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Report to a Meeting of:

SPECIAL COUNCIL MEETINGS

To be Held on:

12th November, 2013

TAUNTON DEANE BOROUGH COUNCIL AND WEST SOMERSET COUNCIL PROPOSED GOVERNANCE ARRANGEMENTS – INTER AUTHORITY AGREEMENT

1. PURPOSE OF REPORT

- 1.1 The report outlines the proposed inter authority agreement setting out the governance arrangements to be put in place in the event of the Taunton Deane Borough and West Somerset Councils agreeing to approve the Business Case for Joint Management and Shared Services.

2 CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 The report proposes governance arrangements for a Joint Management and Shared Services Project to help deliver the ambition of both councils to secure financially sustainable futures whilst maintaining democratic independence.

3. RECOMMENDATIONS

- 3.1 That, subject to both Councils agreeing to approve the Business Case for Joint Management and Shared Services, the Inter Authority Agreement - attached as Appendix A to this report - be adopted by both authorities to provide the governance framework for implementing the joint arrangements between the Taunton Deane Borough and West Somerset Councils.
- 3.2 That, subject to 3.1 above, each Council to nominate its four members to serve on the Joint Partnership Advisory Group with the two Leaders of Council.

4. **RISK ASSESSMENT (IF APPLICABLE)**

Risk Matrix

Description	Likelihood	Impact	Overall
The project does not maintain momentum and focus in the event of the business case being approved	3	5	15
<i>Clear governance arrangements are put in place ensuring close member engagement in driving the project forward into the implementation and delivery stage</i>	2	5	10

The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before the mitigation measures have been actioned and after they have.

5. **BACKGROUND INFORMATION**

- 5.1 As part of the project mandate agreed by the West Somerset and Taunton Deane Borough Councils in early 2013 it was agreed to establish a Joint Members Advisory Panel (JMAP) consisting of four members from each council to ensure close democratic involvement in the project development.
- 5.2 The Business Case for shared Management and Services is predicated on the two councils remaining as separate entities and retaining their existing democratic structures and processes. Nevertheless experience from elsewhere demonstrates that clear governance is vital to maintain the momentum, focus and commitment to delivering the improvements sought by the councils involved. The recent Local Partnerships Assurance Review stated that the establishment of a joint member vehicle to oversee the implementation phase is 'sound and follows good practice elsewhere'.
- 5.3 The Business Case therefore makes reference to governance in Section 17 and this paper sets out detailed proposals to take this aspect of the project forward.
- 5.4 If the Business Case is approved, it will represent a significant step forward in the joint working relationship between the two councils and it is recommended that this is reflected by the adoption of an Inter Authority Agreement that will be the overarching document that enshrines the principles under which the joint arrangements will operate for the councils going forward. A draft of the document that is submitted to the councils for discussion and adoption is attached at Appendix A to this report.
- 5.5 The document makes reference to the legal basis for any joint arrangements including the Section 113 Agreement relating to the sharing of a Chief Executive. It sets out the context for the joint arrangements including the key principles that will underpin implementation and delivery of the joint arrangements between the two councils – set out in section 3 of the document.
- 5.6 The key element in terms of on-going member engagement is covered in section 4 relating to governance. In recognition of the vital role that JMAP has provided to date it is proposed that a Joint Partnership Advisory Group (JPAG) be established to supplement to the existing democratic structures. Its main roles would be to:-
- Oversee the delivery of the approved Business Case ensuring that all members of both councils are kept informed of progress;
 - Make comments on detailed business cases for joint services and/or proposals for the involvement of other councils in the shared joint arrangements; and

- Attempt to resolve any issues/concerns raised by either council or in respect of the joint arrangements.

- 5.7 The appendix to the draft agreement sets out the proposed responsibilities for the proposed JPAG in more detail.
- 5.8 As suggested by the name, the JPAG is 'advisory' and so is a non decision making body which would report to both councils ensuring that the wider membership of the councils retain ultimate decision making power. The diagram on page 37 of the Business Case makes it clear that the JPAG is additional to the existing democratic processes and does not, for example, replace the respective roles of the current Scrutiny Committees. Whilst one of the key actions of the group would be to broker resolutions to any issues/concerns that may arise from the implementation of the joint arrangements, if the process operates effectively then the group should be key to ironing out any potential difficulties at an early stage. In essence the group would act as an early 'sounding board' to provide a member perspective and be able to cover both potential cross party and cross boundary issues and, if necessary, help to broker solutions should there be any disagreements between the parties.
- 5.9 One of the strengths of the existing JMAP process is the ability to discuss issues frankly in private and the proposal as drafted will enable this level of discretion to be maintained. Nevertheless, any key notes and comments/suggestions emerging from the JPAG would be made available to all members of both authorities to ensure transparency internally. If adopted the Agreement would be a 'living document' and could be amended/adapted in the future should both authorities agree to, for example, establish a more formal 'joint committee' process.
- 5.10 For the implementation phase to be successfully delivered it is considered essential that the two Leaders are central to the process and so it proposed that the composition of the group should specify that both Leaders should be core members of the JPAG plus four additional members from each council to be appointed annually. This then provides each council with the freedom to appoint its representatives on the basis that it wishes without it necessarily needing to be politically proportional. The intention is that the venue for meetings of the JPAG will alternate between the authorities' offices with the Leader of the host authority chairing each meeting (if the host Leader cannot attend then the Leader will appoint one of the host members of the JPAG to Chair the meeting in his/her absence).
- 5.11 JPAG meetings will be considered quorate if at least three elected members from each authority are present including at least one of the two Leaders, with substitutes being permitted by clear prior arrangement.
- 5.12 The Scrutiny and Corporate Scrutiny Committees of the two Councils considered these draft proposals at their respective meetings on 24th October, 2013.
- 5.13 At the Taunton Deane Corporate Scrutiny Committee one specific amendment was suggested to the effect of deleting the words 'politically and' from the final line of 3.2.5 so that the key requirement of any proposal was to be economically viable and this change has been provisionally included in Appendix A. Overall the Committee welcomed the clarity and brevity of the document.
- 5.14 The West Somerset Scrutiny Committee suggested the insertion of the word 'proposed' before 'transformation' in 2.1 to reflect that there were no specific proposals in regard to the transformation of services phase at present and this amendment has been provisionally incorporated in Appendix A. The Committee also asked that the wording of Clause 13 relating to Insurance was checked to ensure that it applied to the situation where eventually all staff would be employed by one of the authorities and so the latest draft has the word 'each' deleted from the first sentence to clarify that the respective 'authorities' will provide

the necessary insurance cover as and when it is appropriate. The Committee welcomed the establishment of the proposed JPAG in principle, were happy that the membership should be left to the politicians of each authority to establish and requested that all elected members be kept fully informed of progress which is listed as one of the key objectives of the Group in Appendix One of the Inter Authority Agreement.

- 5.15 During the debate at the West Somerset Scrutiny Committee, there was a request for clarity on when matters would be referred back to the two councils on the partnership working going forward. In essence, if the Business Case is agreed, then the two Councils have sanctioned the necessary actions being undertaken to deliver the savings set out in the Business Case to implement the Joint Management and Shared Workforce phases of the project without any further reference back. The JPAG process will ensure that such actions are undertaken in accordance with the Business Case and report back on progress. It is at the transformation of services phase of the project where both Councils will have further decisions to take following referrals from the JPAG before the implementation of any detailed proposals to transform particular services.
- 5.16 The respective Councils are requested to consider adopting the Inter Authority Agreement as set out in Appendix A with or without amendments and, if so, to also appoint its four members to represent their Authority on the JPAG together with the two Leaders. To proceed on this basis, both Councils will need to agree these proposals and the outcome of the West Somerset Council debate on this item can be reported orally at the Taunton Deane meeting. In the event of any significant deviation between the two Councils on this matter, then it is suggested that the Monitoring Officers prepare a further paper for consideration by the two Councils via the existing JMAP process.

6. FINANCIAL/RESOURCE IMPLICATIONS

- 6.1 None in respect of this report.

7. SECTION 151 OFFICER COMMENTS

- 7.1 The proposal to have clear and transparent governance arrangements for the implementation and delivery phase of the Business Case, should it be approved, is to be welcomed.

8. EQUALITY & DIVERSITY IMPLICATIONS

Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.

The three aims the authority **must** have due regard for:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

9. CRIME AND DISORDER IMPLICATIONS

- 9.1 None in respect of this report.

10. CONSULTATION IMPLICATIONS

- 10.1 The Project Board, Joint Members Advisory Panel and Joint Unison Branch Meetings were all consulted and briefed on the proposal. The Scrutiny and Corporate Scrutiny Committees

of both Councils considered these proposals at their meetings held on 24th October, 2013 and the views expressed have been taken into account when finalising this report.

11. ASSET MANAGEMENT IMPLICATIONS

11.1 None in respect of this report.

12. ENVIRONMENTAL IMPACT IMPLICATIONS

12.1 None in respect of this report.

13. LEGAL IMPLICATIONS

13.1 The legal basis for the proposed inter authority agreement is set out in the draft Agreement.

APPENDIX A

Version 9 28/10/13

DRAFT

INTER AUTHORITY AGREEMENT

Between

- (1) **TAUNTON DEANE BOROUGH COUNCIL** of The Deane House, Belvedere Road, Taunton, TA1 1HE ("Taunton Deane")
- (2) **WEST SOMERSET COUNCIL** of West Somerset House, Killick Way, Williton, Taunton, TA4 4QA ("West Somerset")

together called "the Authorities"

BACKGROUND

- (A) The Taunton Deane and West Somerset Councils have agreed to establish Joint Arrangements to work together to share a Joint Chief Executive and a Joint Senior Team and then to examine the opportunities for further savings by the joining together of services, assets, officer posts and officer teams .
- (B) The Taunton Deane and West Somerset Councils agreed on the 23rd July 2013 to share a Joint Chief Executive as set out in the Agreement dated 23rd September 2013. .
- (C) The parties have agreed a joint Statement of Intent, a set of aims and a set of general principles and values to underpin the implementation of the Joint Arrangements under this Inter Authority Agreement ("the Agreement").
- (D) The legal basis for the Inter Authority Agreement is
 - a. Section 101 of the Local Government Act 1972 (Arrangements for the discharge of functions by a local authority);
 - b. Section 102 of the Local Government Act 1972 (Appointment of Committees);
 - c. Section 112 of the Local Government Act 1972 (duty to appoint officers);
 - d. Section 113 of the Local Government Act 1972 which enables each Authority to place staff at the disposal of another Authority;
 - e. Section 3 of the Local Government Act 1999 (duty to secure best value);
 - f. Section 2 of the Local Government Act 2000 and The Local Authorities (Arrangements for the Discharge of functions) (England) Regulations 2000/2851 (joint arrangements for the exercise of executive functions).
 - g. and all other enabling powers.

IT IS AGREED AS FOLLOWS

1 DEFINITIONS AND INTERPRETATION

- 1.1 In the Agreement the following words and phrases shall have the following meanings:

“Agreed Costs Split” has the meaning set out at Clause 8.1.

“Authority” means Taunton Deane, or West Somerset and “Authorities” means Taunton Deane, and West Somerset ;

“Business Case” means the business case approved by the Authorities on the 12th November 2013

“Confidential Information” has the meaning set out at Clause 10.2;

“Conflict of Interest” means a significant conflict of interest between the Authorities which is of such a nature or scale that it is not tenable for the Joint Chief Executive to continue to advise and support both parties in dealing with the issue;

“Exit Strategy” means a strategy and details to facilitate an exit from this Agreement and an end to some or all Joint Arrangements;

“Joint Arrangements” means the arrangements for joint working set out in Background paragraph (A) and (D) of this Agreement;

“Joint Chief Executive” means the post established as the senior officer and Head of Paid Service for Taunton Deane and West Somerset;

“Joint Partnership Advisory Group” (“JPAG”) means the Joint Partnership Advisory Group established by the Authorities as set out in clause 4.1 and Appendix One.

“Joint Decision” has the meaning set out at Appendix One;

“Joint Posts” means the Joint Chief Executive and the Joint Senior Management Team;

“Joint Senior Team” means the officer posts to be established as the senior management team for Taunton Deane and West Somerset;

“Joint Service Proposal” means a proposal put forward by the Authorities to share a service with each other and/or with other authorities.

“Loss” means any loss and liability directly suffered by the Authorities together or by either Authority arising as a result of the Joint Arrangement with any damage, expense, liability or costs reasonably incurred in contesting any claim to liability and quantifying such loss and liability;

“Member Working Group” (“MWG”) means an advisory working group created by the Joint Partnership Advisory Group to carry out certain responsibilities as set out in clause 4.2;

“Monitoring Officer” means the officer(s) designated by the Authorities as their monitoring officer pursuant to section 5 of the Local Government and Housing Act 1989

“New Arrangement” has the meaning set out at Clause 2.3;

“Personal Data” has the meaning set out at Clause 11.3

“Receiving Party” has the meaning set out at Clause 10.2

“Section 151 Officer” means the officer(s) having responsibility, for the purposes of section 151 of the Local Government Act 1972, for the administration of an Authority's financial affairs;

“Shared Service” means a service provided for Taunton Deane, and West Somerset by a single team of officers employed by one of the Authorities;

“Start Date” has the meaning set out at clause 5.1

“Statement of Intent” means the commitment between the Authorities to work closely together to establish Joint Arrangements across both Authorities.

“Working Day” means any day on which the Authorities’ offices are normally open for business

- 1.2 Words importing the singular number shall include the plural and vice versa.
- 1.3 Titles and headings to clauses are for convenience only and shall not affect the construction or interpretation of the Agreement.
- 1.4 Notwithstanding any breach of this Agreement by any Authority, and without prejudice to any other rights which the other Authority may have in relation to it, the other Authority may elect to continue to treat this Agreement as being in full force and effect and to enforce its or their rights under this Agreement. The failure of either Authority to exercise any right under this Agreement, including any right to terminate this Agreement and any right to claim damages, shall not be deemed a waiver of such right for any continuing or subsequent breach.

2 SCOPE OF JOINT ARRANGEMENTS

- 2.1 Establishment of a Joint Senior Team, a shared workforce and the proposed transformation of services to provide joint service arrangements for the two councils.
- 2.2 The Joint Partnership Advisory Group shall be responsible for the monitoring of the implementation of the joint arrangements with the Business Case.
- 2.3 There shall be no restriction on the Authorities continuing, or entering, new shared services or outsourcing arrangements with any other Authority, public body or private sector provider (“a New Arrangement”) subject to 2.4 and 2.5 below.
- 2.4 If either of the Authorities is considering entering into a New Arrangement which is of sufficient scale and significance to affect potential future options for Joint Arrangements, that Authority shall notify the other Authority in writing about the new Arrangements sufficiently in advance of its proposed implementation to enable it to be discussed at the JPAG.
- 2.5 The JPAG shall consider the proposal for a New Arrangement as soon as practical following the notification in order to review whether there are different or revised options which the Authorities could take forward which would better achieve the overall aims of the Joint Arrangements

3 PRINCIPLES

- 3.1 The Authorities will work together to seek to achieve the vision of the Statement of Intent which is that the Authorities intend, under the management of the Joint Chief Executive, to identify and establish Joint Arrangements in a number of areas and a shared approach to the delivery of certain agreed services.
- 3.2 The following key principles will underpin the operation of this Agreement:
- 3.2.1 the sovereignty and identity of all Authorities will be preserved
 - 3.2.2 councillor independence and leadership in all Authorities will be retained
 - 3.2.3 all Authorities will retain clear accountability to the councillors and residents of each Authority with no detriment to the local taxpayers of either Authority in the delivery of the Joint Arrangements
 - 3.2.4 no one Authority will take an overall lead – all Authorities are of equal status and have equality of influence in the Joint Arrangements (although the Authorities recognise that there may be a requirement for one Authority to take a role as “employing Authority” or “contracting Authority” to facilitate the delivery of the Joint Arrangements)
 - 3.2.5 services and assets will be considered for sharing where there is a robust Business Case for doing so and where the proposed shared arrangements are economically viable
 - 3.2.6 accountability for services delivered through the Joint Arrangements remains with the Authority with whom the statutory responsibility lies.
- 3.3 The Authorities will work together to develop and implement the Business Case under which the following aims of the Statement of Intent will be delivered:
- 3.3.1 to save money for local taxpayers
 - 3.3.2 to improve service resilience
- 3.4 The Authorities will work together in accordance with the following general values underlying this Agreement:
- 3.4.1 acting reasonably and in good faith at all times
 - 3.4.2 providing information to each other as and when required to achieve the aims of the Joint Arrangements
 - 3.4.3 identifying issues and problems early and working constructively to achieve solutions
 - 3.4.4 actively seeking to resolve any political difficulties

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- 3.4.5 actively co-operating to ensure the smooth running of the Joint Arrangements, for example, in payment of inter Authority invoices and recharges
 - 3.4.6 keeping all councillors, residents, staff and other stakeholders informed about the arrangements
- 3.5 The Authorities recognise that the commitment to the Joint Arrangements is long term and that the development of shared services will take place in an incremental way as outlined in the Business Case .

4 GOVERNANCE

4.1 The Joint Partnership Advisory Group

- 4.1.1 The Authorities have established the Joint Partnership Advisory Group ("JPAG") and the terms of reference of the JPAG are set out in Appendix One of this Agreement.
- 4.1.2 The JPAG shall be responsible for overseeing and driving forward the Joint Arrangements and associated transformation of the services.
- 4.1.3 The primary functions of the JPAG are as follows:
 - 4.1.3.1 to hear and resolve any disputes which have not already been resolved by the Joint Chief Executive;
 - 4.1.3.2 oversee and monitor the progress and achievement of the Joint Arrangements;
 - 4.1.3.3 make any necessary comments on joint policy work to each Authority;
 - 4.1.3.4 receive reports from the Joint Chief Executive and Joint Senior Management Team on the implementation of the Business Case ; and
 - 4.1.3.5 review the Business Cases for Joint Service Proposals.
- 4.1.4 The JPAG shall meet a minimum of 4 times per year unless otherwise unanimously agreed.
- 4.1.5 The Authorities may amend the terms of reference of the JPAG from time to time as the Agreement develops. Any such amendment shall be agreed in writing by each Authority, taking into account any comments from the JPAG and could include the establishment of a Joint Committee in accordance with the provisions of Section 102 of the Local Government Act, 1972.

4.2 Member Working Groups

- 4.2.1 The JPAG may from time to time create time limited task and finish groups of Members from each Authority ("Member Working Groups") to advise the JPAG on specific issues. The JPAG shall determine the

membership of each Member Working Group and the terms on which each Member Working Group carries out its responsibilities.

- 4.2.2 The arrangements for the proposed Member Working Groups are set out in Appendix Two of this Agreement.

5 TERM

- 5.1 This Agreement shall commence on 13th November 2013 ("the Start Date") and shall continue until terminated by either Authority in accordance with the provisions of Clause 16 of this Agreement or by mutual consent.
- 5.2 The Authorities confirm their commitment to the long term nature of the Joint Arrangements and recognise that withdrawal by one Authority will therefore create significant implications for service delivery and for staff.

6 REVIEW AND EXPANSION OF JOINT ARRANGEMENTS

- 6.1 The Authorities shall keep the terms of this Agreement and the operation of the Joint Arrangements under review and the JPAG shall receive an annual report on the progress and performance of the Joint Arrangements no later than 1st October in each calendar year.
- 6.2 The Authorities will consider requests from other local authorities to join the Joint Arrangements.
- 6.3 Any local authorities wishing to join the Joint Arrangements shall submit a proposal to the JPAG. The JPAG shall consider the request and shall make comments to the Authorities as to whether, and if so on what terms, the request should be considered.

7 STAFFING ARRANGEMENTS

- 7.1 The authorities shall consider and agree arrangements for the purposes of carrying out the Joint Arrangements relating to staffing and employment arrangements including:
- 7.1.1 the transfer of employment of any officer;
 - 7.1.2 the making available to the Authorities of any officer employed by another Authority;
 - 7.1.3 the terms and conditions of any officer involved in the Joint Arrangements;
 - 7.1.4 the creation or dissolution of any posts;
 - 7.1.5 arrangements for the creation of, recruitment to and employment of the Joint Posts
- 7.2 The Authorities shall apply the following principles to such Joint Arrangements:

- 7.2.1 Each Authority will comply with all relevant employment legislation and requirements in considering and consulting on potential shared services;
- 7.2.2 The Authorities will comply with all relevant HR policies and protocols and constitutional delegations when implementing staffing arrangements of the Joint Arrangements.

8 COST OF JOINT ARRANGEMENTS AND SAVINGS

- 8.1 The Cost of the Joint Arrangements will be shared as set out in the agreed Business Case.

9 INTELLECTUAL PROPERTY

- 9.1 All intellectual property and material created by or on behalf of any Joint Arrangements shall be owned jointly by the Authorities and shall be available equally to each Authority subject to any terms with third parties under which the intellectual property and material was commissioned. The Authorities shall use their best endeavours to reflect the intention of the Authorities to jointly own these items in any terms used when commissioning third party work on the Joint Arrangements.
- 9.2 Each Authority warrants that any intellectual property created by its officers for the purposes of the Joint Arrangements will not infringe any third party's intellectual property rights.
- 9.3 Each Authority shall indemnify the other Authority against any Loss arising out of any dispute or proceedings brought by a third party alleging infringement of its intellectual property rights by use of the first Authority's intellectual property for the purpose of the Joint Arrangements.
- 9.4 Each Authority hereby authorises the other Authority to use its logo on documents and signage relating to the Joint Arrangements for such period as this Agreement remains in force save that this provision shall not apply after an Authority has withdrawn from this Agreement.

10 CONFIDENTIAL INFORMATION AND PUBLICITY

- 10.1 The Authorities shall at all times use their reasonable endeavours to keep confidential (and to procure that their respective employees agents consultants and sub-contractors shall keep confidential) all Confidential Information concerning the Joint Arrangements or the business and affairs of the other Authority which may now or at any time be in its possession and shall not disclose it except with the consent of the other Authority, such consent not to be unreasonably withheld.
- 10.2 For the purpose of this Agreement "Confidential Information" means any information imparted to any Authority or their employees agents consultants or sub-contractors ("the Receiving Party") which was imparted to the Receiving Party on the basis that it is to be kept confidential or would by its nature normally be regarded as being confidential or which to the knowledge of the Receiving Party was obtained by the other Authority on the basis that it was to be kept

confidential or is of commercial value in relation to the Joint Arrangements but shall not include any information which is for the time being in the public domain otherwise than by reason of its wrongful disclosure by the Receiving Party.

- 10.3 This Clause 10 shall continue without limit of time and shall survive the termination of this Agreement.
- 10.4 This Clause 10 shall not prevent the disclosure of any Confidential Information relating to the Joint Arrangements which is reasonably disclosed for the furtherance of the Joint Arrangements or the promotion of the Joint Arrangements; provided that the Authority or person disclosing the information takes all steps that are commercially practicable to preserve the confidentiality of the information and shall not prevent the disclosure of any Confidential Information where required by law.
- 10.5 No Authority shall issue any media release publicity concerning or affecting the Joint Arrangements unless previously agreed with the other Authority.
- 10.6 Any formal statements or communications to staff and/or members concerning the Joint Arrangements shall be agreed between the Authorities in advance.

11 COMPLIANCE WITH LAWS

- 11.1 The Authorities shall at all times comply with all laws including but not limited to the Data Protection Act 1998 and will, where appropriate maintain a valid and up to date registration or notification under such Laws.
- 11.2 Each Authority shall indemnify and keep indemnified the other Authority against all Losses, claims, damages, liabilities, costs and expense (including reasonable legal costs) incurred by the other Authority in respect of any breach of this Clause 11 by the Authority and/or any act or omission of any sub-contractor.
- 11.3 Each Authority shall grant to the other Authority the right of reasonable access to all records of Personal Data relevant to the Joint Arrangement, as defined and as permitted in the Data Protection Act 1998, and shall provide reasonable assistance at all times during the currency of this Agreement to ensure the quality and security of Data collected.

12 FREEDOM OF INFORMATION

- 12.1 Each Authority acknowledges that the other Authority is subject to the requirements of the Freedom of Information Act 2000 and the Environmental Information Regulations 2004 and each Authority shall, where reasonable, assist and co-operate with the other Authority (at its own expense) to enable the other Authority to comply with these information disclosure obligations.
- 12.2 Where an Authority receives a request for information under either the Freedom of Information Act 2000 ("FOIA") or the Environmental Information Regulations 2004 ("EIR") in relation to information which it is holding on behalf of the other Authority in relation to the Joint Arrangements, it shall:
 - 12.2.1 transfer the request for information to the other Authority as soon as practicable after receipt and in any event within two Working Days of receiving a request for information;

12.2.2 provide the other Authority with a copy of all information in its possession or power in the form that the Authority requires within ten Working Days (or such longer period as the Authority may specify) of the Authority requesting that information; and

12.2.3 provide all necessary assistance as reasonably requested by the other Authority to enable that Authority to respond to a request for information within the time for compliance set out in the FOIA or the EIR.

12.3 Where an Authority receives a request under FOIA or EIR which relates to the Joint Arrangements, it shall notify the other Authority and afford it an opportunity to make any comments or representations in respect of the disclosure of the information sought. The other Authority shall respond within five Working Days of receipt of this notification. The Authority responding to the request shall take into account any such comments or representations in so doing and shall not respond to the request until the 5 day response period referred to above has passed.

13 INSURANCE

The Authorities will ~~take out and maintain in full force with a reputable insurance company adequate employee liability insurance cover in respect of officers employed by the Authority and those seconded to it in accordance with this Agreement.~~

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14 CONFLICTS

14.1 If any situation arises where there is a potential or actual conflict of interest or a perceived conflict of interest between TDBC and WSC, the Joint Chief Executive shall:

14.1.1 Draw such conflict to the notice of the monitoring officer(s) of the Authorities;

14.1.2 Remove himself/herself from all aspects of the decision-making process in relation to the situation;

14.1.3 Nominate a senior officer or officers in the Authorities or from the Joint Senior Team to deal with the issue on behalf of the Authorities;

14.1.4 Provide the nominated senior officer(s) with such resources as they require to ensure that the interests of each Authority are appropriately represented including taking independent professional advice or seeking independent third party support if appropriate.

14.2 The Authorities shall ensure that procedures and safeguards are in place to identify such conflicts at an early stage.

14.3 The Authorities shall keep a written record of any such conflicts which have been identified and how such conflicts have been resolved.

15 DISPUTE RESOLUTION

- 15.1 If the Authorities are unable to agree a matter arising under the terms of this Agreement or any other concerns arising over any aspect of the Joint Arrangements, the Authorities shall adopt the following procedure in respect of each matter:
- 15.1.1 the matter shall be referred to the Joint Chief Executive for discussion and resolution.
 - 15.1.2 If the matter remains unresolved, it shall be referred to the JPAG for discussion and resolution.
 - 15.1.3 In the event that a matter in dispute cannot be resolved under 15.1.1 or 15.1.2 above the matter may be referred to an arbitrator under clause 15.1.4
 - 15.1.4 The arbitrator shall be appointed with the agreement of the Authorities or in the event that agreement cannot be reached by the president or other chief officer of The Chartered Institute of Arbitrators or such other professional body appropriate to the matter in dispute.
 - 15.1.5 If the matter still remains unresolved, the Joint Arrangements shall come to an end by mutual consent and this Agreement will terminate in accordance with clause 16.

16 WITHDRAWAL, TERMINATION AND EXIT STRATEGY

- 16.1 If any Authority wishes to consider withdrawal from the Joint Arrangements in whole or in part, it shall first raise the matter with the JPAG for discussion.
- 16.2 If any Authority then wishes to continue with withdrawal from the Joint Arrangements in whole or in part, it shall give at least one year's notice of such withdrawal in writing to the other Authority and to the JPAG, such notice to expire on 31st May in any year. (For the avoidance of doubt this means that the earliest date an Authority is able to give one year's notice of withdrawal shall be 31st May 2014 and the earliest date any such notice shall take effect is 31st May 2015).
- 16.3 On withdrawal of one Authority from the Agreement, that Authority shall be liable to pay to the other Authority a sum to recompense them for the costs it will incur consequent on cessation of the Joint Arrangements. Such costs shall not exceed the estimated annual cost to the withdrawing Authority of their share of the Joint Arrangements.
- 16.4 Upon termination of this Agreement whether by mutual consent or withdrawal of one Authority in accordance with clause 16.22 or otherwise the Authorities shall agree an Exit Strategy to include determination of issues relating to:
- 16.4.1 employment and redundancy;
 - 16.4.2 asset management;
 - 16.4.3 IT;
 - 16.4.4 documents and information compiled or acquired by the parties during the Term of the Agreement.

16.5 If the Authorities are unable to agree an Exit Strategy the Authorities shall agree to appoint an independent arbitrator who shall prepare an Exit Strategy on behalf of the Authorities and which the Authorities shall implement.

16.6 The Authorities agree that the key principles in the preparation and implementation of any Exit Strategy shall be continuity of service delivery and fair treatment of staff.

17 VARIATION AND WAIVER

The Inter Authority Agreement may be varied at any time by the written agreement of the Authorities.

18 THIRD PARTIES

It is agreed for the purposes of the Contract (Rights of Third Parties) Act 1999 that this Agreement is not intended to and does not give to any person who is not a party to this Agreement any rights to enforce any provisions contained in this Agreement.

19 GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the law of England and Wales.

IN WITNESS hereof the parties hereto have executed this Agreement as a Deed the day and year first written

The Common Seal of **Taunton Deane Borough Council**
was affixed hereto in the presence of

The Common Seal of **West Somerset Council**
was affixed hereto in the presence of

APPENDIX ONE

Joint Partnership Advisory Group “JPAG”

MEMBERSHIP AND ADMINISTRATION

- The JPAG is a non decision making body whose membership is drawn from the Authorities, comprising ten (10) members, including the Leader from each Authority and four other members to be appointed annually by each council.
- The venue for meetings of the JPAG will alternate between the Authorities’ offices and the Leader of the host Authority will chair each meeting; if the host leader cannot attend then that leader will appoint one of the host members of the JPAG to chair the meeting in his/her absence.
- The JPAG meetings will be considered quorate if at least three elected members from each Authority are present including at least one of the two leaders; substitutes will be permitted by clear prior arrangement.

RESPONSIBILITIES

The specific responsibilities of the JPAG are

- To review frequently (and at least on an annual basis as required by this Agreement) the operation of the Inter Authority Agreement between the Authorities and the overall delivery of the Joint Arrangements by the Authorities;
- To oversee the implementation of the approved business case for the provision of shared services between the Authorities;
- To note, and if necessary, make comments to each Authority in respect of Business cases setting out the detail of a Joint Service Proposal ;
- To make comments to each Authority in respect of Joint Decisions and on the overall way forward for the Joint Arrangements;
- To consider and address by brokering between the parties any concerns about the Inter Authority Agreement or about the Joint Arrangements in general raised by each Authority;
- To ensure that members of each Authority are regularly updated on the operation and progress of the Joint Arrangements including arranging for all members of both authorities to be kept informed of the nature of discussions at JPAG meetings.
- To consider any new arrangements as appropriate under clause 2.4 and 2.5.

OBJECTIVES

The prime purpose of the JPAG is to drive forward and oversee the Joint Arrangements between Taunton Deane, and West Somerset. To achieve this overall aim, the JPAG shall (as part of its responsibilities):

- Oversee the delivery of the approved business case for the joint management and shared services to serve the districts of Taunton Deane and West Somerset and present conclusions and comments to the Authorities both initially and on an ongoing basis.
- Understand the benefits gained and lessons learned from other similar successful and also failed attempts to integrate District Councils and present the findings to the Authorities.
- Detail the risks, dependencies and resource and policy implications to the Authorities of taking this step and suggest any mitigating actions.
- Propose a communications plan to inform elected members, staff and managers in the Authorities, the media and (where and when appropriate) to residents in the relevant Districts.
- Subsequently, consider the next stages of delivering efficiencies through service integration, make any necessary suggestions on the future governance of that process and if requested identify suitable services and a timetable for integration and report accordingly.

APPENDIX TWO

Member Working Groups (“MWGs”)

- The Joint Partnership Advisory Group (“JPAG”) may create and disband specific Member Working Groups (“MWGs”) to advise the JPAG on specific issues.
- The JPAG shall decide the terms on which each of the MWGs are created and disbanded.
- The MWGs will operate as task and finish groups with a clear set of terms of reference and a target date for reporting to the JPAG and disbandment.
- Each MWG shall consist of the same number of members from each Authority.
- The MWGs shall not have decision making powers. Each MWG shall report to the JPAG with clear comments/suggestions which the JPAG shall consider and deliberate on, or shall refer to each Authority for consideration.
- Each MWG has no power to commit any of the Authorities financially but may be allocated a budget to facilitate efficient and timely working.
- Each MWG must update the JPAG after every MWG meeting and at other times as required.
- The venue for meetings of the MWGs will alternate between the Authorities’ offices and will be chaired by a member of the host authority as agreed by the MWG.