

DATED

5th March

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MAIDSTONE BOROUGH COUNCIL

and

TUNBRIDGE WELLS BOROUGH COUNCIL

MKIP REVENUES AND BENEFITS COLLABORATION AGREEMENT

Relating to the MKIP Revenue and Benefits Shared Service

Version 10

Mid Kent Legal Services
Maidstone Borough Council
Maidstone House
King Street
Maidstone ME15 6JQ
Ref: 5857

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THIS AGREEMENT is made on

8th March

2016

BETWEEN:

- (1) **MAIDSTONE BOROUGH COUNCIL** of Maidstone House, King Street, Maidstone, Kent ME15 6JQ ("**MBC**");
- (2) **TUNBRIDGE WELLS BOROUGH COUNCIL** of the Town Hall Royal Tunbridge Wells, Kent TN1 1RS ("**TWBC**").

WHEREAS:

- (A) In their capacity as founding partners of the Mid Kent Improvement Partnership ("**MKIP**"), MBC and TWBC (together called "**the Authorities**") have reached agreement with regard to creation of a single combined Shared Revenues and Benefits Service for the Authorities.
- (B) The Authorities now wish to record their agreement on the terms of this Collaboration Agreement for the purposes of the management, operation and delivery of the Revenue and Benefits Shared Service.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

In this Agreement:

- 1.1 the following expressions have the following meanings unless inconsistent with the context:

" Agreed Service Plan "	means the initial Agreed Service Plan at Schedule 1 as amended in accordance with the terms of this Agreement.
" Authorities "	means MBC and TWBC and " Authority " means any one of them.
" Board "	means the MKIP Revenues and Benefits Shared Service Board which consists of representatives from each Authority.
" Commencement Date "	means 1 April 2011.
" DPA "	means the Data Protection Act 1998.

"Data Controller"	shall have the meaning given to it in the Data Protection Act 1998
"Data Processor"	shall have the meaning given to it in the Data Protection Act 1998.
"Data Subject Access Request"	shall have the meaning given to it in the Data Protection Act 1998.
"Exempt Information"	means any information or class of information relating to this Agreement which may fall within an exemption to disclosure under FOI Legislation.
"FOIA"	means both the Freedom of Information Act 2000 and subordinate legislation made under this Act and the Environmental Information Regulations 2004.
"Head of Revenue and Benefits Shared Service"	means Stephen McGinnes or such other officer who holds the post of Head of the MKIP Revenue and Benefits Shared Service.
"Head of Paid Service"	means the Head of Paid Service as designated by each of the Authorities for the purposes of s4 of the Local Government Housing Act 1989 Act or their nominees.
"Intellectual Property Rights"	means all rights in patents, trademarks, service marks, design rights (whether registerable or otherwise), applications for any of the foregoing copyright (including rights in Software), database rights, know-how, 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.
"Law"	any statute statutory instrument subordinate legislation standard law proclamation order resolution notice rule of court bye-law directive code of conduct or other instrument or requirement having the force of Law within any

	national or local jurisdiction issued declared passed or given effect to in any manner by HM Parliament the legislation making institutions of the European Union any court or other judicial forum any Commission of Inquiry local authority statutory undertaking or relevant authority or any other body or person having such power.
"Lead Authority"	means MBC.
"LGPS Regulations"	means the Local Government Pensions Scheme (Benefits Membership and Contributions) Regulations 2007 (as amended or replaced) and the Local Government Pension Scheme (Administration) Regulations 2008 (as amended or replaced).
"MKIP Board"	means the Leaders and Chief Executives of the Authorities (including Swale Borough Council).
"Non-Pooled Funds"	means MKIP Revenue and Benefits Shared Service revenue budgets retained by each Authority outside of the Pooled Fund referred to in clause 10 and Schedule 6.
"Pension Scheme"	means the Local Government Pension Scheme pursuant to the LGPS Regulations.
"Personal Data"	means personal data and sensitive personal data as defined in the DPA which is disclosed by an Authority to enable another Authority to comply with its obligations under this Agreement.
"Pooled Funds"	means MKIP Revenue and Benefits Shared Service revenue budgets for staffing and related costs consolidated for accounting purposes into a single budget held by MBC with contributions from MBC, and TWBC referred to in clause 10 and Schedule 5.
"Process"	shall have the meaning given to it in the Data Protection Act 1998.

"Relevant Contracts"	means the third party supply contracts providing services to an Authority; and "Relevant Contractors" mean the contractors who contract with an Authority under the Relevant Contracts listed in Schedule 7.
"Relevant Employees"	means those persons employed by MBC or TWBC as employees of the MKIP Revenue and Benefits Shared Service being the Head of Revenue and Benefits Shared Service and those posts set out in Schedule 3 for as long as they remain employed as part of the MKIP Revenue and Benefits Shared Service and any other persons who are employed in the future by MBC and/or TWBC in the provision of the MKIP Revenue and Benefits Shared Service.
"Request"	means a request for information made to a responsible Authority under the FOIA.
"Services"	means the Revenue and Benefits Shared Services to be provided in accordance with the Service Level Agreement and as set out generally in Schedule 2.
"Service Period"	means the period during which the Services are provided under this Agreement.
"Service Level Agreement"	means the agreement to be entered into and/or deemed entered into on the date of this agreement in the form as set out in Schedule 2 as maybe amended from time to time with the prior written agreement of the Authorities, the general principles for which are also set out in Schedule 2.
"Software Systems"	means the software systems used and procured by one or more Authority to enable the delivery of the Services.
"Transfer Date"	means the date to be determined following a Mid-Term Review by the Authorities as described in Clause 14 on which the contracts of

employment of the Relevant Employees are transferred from one Authority to another as agreed between the Authorities.

"TUPE Regulations"

means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (implementing EC Directives 1998/59/EC and 2001/23/EC) as amended, modified or replaced from time to time.

- 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 supplement 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 eiusdem generis shall not apply;

- 1.8** The Schedules form part of this Agreement and will have the same force and effect as if expressly set out in the body of this Agreement and any reference to this Agreement includes the Schedules; and
- 1.9** References to "the Parties" shall be to the Parties to this Agreement.
- 1.10** The following order of precedence shall apply:
- 1.10.1 the terms and conditions of this Collaboration Agreement;
 - 1.10.2 the Schedules to this Collaboration Agreement; and
 - 1.10.3 all predecessor agreements or arrangements made between the Authorities in connection with the provision of Revenue and Benefits Services by MBC and TWBC in connection with the Mid-Kent Improvement Partnership (MKIP)
 - 1.10.4 the Debt Recovery and Fraud Prevention collaboration agreement entered into between MBC, TWBC and Swale Borough Council.

2. COMMENCEMENT AND DURATION

This Agreement shall commence on 1 April 2011 and shall expire at the close of business on 31 March 2021 unless this Agreement is terminated by mutual agreement of all the Authorities or upon notice given under clause 14.

3. RELATIONSHIP BETWEEN THE PARTIES

- 3.1** Each of the Parties confirms that it is not and shall not hold itself out as being the servant or agent of the other for any purpose connected with the subject matter of this Agreement other than as expressly conferred by this Agreement.
- 3.2** The intention of the Authorities is that they will work together on a non-commercial basis and will attempt to resolve problems amicably and in a spirit of co-operation.
- 3.3** Without prejudice to the requirements of this Agreement, all Authorities will act in good faith towards each other and act reasonably at all times in relation to all matters arising under the Relevant Contracts and this Agreement.

3.4 Each Authority shall ensure that an officer is appointed whose day-to-day responsibility includes ensuring the efficient and appropriate application of this Agreement in combination with the Relevant Contracts.

4. PROVISION OF THE SERVICE

4.1 The Authorities agree that:

4.1.1 with effect from 1 April 2011 MBC and TWBC will have commenced the delivery of the Services in Schedule 1 as a combined Revenue and Benefits Shared Service to be continued in accordance with clause 2;

4.1.2 the Revenue and Benefits Shared Service has been and will be operated so that each Relevant Employee member can be required to undertake work for any of the Authorities, and not just the Authority that employs them; and

4.1.3 the Services shall be delivered by the Lead Authority in accordance with the Service Level Agreement (as may be amended from time to time with the agreement of the Authorities and the Board and which shall be reviewed annually by the Board).

4.2 The Authorities acknowledge and agree that:

4.2.1 MBC shall be responsible for the administration, management, operation and delivery of the Revenue and Benefits Shared Service in its capacity as the Lead Authority;

4.2.2 MBC accepts no liability whatsoever (including, but not limited to, liability for loss, damage, costs or interest) which TWBC have incurred or might incur) howsoever caused or incurred arising under or in connection with:

4.2.2.1 any Relevant Contracts entered into by TWBC or any other third party contracts; or

4.2.2.2 revenue or capital budgets which are not within MBC's control; and

- 4.3 The Authorities acknowledge and agree that in respect of liabilities incurred prior to 1 April 2011 or during the Term of this Agreement where a material breach of this Agreement or default by either party and/or any of its Relevant Contractors causes an adverse impact on the provision of MKIP Revenue and Benefits Shared Service referred to in clauses 12.5, 16 and 17 below, the other party shall not be responsible for those liabilities or any costs of or in connection with them, which shall be liabilities of either defaulting Authority (as the case may be).
- 4.4 Insofar as any issue or dispute arising from the arrangements under this Agreement or under any Relevant Contract adversely affects or might adversely affect the provision of the Services, the Authorities agree that they shall not commence legal proceedings or defend or reach a compromise in connection with the issue or dispute or incur costs, damages or other liabilities (other than in respect of the payment for goods or services which have been provided by a Relevant Contractor under a Contract) without prior notification to the Head of the Revenue and Benefits Shared Service and the agreement of the Board (whose consent shall not be unreasonably withheld or delayed).
- 4.5 The Services shall be delivered in accordance with the following key controls:
- 4.5.1 the Head of the Revenue and Benefits Shared Service shall have direct access to all information that may be required for the delivery of the Services; and
- 4.5.2 each Authority shall comply with all applicable laws, regulations and codes of practice.

5. SUPPORT SERVICES

- 5.1 Each of the Authorities shall provide appropriate accommodation and facilities for the provision of any part of the Service that reasonably requires the visiting of (or working at) their offices by Relevant Employees working on behalf of the MKIP Revenue and Benefits Shared Service.
- 5.2 The Head of the Revenue and Benefits Shared Service shall be entitled to procure such support services or other resources as he considers may be necessary to deliver the Service the costs of which shall be treated as costs of the MKIP Revenue and Benefits Shared Service.

- 5.3 Clause 5.2 does not authorise the Head of the Revenue and Benefits Shared Service to procure additional support services without the prior consent of the Board (and of the Authority or Authorities affected) where the effect would be to either increase the relevant financial contribution payable by an Authority or incur actual or potential liabilities to third parties.
- 5.4 Nothing in this Agreement shall prevent the Head of the Revenue and Benefits Shared Service from obtaining (at the written request of one of the Authorities) any additional external resources required for that Authority to be paid out of a different budget unconnected with the MKIP Revenue and Benefits Shared Service budget.

6. HEAD OF REVENUE AND BENEFITS SHARED SERVICE

- 6.1 The Head of the Revenue and Benefits Shared Service shall report to the Board and receive specific instructions in respect of the strategic direction of the Revenue and Benefits Shared Service from the Board. For day-to-day and operational matters in relation to the Revenue and Benefits Shared Service, he will be given direction by the Director of Mid Kent Services or such other officer who may be nominated by the Board from time to time to provide instructions to the Head of the Revenue and Benefits Shared Service.
- 6.2 The Head of the Revenue and Benefits Shared Service shall have the authority and rights to:
- 6.2.1 access each Authority's premises at reasonable times;
 - 6.2.2 receive any information and explanation considered necessary for the running of the Service;
 - 6.2.3 report to and attend meetings of the Board;
 - 6.2.4 commit and authorise expenditure in connection with the Service; and
 - 6.2.5 recruit, employ and direct Relevant Employees.

provided that nothing in this Agreement will authorise the Head of the Revenue and Benefits Shared Service to incur expenditure over and above the budgets approved by the Authorities and the Board.

- 6.3** The Head of the Revenue and Benefits Shared Service will provide the following Reports to each of the Authorities as well as to the Board:
- 6.3.1 a quarterly and half yearly update against the work in the Service Level Agreement identifying significant changes;
 - 6.3.2 budget information as required; and
 - 6.3.3 any other reports as may be required.
- 6.4** In the event that any Authority fails or refuses to comply with any of the matters outlined in Clause 4.5.1 or 4.5.2, the Head of the Revenue and Benefits Shared Service shall be entitled to withhold or suspend performance of the Services (insofar as they relate to the matter in relation to which that Authority has failed to comply) until such time as that Authority provides written assurance that it accepts all liability arising from such failure or refusal and confirms that it will comply with its obligations.
- 6.5** The Head of the Revenue and Benefits Shared Service will provide an annual report to the MKIP Board covering the performance of the Revenue and Benefits Shared Service against the agreed Service Level Agreement and budget.

7. THE BOARD

- 7.1** The members of the Board shall consist of representatives nominated by each Authority.
- 7.2** The Board shall meet at least quarterly in April, July, October and January of each year ("**Scheduled Meetings**"). Any member of the Board may call additional meetings ("**Additional Meetings**").
- 7.3** The Head of the Revenue and Benefits Shared Service and other officers (or their nominated substitutes) may attend any meetings of the Board to support its operation provided that the Board (if in all of the circumstances it considers it appropriate to do so) may:
- 7.3.1 hold a meeting without the Head of the Revenue and Benefits Shared Service being present (and in such a case will be under no obligation

to inform him of the fact that the meeting is being held or of what is being discussed at that meeting); or

7.3.2 continue with a meeting after asking the Head of the Revenue and Benefits Shared Service and/or any other officers to leave the meeting (and in any such a case will be under no obligation to inform the Head of the Revenue and Benefits Shared Service or other officer of what is being discussed during any confidential part of that meeting).

7.4 The Head of Paid Service of each of the Authorities shall have the right to meet the Head of the Revenue and Benefits Shared Service with or without the Board as often as they reasonably deem necessary.

7.5 In considering or requesting funding for development proposals or proposals outside of agreed budgets, the Board shall abide by each Authority's relevant decision making processes and will not be entitled to commit any of the Authorities to expenditure that has not already been formally agreed by that Authority.

8. MKIP REVENUE AND BENEFITS SHARED SERVICE STRUCTURE

The structure for the MKIP Revenues and Benefits Shared Service is set out in Schedule 4 and may be revised by the agreement of the Authorities and the Board from time to time.

9. SERVICE PLAN AND BUDGET¹

9.1 The Service Level Agreement in Schedule 2, which is and will be operational from 1 April 2014 to 31 March 2015, shall be reviewed and updated annually by the Head of the Revenue and Benefits Shared Service.

9.2 The Head of the Revenue and Benefits Shared Service shall be given the budget allocation for the Revenue and Benefits Shared Service by the Board by 31 October each year for the following financial year. The budget allocation shall be prepared in accordance with clause 10.

9.3 The Head of the Revenue and Benefits Shared Service shall prepare a draft Service Level Agreement and Agreed Service Plan for the following financial

¹ The final dates applicable to clauses 9.2 and 9.3 will be 31st March in each succeeding financial year.

year by 31 December following consultation with the Authorities and taking into account the budget allocation for the following financial year.

- 9.4** The draft Service Level Agreement and Agreed Service Plan and budget shall be put before the Board for formal consideration by 31 January and the Board will approve the Service Level Agreement and Agreed Service Plan and budget for each financial year by 31 March before the start of that forthcoming financial year.
- 9.5** The draft Service Level Agreement and Agreed Service Plan (as further amended if appropriate) once fully agreed and approved will come into force and become the agreed Service Level Agreement and Agreed Service Plan as at 1 April each year.
- 9.6** Any dispute in connection with the Service Level Agreement may be referred for resolution under clause 18.

10. FINANCIAL PROVISIONS

Pooled Funds

- 10.1** The Revenues and Benefits Shared Service Pooled Fund shall apply April 2015.
- 10.2** The Pooled Fund established at April 2015 shall comprise the costs set out in Schedule 3. All costs relating to Relevant Employees during the period in which they are employed in the Revenue and Benefits Shared Service will be apportioned and charged to the contributions to the Pooled Funds in a fair and reasonable manner. Such costs shall include, but shall not be limited, to:
- 10.2.1 salaries (including other contractual payments and expenses) and employer's on-costs;
- 10.2.2 redundancy and any other related payments.

provided that such costs in respect of events occurring prior to the Commencement Date or relating to predecessor arrangements under any previous agreements shall not be funded from the Pooled or Non-Pooled Funds.

10.3 Subject to compliance with any applicable legal requirements, the Authorities may agree in writing to:

10.3.1 establish further Pooled Funds; or

10.3.2 vary any existing Pooled Funds; or

10.3.3 introduce Pooled Funds during a Financial Year.

B. Financial Contributions

10.4 The Authorities shall agree the methodology for calculating the amount of the Pooled Fund and each Authority's contribution to the Pooled Fund in each financial year. This shall be based on the contributions and percentage shares set out in Clause 10 as agreed upon at the time the Pooled Fund is established updated to reflect the transfer of funds from the Non-Pooled Fund to the Pooled Fund.

10.5 The Authorities may agree in writing to change the methodology that will apply to the Pooled Fund (if any) with effect from the beginning of any Financial Year. Where Pooled Funds are introduced the Authorities shall agree the methodology that will apply to the Pooled Fund.

10.6 The Authorities have agreed that their contributions (and percentage share) to the Pooled Fund for the Financial Years beginning 1 April 2015 shall be as set out in Schedule 5 as follows:

MBC: 59.09 (%)

TWBC: 40.91 (%)

Total (100%)

10.7 When determining the contributions to the Pooled Fund in financial years subsequent to the financial year beginning on 1st April 2015 ("**Financial Year**"), it is the intention of the Authorities, in normal circumstances, to update the percentage share to reflect the transfer of any Non-Pooled Funds to the Pooled Fund and apply the following principles:

10.7.1 each Authority shall take its previous year's baseline contribution and add to that the relevant inflation factor and any other cost pressure

on the relevant services, less any local and national savings requirements in accordance with the Financial Principles agreed by the Board and scheduled to this Agreement at Schedule 9;

10.7.2 in considering the baseline contributions in the previous Financial Year, this shall be an Authority's contribution as agreed at the commencement of the previous Financial Year and any underspends or overspends during that year shall be ignored. Where Pooled Funds are introduced during a Financial Year the Authorities shall agree when introducing the Pooled Funds what figures shall be taken as the baseline contributions for that Financial Year for the purposes of this clause (as though the Pooled Funds were introduced at the commencement of that Financial Year);

10.7.3 The contributions (and percentage share) will be updated each year to reflect the caseload activity for each team as set out in Schedule 5.

10.8 In determining financial contributions for subsequent financial years the Authorities will also consider whether it is possible to fund any growth proposals.

10.9 In the event that the financial contributions of the Authorities to any Pooled Fund in any Financial Year (the "**new Financial Year**");

10.9.1 are less than that in the previous Financial Year as increased by the relevant inflation factor; and/or

10.9.2 do not cover cost pressures on the relevant Services,

the Authorities shall negotiate appropriate changes in funding and/or Services so that expenditure will be covered by the financial contributions for the new Financial Year.

Non-Pooled Fund

10.10 The MKIP Revenues and Benefits Service Non-Pooled Funds, for the avoidance of doubt, shall not constitute Pooled Funds. Non-Pooled Funds are held outside of the Pooled Funds and can be held by any of the

Authorities, but relate to the MKIP Revenue and Benefits Shared Service and are managed by the Head of Revenue and Benefits Shared Service.

- 10.11** The Non-Pooled Funds shall comprise MBC and TWBC non-staffing related costs only as set out in Schedule 6.
- 10.12** The Head of the Revenue and Benefits Shared Service will be the responsible budget holder for the Non-Pooled Funds. No expenditure should be incurred on the Non-Pooled Funds without the authorisation of the Head of Revenue and Benefits Shared Service. The Authorities should notify the Head of Revenue and Benefits Shared Service within ten business days of any unauthorised expenditure that has been incurred. Any overspends occurring on any Non-Pooled Funds arising from unauthorised expenditure will not be treated as part of the general provisions for overspends in clauses 10.25 to 10.26 and will be met by the Authority in which the overspend occurred.
- 10.13** Not Used
- 10.14** Not Used
- 10.15** When determining the contributions to the Non-Pooled Funds in Financial Years subsequent to the Financial Year in beginning on 1st April 2015, it is the intention of the Authorities, in normal circumstances, to apply the following principles:
- 10.15.1 each Authority shall take its previous year's baseline contribution and add to that the relevant inflation factor and any other cost pressure on the relevant services, less any local and national savings requirements;
- 10.15.2 in considering the baseline contributions in the previous financial year, this shall be an Authority's contribution as agreed at the commencement of the previous financial year and any underspends or overspends during that year shall be ignored.
- 10.16** Not Used.
- 10.17** In the event that the financial contributions of the Authorities to any Non-

Pooled Funds in any financial year (the "**new Financial Year**"):

10.17.1 are less than that in the previous financial year as increased by the relevant inflation factor; and/or

10.17.2 do not cover cost pressures on the relevant Services,

each Authority shall make the appropriate changes in funding and/or services from their Non-Pooled Funds so that expenditure will be covered by their financial contributions for the new Financial Year without impacting on the MKIP Revenue and Benefits Shared Service.

Administration of Pooled Fund

10.18 MBC is the holder of the Pooled Fund.

10.19 The Head of Revenue and Benefits Shared Services will act as the Pool Manager.

10.20 The Pool Manager will be responsible for managing the relevant Pooled Fund.

10.21 The monies in any Pooled Fund may be expended on Services in different proportions to that in which the Authorities shall have contributed to the Pooled Fund.

10.22 The monies in the Pooled Fund shall be spent in accordance with any restrictions agreed between the Authorities on the establishment of the Pooled Fund or as may be varied by agreement from time to time.

General Provisions on Overspends and Underspends

10.23 The Authorities shall use their reasonable endeavours to ensure that the Services included in any Pooled Fund are carried out within each Financial Year.

10.24 The Head of Revenue and Benefits Shared Services shall keep the Authorities informed of any projection of an overspend or underspend in that Pooled or Non-Pooled Fund at the quarterly Board meetings and such overspends shall be monitored by the Board.

Overspends

- 10.25** Whenever an overspend is projected in the Pooled and/or Non-Pooled Funds the Authorities shall agree how to manage the overspend and shall keep the position under review. The Authorities shall act in good faith and in a reasonable manner in agreeing the management of the overspend.
- 10.26** If at the end of any Financial Year there is an overspend the Authorities shall identify the reasons for the overspend in any Pooled or Non-Pooled Fund (unless arising from unauthorised expenditure as set in clause 10.12) and may agree that resources in the next Financial Year shall be applied in meeting the overspend. If this is not agreed, the overspend shall be apportioned between the Authorities in a just and equitable manner taking into account the circumstances of and reasons for the overspend and the Authorities shall make such payments as shall be required to reflect this allocation based on the percentage share of their respective contributions in clause 10.6, updated to reflect the last financial year.

Underspends

- 10.27** Whenever an under spend is projected in any Pooled or Non-Pooled Fund the Authorities may agree to the redeployment of that underspend or that the money shall be retained as a contingency in the Pooled or Non-Pooled Funds where the under spending has occurred. In the event that agreement cannot be reached the under spend shall be retained as a contingency in the Pooled Fund.
- 10.28** Any underspend in relation to any Pooled Fund at the end of a Financial Year or upon termination of this Agreement (in whole or part) shall be apportioned between the Authorities based on the percentage share of their respective contributions in clause 10.6 the Authorities shall receive such payments as are necessary to reflect such allocation, updated to reflect the last financial year.
- 10.29** Without prejudice to clause 10.28, the Authorities may agree to carry forward any underspend in relation to Pooled or Non-Pooled Funds provided that such carry forward will be in accordance with any relevant statutory or other legal requirement or guidance.

Other Resources

10.30 MBC will provide or make available the support services listed below:

- Finance;
- Human Resources;
- Legal Services;
- Accommodation; and
- any others as may be required ("**Support Services**").

10.31 These Support Services will be managed by MBC as the Lead Authority providing these services outside of the MKIP Revenue and Benefits Shared Service arrangements under this Agreement.

10.32 It is not MBC's current intention to make any charge for the services referred to in Clauses 10.30 and on the basis that the Authorities will be providing broadly equivalent services proportionate to the financial contributions of each Authority. However, MBC may at any time on giving 6 months' notice elect its reasonable actual costs in providing these Services be apportioned and charged to the Pooled Funds and any Non-Pooled Funds in a fair and reasonable manner.

Capital Expenditure

10.32 The financial contributions in respect of revenue expenditure referred to in clauses 10.1, 10.2 and 10.32 shall not be applied towards Capital Expenditure.

10.33 The following matters shall be agreed in writing between the Authorities before any Capital Expenditure is incurred in relation to the MKIP Revenue and Benefits Shared Service arrangements:

- 10.33.1 the business case, including the on-going revenue and financial implications and efficiencies, a feasibility study and a whole life costing;
- 10.33.2 the capital requirement; the proportions in which it is to be met

by the Authorities; which of the Authorities is to make the Capital Expenditure; and ownership of any newly acquired asset and any arrangements for use by the Authorities or third parties and the accounting treatment to be applied.

- 10.34** Each Authority shall give reasonable consideration to any proposals that incur any Capital Expenditure but shall not be obliged to provide such funding.

VAT

- 10.35** The Authorities shall agree the treatment of the MKIP Revenue and Benefits Shared Service Partnership Arrangements for VAT purposes in accordance with any directions and/or guidance of HM Revenue & Customs. In the event that VAT is or becomes payable then it shall be paid in addition to the sums mentioned or referred to under this Agreement which shall be deemed to be stated or calculated exclusive of VAT.

Accounting and Reporting Requirements

- 10.36** The Authorities shall ensure that full and proper records for accounting purposes are kept in respect of the MKIP Revenue and Benefits Shared Service Arrangements in this Agreement.
- 10.37** The Authorities shall co-operate with each other in preparation of accounts in relation to the MKIP Revenue and Benefits Shared Service arrangements in accordance with financial rules, regulations and legislation.
- 10.38** The Authorities will supply all information reasonably required by:
- 10.38.1 persons exercising a statutory function in relation to each Authority including their external auditors, Monitoring Officers (appointed under section 5 of the Local Government and Housing Act 1989) and their Section 151 Officers (as defined by the Local Government Act 1972); and
 - 10.38.2 other persons or bodies with an authorised monitoring or scrutiny function, including a Council Scrutiny Committee and internal audit, having regard to an Authority's obligations of

confidentiality and such information sharing protocols as shall be agreed between the Authorities from time to time.

Miscellaneous Provisions

- 10.39** Expenditure on the Revenue and Benefits Shared Services can only be incurred with the prior approval of the Head of Revenue and Benefits Shared Service, or one of his nominated deputies.
- 10.40** The following shall be provided by the Head of the Revenue and Benefits Shared Service to assist with the efficient running of the Revenue and Benefits Shared Service:
- 10.40.1 Monthly budget monitoring reports for revenue and capital expenditure, detailing budget, actual spend to date, projected outturn and projected variance.
- 10.40.2 Performance Reports for the whole Revenue and Benefits Shared Service and for each Authority setting out targets/outcomes, performance to date and expected year end performance; and
- 10.4.3 Action plans for corrective action when required.
- 10.41** The Head of the Revenue and Benefits Shared Service shall be given access as required to the financial management systems and information at MBC, and TWBC in order to fulfil his obligations as the Pooled Fund Manager and the Head of the Revenue and Benefits Shared Service and to any other information that he may reasonably request from each Authority.
- 10.42** The Authorities will invoice on a quarterly basis for any projected contribution to the overall service costs as determined through the cost sharing calculation set out within 10.1, 10.2 and 10.32. These invoices (and others that may be sent with regard to their contributions) should be paid within the Authorities' standard payment terms and if a late payment is made without good reason then the Authorities agree to reserve the right to charge interest on the amount due at the Lloyd's base rate applicable at the time.

11. RELEVANT EMPLOYEES

- 11.1** The Authorities acknowledge and agree that in relation to Relevant Employees that:
- 11.1.1 The Head of the Revenue and Benefits Shared Service, Stephen McGinnes, is employed by MBC.
 - 11.1.2 The Relevant posts listed in Schedule 3 have commenced working together as the MKIP Revenue and Benefits Shared Service with effect from the Commencement Date.
 - 11.1.3 The Relevant Employees at the date of this Agreement save for the Head of Revenue and Benefits Shared Service are all listed in Schedule 3 by reference to the Party which employed them prior to the Commencement Date (where applicable), their names and their job titles subsequent to the Transfer Date.
- 11.2** From the Commencement Date each of the members of the MKIP Revenue and Benefits Shared Service (as varied from time to time) will or may be required to work on matters for any of the Authorities in pursuance of the activities of the MKIP Revenue and Benefits Shared Service.
- 11.3** Any employment related costs (including administrative costs) of or relating to any Relevant Employee (including for the avoidance of doubt the costs of salary and pension, the cost of contractual or statutory redundancy payments, any pension contributions required under statute, including any contributions necessary to make good any pension fund deficit or pension payments required by the contract of employment or by statute on retirement or redundancy the costs of defending any employment or personal injury related claim (including legal costs) and the costs of any fines, damages, compensation or interest (including legal costs) associated with or relating to any such claims and/or any claims which result from the transfer of any Relevant Employee from the non-employing authority to the employing authority in accordance with the TUPE Regulations will (unless otherwise stated in this Agreement) be considered to be costs attributable to the Pooled Fund for the MKIP Revenue and Benefits Shared Service and will be split between the Authorities as set out in Clause 10.6 of this Agreement.

- 11.4** Clause 11.3, shall not apply to the costs of defending any employment or personal injury related claim (including legal costs) and the costs of any fines, damages, compensation or interest (including legal costs) associated with or relating to any such claims where the claim or part of the claim arose or relates to the actions or inactions of an Authority prior to the Commencement Date. In cases where the claim arose or relates wholly to a time prior to Commencement Date all such costs will be met by the employing Authority at that time. Where a claim arose or relates partly to a time before and a time after Commencement Date, liability will be apportioned between the employing Authority prior to the Commencement Date and the budget of the MKIP Revenue and Benefits Shared Service in such proportions as the Authorities agree to be appropriate. Where any costs are incurred by an Authority which it was not reasonably necessary to incur then such costs shall not be shared but shall be borne by the Authority which incurred them.
- 11.5** The Authorities agree that all new staff employed on or after the Commencement Date who are appointed as members of the MKIP Revenue and Benefits Shared Service will be employed by MBC.
- 11.6** On the date of the termination or expiry of the Services, the Authorities will agree that if they are applicable, they will comply with the TUPE regulations at that time in force in relation to any future transfer of Relevant Employees. Where it is possible to ensure the continuous service of Relevant Employees this will be the preferred option.
- 11.7** If any Authority on the termination of the whole or part of the Service chooses to organise its future provision of the Services in such a way where the TUPE Regulations would not apply and refuses voluntarily to take into its employment the Relevant Employees who would have transferred to it had the TUPE Regulations applied, that Authority will be responsible for the whole of the redundancy, pension and other costs relating to the termination of the employment of those Relevant Employees including any costs awards compensation or fines relating to or arising from any litigation brought by those Relevant Employees and/or their trades unions. Otherwise the responsibility for the financial cost associated with the redundancy pension and other costs relating to the termination of the employment of any Relevant Employees including any costs, awards, compensation or fines relating to or arising from any litigation brought by those employees or their trades unions

will be shared in line with arrangements for the MKIP Revenue and Benefits Shared Service budget.

- 11.8** If on the termination of the whole or part of the Services there cannot be a transfer pursuant to the TUPE Regulations of some or all of the Relevant Employees from MBC to TWBC or TWBC to MBC as the case may be or to a third party contractor, because of the way in which the MKIP Revenue and Benefits Shared Service has been organised and/or run prevents a transfer pursuant to the TUPE Regulations from either Authority to the other or to a third party contractor from occurring, then the liability for the redundancy and other costs associated with the termination of the employment of any Relevant Employees no longer required by either Authority (including, but not limited to, any fines, compensation, legal and administrative costs) will be agreed between the Authorities and failing any such agreement shall be shared by the parties in accordance with clause 10.1 and 10.2 of this Agreement. This is subject to a proviso that, within six months of the termination of the Services, MBC shall not be permitted to reorganise its staff involved with the Services without the consent of TWBC or visa versa (which will not be unreasonably withheld or delayed).
- 11.9** MBC and TWBC agree that upon transfer of any Relevant Employees pursuant to TUPE to an employer who is not another local authority that MBC and TWBC will ensure compliance with the Best Value Authorities Staff Transfers (Pensions) Direction 2007 and (where applicable) the Pensions Acts of 2004, 2008 and 2011, the Public Services Pensions Act 2013 and any future legislation, order or direction that amends, augments or replaces the same.
- 11.10** The Authorities agree that upon a future transfer of the whole or any part of the MKIP Revenue and Benefits Shared Service to a third party contractor whether pursuant to TUPE or otherwise the liability for the redundancy and other costs associated with the termination of the employment of any Relevant Employees including but not limited to any fines, compensation, legal and administrative costs will be agreed between the Authorities and failing any such agreement shall be shared by the parties in accordance with clause 10.1 and 10.2 of this Agreement.

- 11.11** MBC and/or TWBC may request the employment liability information as defined by Regulation 11 of the TUPE Regulations at any time irrespective of whether there is to be a transfer pursuant to the TUPE Regulations within the timeframe envisaged by Regulation 11 and MBC and/or TWBC will provide such information (within 28 days of that request to that Authority) to which that Authority would be entitled to receive if there was to be a transfer of any Relevant Employees within 28 days of that request irrespective of whether there will be such a transfer. MBC and/or TWBC agree to pay the administrative costs associated with compliance with any such request save where the information is provided by the authority pursuant to the TUPE Regulations in contemplation of a transfer pursuant to the TUPE Regulations. Further, MBC and TWBC acknowledge that save where the information is provided by the authority pursuant to the TUPE Regulations in contemplation of a transfer pursuant to the TUPE Regulations, the authority may redact that information to ensure compliance with the DPA (or any successor legislation). Further the authorities agree only to use any information provided to them pursuant to this clause 11.11 lawfully and in accordance with the DPA and any common law duty of confidentiality that may apply and agree to fully indemnify MBC and TWBC against all and any losses howsoever caused arising from or relating to any breach by them of this clause.
- 11.12** The Authorities agree that if they are applicable, they will comply with the TUPE Regulations in relation to any future transfer of Relevant Employees. If the Regulations are not applicable, the Authorities agree to carry out such actions and enter into such documentation as are necessary and appropriate to procure that Relevant Employees whose employment is to be transferred to MBC or TWBC are transferred on the same terms and conditions as applied immediately before such transfer including full continuity of employment and with the rights mentioned in clause 11.13 below.
- 11.13** The Authorities acknowledge and undertake to use their best endeavours to ensure that upon any future transfer of employment of Relevant Employees between the Authorities as contemplated by this Agreement those Relevant Employees whose employment transfers between the Authorities whether pursuant to TUPE or otherwise retain membership of or retain the right to

join the LGPS Pension Scheme and that the Relevant Employees will where permitted by the LGPS Regulations have continuity of service for the purposes of entitlement to pension under the Pension Scheme.

11.14 The Authorities agree that:

11.14.1 MBC shall be responsible for all remuneration, benefits entitlements and outgoings in respect of MBC Relevant Employees up to the Commencement Date and for those employees from MKIP Revenue and Benefits Shared Service who remain in their employment after the termination of the Services (including without limitation all wages, holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions);

11.14.2 TWBC shall be responsible for all remuneration, benefits, entitlements and outgoings in respect of TWBC Relevant Employees as up to the Commencement Date and for those employees who transfer to them upon the termination of the Services from the MKIP Revenue and Benefits Shared Service on and after the date of that transfer (including without limitation all wages, holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions).

11.15 From the Commencement Date until the date of the termination of the Services (subject to payment of the relevant share of the costs in accordance with this Agreement), MBC and/or TWBC shall in respect of any Relevant Employee or any agency worker engaged in connection with the provision of the Services be responsible for all remuneration, benefits, entitlements and outgoings in respect of that person (including without limitation all wages, holiday pay, bonuses, commission, payment of PAYE, national insurance contributions and pension contributions).

11.16 Each Authority undertakes that in relation to any transfer of Relevant Employees pursuant to this Agreement to which the TUPE Regulations do not apply that it will supply the other Authorities (or other future employer) on reasonable request with the information which would have been required

under the TUPE Regulations (had they applied) regarding the identity, number, age, sex, length of service, job title, grade and terms and conditions of employment of any employees who transfer to the other Authority together with:

11.16.1 details of any disciplinary or grievance proceedings initiated by or in relation to that employee in the two years preceding; and details of any legal proceedings (of whatever nature) brought by such employee against them within the same period and of any potential legal proceedings which that Authority has reasonable grounds to believe that that employee may bring against them arising out of that employee's employment with them.

11.17 Each Authority shall indemnify and keep indemnified in full the other Authorities against all costs, claims, demands or losses incurred by the other Authorities in connection with or as a result of:

11.17.1 a breach by the indemnifying Authority of its obligations under the TUPE Regulations or under this clause 11;

11.17.2 any claim or demand by any TWBC employee against MBC (where TWBC is the indemnifying Authority) arising out of their employment with TWBC before the Transfer Date including for the avoidance of doubt any claim relating to inequality in pay where that inequality existed before the commencement of the shared service and continued to exist after but subject always to MBC taking reasonable steps to eradicate such inequalities in a timely manner when it becomes aware of the same; and

11.17.3 any claim or demand by one of MBC Employees against TWBC (where MBC is the indemnifying Authority) arising out of their employment with MBC before the Transfer Date.

11.18 Clause 11 shall survive the termination or expiry of this Agreement.

11.19 If MBC proposes to take any decision in relation to a Relevant Employee which is outside the terms of the authorities approved employment policies,

MBC agrees (via the Head of Revenue and Benefits Shared Service) to consult the Board before that decision is made.

12. LIABILITIES AND INDEMNITIES

- 12.1** The MKIP Revenue and Benefits Shared Service is being provided on a collaborative and not for profit basis with the intention that (save as otherwise provided for in this Agreement) each Authority shall bear the risks of any losses caused to itself or any of its staff by the provision of the Services under this Agreement except in the case of fraud or bad faith in which case the defaulting Authority shall indemnify the other Authority against claims and/or liabilities in respect thereof provided that all costs and losses in respect of the employment of Relevant Employees engaged in the MKIP Revenue and Benefits Shared Service shall (save as otherwise provided for in Clause 11 above) be considered to be costs of the provision of the MKIP Revenue and Benefits Shared Service and will be shared between the Parties in the same proportion as they have shared in the Pooled Funds in accordance with clause 10.6.
- 12.2** If one Authority (“**the First Authority**”) requires a reduction in the level of the Services, then that Authority shall indemnify the other Authorities in respect of all reasonable losses, costs or expenses (including for the avoidance of doubt any redundancy costs or any other costs related to employees’ and their legal entitlements) incurred as a consequence of that reduction of the Services.
- 12.3** Any costs arising as a result of legislative change shall be shared by the parties in the same proportion as they have shared in the Pooled Funds in accordance with clause 10.6.
- 12.4** Each of the Authorities shall at all times take all reasonable steps within its powers to minimise and mitigate any loss for which it is seeking reimbursement from any of the other Authorities.
- 12.5** Each Authority shall retain responsibility (the “**Responsible Authority**”) for meeting all the costs of and in connection with the conduct of any proceedings including settlement of any action or claim relating to the provision of Revenue and Benefits Shared Services where responsibility therefore arises directly or indirectly from any act, omission or default of the Responsible Authority and/or its Relevant Contractor whether:

12.5.1 prior to the Commencement Date of this Agreement; or

12.5.2 during the Term of this Agreement where the provisions of clause 16 shall apply.

12.6 MBC and TWBC, in its dealings with Relevant Employees, agree to comply with all relevant employment legislation and best employment practice, and to indemnify each other in respect of all losses, costs or expenses incurred as a consequence of a failure to do so. For the avoidance of doubt, any costs arising from such a failure would be paid in full by the authority given rise to the failing and not shared through the MKIP Revenue and Benefits Shared Service Budget.

12.7 Clause 12 shall survive the termination or expiry of this Agreement.

13. INSURANCE

13.1 Each Authority shall ensure that adequate insurance cover is taken out and maintained and notified annually to the Head of Revenue and Benefits in respect of:

13.1.1 any property held by it for the purposes of this Agreement; and

13.1.2 Employers liability, Public liability and including liability for Secondees working from any of the other Authorities' premises.

14. TERMINATION OF THIS AGREEMENT

14.1 The Parties to this Agreement may agree that this Agreement shall be terminated or varied upon terms agreed by them.

14.2 Notwithstanding clause 14.1, there shall be a review of the Service (the "**Mid-Term Review**") carried out by the Authorities jointly in 2016/17 which will report to the Board by 31 December 2016.

14.3 Following the Mid-Term Review, any of the Authorities may terminate this Agreement by notice (the "**Termination Notice**") given to the Board on or before the 31 March 2018 to expire 12 calendar months thereafter at the close of business on 31 March 2019. The Termination Notice shall be subject to the provisions of clause 15.4 below.

15. EFFECTS OF TERMINATION

Upon the termination or expiry of this Agreement:

- 15.1** the Authorities shall cease to provide the Revenue and Benefits Shared Service jointly.
- 15.2** Notwithstanding the termination of this Agreement, all Relevant Contracts will remain in full force and effect and each Authority shall continue to discharge its obligations under those Contracts.
- 15.3** Each Authority shall retain ownership of any capital assets purchased by the Authority, except for those capital assets purchased by either authority on behalf of the MKIP Revenue and Benefits Shared Service. The capital assets purchased on behalf of the MKIP Revenue and Benefits Shared Service will continue to be made available for use by the Authorities until such time as their continued use and ownership has been agreed by the Authorities. Any dispute in connection with the treatment of capital assets may be referred for resolution under clause 18.
- 15.4** The Authorities will proceed as set out in Clause 11 with regard to the employment and/or transfer of Relevant Employees.
- 15.5** There shall be a calculation of the increased costs to each Authority (including any other loss, liability, damage, claim, cost or expense which would be incurred by the MKIP Revenue and Benefits Shared Service by reason of such early termination) and the Authorities hereby further agree that no termination will take effect until they have all agreed how liability for costs at termination shall be allocated between them (taking account of the methodology agreed in clause 10.1, 10.2) and that such agreement has been approved by the Board.
- 15.6** Without prejudice to the provisions of clause 15.1, upon expiry or termination of this Agreement each Authority will provide to the other Authority such data within its possession as the other Authority shall reasonably require (to the extent that such provision is lawful) in order to carry out their own Revenue and Benefits function on its own behalf (or if they shall so decide a shared service Revenue and Benefits function) and the reasonable costs (necessarily and reasonably incurred) of assembling and providing such data will be

treated as a cost of the MKIP Revenue and Benefits Shared Service and be shared between the Authorities in the proportions to be approved by the Board.

15.7 It shall be the duty of both of the Authorities to use their reasonable endeavours to minimise any losses arising from the termination of this Agreement. For the avoidance of doubt, any liabilities accrued prior to the termination or expiry of this Agreement shall be borne by the Authorities in the agreed proportions at clause 10.6 or as may be agreed and determined by the Board.

15.8 Clause 15 shall survive the termination or expiry of this Agreement.

16. DEFAULT BY AN AUTHORITY

16.1 Where there has been a material breach of this Agreement or a default by TWBC or MBC or any of the Relevant Contractors which causes an adverse impact on the provision of the MKIP Revenue and Benefits Shared Service, the Board shall agree such reasonable and proportionate action as it considers necessary to remedy the consequences of the breach or default in order to mitigate the adverse effects to the Revenue and Benefits Shared Service to enable the Services to be continued (insofar as possible) in accordance with this Agreement. During the implementation of this action, the authorities will act reasonably and proportionately to implement the agreed course of action and take whatever action is necessary in order to mitigate any losses. If agreement cannot be reached within 40 working days of the breach any party may refer the dispute to arbitration pursuant to clause 19.

16.2 All costs of and in connection with a material breach or default by the responsible Authority and/or the Authority who has contracted with the defaulting Relevant Contractor ("**Responsible Authority**") shall be the sole liability of the Responsible Authority and shall not be shared by or attributable to the MKIP Revenue and Benefits Shared Service or other Authority.

16.3 MBC as the Lead Authority shall be entitled to invoice the Responsible Authority for the costs of remedial action and such costs shall be payable by the Responsible Authority within 28 days of receipt of the invoice. Upon

receipt of the payment, the monies shall be paid to the account of MBC (in its capacity as the Lead Authority).

17. DEFAULT BY A RELEVANT CONTRACTOR

In the event that any of the Relevant Contracts shall be terminated or come to an end prior to the end of the Service Period, the Authorities shall meet as soon as practicable to agree arrangements for the management and/or completion of any matters arising in consequence of the termination (including, but not limited to, the procurement of a replacement contractor and the apportionment of any payments and/or costs).

18. DISPUTE RESOLUTION

18.1 Any dispute arising under this Agreement shall be referred initially to the Head of the Revenue and Benefits Shared Service.

18.2 If the Head of Revenue and Benefits Shared Service is unable to resolve the matter within 20 Business Days he shall refer the dispute to the Board.

18.3 If the Board is unable to resolve the matter within 40 Business Days, the Board shall refer the dispute to the MKIP Board.

18.4 If the MKIP Board is unable to resolve the matter within a further 40 Business Days then any Authority which is a Party to the dispute may refer the dispute to arbitration in accordance with clause 19.

19. ARBITRATION

Any disputes or differences between the Authorities arising out of this Agreement which has not been resolved in accordance with clause 18 may be referred by any Party to the dispute to a single arbitrator to be agreed between the Authorities or where no agreement can be reached and having regard to the nature of the dispute by an arbitrator nominated by the President or Vice President of the Chartered Institute of Arbitrators. The Arbitrator shall have power to determine the appropriate procedure and to make a binding determination of the disputes referred to him including an award of costs.

20. ASSISTANCE IN LEGAL PROCEEDINGS

- 20.1** To the extent that the institution and defence of necessary litigation arising out of or in connection with the provision of the Revenue and Benefits Shared Service during the Service Period is not undertaken by an insurer acting for any of the Authorities it shall be undertaken by the legal advisors for such of the Authorities as may be agreed by the Board.
- 20.2** All claims or potential claims received by an Authority shall be notified to the Head of the Revenue and Benefits Shared Service and the Board within seven days.
- 20.3** Each Authority will afford all reasonable assistance to the other Authorities (and their insurers) as the case may be in defending any claims and, if requested to do so, each Authority shall provide the other with any relevant information (including but not limited to documentation or statements) in connection with any legal enquiry, arbitration, court proceedings or hearings in which the requesting Authority might become involved arising out of or pursuant to the terms of the Relevant Contracts and/or this Agreement.

21. DATA PROTECTION

- 21.1** With respect to the Parties' rights and obligations under this Agreement, the parties acknowledge that the Authorities will be acting as both Data Controllers and Data Processors according to circumstance during the term of the Agreement.
- 21.2** The Authorities will take all reasonable steps to ensure the reliability and integrity of any employees who have access to Personal Data and ensure that employees:
- (i) are aware of and comply both the Authority's Data Controller duties and with the Authority's Data Processor duties under this Agreement;
 - (ii) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Data Controller Authority or as otherwise permitted by this Agreement; and

- (iii) have undergone adequate training in the use, care, protection and handling of personal data (as defined in the DPA);

21.3 When an Authority is acting as Data Processor it shall:

- (i) process the Personal Data only in accordance with instructions from the Authority who is the Data Controller,
- (ii) ensure that at all times it has in place appropriate technical and organisational measures to guard against unauthorised or unlawful processing of the Personal Data and/or accidental loss, destruction or damage to the Personal Data,
- (iii) not disclose or transfer the Personal Data to any third party or Supplier unless necessary for the provision of the Services and,
- (iv) notify the Data Controller within 3 Working Days if it receives from a Data Subject (or third party on their behalf) a Data Subject Access Request (or purported Data Subject Access Request);
- (v) a request to rectify, block or erase any Personal Data; or any other request, complaint or communication relating to the Authority's obligations under the DPA;
- (vi) any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data; or
- (vii) a request from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law;
- (viii) provide the Data Controller with full cooperation and assistance (within the timescales reasonably required by that Authority) in relation to any complaint, communication or request made including by promptly providing that Authority with full details and copies of the complaint, communication or request and where applicable, such assistance as is reasonably requested by the Authority to enable the Authority to comply with the Data Subject Access Request within the relevant timescales set out in the DPA.

21.4 The Authorities agree that they shall not Process or otherwise transfer any Personal Data in or to any country outside the European Economic Area or any country not deemed adequate by the European Commission pursuant to Article 25(6) of Directive 95/46/EC.

21.5 The Authorities shall use their reasonable endeavours to assist each other to comply with any obligations under the DPA and shall not perform their obligations under this Agreement in such a way as to cause the other Authority to breach any of its obligations under the DPA to the extent the Authority is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations.

22. FREEDOM OF INFORMATION

22.1 The parties recognise that the Authorities are public authorities as defined within the FOIA and therefore recognise that information relating to this Agreement may be the subject of a Request.

22.2 Each of the Authorities shall assist one another in complying with their obligations under the FOIA including but not limited to assistance without charge in gathering information to respond to a Request.

22.3 Each of the Authorities shall be entitled to disclose any information relating to this Agreement and the Services in response to a Request save that in respect of any Request which is in whole or part a request for Exempt Information:

22.3.1 the Authority which receives the Request shall circulate the Request and shall discuss it with the other Authority;

22.3.2 the Authority which receives the Request shall in good faith consider any representations raised by the other Authority when deciding whether to disclose Exempt Information **SAVE THAT** the Authority which receives the Request shall retain the right to determine at their absolute discretion how to respond to the Request; and

22.3.3 the Authority which receives the Request shall not disclose any Exempt Information beyond the disclosure required by FOIA without the consent of the other Authority.

22.4 The parties to this Agreement acknowledge and agree that any decision made by an Authority which receives a Request as to whether to disclose information relating to this Agreement pursuant to FOIA is solely the decision of that Authority.

23. CONFIDENTIALITY

23.1 The Parties shall keep confidential all matters relating to this Agreement unless it is already in the public domain or all the parties agree that it may be disclosed and shall use all reasonable endeavours to prevent their employees and agents from making any disclosure to any person of any matter relating to this Agreement.

23.2 Clause 23.1 shall not apply to:

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

23.2.2 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 23;

23.2.3 Any disclosure to enable a determination to be made under clause 19 (Arbitration);

23.2.4 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;

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

23.2.6 Any disclosure by a party to this Agreement to a department office or agency of the Government; or

23.2.7 Any disclosure for the purpose of the examination and certification of the accounts of a Party to this Agreement.

23.3 Where disclosure is permitted under Clause 23.2 the disclosing party shall ensure where practicable that the recipient of the information shall be subject to the same obligation of confidentiality as that contained in this Agreement.

24. SCRUTINY

Scrutiny will be the responsibility of each individual Authority. Each Authority (and the relevant committee charged with audit) shall have the right to inspect any documents relating to that Authority and to require the Head of the Revenue and Benefits Shared Service to answer any questions raised by them.

25. ROUTINE COMMUNICATIONS

Except in respect of routine communication between the Parties in connection with the day-to-day performance of this Agreement, no communication from one Party to another shall have any validity unless made in writing by or on behalf of that Party.

26. NOTICES

26.1 No notice or other communication from one Party to the other shall have any validity under this Agreement unless made in writing by or on behalf of the Party sending the communication.

26.2 Any notice or other communication which is to be given by one Party to the other Parties shall be given by letter (sent by hand, post, registered post or by the recorded delivery service), by facsimile transmission or electronic mail. Such letters shall be addressed to the other Party or Parties to their normal business addresses. Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two Business Days after the day on which the letter was posted, or eight hours, in the case of electronic mail or facsimile transmission or sooner where the other Party or Parties acknowledge receipt of such letters, facsimile transmission or electronic mail.

26.3 Any Party may change its address for service by serving a notice in accordance with this clause 26.

27. ASSIGNMENT

This Agreement is personal to the Parties and not capable of assignment, novation or transfers by any of them save to their lawful successors.

28. VARIATION

Any variation to this Agreement must be approved by the Board and by each Authority in writing.

29. WAIVER

29.1 The failure of the Authorities to insist upon strict performance of any provision of this Agreement or the failure of another Party to exercise any right or remedy to which it is entitled shall not constitute a waiver thereof and shall not cause any diminution of the obligations established by this Agreement.

29.2 A waiver of any default shall not constitute a waiver of any subsequent default whether or not of a similar or identical nature.

30. SEVERANCE

30.1 If any provision of this Agreement is held invalid, illegal or unenforceable for any reason, such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if the Agreement had been executed with the invalid, illegal or unenforceable provision eliminated.

30.2 In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of the Agreement, the Authorities shall immediately commence good faith negotiations to remedy such invalidity.

31. THIRD PARTIES

The Parties to this Agreement do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

32. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties with respect to its subject matter. Each Party acknowledges that it has not relied on any undertaking, promise, assurance, statement, proposal, representation, warranty or understanding (whether or not in writing) relating to the subject matter of this Agreement except those expressly incorporated in this Agreement.

33. LAW AND JURISDICTION

This Agreement shall be governed by the Laws of England and the Parties hereby submit to the non-exclusive jurisdiction of the courts of England.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed as a Deed delivered the day and year first above written

THE COMMON SEAL of)
MAIDSTONE BOROUGH)
COUNCIL was hereunto)
affixed in the presence of:

..... *Aislinn Brown*
Authorised Signatory



THE COMMON SEAL of)
TUNBRIDGE WELLS)
BOROUGH COUNCIL)
was hereunto affixed in
the presence of:

.....
Authorised Signatory



SEAL BOOK REFERENCE
NUMBER:- 9168

SCHEDULE 1 – Agreed Service Plan

PLEASE SEE SERVICE LEVEL AGREEMENT AT SCHEDULE 2

SCHEDULE 2
Service Level Agreements

Paul Taylor
6/16/2014

Revenues and Benefits Shared Service

Service Level Agreement

March 2015

This document sets out the terms under which the Revenue and Benefits Shared Service will provide services to partner authorities, the service specifications and the performance indicators. It will be reviewed annually by the Shared Service Board.

Purpose of the Service Level Agreement

The Service Level Agreement (SLA) describes in detail the services delivered through the partnership.

The objectives of the SLA are to;

- Outline the services provided and expected outcomes
- Define the roles and responsibilities of the Partner Authorities and Shared Service
- Define how the Service will manage change
- Define ownership of the SLA by the Head of Service
- Outline the measures of quality and reporting requirements

How the SLAs be reviewed and updated

The SLA will be reviewed and agreed annually by the Shared Service Board (SSB). Performance against agreed service level expectations will be monitored through quarterly meetings with the Head of Service.

The agendas for these reviews will include, but is not limited to:

- service delivery since the last review
- major deviations from service level
- conflicts or concerns about service delivery
- planned changes to improve service effectiveness
- negotiation of changes to the Agreement
- review of feedback from external customers
- review of internal customer feedback, satisfaction surveys, etc
- Cost and budget for the service

How the service will ensure that it is performing

The services will have two main drives in ensuring the services are delivered in the best possible way.

Measure performance: The services will measure performance against agreed targets and take action where it fails to meet target. The services will measure its performance not only against its own targets but against benchmarks within local government to ensure that it continues to provide a high level of performance.

Improve performance: The services will continue to develop and improve by undertaking formal process re-engineering projects, listening to the needs of its customers and learning from best practice within the sector.

Revenues and Benefits Overview

Scope

The Revenues and Benefits (R&B) services covered by this SLA are:

Council tax billing and recovery
NNDR Billing and Recovery
Benefit overpayment recovery
Housing benefit and council tax discount

The Shared Service will deliver common services to both Councils although the systems, form and processes may differ.

Out of scope

Some functions that might be considered part of the R&B shared service are retained by the Partner Authorities.

Function	Logic
Fraud Investigation	A wider partnership arrangement exists which is subject to a separate SLA and collaboration agreement.
Debt Recovery (enforcement)	A wider partnership arrangement exists which is subject to a separate SLA and collaboration agreement.
Customer contact	Delivered as part of the corporate Gateway, contact centre and website arrangements, with technical support by the R&B Shared Service.
Support functions including finance, legal, HR, IT	Form part of another shared service or corporate team due to specialist nature

Access Channels

Located:	Town Hall, Civic Way, Tunbridge Wells & Maidstone House, King Street, Maidstone
Opening hours:	08.30-17.00 Monday to Friday excluding Bank Holidays
Out of office support	By exception or prior negotiation only
Telephone contact:	See staff directory for more detail but specific numbers: Council Tax and Business Rates TWBC: 01892 554 609 MBC: 01622 602 003 Benefits Administration TWBC: 01892 526 121 MBC 01622 602 557
Email Contact	See staff directory for more detail but specific numbers; Council Tax and Business Rates TWBC: counciltax@tunbridgewells.gov.uk MBC: counciltax@maidstone.gov.uk Benefits Administration TWBC: benefits@tunbridgewells.gov.uk MBC: benefits@maidstone.gov.uk
Contact for any issues or comments on the Service:	Stephen McGinnes, Head of Revenues & Benefits Partnership 01622 602 310/01892 554 262 stephenmcginnes@maidstone.gov.uk

Service Level Agreements

Appendix A

Shared Service	Revenues & Benefits
Service Name	Revenues

Description	Billing and recovery of council tax and business rates and recovery of housing benefit overpayments
Service Owner	Revenues Manager

Inputs/Outputs

Inputs	Statutory duty to collect council tax and business rates in both authorities. Discretion to recover benefit overpayments.
Input Quality Measures	Accurate and up to date data base
Customer Responsibility	Each Council to set council tax levels in line with statutory timetable. Preceptors to issue precept notices in line with statutory duty. Government to set and advise NNDR multiplier. Government to issue statutory returns for completion. Benefit section identify overpayment
Processes	Raise and issue bills Collect and account for payments Keep data base up to date and accurate Award and review of discounts and exemptions Undertake enforcement action as required Provide information to government
Outputs	Billing and recovery of council tax and NNDR Recovery of housing benefit overpayments
Output Responsibility	Revenues Manager

Supporting Data

Timescales	Annual process
Outcomes	Support the Council's medium term financial strategy through the maximisation of income through council tax, business rates and benefit overpayments. Support residents experiencing hardship through the negotiation of debt repayment, signposting to support services and promotion of available discounts. Encourage growth within the local economy by supporting the business sector. Increase the level of satisfaction with Council services, whilst reducing the cost of service delivery through the transfer to lower cost alternatives such as online or self service.
Inter-dependencies	Sufficient Resource. Appropriate systems support from MKS IT Appropriate system support from Capita Appropriate support from the Gateway and contact centre service. Appropriate accounting support from Finance. Appropriate support from Legal and HR.

Quality	This will be measured as the rate of revenue collection for council tax, business rates and benefit overpayments. Percentage of in year collection Percentage of prior year debt collected
Volumes	114,000 council tax accounts 8,500 NNDR accounts

Service Level Performance Indicators (how will it be measured)

	Measure 1			
	Description	The percentage of council tax collected		
	Purpose	To measure the efficiency and effectiveness of the service		
	2014/2015	Year 1	Year 2	Year 3
MBC	98.3%	98.4	98.5	98.6
TWBC	98.5%	98.6	98.7	98.8
	Measure 2			
	Description	The percentage of NNDR collected		
	Purpose	To measure the efficiency and effectiveness of the service		
	2014/2015	Year 1	Year 2	Year 3
MBC	97.8%	97.9	98.0	98.1
TWBC	98.5%	98.6	98.7	98.8
	Measure 3			
	Description	Housing benefit overpayments		
	Purpose	Amount of housing benefit overpayments (HB) recovered during the period being reported on as a percentage of HB deemed recoverable overpayments during that period		
	2014/2015	Year 1	Year 2	Year 3
MBC	70.5%	72.00	73.50	75.00
TWBC	78.3%	78.35	78.40	78.45

Review Date:	Reviewed annually
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Shared Service	Revenues & Benefits
Service Name	Benefits
Description	Administration of housing and local council tax discount scheme
Service Owner	Benefits Manager

Inputs/Outputs

Inputs	Statutory duty to administer housing and local council tax discount scheme Administration of discretionary housing payments scheme
Input Quality Measures	Accurate and up to date data base. Speed and accuracy of processing
Customer Responsibility	Notify changes and provide evidence of entitlement Notify changes in the regulations – Department for Work and Pensions (DWP)

Processes	Determine claim and/or changes Make payments Notify Awards Respond to appeals Consider and award discretionary payments Investigate suspected fraud and apply sanctions
Outputs	Payments made to qualifying claimants Information provided to the DWP System safeguarded against fraud
Output Responsibility	Benefits Manager

Supporting Data

Timescales	Annual processes
Outcomes	<p>Support the Council's medium term financial strategy through the maximisation of benefit subsidy.</p> <p>Support residents experiencing hardship that are vulnerable or otherwise disadvantaged in order to reduce the level of deprivation and homelessness.</p> <p>Encourage growth within the local economy by reducing worklessness.</p> <p>Increase the level of satisfaction with Council services, whilst reducing the cost of service delivery through the transfer to lower cost alternatives such as online or self-service.</p>
Inter-dependencies	<p>Sufficient Resource.</p> <p>Appropriate systems support from MKS IT</p> <p>Appropriate system support from Capita</p> <p>Appropriate support from the Gateway and contact centre service.</p> <p>Appropriate accounting support from Finance.</p> <p>Appropriate support from Legal and HR.</p>
Quality	<p>This will be measured through the following indicators.</p> <p>The average number of days to process new claims and benefit changes.</p> <p>The value of overpayments caused by local authority error or delay.</p> <p>The level of customer satisfaction with the service received.</p> <p>The level of benefit savings through fraud investigation.</p>
Volumes	18,800 benefit claimants

Service Level Performance Indicators (how will it be measured)

	Measure 1	
	Description	<p>Time taken to process Housing Benefit/Council Tax Discount new claims and change events</p> <p>Note: Implementation of Universal Credit is expected to increase processing times.</p>

	2015/2016	Year 1	Year 2	Year 3 (end goal)
MBC	8.0	10.0	12.0	14.0
TWBC	8.0	10.0	12.0	14.0
Measure 2				
	Description	Value of overpayments caused through local authority error or delay		
	Purpose			
	2015/2016	Year 1	Year 2	Year 3 (end goal)
MBC	£127,000	£121,000	£115,000	£111,000
TWBC	£53,000	£50,000	£48,000	
Measure 3				
	Description	Customer satisfaction with the service received		
	2015/2016	Year 1	Year 2	Year 3
MBC	91.62%	92.5%	93.5%	94.5%
TWBC	91.00%	92.5%	93.5%	94.5%
	Review Date	Reviewed annually		

Summary Policies Utilised across the Services

Appendix B

Policy	Service the Policy relates to		Common	TWBC	MBC
	Service ref	Service Name			
Local Council Tax Discount Scheme	RB02	Housing and Council Tax Discount		X	X
Discretionary Housing Payments	RB02	Housing and Council Tax Discount	X		
Fraud Policy	RB02	Housing and Council Tax Discount	X		
Empty Property Policy	RB01	Council Tax and Business Rates		X	X
Rate relief policy	RB01	Council Tax and Business Rates		X	X

System and Tools in use across the Services**Appendix C**

Service	System	TWBC	MBC
Revenues and Benefits	Academy Revenues and Benefits System	X	X
Revenues and Benefits	Anite Document Management System	X	X
Revenues	Analyse Local Business Rates Information System	X	X

Service Action Plans

Appendix E

Key Service Objectives 2015/2016

Number	Objective	MKIP Priority (Objective)
1	Increase the number of online and automated transactions	Improve quality of service
2	Reduce the level of customer fraud and error	Deliver efficiency savings
3	Implement Debt Enforcement Service	To explore opportunities for trading
4	Universal Credit	Improve the quality of services to communities
5	Transfer of fraud function to SFIS	Improve the resilience of service delivery
6	Partnership Finance and Governance	Improve the resilience of service delivery

Key Service Action 2015/2016

Title	Code	Planned Start Date	Due Date	Assigned To	Managed By
Online reporting of benefit changes	1.1	01.04.2015	31.07.2015	Gary Hunter	Stephen McGinnes
Online submission of benefit proof	1.2	01.04.2015	31.07.2015	Gary Hunter	Stephen McGinnes
Online benefit claim process	1.3	01.04.2015	31.07.2015	Gary Hunter	Stephen McGinnes
Online claim for ctax discounts and exemptions	1.4	01.04.2015	31.07.2015	Sheila Coburn	Stephen McGinnes
Increase take up for paperless billing and direct debit	1.5	01.04.2015	31.03.2016	Sheila Coburn	Stephen McGinnes
Single person discount review	2.1	01.04.2015	31.03.2016	Sheila Coburn	Stephen McGinnes
Small business rates review	2.2	01.04.2015	31.03.2016	Sheila Coburn	Stephen McGinnes
Formal decision to proceed (across partners)	3.1	01.04.2015	30.06.2015	Stephen McGinnes	Paul Taylor
Project plan and team established	3.2	30.06.2015	31.08.2015	Stephen McGinnes	Paul Taylor
Debt enforcement Service live	3.3	01.08.2015	31.03.2016	Stephen McGinnes	Paul Taylor
Partnership agreement and funding agreed	4.1	01.08.2015	01.10.2015	Stephen McGinnes	Lee Colyer / Zena Cooke
Support services in place	4.2	01.08.2015	01.10.2015	Stephen McGinnes	Paul Taylor
Member and staff awareness	4.3	01.08.2015	01.10.2015	Stephen McGinnes	Paul Taylor
Revised structure	5.1	01.04.2015	30.05.2015	Filmer Wellard	Stephen McGinnes
Staff consulted	5.2	01.06.2015	30.06.2015	Filmer Wellard	Stephen McGinnes
Fraud strategy revised	5.3	01.04.2015	30.05.2015	Filmer Wellard	Stephen McGinnes
Partnership Agreement	6.1	01.04.2015	30.05.2015	Stephen McGinnes	Paul Taylor
Shared Budgets	6.2	01.12.2015	31.03.2016	Stephen McGinnes	Paul Taylor
Employer	6.3	01.12.2015	31.03.2016	Stephen McGinnes	Paul Taylor

SCHEDULE 3 - RELEVANT EMPLOYEES

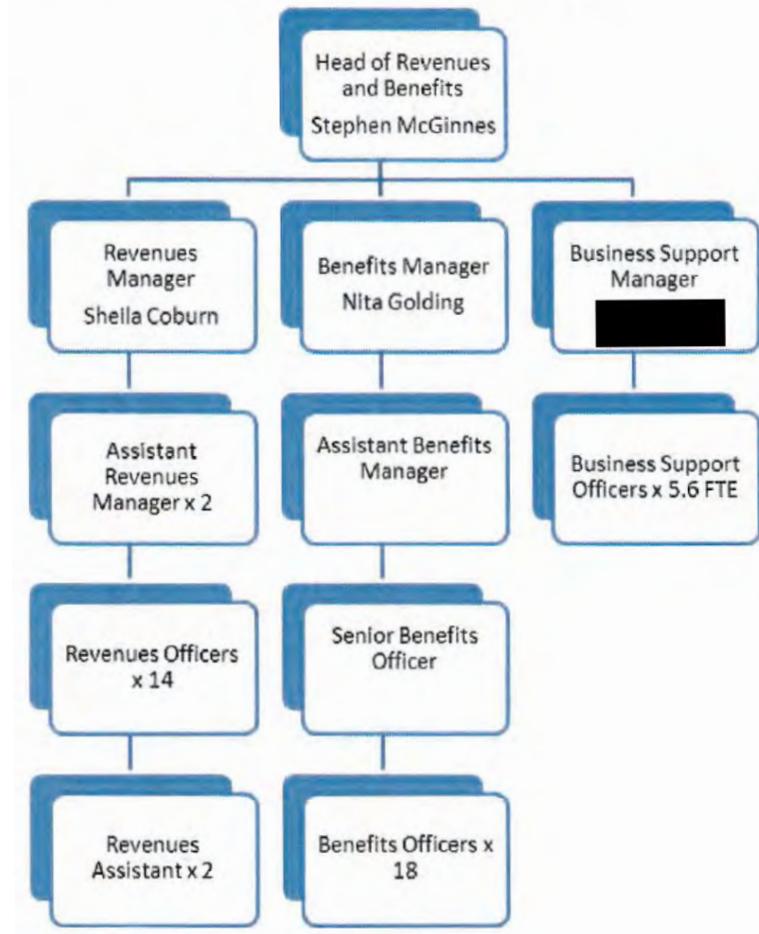
MID KENT REVENUE AND BENEFITS SERVICE RELEVANT EMPLOYEES

STAFF NAME	JOB TITLE	PREVIOUS JOB TITLE
MBC		
Stephen McGinnes	Head of Revenues and Benefits Shared Service	Head of Revenues and Benefits
	Business Support Manager	Senior Technical Officer
	Business Support Officer	Quality Control Officer
	Business Support Officer	Technical Officer
	Business Support Officer	Technical Officer
	Business Support Officer	Quality Control Officer
Nita Golding	Benefits Manager	Assistant Benefits Manager
	Senior Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Vising Officer	Visiting Officer
	Assistant Revenues Manager	Senior Revenues Officer
	Revenues Officer	Revenues Officer
	Revenues Officer	Revenues Officer

	Revenues Inspector	Revenues Inspector
	Revenues Officer	Revenues Officer
	Revenues Officer	Revenues Officer
	Revenues Assistant	Revenues Assistant
	Revenues Officer	Revenues Officer
	Revenues Officer	Senior Revenues Officer
	Revenues Officer	Revenues Officer
	Revenues Officer	Revenues Officer
	Revenues Officer	Revenues Officer
	Revenues Officer	Revenues Officer
	Revenues Officer	Revenues Officer
	Revenues Inspector	Revenues Officer
TWBC		
S Coburn	Revenues Manager	Revenues Manager
	Assistant Revenues Manager	Senior Revenues Officer
	Senior Revenues Officer	Court Officer
	Senior Inspector	Senior Inspector
	Revenues Officer	Revenues Officer
	Assistant Benefits Manager	Senior Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Benefits Officer	Benefits Officer
	Support Officer	Support Officer
	Business Support	Appeals Officer

	Officer	
	Business Support Officer	Revenues Officer
	Business Support Officer	Technical Officer

SCHEDULE 4 – REVENUE AND BENEFITS SHARED SERVICE STRUCTURE



SCHEDULE 5
MKIP REVENUE AND BENEFITS SHARED SERVICE POOLED FUND AS AT 1ST APRIL
2015

	£
Employee Costs	£1,758,050
Controlled Running Costs	£273,240
Total Net Budget	£2,031,290

Maidstone BC Contribution	£1,303,460
Tunbridge Wells BC Contribution	£727,830
Total Contributions	£2,031,290

Volume Data 2014/15

	MBC	TWBC	TOTALS
Benefit Lives cases 1 Feb 2015	11459	7478	18937
	60.51%	39.49%	
Council Tax Properties	67499	48114	115613
NNDR Properties	4738	4006	8744
	72237	52120	124357
	58.09%	41.91%	
Total all Workload cases	83696	59598	143294
	58.41%	41.59%	

The costs of the staff as identified in Schedule 3 engaged in provision of the Services will be charged as follows:

- i. the costs of the Revenue Team will be split in proportion to the number of properties held by each of the Authorities for the purpose of Council Tax and Business Rates collection as at 1st February in the year preceding the budget period.
- ii. the costs of the Benefits Team will be split in proportion to the live caseload as held by each of the Authorities for Council Tax Support and Housing benefit as at 1st February in the year preceding the budget period.

An example of the charging structure is provided to demonstrate the apportionment of charges.

- iii. the Authorities may from time to time agree in writing a date other than 1st February for the purpose of calculating the share of charges.

By way of example the estimated split of costs for the year 2015/16 is shown in the table below calculated 59.09% for Maidstone at 40.91 for Tunbridge Wells.

Work Group	Method of Split		Estimated Cost Split		Total
	MBC%	TWBC %	MBC	TWBC	Cost
Head of Revenues & Benefits	58.41	41.59	£49,782	£35,448	£85,230
Revenues Manager	58.09	41.91	£30,996	£22,364	£53,360
Benefits Manager	60.51	39.49	£30,443	£19,867	£50,310
Revenues Asst Manager / Team Leader	58.09	41.91	£47,441	£34,229	£81,670
Benefits Asst Manager / Team Leader	60.51	39.49	£50,024	£32,646	£82,670
Business Support Team	58.41	41.59	£134,860	£96,030	£230,890
Revenues Team (volume metric data)	58.09	41.91	£327,665	£236,415	£564,080
Benefits Team (volume metric data)	60.51	39.49	£329,072	£214,748	£543,820
Total Staff forecast 2015/2016			£1,022,914	£708,076	£1,730,990

Total estimated Pooled Budget for the Revenue & Benefits Service – Maidstone & Tunbridge Wells

Budget Summary 2015/16 – Excluding Fraud	Maidstone	Tunbridge Wells	Total
Employee	£1,121,990	£636,060	£1,758,050
Controlled Running costs	£181,470	£91,770	£273,240
Totals	£1,303,460	£727,830	£2,031,290
Allocated based on updated percentages	59.09%	40.91%	
Revised Cost per Authority	£1,200,374	£830,916	£2,031,290
Recharge between Authorities	-£103,086	£103,086	

SCHEDULE 6

NOT USED

**SCHEDULE 7
RELEVANT CONTRACTS TWBC AND MBC**

SUPPLIER	DESCRIPTION	Estimates Annual Charge £	End Date
Academy Business Solutions	Revenues and Benefits System	194,000	31.03.2016
Anite @ Work (corporate application)	Document Management System	-	-
Call Credit	Credit reference data	2,000	01.11.2016
Locta	Tracing facility	3,500	31.03.2017
Inform (analyse local)	Business rates finder	8,000	Annual subscription
Neopost	Folding machine	3,000	01.11.2017
Stanford and Green Enforcement	Bailiff Services	-	02.02.2017
Equita	Bailiff Services	-	02.02.2017
Rundles	Bailiff Services	-	02.02.2017
Jacobs	Bailiff Services	-	02.02.2017
Dukes	Bailiff Services	-	02.02.2017

SCHEDULE 8 - MKIP GOVERNANCE FRAMEWORK

GOVERNANCE ARRANGEMENTS – MID KENT IMPROVEMENT PARTNERSHIP (MKIP) AND MKIP SHARED SERVICES

UPDATED MAY 2012

MID KENT IMPROVEMENT PARTNERSHIP (MKIP) - GOVERNANCE

These arrangements relate to Maidstone Borough Council, Swale Borough Council, Tunbridge Wells Borough Council and are made pursuant to the Local Government Act 1972, Local Government Act 2000 and the Local Government and Public Involvement in Health Act 2007.

1. Key Principles
 - 1.1 Each of the Parties has determined by resolution to establish a collaborative partnership to become effective from September 2008 for the purposes of developing joint and shared services across their administrative areas.
 - 1.2 The partnership was established as the Mid Kent Improvement Partnership (MKIP) and operated for an initial period of four years. It has now been agreed to extend the partnership for a further four years. A minimum of six months' notice is required for any Party to leave the MKIP (see clause 16).
 - 1.3 The Parties are committed to establishing an MKIP Board and which will consider the co-ordination of selected services and partnership activities across the combined administrative area through mutual co-operation.
 - 1.4 The Parties are committed to open and transparent working and proper scrutiny through the arrangements in each authority and this will challenge and support the work of the MKIP.
 - 1.5 Any new parties to these arrangements after they become effective will have all the same rights and responsibilities under these arrangements.
2. Definitions
 - 2.1 'Administrative Area' means the local government areas of the Parties.
 - 2.2 'Decisions' means those decisions taken by each authority under their individual governance arrangements.
 - 2.3 'Lead Authority' means the local authority appointed by the Parties under these arrangements to service MKIP or to lead on a specific matter as set out in Clause 12.
 - 2.4 'Joint Service' is one where each of the Parties will retain their own dedicated team but the teams will work alongside each other, unless other arrangements are agreed.
 - 2.5 'MKIP Board' means the Leaders and Chief Executives of each of the Parties.
 - 2.6 'Parties' means Maidstone Borough Council, Swale Borough Council and Tunbridge Wells Borough Council.

- 2.7 'Proposal' means a business case to be developed for initial consideration by each of the Parties.
- 2.8 'Recommendation' means a Proposal agreed by the MKIP Board and put forward for decision by each of the Parties individually or collectively.
- 2.9 'Shared Service' means a service delivering functions as agreed by two or more of the Parties where all or part of the service is managed by a single Party.
3. Objectives
- 3.1 The objectives of the Mid Kent Improvement Partnership are to work together in partnership-
- (a) To improve the quality of service to communities;
 - (b) To improve the resilience of service delivery;
 - (c) To deliver efficiency savings in the procurement, management and delivery of services;
 - (d) To explore opportunities for trading in the medium to long-term;
 - (e) To share best practice; and
 - (f) To stabilise or reduce the environmental impact of service provision.
4. Functions
- 4.1 An MKIP Work Programme covering 4 years shall be established and owned by the MKIP Board who may appoint a Programme Manager who shall have the role set out in Annex E to manage and deliver the programme. The programme will be developed and delivered using the Gateway Decision Making Process set out in Annex A.
5. Terms of Reference
- 5.1 The terms of reference for the MKIP Board are set out in Annex B.
- 5.2 The terms of reference for the Project Boards are set out in Annex C.
- 5.3 These terms of reference will be reviewed annually by the Parties.
6. Membership and Meeting Procedures
- 6.1 The MKIP Board shall comprise the leaders and chief executives of each of the Parties. Named substitutes will be identified for the Leader (Cabinet Member) and for the Chief Executive (Director) to attend when necessary.
- 6.2 Kent County Council may send a non-voting representative (or substitute) to the MKIP Board meetings
7. Frequency of Meetings
- 7.1 The MKIP Board will meet quarterly at a time and place agreed by its members, who may change the frequency of meetings and call additional meetings as required.

8. Agenda Setting and Access to Meetings and Information

8.1 The agenda of the MKIP Board shall be agreed by the Chairman following a briefing by officers of the Parties. Any member of the Management Board may require that an item be placed on the agenda of the next available meeting for consideration, and may call for a meeting to be held.

8.2 Notice of the Management Board meetings and access to agendas and reports will be applied as if the meeting was covered by the Local Authorities (Executive Arrangements) (Access to Information) (England) Amendment Regulations 2000 and 2002 or section 100 A-K and Schedule 12A to the Local Government Act 1972, as appropriate.

9. Project Boards

9.1 Project Boards will be established, on a project basis, by unanimous agreement of the MKIP Board. The Project Board must put a Project Team in place with adequate Project Management support put in place.

9.2 When establishing additional projects the MKIP Board will agree:–

- (a) The terms of reference for the project, including outline scope and timescales;
- (b) Size and membership of the board including any external advisors;
- (c) Period of operation;
- (d) Budget for the project*;
- (e) Tolerances for cost, quality and timescales*
- (f) Success criteria for the project*
- (g) Mechanisms for hosting the project and sharing the cost amongst the various Parties, as appropriate.*

9.3 The process for the production and consideration of business cases will follow the Gateway Decision Making process (Annex A). In the first instance a Project Board including Lead Director (or other senior officer) will be appointed with the MKIP Board receiving a Business Case at a later date on which to make a decision to commit to the project and establish (d), (e), (f) and (g) marked * above

9.4 Projects will be carried out in accordance with any agreed project framework that the MKIP Board has adopted. Whether in line with any adopted framework or not the MKIP Board may request an update and/or take decisions relating to a project if it determines that changes need to be made or it is not satisfied with project performance.

10. Meetings and Chairing of Meetings

10.1 The Chairman and Vice Chairman of the MKIP Board will be the Leaders of the Parties appointed on the basis of the position being rotated annually, as follows:

<u>Chairman</u>	<u>Vice Chairman</u>
Tunbridge Wells	Maidstone
Maidstone	Swale
Swale	Tunbridge Wells

10.2 In the absence of the Chairman and the Vice Chairman at a meeting the meeting will elect a chairman for that meeting who shall be a Leader.

10.3 The quorum for the MKIP Board will be five with at least one person present from each of the Parties.

10.4 The MKIP Board may approve rules for meetings and procedures from time to time. The Chairman will also act as the 'Host' authority for the MKIP (see clause 12).

11. Decision Making

11.1 Recommendations from MKIP Board will normally be made by consensus. Alternatively a vote shall be taken when requested by the Chairman. The vote will normally be by way of a show of hands. A simple majority will be required.

11.2 The MKIP Board may make Proposals and Recommendations for partnership working between two or more of the Parties. When this is the case, consensus will only be required by the Parties involved.

11.3 The MKIP Board may make proposals and recommendations for the establishment of Shared or part Shared Services between two or more of the Parties. Where this is the case consensus will only be required by the Parties involved.

11.4 The Parties that did not take part in an initial Shared Service or partnership arrangement may do so at a later date subject to a Recommendation from the MKIP Board and agreement by all the Parties involved in the service. Any costs associated with joining later would be agreed between the Parties involved.

12. Host Authorities and Allocation of Roles

12.1 In order to achieve the objectives of the MKIP, the Parties will appoint a Lead Authority which is, for the time being, the Authority providing the Chairman pursuant to clause 10.1.

12.2 Staff from the Lead Authority who provide services to the MKIP Board as part of the administration of the MKIP will, at all times, be deemed to be employees of the Lead Authority with the exception that in the case of a secondment of a member of staff from one partner to MKIP their pay and terms and conditions shall remain as those of the employer of their substantive role.

12.3 Any external support to develop business cases may be funded from the MKIP budget with a Lead Director for each business case appointed from amongst the Parties. The Business Case will need to be approved by the MKIP Board.

13. Budgetary Arrangements

- 13.1 A dedicated budget will be established to take forward the work of MKIP and will be overseen by the MKIP Board who may appoint a Programme Manager or other officer as appropriate for the day to day management of the budget.
- 13.2 Each Party will make a per-head-of-population contribution to MKIP. This funding will be used to establish a budget to enable external advice to be sought (when required) to ensure initiatives are progressed in a timely manner and to explore external funding. The payment will be made on (1 April) of each year.
The initial contribution will be 30p per head of population per annum using the most up to date population estimates (current population estimates of Maidstone 142,800, Swale 128,500 and Tunbridge Wells 104,600). Any funds that are not spent or committed at the year end will be returned based on the proportions outlined above or carried over, as agreed by MKIP Board.
- 13.3 Maidstone Borough Council will be the accountable body for MKIP and will manage the financial arrangements and will hold the budget. This administration will not be funded from the MKIP budget at this stage as the annual cost is expected to be minimal, but will be subject to review on an annual basis.
- 13.4 The cost of implementing any recommendation will be dealt with separately between the Parties who are taking the initiative forward.
- 13.5 The development of a shared or joint service will offer many advantages and these include:-
- (a) To improve the quality of service to communities;
 - (b) To improve the resilience of service delivery;
 - (c) To deliver efficiency saving in the procurement, management and delivery of services;
 - (d) To explore opportunities for trading in the medium to long-term;
 - (e) To share best practice;
 - (f) To stabilise or reduce the environmental impact of service provision;
 - (g) To assist with recruitment and retention;
 - (h) To improve value for money;
 - (i) To improve public satisfaction ratings; and
 - (j) To impact and improve on external assessments and measures.
- How these elements will be accounted for in apportioning the costs of any Joint or Shared Services will be considered as part of the final recommendations to each of the Parties involved in delivering the new service.

- 13.6 MKIP will actively seek external funding to progress joint and shared services. This funding would be sought at both the business case development phase and also the implementation phase.
14. Scrutiny Arrangements
- 14.1 Overview and Scrutiny arrangements will be undertaken individually by each of the Parties when the Parties consider the Proposals and Recommendations from the MKIP as part of their decision making processes. However, it is envisaged that joint scrutiny meetings may be considered when appropriate as the Partnership develops. The Lead Director/Project Manager for a particular project would attend meetings as required.
15. Amendments to these Governance Arrangements
- 15.1 These arrangements will be reviewed on an annual basis and may be amended by a unanimous recommendation of the MKIP Board and subsequent agreement by all of the Parties.
16. New Membership and Cessation of Membership
- 16.1 Other councils, or public bodies, may join the Mid-Kent Improvement Partnership provided that the Executive/Council of the joining Council and that of all of the Parties are unanimously in agreement.
- 16.2 Any of the Parties may cease to be a party to these arrangements following a notice of cessation made subsequent to a decision of that authority. A minimum of six months' notice is required for any Party to leave the MKIP.
- 16.3 On any of the Parties ceasing to be a party to these arrangements, these arrangements shall continue unless the remaining Parties unanimously determine that those arrangements shall terminate. The benefits and burdens of such termination shall be agreed between the Parties and in default of such agreement shall be determined in accordance with 17.1.
- 16.4 Termination of these arrangements may occur by agreement of all of the Parties.
17. Dispute Resolution
- 17.1 In the event of one or more of the Authorities being dissatisfied with any aspect of a shared service or element of joint working to the extent that they wish to take or would wish to have another authority take remedial action this will first be discussed by the Heads of Paid Service involved in the relevant Shared Service having consulted with the Chair of the relevant Shared Service Board. Leaders of the Council shall be kept informed of the discussions and any authority may request that the issue be brought to the next MKIP Board meeting for resolution. If agreement on the matter cannot be reached between those parties or at the MKIP Board meeting then if there is one Authority who is not involved in the dispute or an

agreement can be reached on an external (to MKIP) party they will act as an independent mediator to resolve the issue. In the event that agreement cannot be reached having followed those procedures then the arbitration clause below will be followed (see flowchart in Annex F)

17.2 Arbitration

Any dispute between the Parties arising out of these arrangements which has not been resolved in accordance with the MKIP dispute resolution procedure where appropriate may on written notice from any party to the dispute to the other party be referred to a single arbitrator to be agreed between the Parties or where no agreement can be reached and having regard to the nature of the dispute by an arbitrator nominated by the chairman of the Local Government Association and will be carried out in accordance with the provisions of the Arbitration Act 1996 as amended modified and in force for the time being.

18. Claims and Liabilities

18.1 The purpose of these arrangements and any actions taken under them is to assist all of the Parties (or those of the Parties as are engaged in any particular Joint or Shared Service). The Parties therefore have agreed that:-

- (a) all of the costs attributable to the provision of any Shared or Joint Service shall be apportioned between those of the Parties that are engaged in the service and in such proportions as they shall agree (and if not otherwise then in equal shares).
- (b) where one of the Parties takes responsibility for leading on a particular business case and undertakes actions or incurs liabilities in that respect then it shall be entitled to be indemnified by the other Parties for the appropriate proportion of all of its costs and liabilities incurred in good faith.

18.2 Each of the Parties shall at all times take all reasonable steps within its power to minimise and mitigate for any loss for which it is seeking reimbursement from any of the other Parties.

19. Data Protection, Freedom of Information, Information sharing and Confidentiality

19.1 Subject to the specific requirements of this clause, each of the Parties shall comply with its legal requirements under data protection legislation, freedom of information and associated legislation, and the law relating to confidentiality.

19.2 Each Party involved with the development of a business case or delivery of a Shared or Joint Service will ensure compliance with any legislative or legal requirements.

19.3 Each of the Parties shall:-

- (a) treat as confidential all information relating to:
 - (i) the business and operations of the other Parties and/or

- (ii) the business or affairs of any legal or natural person in relation to which or to whom confidential information was held by that Party ('Confidential Information')
 - (b) not to disclose the Confidential Information of any other of the Parties without the owner's prior written consent
- 19.4 Clause 19.3 shall not apply to the extent that:
- (a) such information was in the possession of the Party making the disclosure, without obligation of confidentiality, prior to its disclosure; or
 - (b) such information was obtained from a third party without obligation of confidentiality; or
 - (c) such information was already in the public domain at the time of disclosure otherwise than through a breach of these arrangements; or
 - (d) disclosure is required by law (including under Data Protection Legislation, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004).
- 19.5 Subject to Clause 19.4, the Parties may only disclose confidential information of another of the Parties to staff who need to know by reason of their work. Each of the Parties shall ensure that such staff are aware of, and comply with, these confidentiality obligations and that such information is not used other than for the purposes of MKIP.
- 19.6 If any of the Parties receives a request for information relating to the partnership activity under the Freedom of Information Act 2000 and/or the Environmental Information Regulations 2004 then the other Parties shall (at their own expense) assist and co-operate to enable the request to be dealt with.
- 19.7 If a request for information is received then the Party receiving it shall copy it to the other Parties and consider when making its decisions any views of the other Parties and ensure that the request is dealt with within the statutory period.
- 19.8 Notwithstanding the provisions of 19.6 and 19.7 it shall be the Party receiving the request that is responsible for determining at its absolute discretion how to reply to the request.
20. Press and Public Relations
- 20.1 Publicity in relation to the work of MKIP will be published jointly and agreed with the Chairman of the MKIP Board following discussions with the Parties. Press and public relations will be considered as part of each management board agenda. Any press enquiries will be circulated initially to the Chief Executives in consultation with Leaders for consideration.

21. Exercise of Statutory Authority

21.1 Without prejudice to these arrangements, nothing in these arrangements shall be construed as a fetter or restriction on the exercise by any of the Parties of their statutory functions. The Parties may continue to provide the whole or any part of a service at their own cost notwithstanding that this service is also a Shared Service or a Joint Service.

22. Conduct and Expenses

22.1 Members of each of the Parties will be required to follow their own Member and Officer Code of Conduct at all times and in particular if any individual is speaking on behalf or representing the views of the MKIP.

22.2 Any expenses in relation to the MKIP Board will be met by the individual Parties.

23. Audit

23.1 Internal audit of MKIP will be carried out by the Mid-Kent Audit Service and MKIP audit reports will be presented to the MKIP Board for consideration. Shared service audit arrangements are set out separately below and in shared service collaboration agreements.

24. Complaints

24.1 The Parties will co-operate in relation to complaints made about the Joint or Shared Services and respond to them expeditiously.

25. Business Continuity

25.1 The Parties will ensure that business continuity arrangements are in place, as part of the service plan for any Joint or Shared Service.

SHARED SERVICE GOVERNANCE ARRANGEMENTS

1. Collaboration Agreements

Each shared service shall have an adopted collaboration agreement between the partners in the shared service which will set out the specifics for that service. In order to provide a statement of MKIP's governance intentions and to provide a framework while collaboration agreements are not in place or where they do not set out an aspect of governance the following arrangements shall apply as set out from clause 2 onwards. Where there is a conflict between these arrangements and those set out in the specific collaboration agreements, the collaboration agreement takes precedence.

2. Shared Service Boards

2.1 For each shared service a board shall be appointed to govern the service. The board will have the terms of reference set out in Annex D and the following membership unless otherwise specified:

- One director from each partner (or approved representatives)
- Assurance provided by a lead accountant for shared service as well as other officers for specific assurance needs (legal, performance, audit etc.)

3. Audit

3.1 Each shared service will form part of the Mid-Kent Audit's 3 year audit plan and will be the subject of audit arrangements in each of its partner authorities. Mid-Kent Audit will carry out 1 audit for a shared service that will cover, and be reported to, all partners and to the Shared Service Board for consideration and action as appropriate. Copies of agreed audit responses to limited audit reports will be circulated to the MKIP Board. If a follow-up audit remains limited then this audit report will be presented to the MKIP Board.

4. Performance monitoring

4.1 MKIP will undertake 2 levels of performance monitoring. Shared service level performance and overall level MKIP Performance including finance performance. Shared service performance reports will be produced quarterly to the shared service Board whilst an overall performance report will be presented to the MKIP Board. Should the MKIP Board wish to request further information on the performance of a particular service it can do so. Continuous poor performance (over 3 quarters with majority of performance indicators being missed) will be reported to the MKIP Board by the shared service board as a matter of course.

5. Finances

5.1 Finance monitoring will take place in 2 forms. MKIP finance performance will be measured with actual savings delivered versus predicted savings as well as with individual finance performance indicators relating to a shared service as agreed in the service plan. Additionally the MKIP budget will be monitored and reported to the Board on a quarterly basis.

5.2 Finances will also be considered in all projects including an investment profile, including an investment score for an investment over 5 years. This will be used for

existing services and for potential future services and will produce an overall investment score for MKIP to show the value and return partners receive from the MKIP partnership.

6. Overview and Scrutiny

- 6.1 Each shared service will be subject to the Overview and Scrutiny procedures at its partner authorities and officers will be subject to the Overview and Scrutiny procedure rules of the authorities. Where more than one authority wishes to scrutinise a shared service or aspect of a shared service, every effort will be made to avoid duplication, for example through holding a joint Overview and Scrutiny meeting or sharing Overview and Scrutiny reports.

7. MKIP Work Programme

- 7.1 Once operational each shared service shall remain part of the MKIP Work Programme which will be updated with ongoing shared service improvements and projects.

8. Other

- 8.1 Unless otherwise specified here or in its collaboration agreement a shared service will remain subject to the governance arrangements of any employing authorities in the partnership. This includes external audit or other inspections. The collaboration agreements for each shared service set out the agreements on access to information between partners for a given service, but in the absence of specific terms, a Head of a Shared Service shall make information relating to the running of a shared service available to partners in that shared service on request as though the service were part of the requesting partner's organisation, whether or not this remains the case (for example where the service is wholly being provided by one authority to another) subject to clause 19 in the Mid Kent Improvement Partnership section of the governance arrangements.

TERMS OF REFERENCE OF THE MID KENT IMPROVEMENT PARTNERSHIP BOARD

1. To approve and own the MKIP Programme and provide direction to the MKIP Programme Manager
2. To initiates Shared Service projects and appoint project and shared service boards
3. To sets MKIP objectives and direction
4. To join together strategic plans and form an MKIP strategic plan
5. To take decisions on overarching MKIP issues and policies
6. To take decisions on specific project/service issues outside of the remit of the project and shared service boards
7. To receive Audit reports with limited assurance on follow-up
8. To monitors MKIP Performance and Finance and agree actions to resolve performance and finance issues
9. To review these arrangements from time to time and make recommendations to the Parties for improvement.

**TERMS OF REFERENCE OF THE MID KENT IMPROVEMENT
PARTNERSHIP PROJECT BOARDS**

To be responsible for the delivery of a shared service project as set out by the MKIP Board and in accordance with any project framework adopted by the MKIP Board, including:

1. To identify and appoint appropriate project team members, ensuring that all parties' interests and areas of expertise are adequately covered;
2. To be responsible for any budget provided to the project by the MKIP Board and to report any variance from the budget to the MKIP Board;
3. To report any variations from the tolerances set by the MKIP Board, specifically those that relate to quality, cost and timescales;
4. To provide updates to the MKIP Board at quarterly MKIP Board meetings as a minimum;
5. To ensure that all projects have appropriate levels of project assurance at all times;
6. To raise any project issues with the MKIP Programme Manager in good time
7. To ensure a robust communications plan is in place and to ensure regular liaison with partners and that partners and all stakeholders are informed on project progress at all times; and
8. To ensure the project follows and meets all legal and statutory requirements for example relating to Human Resources processes or changes.

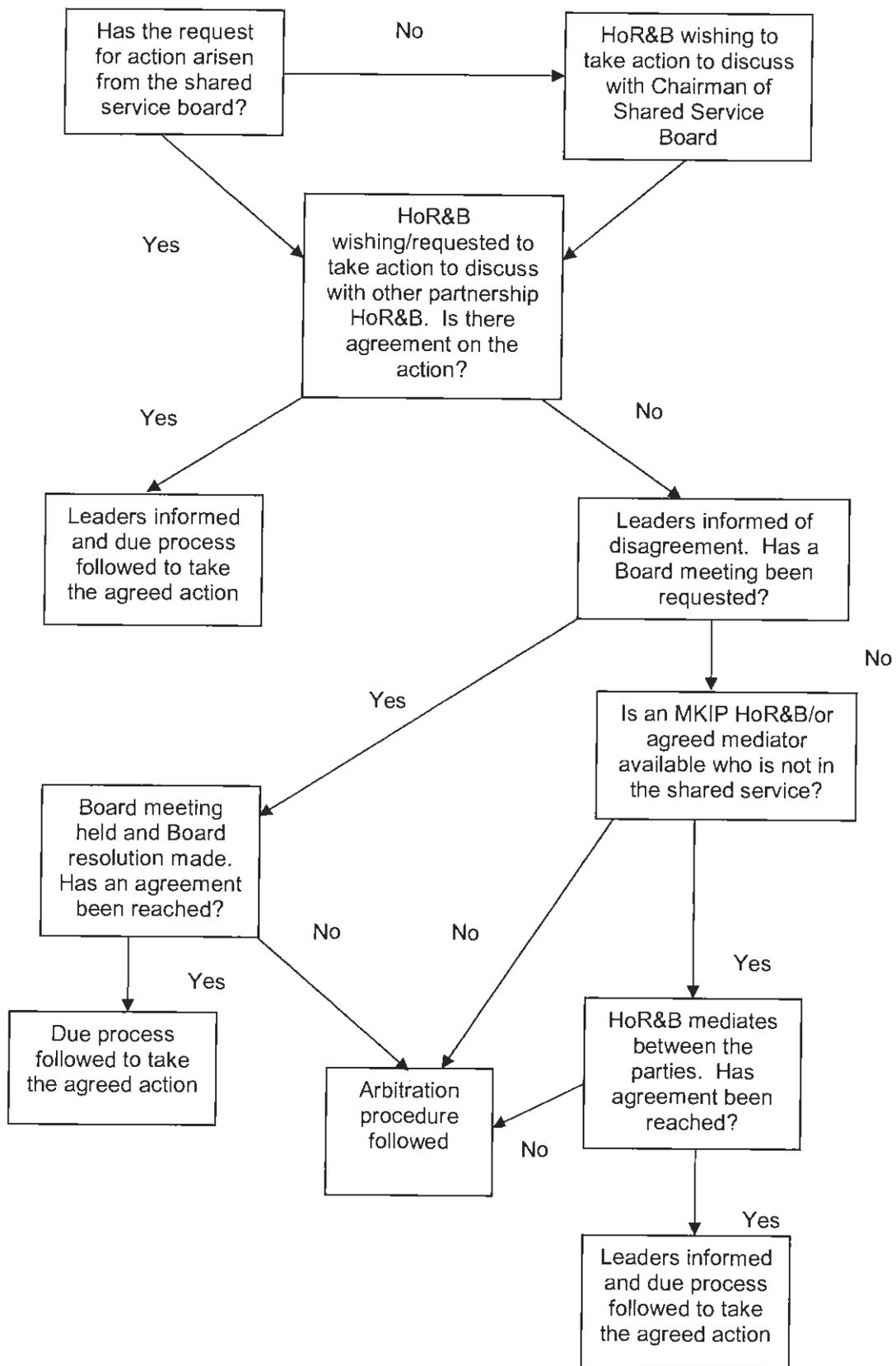
**TERMS OF REFERENCE OF THE MID KENT IMPROVEMENT
PARTNERSHIP SHARED SERVICE BOARDS**

Shared Service Boards will provide the following governance actions:

- a Agree the Service Plan for each Financial Year
- b Advise on the management of and agree variations to the budgets for the shared service including approving items of savings and growth to go forward to each partner authority to form part of their annual budgeting process and consideration in setting their budgets for the service
- c Advise the relevant Head of Paid Service (or nominee) on the appraisals of the Joint Head of Service
- d Receive reports on and consider the finance and performance of the shared service
- e Provide strategic direction as required
- f Provide reports to the MKIP Board when requested, when the Shared Service Board wish to raise a general MKIP issue or when the service underperforms (i.e. fails to meet the majority of targets over 3 quarters) or the Shared Service Board wish to make significant changes to the agreed service plan

Role of the MKIP Programme Manager

1. To create and hold the MKIP programme on behalf of the MKIP Board and as directed by them
2. To manage and deliver the MKIP Programme
3. To liaise with senior officers (including s151 officers, monitoring officers, and Directors) to provide assurance for the MKIP programme
4. To commission internal and external teams to deliver the MKIP work programme
5. To be responsible for MKIP Communications and deliver the MKIP Communications Strategy
6. To manage any MKIP budgets and the receipt of partner contributions
7. To advise and raise any issues with the MKIP Chief Executives and MKIP Board as required
8. To liaise with Shared Service Boards and managers to identify issues and problems impacting on shared services
9. To follow any MKIP Project Management framework adopted by the MKIP Board and to ensure that all MKIP Projects are delivered in accordance with that framework
10. To provide project management assurance as required by MKIP Project Boards
11. To represent the interests of all MKIP Partners equally and to ensure that partnership working is considered in decision making at all three authorities
12. To promote MKIP and increase awareness of the objectives and activities of MKIP at all times



SCHEDULE 9
MKIP FINANCIAL PRINCIPLES

In-year finance arrangements

- i. The business as usual reporting of service budgetary performance which is within agreed budget limits, which occurs via the Shared Service Boards (SSBs).
- ii. Occasions where there is an unmanageable cost pressure and additional resources or virement between services is required.
- iii. Occasions where there is the opportunity to secure income/income has been secured and needs to be distributed.
- iv. End of year position.

Reporting process for Heads of Service/Shared Service Managers (HoS/SSM) to raise financial matters should follow this format:

- HoS/SSM Shared Service Reporting form in the usual way, including the relevant financial performance, on a quarterly basis; the circulation list for reports will be extended to include all s.151 officers (i.e. those who are not members of the various SSBs) who will ensure that any issues relating to financial matters and that need to be brought to the attention of the SSB are identified and communicated.
- Following the SSB, in collaboration with the MKSD and SSB client leads, an agreed summary of financial conclusions requiring action at each individual Authority will be produced by the MKIP Support Officer. The s.151 Officer of the Council impacted will need to be consulted for their views.
- Each s.151 will then undertake necessary discussions surrounding matters arising from the Shared Service Board with their finance teams; and ensure that any decisions required of their Authority or action required by their team is taken to give effect to the conclusions reached by the SSB, or raise and resolve any issue which prevents the conclusions reached by the SSB being progressed.
- The outcomes of these discussions/actions will be reported back to the MKSD/HoS/SSM by the s.151 officers.

Medium Term Financial Planning

This is the procedure whereby financial matters need to be addressed as part of the normal budgetary planning processes. It was agreed that there needs to be a joined up approach by the Mid Kent Authorities in each of the shared services in terms of their budgetary planning assumptions and joined up engagement of the MKSD and HoS. There needs to be a clear process for engagement with the budget planning cycle with agreed timings for reports.

It is agreed that the process for the MKS clients and HoS should follow this format:

- At the end of May/beginning of June, there will be a collective MBC/SBC/TWBC and MKSD meeting whereby authorities will share their strategic planning assumptions and associated budgetary planning assumptions and, through dialogue including the advice of MKSD, identify an initial set of parameters for the future expectations and funding of MK Shared Services. The set of parameters will give an indication of the level of funding available/savings to be expected and will:
 - State the overall position for each Authority and the position for each of the services within MKS, to include both pooled and non-pooled budgets.
 - Set out the medium-term vision (three to four years) and outline the different savings options and their consequences, including the impact on, and process for decision-making at, each Authority.
- The MKSD will then discuss the savings options with the HoS/SSM.
- The MKSD will then present the responses to the savings options to the SSBs.
- The outcomes will be considered and agreed through the decision making mechanisms of each Authority – with the involvement of s.151 officers in the same way as described above for significant in-year budget adjustments.

