:</b>						
Property Services	0	2,366	1,987	-379	3,615	0
Strategic Assets	-43	1,890	2,108	218	2,466	-43
Finance	-64	183	24	-159	244	-64
Policy and Strategy	0	277	154	-123	370	-138
Organisation Development	-300	38	-244	-282	580	-300
Information Technology	100	3,782	4,155	373	3,942	100
Democratic Services	100	978	1,104	126	1,303	100
Catering	0	1	8	7	1	0
Procurement	-300	0	-234	-234	0	-300
<b>Total</b>	<b>-507</b>	<b>9,515</b>	<b>9,062</b>	<b>-453</b>	<b>12,521</b>	<b>-645</b>
<b>Northampton Borough Council:</b>						
Finance	0	165	41	-124	220	0
Policy and Strategy	0	96	81	-15	129	-38
Information Technology	0	954	771	-183	1,271	0
Insurance	0	616	693	77	820	0
<b>Total</b>	<b>0</b>	<b>1,831</b>	<b>1,586</b>	<b>-245</b>	<b>2,440</b>	<b>-38</b>
<b>Cambridgeshire County Council:</b>						
Insurance	0	0	-4	-4	1,483	0
Property Services	1,023	5,427	5,878	451	6,642	1,019
External Audit	0	134	171	37	179	0
Strategic Assets	-158	-1,494	-2,014	-520	-3,052	-200
Members Allowances	-14	735	697	-38	1,000	-14
Finance	-2	80	225	145	1,023	-2
Information Technology	-321	3,084	2,848	-236	2,216	-421
<b>Total</b>	<b>528</b>	<b>7,966</b>	<b>7,801</b>	<b>-165</b>	<b>9,491</b>	<b>382</b>

#### Northamptonshire County Council

There is a forecast underspend of £645k on the budgets managed by LGSS on behalf of Northamptonshire.

In Property Services there is a potential underspend of £33k on utility costs. However, due to other potential budget pressures, a nil variance is currently forecast.

There is a commitment to deliver £2m savings by 2017-18 through leverage of assets. Whilst the 2014-15 saving was achieved, this is increasingly challenging for 2015-16 and there is a potential risk of £90k slippage on this year's leverage of assets target in terms of permanent savings, although this will be mitigated in-year. Strategic Assets is also forecasting an overall £43k underspend on the main managed budgets due to additional in-year income from rents, leases and service charges, mainly from Delapre, Service Six and Northwood.

In Finance there is a £64k underspend forecast on External Audit fees based on current estimates.

Policy and Strategy are forecasting an underspend of £138k. This is partly as a result of the anticipated increase in spend due to the Medigold contract renewal not occurring as negotiations have been delayed until March and an underspend of £95k is forecast. A further £43k underspend is forecast on the budget allocated for external consultants to undertake Health and Safety audit work in schools. This will now be managed internally following re-organisation of the Health and Safety teams across NCC and CCC.

OWD is forecasting a planned £300k underspend. Since the NCC in-year savings measures have been introduced, one of which included training, OWD have stopped spending commitment in some lower risk areas and delayed expenditure into 2016-17 to create an in-year underspend specifically on the largest funding source for NCC.

In IT there is a £100k pressure within the managed budgets due to the full year effect of the mobile phone contract savings of £200k not being fully realised this financial year. The current position is overspent due to recharges to capital and external invoicing to be carried out.

Democratic Services are forecasting a £100k overspend due to non delivery of target savings. A plan is in place to reduce spending on the Empowering Councillors Scheme. Additionally, there will be realignment in coming months to reflect the transfer in of the budget and costs for political assistants and support staff from the Law, Procurement and Governance Operational budget.

In Procurement a £300k underspend is forecast due to a negotiated rebate on the agency contract, mainly relating to social workers in NCC.

#### **Northampton Borough Council**

There is a forecast underspend of £38k on the budgets managed by LGSS on behalf of Northampton Borough Council. This underspend is a result of the Firstcare contract ending.

#### **Cambridgeshire County Council**

There is a forecast overspend of £382k on the budgets managed by LGSS on behalf of Cambridgeshire.

Property Services is forecasting an overspend of £1,019k, a decrease of £4k from the figure reported last month. As previously reported, the 50% rental period under the agreement to lease Castle Court was due to commence on 31st October 2015. However, due to delays in obtaining planning permission, the lease agreement is not now expected to be completed before late January. The additional income predicted in 2015/16 has therefore been reduced pro rata from £281k to £112k. It is expected that there will also be a subsequent reduction of around £30k in the rate rebate achieved. Building Maintenance is forecasting an overspend of £71k. As previously reported, this is due to a shortfall of £121k on the amount accrued in the 2014-15 accounts compared to invoices paid in respect of these accrued costs. This pressure has been reduced by £50k, being offset by estimated costs of £30k to be charged to capital, £15k income from Caretaker housing, and £5k of the 2014-15 costs which have now been re-assessed as relating to the 2015-16 financial year. County Offices is forecasting an overspend of £948k, an increase of £46k from the figure reported last month. A rent review is currently being negotiated for Babbage House and it is estimated that this will result in an increase of £47k in 2015-16 (£71.5k per annum).

The pressure resulting from Children's Centre business rates received to date and an assessment of the potential liability for bills not yet received is now forecast to be in the region of £550k, a reduction of around £50k from the previous estimate. Of this amount, £400k is the estimated liability for prior years billing and £150k relates to the estimated annual cost for 2015/16 onwards. The position will continue to be monitored and forecast outturn updated accordingly as further business rates bills are received. Officers are undertaking further work to verify the amount of the outstanding liability for bills not yet received.

Full-year savings have now been realised in respect of the closure of Dryden House (£203k) and the cessation of Castle Court running costs (£347k). The prior-year savings target for a reduction of the property

portfolio has therefore been fully achieved and progress is being made towards the new 2015/16 target (£400k), with a balance of £379k to be identified. In addition, there are a number of small budgetary pressures across the portfolio, amounting to £100k. These have been partially offset by a £42k reduction in the anticipated cost of Dryden House dilapidations.

Within Strategic Assets, County Farms is forecasting a surplus of £195k, of which £140k is due to an increase in rent income following completion of 60 rent reviews during 2014/15. Levels of income generation resulting from the ongoing programme of solar PV installations across the estate are being assessed to consider whether any further underspend can be declared

A £14k underspend is forecast on the Members Allowances budget due to reduced subsistence costs.

A £2k underspend is forecast on the Corporate Subscriptions budget held within Finance.

An underspend of £421k is being reported on the IT Managed budgets. To contribute towards recovery of the overall LGSS Managed overspend the balance on the IT Asset Replacement fund (£475k) will be written back to revenue. This is facilitated by the move towards provision of mobile devices, which are funded from the IT for Smarter Business Working capital scheme. This is partially offset by £54k net pressures across the centrally held budgets.

**Appendix 3****Summary Position on Carry Forwards**

Directorate	Service Area	Title	2013-14 Carry Forward	2014-15 Carry Forward	Total Carry Forward		Drawn Down	Needed 2016- 17	Re- Assigned	Balance Awaiting Action
			£000	£000	£000		£000	£000	£000	£000
PT & T		Business re-engineering	53	0	53	*			-53	0
PT & T	Organisation & Workforce Development	Equipping employees to use Next Generation / Smarter Business mobile technology	0	319	319			-319		0
PT & T	Programme Management Office	Shared Service Solution	280	0	280			-280		0
PT & T	Revenue & Benefits	Systems Development	55	0	55					55
PT & T	PMO / Rev & Bens	Contingency to support above two projects by reducing reliance on partner contributions	0	100	100			-100		0
Finance	Strategic Assets	Asset Management Database	142	0	142		-36	-106		0
Finance	Pensions	IT systems	100	0	100			-100		0
LP & G	Legal	Company VAT & tax advice	2	0	2					2
LP & G	Democratic Support	CMIS	13	0	13	*			-13	0
SAC & S	Service Assurance & Customer Engagement	Support delivery of trading targets	12	0	12			-12		0
SAC & S	Service Assurance & Customer Engagement	Think as One, Deliver as One	22	0	22			-22		0
IT	IT	Further in-sourcing to deliver ongoing revenue savings	0	100	100		-100			0
Cross-Cutting		Smoothing of trading income	500	253	753					753
Cross-Cutting		Redundancy reserve top-up	54	0	54	*			66	120
<b>Total</b>			<b>1,233</b>	<b>772</b>	<b>2,005</b>		<b>-136</b>	<b>-939</b>	<b>0</b>	<b>930</b>

\* Carry forwards which have been identified as no longer required for their original purpose have been added to the redundancy reserve where there is an anticipated shortfall against potential demand.

**Item 4**

**ARRANGEMENTS FOR MILTON KEYNES COUNCIL TO JOIN LGSS JOINT COMMITTEE SHARED SERVICES PARTNERSHIP**

**To:** LGSS Joint Committee, 25<sup>th</sup> February, 2016.

**From:** John Kane, LGSS Managing Director

**Purpose:** To endorse the proposal for Milton Keynes Council to become a full partner of LGSS and recommend this for final approval to the full council meetings of Cambridgeshire and Northamptonshire County Councils.

**Recommendation:** It is recommended that the LGSS Joint Committee:

- i) Following approval of the Outline Business Case in December 2015 and January 2016 by the LGSS Joint Committee; Cambridgeshire County Council (CCC) General Purposes Committee and the Cabinets of Northamptonshire County Council (NCC) and Milton Keynes Council (MKC), approve and support the proposal for MKC to become a full partner of LGSS from 1<sup>st</sup> April 2016.
- ii) Recommend to Cambridgeshire County Council and Northamptonshire County Council that they:
  - a. approve the proposed changes to the existing Delegation and Joint Committee Agreement to reflect the addition of Milton Keynes Council as a full partner of the LGSS Joint Committee and the consequent updates to the constitutions of the Councils required to enable this, as reflected in Schedule 2 of the agreement; and
  - b. delegate to the LGSS Managing Director the power to make these and any other necessary or incidental amendments in order to finalise and implement the arrangements.

<b>Officer contact:</b>	
Name:	John Kane
Post:	Managing Director, LGSS
Email:	<a href="mailto:jkane@northamptonshire.gov.uk">jkane@northamptonshire.gov.uk</a>
Tel:	01604 368637

## **1. Background**

- 1.1 At their meeting on 17<sup>th</sup> December 2015, the LGSS Joint Committee supported the proposal for MKC to join the LGSS Joint Committee as a full partner, based on the Outline Business Case (OBC) which had been jointly developed by MKC and LGSS.
- 1.2 This followed a decision by MKC cabinet in October 2015 to give approval for the completion of an OBC for MKC to join LGSS as a full Joint Committee partner and a subsequent period of detailed discussions, including workshops between Heads of Service and Directors from both organisations, to inform the contents of the OBC.
- 1.3 The recommendation of the LGSS Joint Committee was unanimously approved by the CCC General Purposes Committee and NCC Cabinet at their meetings in January 2016. MKC Cabinet also approved the proposal to join LGSS at their meeting on 11<sup>th</sup> January 2016, based on the OBC.
- 1.4 This Joint Committee report sets out a summary of the required changes to the existing Delegation and Joint Committee Agreement originally signed by CCC and NCC in July 2010 to set up the LGSS Joint Committee, in order to reflect the addition of MKC as a full partner and requires the approval of the full council meetings of CCC and NCC as well as MKC.

## **2. Scope**

- 2.1 The scope of MKC services joining the LGSS shared services partnership includes c420 posts across the following services:
  - Finance
  - Internal Audit and Risk
  - Information Systems and Communication Technology (ICT)
  - Procurement
  - Insurance
  - Democratic Services
  - Human Resources
  - Learning and Development
  - HR Transactions and Payroll
  - Financial Transactions
  - ERP and Business Systems
  - Revenues and Benefits

- Business Support Services to Schools

- 2.2 Employees within the scope of the shared service from MKC will continue to be employed by MKC, but be part of LGSS with the delegation of employer rights and responsibilities to the LGSS Joint Committee and LGSS Managing Director and Directors (i.e. no TUPE transfer will apply, MKC will have the same status as CCC and NCC).
- 2.3 The OBC does not include any savings at Director level in either of the current LGSS or MKC structures, reflecting the fact that as a significantly expanded shared service the capacity will need to be retained at the LGSS Management Board level. The minor changes to functional responsibilities at Director level outlined in the OBC will take effect from 1<sup>st</sup> April 2016 in accordance with the diagram in Appendix 1.

### **3. Summary of changes affecting the Joint Committee**

- 3.1 MKC will join the LGSS Joint Committee as a full partner on 1<sup>st</sup> April 2016, with three MKC Councillors joining the existing three each from CCC and NCC, bringing the new total membership of the committee to nine. Full voting rights will apply equally to all committee members i.e. one member, one vote (with the Chair having a casting vote if/as required).
- 3.2 Schedule 1 of the Delegation and Joint Committee Agreement is the Constitution of the Joint Committee. Only minor updates to this document have been made, most significantly those described in 3.3 and 3.4 below.
- 3.3 The Chair and Vice Chair roles in the LGSS Joint Committee are currently rotated between CCC and NCC. It is proposed that this is instead rotated between the three partners as set out in the table below.

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

- 3.4 It is proposed that the required quorum for the meeting is changed to one member from each Council to reflect the practical challenges in arranging meetings of the Joint Committee.

#### **4. Financial benefits**

- 4.1 The OBC being finalised significantly underpins the delivery of the LGSS Medium Term Financial Plan (MTFP) in terms of its future LGSS net budget commitments to CCC and NCC (i.e. planned to be generated from new partnerships like MKC). This OBC also delivers the MKC MTFP requirements in relation to their LGSS in-scope services.

#### **5. Non-financial benefits**

- 5.1 Milton Keynes Council joining LGSS will take the number of employees in LGSS to c1,800 and the total employees of the partners being supported to more than 25,000. This increase in scale and geography will enhance the reputation of LGSS as a leading public sector shared service and provide critical mass in regional scale and presence. The addition of a unitary council as a Joint Committee partner provides greater assurance to existing and potential future District, Borough and Unitary authority customers that LGSS is a truly pan-public sector shared service, bringing with it the ability to create greater synergies across a two tier relationship. It is anticipated that MKC joining LGSS will further enhance its strong commercial trading basis for sharing services in the future. The ambition is both to increase small scale trading (for example individual schools) but also to encourage other councils and public sector organisations to join the shared service. In addition, LGSS will be enhanced as an employer of choice, with employees and prospective employees able to access a broader range of service portfolios and therefore career opportunities.

#### **6. Implementation – transition and transformation**

- 6.1 Directors, Heads of Service and other colleagues across both LGSS and MKC are currently working on detailed transition plans, including communications and engagement with staff, to prepare for and enable a smooth transition and the integration and transformation of services between MKC and LGSS from 1<sup>st</sup> April 2016. It is important to note that MKC will be joining LGSS as a full partner and so this is different from the process of onboarding a new LGSS customer. Transformation plans over the medium term are also being prepared for each of the services to deliver the benefits identified in the Outline Business Case and the ongoing development of LGSS as a shared service partnership alongside a cross-Council wide Agresso ERP system implementation.
- 6.2 Subject to this report being approved by the LGSS Joint Committee, the recommendations of this report will be considered by Northamptonshire County Council on 17<sup>th</sup> March 2016 and Cambridgeshire County Council on 22<sup>nd</sup> March 2016. Implementation of the proposed changes to the LGSS Joint Committee from 1<sup>st</sup> April 2016 will require the final approval of Milton Keynes Council at their meeting on 23<sup>rd</sup> March 2016, after which the Delegation and Joint Committee Agreement can be signed and sealed by all three organisations.



## **Appendix 1**

Diagram – Proposed functional operating model from 1<sup>st</sup> April 2016



Day One Functional  
Operating Model v4 0

## **Appendix 2**

Delegation and Joint Committee Agreement



LGSS MKC D&JC  
Agreement Feb 16 fo

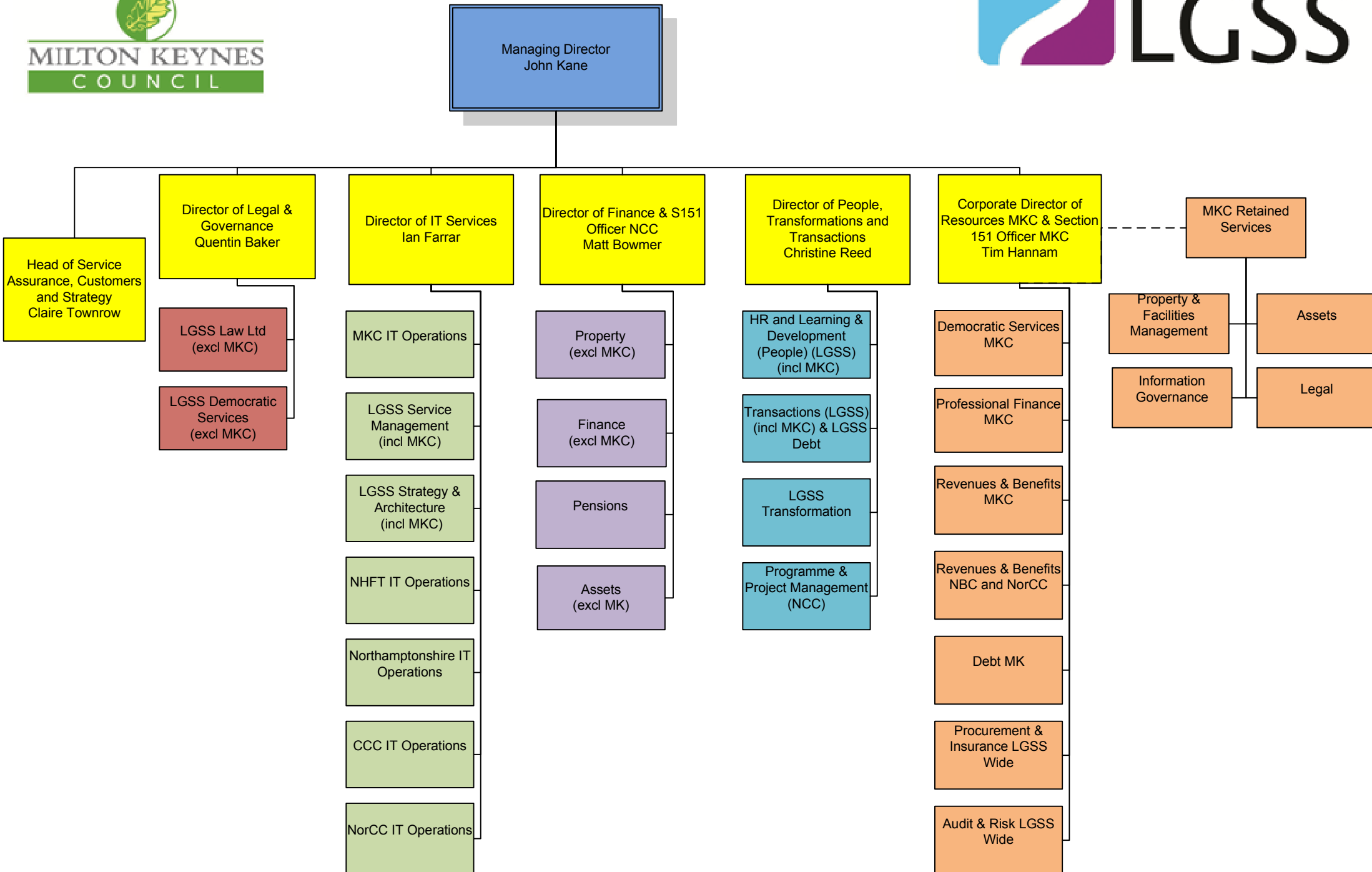
## **Appendix 3**

Schedule 2 to the Delegation and Joint Committee Agreement 'Delegated Functions and Shared Services'



LGSS MKC D&JC  
Agreement Schedule







**Dated**

**(1) Cambridgeshire County Council (CCC)**

**(2) Northamptonshire County Council (NCC)**

**(3) Milton Keynes Council (MKC)**

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**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:

“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



“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

“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

“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

“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 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 <sup>th</sup> 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 31<sup>st</sup> 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 30<sup>th</sup> 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 30<sup>th</sup> 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.
- 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:
- 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 Shared Services 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 1<sup>st</sup> 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.
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.



**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](mailto:Quentin.Baker@cambridgeshire.gov.uk)

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

Telephone: 01604 367100

Email: [PBlantern@northamptonshire.gov.uk](mailto:PBlantern@northamptonshire.gov.uk)

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

Telephone:

Email:

**SCHEDULE 4**  
**(Relevant Posts - Available on request)**

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## **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 14<sup>th</sup> December 2015.

These source documents can be found at:

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

## **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 administering 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.

## **The LGSS Joint Committee Scheme of Delegation - Shared Services and Delegated Functions**

### **1. The Shared Services**

- 1.1 Cambridgeshire County Council (CCC), Northamptonshire County Council (NCC) & Milton Keynes Council (MKC):
- Finance;
  - Internal Audit and Risk;
  - Information Systems and Communication Technology;
  - Procurement;
  - Insurance;
  - Democratic Services;
  - Human Resources;
  - Learning and Development;
  - HR Transactions and Payroll;
  - Financial Transactions – accounts payable, accounts receivable & financial assessments;
  - Enterprise Resource Planning (ERP) and business systems; and
  - Business Support Service to schools.
- 1.2 Cambridgeshire County Council and Northamptonshire County Council:
- Pensions - Administering Authority and Employer;
  - Property and Asset Management Service; and
  - Legal Services.
- 1.3 Milton Keynes Council:
- Revenues and Benefits.
- 1.4 Client Authorities:
- See section 4.

### **2. Delegation of Functions and Responsibilities**

#### **General Principles**

- 2.1 The Councils each agree that the Shared Services listed above will be provided under the auspices of the Joint Committee (LGSS) which shall be responsible for the provision of the Shared Service under delegated authority from the Councils to the Joint Committee, which is set out set out below at Section 6.1 in respect of all of the Councils, at Section 6.2 in respect of CCC and NCC only, at Section 6.3 in respect of CCC only, at Section 6.4 in respect of NCC only and at Section 6.5 in respect of MKC only. These delegations are subject to the conditions, limitations and the specific reservations, set out below.
- 2.2 In order to facilitate the efficient and effective conduct of the Shared Services, the Joint Committee shall delegate certain functions and responsibilities to the LGSS Managing Director and to the LGSS Service Directors. The LGSS Managing Director and the LGSS Service Directors, where they consider it necessary, may sub-delegate to officers within their respective service Directorates. Such delegations must be made in writing and must be available for inspection by the Monitoring Officers and Section 151 Officers of the Councils.
- 2.3 Where an Officer listed in this scheme of Delegation is absent for any period, the LGSS Managing Director may nominate in writing another officer to act in his/her place during

his/her absence and shall make a record of all such nominations. Without prejudice to the generality of the above and to any specific delegation listed below, the officers listed in this section are authorised to exercise the following functions of the Council, the Leader and the Head of Paid Service, which relate to their area of responsibility.

### **Conditions Relating to the Exercise of Delegated Authority**

2.4 The exercise of functions delegated to officers under this scheme must comply with:

- i) any legal requirement or restriction
- ii) the relevant Council's Constitution
- iii) the relevant Council's policy framework and any other plans and strategies approved by the relevant Cabinet or Full Council/relevant Committee
- iv) the relevant in-year budget
- v) the relevant officers code of conduct
- vi) relevant Procurement standing orders and financial regulations
- vii) all other relevant policies, procedures, protocols and provisions.

### **Limitations to the Exercise of Delegated Powers**

2.5 Officers in the exercise of functions delegated by this scheme may not:

- i) make Key Decisions as defined in the relevant Council's Constitution, unless where specifically provided for by that Council's constitution;
- ii) change or contravene policies or strategies approved by the Council/Committee (in the case of CCC) or the Council/Cabinet (in the case of MKC or NCC) in the absence of specific delegated authority to do so;
- iii) create or approve new policies or strategies, in the absence of specific delegated authority to do so;
- iv) take decisions to withdraw public services, in the absence of specific delegated authority to do so;
- v) take decisions to significantly modify public services without consulting the appropriate Cabinet Member (in the case of MKC and NCC) or Full Council/Committee Chairman/woman (in the case of CCC) before exercising the delegated power.

### **Consultation**

2.6 Where an officer takes a decision under delegated authority on a matter which has significant policy, service or operational implications or is known to be politically sensitive, the officer shall first consult with the appropriate Cabinet Member (MKC or NCC) or Committee Chairman/woman (or in his/her absence the Vice-Chairman/woman) (CCC) before exercising the delegated powers. When exercising delegated powers, officers shall ensure that local Members are kept informed of matters affecting their divisions or wards.

## **3. Specific Delegations**

The delegations are listed as follows:

- Section 6.1 – All authorities (CCC, NCC and MKC);
- Section 6.2 – CCC and NCC only;
- Section 6.3 – CCC only;
- Section 6.4 – NCC only; and
- Section 6.5 – MKC only.



and in the following order:

- Not delegated;
- Delegated to Chief Executives;
- Delegated to all LGSS Directors;
- Delegated to LGSS Managing Director;
- Delegated to Specific LGSS Directors; and
- Delegated to Monitoring Officer and Chief Finance Officer.

#### **4. Powers and Duties delegated by client authorities**

- 4.1 The LGSS Joint Committee shall be responsible for the provision of shared services under delegated authority from the councils concerned to the Joint Committee. The nature of services provided and the conditions, limitations and the specific reservations which apply are set out below. Where a council has delegated authority to the LGSS Joint Committee, those powers and duties shall be set out either generally or specifically in that council's constitution or scheme of delegation.
- 4.2 Under the auspices of the Partnership and Delegation Agreements in place between the client authorities and the Delegation and Joint Committee Agreement between Cambridgeshire County Council, Northamptonshire County Council and Milton Keynes Council (LGSS) and by virtue of Sections 101, 112 and 113 of the Local Government Act 1972, officers of the aforementioned authorities are authorised to undertake any and all of the specified functions on behalf of the client authorities.

#### **5. Financial Limitations**

The following table sets out the financial limits of powers delegated to the LGSS Joint Committee and directors:

<b>Limits of powers delegated to the LGSS Joint Committee</b>	<b>£</b>
Key decision threshold	500k (CCC, NCC) 100k (MKC)
Issuing orders for goods and services	500k (all)
Capital virement	250k (CCC), 100k (NCC), N/A (MKC)
Revenue virement	160k (CCC), 100k (NCC), N/A (MKC)*
Loans to people or organisations	5k (CCC), N/A (NCC)**, N/A (MKC)**
Loans and expenditure of client funds	300k (CCC), N/A (NCC), N/A (MKC)
Property transactions, capital value	500k (CCC), 100k (NCC), N/A (MKC)
Property transactions, Revenue value	150k (CCC), 100k (CCC), N/A (MKC)
Debt write off	10k (CCC), ? (NCC), 20k (MKC)

**\* Revenue Virements reserved to Chief Finance Officer at MKC, in accordance with the Financial Scheme of Delegation**

**\*\*Power to make loans reserved to Chief Finance Officer at NCC and MKC**

Exceptions: decisions relating to the management of services and resources where the matter is likely to lead to controversy or have an impact beyond that considered usual for a managerial decision. These decisions must be referred back to the Cabinet (MKC, NCC) or the relevant Service Committee (CCC).

## 6.1 Delegations from all authorities

Delegation to LGSS Joint Committee - General	Delegation to Officer	Condition
To have overall responsibility for the provision, to the Councils, of the Shared Services.	None	In accordance with all relevant financial, accounting, constitutional and legal requirements
To consider and approve the annual report for LGSS.	None	
To consider and approve the annual service plan for each Shared Service and make recommendations to the Councils as to the provision of financial and other resources.	None	
To instigate and undertake the selection, recruitment and appointment to the post of LGSS Managing Director.	None	In accordance with any protocol agreed by the Joint Committee and in consultation with the LGSS Director responsible for Human Resources or their nominee and the Chief Executives of the Partner Authorities.

Delegation to LGSS Joint Committee - General	Delegation to Officer	Condition
In respect of the LGSS Managing Director to: a) instigate disciplinary and capability investigations and proceedings and to take action up to and including dismissal, and b) implement all other relevant HR policies and exercise any associated decision-making powers.	Chief Executive	Where the authority concerned is the employing authority for LGSS Managing Director and in consultation with the LGSS Director responsible for Human Resources or their nominee and in accordance with the relevant councils HR policies and procedures.

Delegation to LGSS Joint Committee - General	Delegation to Officer	Condition
LGSS Directors have responsibility for the operational management of the Shared Services, including authority to determine the number, grade, title and nature of staff deployed and all other terms and conditions, in addition to ensuring their proper management within the remit of those services for which they are allocated responsibility by the LGSS Managing Director.	LGSS Managing Director for all Shared Services.  All LGSS Directors in respect of the services within their remit.	Subject to budget and in accordance with the relevant Council's policies and procedures and in consultation with the LGSS Director responsible for Human Resources or their nominee and in accordance with the relevant Council's HR policies and procedures.

To arrange for and undertake the recruitment and appoint of all relevant employees with the exception of the LGSS Managing Director and LGSS Service Directors.	LGSS Managing Director and/or LGSS Directors.	In consultation with the LGSS Director responsible for Human Resources or their nominee and in accordance with the relevant Council's HR policies and procedures.
In respect of Relevant Employees other than the LGSS Managing Director and LGSS Directors, to: a) instigate disciplinary and capability investigations and proceedings and to take action up to and including dismissal, and b) implement all other relevant HR policies and exercise any associated decision-making powers.	LGSS Managing Director and LGSS Directors (in relation to posts within their Directorate).	In consultation with the LGSS Director responsible for Human Resources or their nominee and in accordance with the relevant Council's HR policies and procedures.
To invite tenders and to enter into contracts in respect of goods or services directly relating to the provision of the Shared Services.	LGSS Managing Director and/or LGSS Directors.	In accordance with relevant procurement standing orders and any financial limits in place.

<b>Delegation to LGSS Joint Committee - General</b>	<b>Delegation to Officer</b>	<b>Condition</b>
To arrange for and undertake the recruitment and appoint to, the posts of LGSS Directors.	LGSS Managing Director	In consultation with the LGSS Director responsible for Human Resources or their nominee and in accordance with the relevant Council's HR policies and procedures.
In respect of the LGSS Directors, to a) instigate disciplinary and capability investigations and proceedings and to take action up to and including dismissal and appeal, and b) implement all other relevant HR policies and exercise any associated decision-making powers.	LGSS Managing Director	In consultation with the LGSS Director responsible for Human Resources or their nominee and in accordance with the relevant Council's HR policies and procedures and subject to the provisions of the Local Authority (Standing Orders) Regulations.

<b>Delegation to LGSS Joint Committee – Finance Services</b>	<b>Delegation to Officer</b>	<b>Condition</b>
Authority for management of Finance Services.	LGSS Director responsible for Finance	Subject to budget and in accordance with the relevant Council's policies and procedures.

### Specific Reservations

The Delegated functions relating to Finance do not include the following Reserved Functions:

- approving financial strategies and plans on behalf of the councils;
- approval of corporate plans on behalf of the councils;
- approving schemes for the use of (non-LGSS) earmarked reserves or contingency provision;
- approval of the annual statement of accounts on behalf of the councils;
- approval of renewal terms for insurances; and
- approval of Financial Procedure Rules, Standing Orders and Procedures.

<b>Delegation to LGSS Joint Committee – Internal Audit and Risk Management</b>	<b>Delegation to Officer</b>	<b>Condition</b>
Authority for management of Internal Audit and Risk Management Services.	LGSS Director responsible for Internal Audit and Risk	In accordance with the Audit and Accounts Regulations 2003 or any successor legislation. Subject to budget and in accordance with the relevant Council's policies and procedures.
To maintain an adequate and effective system of internal audit of the accounting records and control systems in accordance with proper internal audit practices and be authorised to visit all establishments and have access to all documents, other records, computer systems and property and to require relevant information or explanation from any officer in connection with the above.	LGSS Director responsible for Internal Audit and Risk	

### **Specific Reservations**

The Delegated Functions relating to Internal Audit and Risk Management do not include the following Reserved Functions:

- Approval of each authority's Annual Governance Statement

<b>Delegation to LGSS Joint Committee – Insurance</b>	<b>Delegation to Officer</b>	<b>Condition</b>
Authority for management of Insurance Services.	LGSS Director responsible for Insurance	Subject to budget and in accordance with the relevant Council's policies and procedures and any relevant legislation.

### **Specific Reservations**

The Delegated Functions relating to Insurance do not include the following Reserved Functions:

- Policy and strategy decisions on Insurance and decisions which fall outside of the principles of decision making set out in Article 12 (CCC) and Article 14 (MKC and NCC) of the relevant authority's constitution.

<b>Delegation to LGSS Joint Committee - IT</b>	<b>Delegation to Officer</b>	<b>Condition</b>
Authority for management of IT Services.	LGSS Director responsible for IT	Subject to budget and in accordance with the relevant Council's policies and procedures.
Strategic and operational accountabilities for management of Information Technology development and systems administration.	LGSS Director responsible for IT	
Responsibility for the security of information technology and infrastructure.	LGSS Director responsible for IT	

### **Specific Reservations**

The Delegated Functions relating to IT do not include the following Reserved Function:

- Approval of IT Strategy and Policies where these are under the remit of the Cabinet (MKC and NCC) or Service Committee concerned (CCC).

<b>Delegation to LGSS Joint Committee - Procurement</b>	<b>Delegation to Officer</b>	<b>Condition</b>
Authority for management of procurement services.	LGSS Director responsible for Procurement	Subject to budget and in accordance with the relevant Council's policies and procedures.

### **Specific Reservations**

The Delegated Functions relating to Procurement do not include the following Reserved Function:

- approval of the contract procedure rules and schemes of delegation relating to any Council's procurement activity.

<b>Delegation to LGSS Joint Committee – Democratic &amp; Members' Services</b>	<b>Delegation to Officer</b>	<b>Condition</b>
Authority for management of Democratic & Members' Services.	LGSS Director responsible for LGSS Law	Subject to budget and in accordance with the relevant Council's policies and procedures.

- Reservation on changes to the constitution and other matters which must be approved by Cabinet/ Council

<b>Delegation to LGSS Joint Committee - Human Resources, Learning and Development and Transactional Services</b>	<b>Delegation to Officer</b>	<b>Condition</b>
Authority for management of Human Resources, Learning and Development, HR and Finance Transactions and Payroll	LGSS Director responsible for Human Resources LGSS Director responsible for Payroll and Finance Transactions	Subject to budget and in accordance with the relevant Council's policies and procedures.

To co-ordinate the Council's response to national consultations on terms and conditions of employment, in consultation with the relevant Cabinet Member or Committee Chairman/woman (or in his/her absence the Vice-Chairman/woman)	LGSS Director responsible for Human Resources	
To implement national and local pay awards/ changes to terms and conditions of employment for employees.	LGSS Director responsible for Human Resources	
To negotiate recognition agreements and local agreements with the trade unions on behalf of the councils, in consultation with the relevant Cabinet Member or Committee Chairman/woman (or in his/her absence the Vice-Chairman/woman)	LGSS Director responsible for Human Resources	
To consult and negotiate agreements and local agreements with the trade unions on behalf of all 3 shareholding councils through the LGSS Joint Consultation Forum for all staff working for services under the remit of the LGSS Joint Committee. Full delegation to consult and negotiate on changes to local agreements, protocols, changes to LGSS structures and roles across all LGSS employees irrespective of which their employing council is. In the event of a dispute this would be referred to the LGSS Joint Committee. Any proposed changes to terms and conditions of employment affecting all LGSS staff would be routed back to each Council's local consultation forums	LGSS Director responsible for Human Resources	
To co-ordinate the Council's response to retention/recruitment problems within the agreed financial and policy framework, in consultation with the relevant Cabinet Member or Committee Chairman/woman (or in his/her absence the Vice-Chairman/woman)	LGSS Director responsible for Human Resources	
To advise the Chief Executive on the Council's response to any industrial action affecting Council services, in consultation with the relevant Cabinet Member or Committee Chairman/woman (or in his/her absence the Vice-Chairman/woman)), so that he/she can determine the Council's response.	LGSS Director responsible for Human Resources	
To mediate on individual cases or collective disputes to attempt to resolve issues before they are referred to members either at appeal or via the collective disputes procedure	LGSS Director responsible for Human Resources	

### Specific Reservations

The Delegated Functions relating to Human Resources do not include the following Reserved Functions:

- appointment of Officers other than Relevant Employees

- decision making on disciplinary, grievance, dismissal and appeals against dismissal, relating to Officers other than Relevant Employees
- decision making on disciplinary, grievance, dismissal and appeals against dismissal for the Head of Paid Service and Chief Officers of the Councils.

## 6.2 Delegations from CCC and NCC only

Delegation to LGSS Joint Committee - Pensions	Delegation to Officer	Condition
Authority for management of Pensions Services.	LGSS Director responsible for Pensions	Subject to budget and in accordance with the relevant Council's policies and procedures.

Delegation to LGSS Joint Committee – Property Services	Delegation to Officer	Condition
Authority for management of Property Services.	LGSS Director responsible for Property Services	Subject to budget and in accordance with the relevant Council's policies and procedures.

### Specific Reservations

The Delegated Functions relating to Property do not include the following Reserved Function:

- approval of the Property strategies and policies.

Delegation to LGSS Joint Committee – Legal Services	Delegation to Officer	Condition
Authority for management of Legal Services.	LGSS Director responsible for LGSS Law	Subject to budget and in accordance with the relevant Council's policies and procedures.
Obtaining information or serving statutory notices to ascertain the legal interest of any person in land.	LGSS Director responsible for LGSS Law	
To authorise the institution, defence, withdrawal, compromise or any other action relating to claims or legal proceedings at common law or under any enactment, statutory instrument, order or bylaw conferring functions upon the authorities or in respect of functions undertaken by the authorities.	LGSS Director responsible for LGSS Law	
To authorise officers to prosecute or defend or appear in any legal proceedings by virtue of the provisions of Section 223 of the Local Government Act 1972.	LGSS Director responsible for LGSS Law	
To affix the common seal to all documents necessary to bring into effect decisions of the Councils or any Committee, Sub-Committee or officer in pursuance of powers delegated by or on behalf of the Council.	LGSS Director responsible for LGSS Law	

### 6.3 Delegations from CCC only

Delegation to JC from CCC – Legal Services	Delegation to Officer	Condition
To make applications for the grant of Letters of Administration for the use and benefit of children in the care of CCC.	LGSS Director responsible for LGSS Law	
To determine whether an application for planning permission is required for CCC Matters (Minerals and Waste); and to determine whether planning permission is required in respect of development to be carried out by CCC.	LGSS Director responsible for LGSS Law	

### 6.4 Delegations from NCC only

Delegation to JC from NCC – Legal Services	Delegation to Officer	Condition
Confirming orders if no objections are received to proposals for the stopping up or diversion of public footpaths and bridleways to enable development to take place following the granting of planning permission.	LGSS Director responsible for LGSS Law	
Affixing NCC's seal to agreements where developers or landowners propose to provide or make contributions to the provision of education or other facilities required as a result of the proposed development.	LGSS Director responsible for LGSS Law	
Determining appeals by firefighters.	LGSS Director responsible for LGSS Law	
Acting as the Appointed Person under the Local Government Pension Scheme Regulations 1997.	LGSS Director responsible for LGSS Law	
Discharging the Council's functions under the Data Protection Act 1998, Freedom of Information Act 2000 and regulations made thereunder and under the Environmental Information Regulations 2004 and under all associated legislation	LGSS Director responsible for LGSS Law	
Power to authorise the instigation of a formal complaint or similar, with regards to any individual or organisation to a professional body.	LGSS Director responsible for LGSS Law	
To make representations in the name of the Council in the interests of the inhabitants of Northamptonshire at any public inquiry held by or on behalf of any minister or public body under any enactment.	LGSS Director responsible for LGSS Law	



<p>Powe, on behalf of the Council:</p> <p>(i) To prepare all contracts, leases and agreements affecting NCC land or property and in any case where the LGSS Director responsible for LGSS Law considers it necessary a formal contract for the supply of goods and materials, the provision of services or the execution of works;</p> <p>(ii) To enter into any agreement or deed granting any wayleave or easement or similar right over or appurtenant to any property of NCC;</p> <p>(iii) To attest the affixing of NCC's seal in circumstances where this is required;</p> <p>(iv) To approve the form of agreements under hand relating to matters of ordinary administration;</p> <p>(v) To enter into all legal documents other than those under seal and those to which the above item (iv) bullet point applies.</p>	<p>LGSS Director responsible for LGSS Law</p>	
<p>Instituting and conducting on behalf of NCC proceedings for offences under the provisions of the Safety of Sports Grounds Act 1975 in consultation with the Chief Fire Officer.</p>	<p>LGSS Director responsible for LGSS Law</p>	
<p>Conveying to the appropriate trustees the sites and buildings of any voluntary school.</p>	<p>LGSS Director responsible for LGSS Law</p>	
<p>In consultation with the Director for Adult Social Services, recovering charges due to the Council under Part III of the National Assistance Act 1948 from a person in residential accommodation or third parties liable for the charges under the Health and Social Security Adjudications Act 1983 and to create a charge on the land of the resident pursuant to the last mentioned Act and to enter into or discharge any Agreement or Deed with the resident or an interested third party relating to the recovery of the charges.</p>	<p>LGSS Director responsible for LGSS Law</p>	
<p>In consultation with the Director for Adult Social Services, giving a discharge or postponement of any Legal Charge in NCC's favour on property the subject of a grant for adaptation works under the Chronically Sick and Disabled Persons Act 1970.</p>	<p>LGSS Director responsible for LGSS Law</p>	
<p>Determining applications for NCC development of land or buildings under The Town and Country Planning General Regulations 1992. Any application to which the Director considers objections should be raised to be referred to the Development Control Committee for determination.</p>	<p>LGSS Director responsible for LGSS Law</p>	

Carrying out the Council's powers and duties concerning the giving of directions to persons residing unlawfully in vehicles on land without consent to remove their vehicles on pain of prosecution and authority to enter into arrangements with neighbouring local authorities under Section 101 of the Local Government Act 1972, in this respect when such action is considered to be expedient.	LGSS Director responsible for LGSS Law	
Agreeing appointments to the Northamptonshire Valuation Tribunal on behalf of the Council.	LGSS Director responsible for LGSS Law	
Power to execute transfers of land and other property and any documents ancillary to the transfer of staff where those documents are required to be made under the following enactments: The School Standards and Framework Act 1998, The Education Act 2002 and The Academies Act 2010.	LGSS Director responsible for LGSS Law	
Power to affix the Council's seal to any document necessary as a result of a scheme made under Schedule 2 of the Courts Act 2003 for the transfer of property used by Magistrates Courts	LGSS Director responsible for LGSS Law	

<b>Delegation to LGSS Joint Committee – Finance Services</b>	<b>Delegation to Officer</b>	<b>Condition</b>
To determine and implement arrangements for Treasury Management in accordance with the (CIPFA) Treasury Management in the Public Services Code of Practice, NCC's approved Treasury Management Policy Statement and Treasury Management and Investment Strategy, Financial Procedure Rules and any other arrangements approved by NCC, including appointment of investment advisors.	LGSS Director responsible for Finance	
To be responsible for authorising and operating NCC's banking arrangements including determining arrangements for the signing and security of cheques and the operation of the BACS, CHAPS and Direct Debit processes.	LGSS Director responsible for Finance	
To commission investigations and reports, where appropriate, in support of NCC's Anti-Fraud Policy and financial governance arrangements.	LGSS Director responsible for Finance	
To ensure NCC pays its creditors and recovers its debts in line with agreed policies and to write off bad or irrecoverable debts or deficiencies in accordance with agreed policies.	LGSS Director responsible for Finance	
To implement national and local pay awards and increase payments under the Pension Increase Acts.	LGSS Director responsible for Finance	

In consultation with relevant Chief Officer, to approve the early retirement of staff who are subject to the Local Government Superannuation Regulations.	LGSS Director responsible for Finance	
To make finance lease arrangements.	LGSS Director responsible for Finance	
To manage the deployment of NCC's revenue and capital resources including any resources allocated for joint working.	LGSS Director responsible for Finance	
To represent and act on behalf of NCC in connection with bankruptcies including meetings of creditors.	LGSS Director responsible for Finance	
Approval of supplementary estimates of expenditure in the case of emergencies or disasters affecting Northamptonshire.	LGSS Director responsible for Finance	
Providing financial information to the media and members of the public.	LGSS Director responsible for Finance	
Power to deal with all insurance cover and the settlement of claims.	LGSS Director responsible for Finance	
Power to maintain NCC's responsibility for maintaining the Local Government Pension Scheme Regulations 1997, and any subsequent amending regulations, including the exercise of the Administering Authority's discretion and to make arrangements for the monitoring of the Pension Fund investments.	LGSS Director responsible for Finance	
Power to approve the acquisition of land and buildings and interests in land and buildings where the consideration is less than £500k.	LGSS Director responsible for Finance	
Power to declare land and buildings surplus to requirements, to authorise the demolition of buildings and to authorise the disposal of land and buildings and interests in land and buildings where the consideration is no greater than £500,000	LGSS Director responsible for Finance	
The entering into of leases, easements, licences and wayleaves in respect to real property where annual consideration is less than £25,000 and/or the duration of the agreement does not exceed 10 years.	LGSS Director responsible for Finance	
The surrender of leases, easements, licenses and wayleaves in respect to real property.	LGSS Director responsible for Finance	
The imposition and acceptance of the benefit of restrictive covenants in respect to the Council's real property and any modifications or discharge of such restrictive covenants.	LGSS Director responsible for Finance	

The grant or acceptance of grant of assignment, under-lease or sub-lease of leases of real property.	LGSS Director responsible for Finance	
Power to dispose of land and/or buildings to a utility company or similar statutory body where the land and/or buildings are required for the exercise of the statutory function of the utility company or similar statutory body, following consultation with the relevant Cabinet Member.	LGSS Director responsible for Finance	
Power to grant a lease or licence of land and/or buildings to a utility company or similar statutory body where such a licence is required for the exercise of the statutory functions of the utility company or similar body, following consultation with the relevant Cabinet Member.	LGSS Director responsible for Finance	
To authorise the granting of a lease or licence over land and/or buildings on concessionary terms for a period not exceeding 10 years to charitable and not for profit organisations.	LGSS Director responsible for Finance	
To authorise the appropriation of land and buildings between directorates for statutory purposes.	LGSS Director responsible for Finance	
To negotiate and authorise revised rents or fees for existing leases, easements, wayleaves and licences at review dates in accordance with existing provisions within the lease, easement, licence and wayleaves	LGSS Director responsible for Finance	
Agreeing compensation payable in respect of tenant's improvements in accordance with compensation provisions of leases and licences	LGSS Director responsible for Finance	
Agreeing settlement of claims for disturbance under Part 1 of the Land Compensation Act 1973 or under any other statutory compensation provisions where no land is being acquired from the claimant	LGSS Director responsible for Finance	
Leasing or granting a licence for the occupation of properties acquired in advance of requirements	LGSS Director responsible for Finance	
To serve notice on riparian owners/occupiers to carry out land drainage work	LGSS Director responsible for Finance	
To authorise the acquisition of land and buildings where such land and buildings are the subject of a valid blight notice	LGSS Director responsible for Finance	
To make applications for planning permission and listed building consent on behalf of the Council to the Council or other statutory planning bodies	LGSS Director responsible for Finance	

## 6.5 Delegations from Milton Keynes Council

Delegation to JC from MKC – Revenues and Benefits Services	Delegation to Officer	Condition
Authority for management of Revenues and Benefits Services.	LGSS MKC Corporate Resources Director	<b>Subject to the Council's policies and procedures</b>

### Specific Reservations

The Delegated Functions relating to Revenues and Benefits from Milton Keynes Council do not include the following Reserved Function:

- The approval of the Council Tax base, Business rates baseline, Local Welfare Reform Policy and Local Council Tax reduction Policy.

## 6.6 Monitoring Officer and Chief Financial Officer Delegations

Each authority is responsible for assigning the roles of Monitoring Officer and Chief Financial Officer to specific posts within their structures. These roles may be designated to LGSS officers but this need not be the case. For this reason, the powers and duties associated with these roles have been separated from those allocated to LGSS Officer. The posts to which these roles are designated are set out in each authority's articles.

### Monitoring Officer - Cambridgeshire County Council

Power or Duty	Delegation to Officer	Condition
To make such amendments to the CCC Constitution and related Documents, as may from time to time become necessary to reflect and take account of changes in legislation, guidance, Council Policy, decisions of the Council and any drafting changes or improvements. This shall not include any changes of substance.	Monitoring Officer (CCC)	In consultation with Group Leaders. Not to be exercised if any Group Leader objects to the proposed change.
To act as the Proper Officer for the purposes of the Local Government Act 2000 and regulations made there under, except where legislation or the Scheme of Delegation names another officer.	Monitoring Officer (CCC)	
In cases of dispute, to decide upon a Member's "need to know".	Monitoring Officer (CCC)	
To agree procedures for the conduct of all appeals heard by the CCC Service Appeals Sub-Committee.	Monitoring Officer (CCC)	
To agree procedures for the conduct of CCC Education Admission and Exclusion Appeals and the selection and appointment of members to CCC appeals panels.	Monitoring Officer (CCC)	

### Monitoring Officer - Northamptonshire County Council

Please refer to the relevant section of [Northamptonshire County Council's constitution](#) for details of the powers and duties of the Monitoring Officer (NCC)

## Monitoring Officer – Milton Keynes Council

Please refer to the relevant section of Milton Keynes Council's constitution for details of the powers and duties of the Monitoring Officer (MKC)

## Chief Financial Officer - Cambridgeshire County Council

Delegation to JC from CCC – Finance Services	Delegation to Officer	Condition
The management of trust funds on behalf of CCC.	Chief Finance Officer/Section 151 Officer (CCC)	
The Treasury Management function including the management of debt and the borrowing and investment of money (excluding the Superannuation Fund).	Chief Finance Officer/Section 151 Officer (CCC)	
Approval of CCC's banking facilities; arrangements for the signing and security of cheques, etc.	Chief Finance Officer/Section 151 Officer (CCC)	
Capital financing determinations under the Local Government and Housing Act 1989 where these may be made by an officer.	Chief Finance Officer/Section 151 Officer (CCC)	
Approval of supplementary estimates of expenditure under Section 138 of the Local Government Act 1972 (emergencies or disasters affecting.	Chief Finance Officer/Section 151 Officer (CCC)	
To approve any detailed schemes of local financial management.	Chief Finance Officer/Section 151 Officer (CCC)	
To approve the implementation of local financial systems.	Chief Finance Officer/Section 151 Officer (CCC)	
To write off bad or irrecoverable debts or deficiencies relating to stores or property up to a maximum amount set out in the Council's constitution or unlimited if the debtor is bankrupt/insolvent; unable to be traced; in prison and has no means to pay; or there is no, or uncertain liability.	Chief Finance Officer/Section 151 Officer (CCC)	
To make loans in furtherance of service objectives to other persons or organisations up to a maximum amount set out in the Council's constitution.	Chief Finance Officer/Section 151 Officer (CCC)	
To approve loans and expenditure financed from the Invest to Transform Fund, Partnership Fund, Capital Financing Fund and Environmental Fund subject to certain financial limits set out in the Council's constitution.	Chief Finance Officer/Section 151 Officer (CCC)	
To determine requests for CCC to act as co-guarantor for leases held by voluntary organisations and charities, in consultation with	Chief Finance Officer/Section 151 Officer (CCC)	

the appropriate Committee Chairman/woman (or in his/her absence the Vice-Chairman/woman).		
To authorise, in consultation with the Executive Director: Children, Families and Adults, schools to plan for a deficit budget to finance exceptional purchases/ projects.	Chief Finance Officer/Section 151 Officer (CCC)	
To review and increase financial limits on an annual basis, taking account of inflation, subject to consultation with the relevant portfolio holder.	Chief Finance Officer/Section 151 Officer (CCC)	
To sign off grant claims.	Chief Finance Officer/Section 151 Officer (CCC)	

<b>Delegation to JC from CCC - Pensions</b>	<b>Delegation to Officer</b>	<b>Condition</b>
To determine all future applications to join CCC's superannuation fund as an admitted body after consultation with the Chairman/woman of the Pension Fund Board.	Chief Finance Officer/Section 151 Officer (CCC)	
To determine any applications to CCC for recommencement of the payment of a widow's pension.	Chief Finance Officer/Section 151 Officer (CCC)	
To determine future applications to CCC for the early payment of deferred pension rights.	Chief Finance Officer/Section 151 Officer (CCC)	
To exercise the discretion as to whom any lump sum death grant should be paid out from the CCC Pension Fund.	Chief Finance Officer/Section 151 Officer (CCC)	
Detailed implementation of the investment strategy as determined by the Pension Fund Board and the issuing of any instructions to investment managers consistent with the strategy or required as a matter of urgency to safeguard CCC's position.	Chief Finance Officer/Section 151 Officer (CCC)	
To agree any 'whole fund' parameters and assumptions used by the Actuary for the triennial fund valuation and the phasing of any changes to employer contribution rates after consultation with the Chairman/woman of the Pension Fund Board.	Chief Finance Officer/Section 151 Officer (CCC)	

#### **Chief Financial Officer - Northamptonshire County Council**

<b>Delegation to JC from CCC</b>	<b>Delegation to Officer</b>	<b>Condition</b>
To exercise the proper administration of the Council's financial affairs under Section 151 of the Local Government Act 1972, and all other relevant legislation and regulations.	Chief Finance Officer/Section 151 Officer (NCC)	
To be responsible for ensuring that proper	Chief Finance	

accounts and records are maintained in line with relevant legislation, accounting standards and CIPFA's Statement of Recommended Practice (SORP); and that signed and approved accounts are completed and published	Officer/Section 151 Officer (NCC)	
To review and approve detailed operational financial procedures and ensure these implement the Council's Financial Procedure Rules	Chief Finance Officer/Section 151 Officer (NCC)	
To ensure that the financial management of the Council is adequate and effective and that the following arrangements are in place:- 1. a sound system of internal control; 2. arrangements for the management of risk 3. arrangements as are appropriate to mitigate the potential financial impact on the Council of assessed risks.	Chief Finance Officer/Section 151 Officer (NCC)	
To ensure that the Council has sufficient reserves and operating capital to effectively discharge its responsibilities and meet its objectives.	Chief Finance Officer/Section 151 Officer (NCC)	
Contributing to the corporate management of the Council in particular through the provision of professional financial advice and ensuring lawfulness and prudence of decision-making.	Chief Finance Officer/Section 151 Officer (NCC)	
Providing advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all councillors and to support and advise councillors and officers in their respective roles.	Chief Finance Officer/Section 151 Officer (NCC)	
To nominate an officer to undertake all the decision making powers of the Chief Finance Officer in his absence – The Deputy Chief Finance Officer. In the absence of the Chief Finance Officer all decision making powers of the Chief Finance Officer shall be the responsibility of the Deputy Chief Finance Officer.	Chief Finance Officer/Section 151 Officer (NCC)	
Power to make loans to banks, financial institutions and other organisations in accordance with the Treasury Management Strategy and Financial Procedure Rules.	Chief Finance Officer/Section 151 Officer (NCC)	

### **Chief Financial Officer – Milton Keynes Council**

This responsibility is retained by Milton Keynes Council. Please refer to the relevant section of [Milton Keynes Council's constitution](#) for details of the powers and duties of the Chief Financial Officer.