

**THIS AGREEMENT** is made on the 1st day of July 2012

**BETWEEN**

**NORTH LINCOLNSHIRE COUNCIL** of Civic Centre, Ashby Road, Scunthorpe, North Lincolnshire, DN16 1AB ( "**NLC**" ); and

**NORTH EAST LINCOLNSHIRE BOROUGH COUNCIL** of Municipal Offices Town Hall Square Grimsby DN31 1HU North East Lincolnshire ( "**NELC**" )

Hereinafter referred to collectively as "the Councils"

**BACKGROUND**

- (A) The Councils have agreed to work together to initially promote and develop jointly Local Taxation and Benefits Services to both Councils.
- (B) The Councils have agreed to establish a joint Local Taxation and Benefits Management Board ("the Board") to oversee their work and to make recommendations to the responsible decision makers as to the development of a joint approach to enable this objective.
- (C) The Councils have agreed to develop the joint approach through a Programme of joint projects between them.
- (D) The Councils enter into this Agreement to give effect to these objectives and those set out below in the Agreement in good faith and intend to rely upon its terms.

**IT IS AGREED AS FOLLOWS:**

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 In this Agreement (including in the Background and the Schedules) the following words and expressions shall, unless the context otherwise requires, have the following meanings:

<b>"Agreed Benefits"</b>	has the meaning given to it within the Finance Agreement;
<b>"Agreed Costs"</b>	has the meaning given to it within the Finance Agreement;
<b>"Aims and Objectives"</b>	the principles underpinning this Agreement between the Councils in order to progress the Programme which are set out at the Schedule 1 to this Agreement;
<b>"Board"</b>	the Local Taxation and Benefits Management Board established by the Councils, the terms of reference of which are set out in Schedule 2 to this Agreement;
<b>"Breakage Costs"</b>	foreseeable losses by either Council that have been or will be reasonably and properly incurred as a direct result of the termination of this Agreement provided that reasonable endeavours have been made to mitigate such losses and

they are incurred in connection with the Project and in respect of the provision of the Services or that are the result of any other obligation vested under this Agreement;

<b>“Commencement Date”</b>	the date of this Agreement;
<b>“Confidential Information”</b>	such information as is set out in Schedule 6 to this Agreement and all information of whatever nature identified by one Council to the other in writing as being Confidential Information;
<b>“Councils”</b>	North Lincolnshire Council and North East Lincolnshire Borough Council acting together;
<b>“DPA”</b>	the Data Protection Act 1998 and all amending or succeeding legislation including but not limited to statutory instruments, and any guidance or Code of Practice issued from time to time by the Commissioner for Information;
<b>“Finance Agreement”</b>	the agreement containing the financial principles applying to the Pooled Services;
<b>“Force Majeure”</b>	any event or occurrence which is outside the reasonable control of the council concerned and which is not attributable to any act or failure to take preventative action by that council, including fire; flood; violent storm; pestilence; explosion; malicious damage; armed conflict; acts of terrorism; nuclear, biological or chemical warfare; or any other disaster, natural or man-made, but excluding any industrial action occurring within either Council's organisation;
<b>“Head of Service”</b>	the person appointed by each Council to oversee the delivery of the Programme and exercise the functions assigned under this Agreement;
<b>“Initial Contract Period”</b>	the period from the Commencement Date to the date of expiry set out in clause 2.6, or such earlier date of termination of this Agreement in accordance with the law or the provisions of this Agreement;
<b>“Pooled Services”</b>	those Services that the Councils have agreed to supply to each other under the Programme on a reciprocal basis under the Local Authority (Supply of Goods and Services) Act 1970;

<b>“Premises”</b>	any building within which the Councils reside in order to carry out the Services;
<b>“Programme”</b>	the Projects approved by the Board;
<b>“Project”</b>	each joint initiative proposed by the Councils for approval by the Board designed to meet the objectives of this Agreement;
<b>“Project Plan”</b>	the current programme of activities and envisaged timescales set out in Schedule 3 or as such Project Plan may be amended with the agreement of the Board from time to time;
<b>“Services”</b>	those functions of the Councils relating to local taxation, benefits, and other income collection;
<b>Termination Notice</b>	a notice to terminate this Agreement either immediately or at a date specified in the notice;
<b>“Termination Period”</b>	the period (if any) from deemed service of the Termination Notice and the Agreement coming to an end.

- 1.2 In this Agreement, unless the context otherwise requires, words in the singular include the plural and vice versa and words in one gender include any other gender.
- 1.3 The headings in this Agreement are for convenience only and shall not affect its meaning.
- 1.4 References to a clause or Schedule are (unless otherwise stated) to a clause or a Schedule to this Agreement.
- 1.5 Any reference to a “person” includes any individual, firm, body corporate, association or partnership, government, trust or state (whether or not having a separate legal personality).
- 1.6 Any phrase in this Agreement introduced by the term “include”, “including”, “in particular” or any similar expression will be construed as illustrating and will not limit the sense of the words preceding that term.
- 1.7 Any reference to “this Agreement” shall include its Schedules.
- 1.8 Any reference to a “Party” or “Councils” to this Agreement shall be reference to a Council and/the Councils (as applicable).

## **2. DEVELOPMENT OF THE PROGRAMME**

- 2.1 The Councils hereby agree to work together in order to deliver and develop the Aims and Objectives set out in Schedule 1 to this Agreement in more detail and to agree the terms of the proposed Projects for incorporation into the Programme.
- 2.2 Notwithstanding the length of this Agreement the Councils agree to use all reasonable endeavours to enter into the Programme within the timescales set out in the Project Plan.
- 2.3 The Councils agree to develop the Project Plan within the first year of the Initial Contract Period for presentation to the Board.
- 2.4 The Board will make recommendations to each Council with regard to the establishment and development of the Programme set out in the Project Plan.
- 2.5 The Head of Service will be responsible for the delivery of the Programme and reporting to the Councils with regard thereto.
- 2.6 This Agreement will take effect on the Commencement Date and shall continue until the 2<sup>nd</sup> anniversary of that date ("the Initial Contract Period ") unless extended or terminated in accordance with the provisions hereof.
- 2.7 The Pooled Services will come into being on the 1<sup>st</sup> July 2012

## **3. OPTION TO EXTEND THE TERM OF THE AGREEMENT**

- 3.1 The term of this Agreement may be extended beyond the Initial Contract Period in the circumstances and in accordance with the procedures set out in clause 3.2.
- 3.2 Not less than 2 months prior to the last day of the Initial Contract Period and taking into account any recommendations made by the Board, the Councils shall meet to review -
  - 3.2.1 the performance of the Councils under this Agreement and, in particular the completion of activities outlined by the Programme within identified timescales;
  - 3.2.2 the realisation of Agreed Benefits and Agreed Costs in accordance with the Finance Agreement;
  - 3.3.3 the achievement of the Aims and Objectives; and
  - 3.3.4 whether it would be beneficial to the provision of the Services to extend the term of the Agreement.

- 3.3 Within the review carried out in accordance with clause 3.2 above, the Councils shall consider the appropriate delivery model for the Pooled Services and in particular whether the objectives might be best achieved by the development of a Joint Committee established under sections 101 and 102 of the Local Government Act 1972 and/or sections 19 and 20 of the Local Government Act 2000 or an appropriate alternative delivery model and the implications of further developing / changing the model.
- 3.4 If the Councils agree that it would be beneficial to the provision of the Services to extend this Agreement, the Agreement shall be extended through a variation made in accordance with clause 16.

#### **4. LOCAL TAXATION AND BENEFITS MANAGEMENT BOARD**

- 4.1 The Councils will establish the Board to exercise oversight of the Programme, the terms of reference for which are set out in Schedule 2 to this Agreement.

#### **5. POOLED SERVICES**

- 5.1 Each Council agrees to supply to the other those Services identified in the Programme as may be amended from time to time by the Board.
- 5.2 Each Council will delegate responsibility for the delivery of the Services to the Head of Service.
- 5.3 Each Council agrees to accept the provision of the Service as indicated in the Programme on its behalf and to co-operate with each other in good faith to meet the Aims and Objectives of this Agreement.

#### **6. ROLE OF HEAD OF SERVICE**

- 6.1 The Head of Service is to report to the Board on the performance of the Service, and in particular be responsible for the production of the
- 6.1.1 Project Plan;
  - 6.1.2 annual report for the previous year;
  - 6.1.3 budget for the next financial year and the close down of financial position for the previous year;
  - 6.1.4 performance review against annual report on a quarterly basis;

6.1.5 the delivery of the Programme in accordance with all relevant legislation, regulation, guidance and codes of practice and to meet industry standard for delivery; and

6.1.6 advice on staffing issues including in particular, advice on recruitment and appointment.

## **7. COUNCILS' OBLIGATIONS**

7.1 In consideration of each others obligations in this Agreement, the Councils agree that during the continuity of this Agreement they shall work in good faith to develop the detailed legal and commercial structure underpinning the proposed Programme in accordance with the Aims and Objectives and in accordance with the timescales set out in the Project Plan; and in particular to

7.1.1 take all necessary steps to approve the establishment of the Board and its terms of reference as set out in this Agreement;

7.1.2 expeditiously appoint its representatives to the Board;

7.1.3 take into account the Board's recommendations in making decisions which are covered by the scope of this Agreement giving them due and appropriate consideration in light of this Agreement its objectives and the objectives of the Council in entering into it;

7.1.4 consult with the other where one of the Councils is minded not to accept the recommendations of the Board as to its reason therefore and take into account any comments the other may make in light thereof;

7.1.5 resource and carry out all the Programme in accordance with any recommendation of the Board it accepts;

7.1.6 notify the Board of the reason for its rejection (if any) of the Board's recommendations;

7.1.7 meet its own costs and its share of any Agreed Costs of the approved Programme;

7.1.8 provide to the other Council such information as it reasonably requires for it carry out its role in the Programme;

7.1.9 establish in each Council a post or part full time equivalent post on broadly equivalent terms and conditions of employment to undertake the key tasks of the Head of Service as identified in this Agreement;

- 7.1.10 provide reciprocal services to each other under the provisions of the Local Authority (Supply of Goods and Services) Act 1970 to more fully realise Aims and Objectives of this Agreement and as provided for in the Programme.

## **8. CONFIDENTIALITY AND ANNOUNCEMENTS**

- 8.1 Subject to clause 8.4, each of the Councils hereby undertakes to treat and keep the Confidential Information secret and confidential and will not (without the other party's prior written consent) directly or indirectly communicate or disclose, or allow to be communicated or disclosed (whether in writing or orally or in any other manner) any Confidential Information to any other person other than:
- 8.1.1 to such of its Members, officers, advisers or consultants who need to know it strictly for the purposes of carrying out the Service or considering, evaluating or advising on the Programme or any of its Projects.
- 8.2 Neither party will use the Confidential Information for any purpose other than for carrying out the Service or considering, evaluating or advising on the Programme or any of its proposed Projects and, in particular, will not use the Confidential Information for any competitive or commercial purpose.
- 8.3 Each party will keep all documentation and other papers and all discs, tapes and other media recording or storing the Confidential Information secure and in such a way so as to prevent unauthorised access by any third party.
- 8.4 The obligations of confidentiality in this Agreement shall not apply to Confidential Information (or such of it) which:
- 8.4.1 is publicly known at the time of its disclosure by either party; or
- 8.4.2 becomes publicly known following its disclosure (other than as a result of a disclosure contrary to the terms of this Agreement);
- 8.4.3 a party is required to disclose by operation of law; or
- 8.4.4 is already properly and lawfully in either party's possession prior to its disclosure.
- 8.5 Each Council will ensure that its Members, officers, advisers and consultants to whom Confidential Information is to be made available are made fully aware of the relevant party's obligations under this Agreement and will procure that such Members officers advisers and consultants observe the terms of this clause 8.

- 8.6 The obligations set out in this clause 8 will survive the termination of any discussions or negotiations between the Councils regarding the proposed transaction and will continue in full force and effect for a period of 3 years after the date of this Agreement.

9. **DATA PROTECTION**

- 9.1 For the purposes of this clause 9, the terms "Data Controller", "Data Processor", "Data Subject", "Personal Data", "Process" and "Processing" shall have the meaning prescribed under the DPA.
- 9.2 Each Council shall be the Data Controller in respect any data originating from it.
- 9.3 Each Council shall (and shall ensure that all of its staff) comply with any notification requirements under the DPA and each council will duly observe all their obligations under the DPA which arise in connection with this Agreement.
- 9.4 Notwithstanding the general obligation in clause 9.3, where a Council is processing Personal Data (as defined by the DPA) as a Data Processor for the other it shall:
- 9.4.1 process the Personnel Data only in accordance with instructions from the other council (which may be specific instructions or instructions of a general nature) as set out in this Agreement or as otherwise notified by the other council;
  - 9.4.2 comply or ensure compliance with all applicable laws and failure to do will constitute a default under this Agreement;
  - 9.4.3 process the Personal Data only to the extent; and in such manner as is necessary for the provision of its obligations under the Programme or this Agreement or as is required by Law or any Regulatory Body;
  - 9.4.4 implement appropriate technical and organisational measures to protect the Personal Data against unauthorised or unlawful Processing and against accidental loss, destruction, damage, alteration or disclosure. These measures shall be appropriate to the harm which might result from any unauthorised or unlawful Processing, accidental loss, destruction or damage to the Personal Data and having regard to the nature of the Personal Data which is to be protected;
  - 9.4.5 take reasonable steps to ensure the reliability of its staff and agents who may have access to the Personal Data;

- 9.4.6 obtain prior written consent from the other council in order to transfer the Personal Data to any sub-contractor for the provision of the any service under the Programme;
- 9.4.7 not cause or permit the Personal Data to be transferred outside of the European Economic Area without the prior consent of the other Council;
- 9.4.8 ensure that all staff and agents required to access the Personal Data are informed of the confidential nature of the Personal Data and comply with the obligations set out in this clause 8;
- 9.4.9 ensure that none of the staff and agents publish disclose or divulge any of the Personal Data to any third parties unless directed in writing to do so by the other council;
- 9.4.10 not disclose Personnel Data to any third parties in any circumstances other than with the written consent of the other council or in compliance with a legal obligation imposed upon it; and notify the other council within 5 (five) Working Days if it receives:
  - (a) a request from a Data Subject to have access to that person's Personal Data; or
  - (b) a complaint or request relating to the other council's obligations under the DPA;

## 10 TERMINATION

- 10.1 Either Council may terminate this Agreement by convenience by service on the other of a Termination Notice and giving not less than 9 calendar months (or lesser time by mutual consent) written notice, not earlier than the 31<sup>st</sup> March in any year.
- 10.2 Either Council may also terminate this Agreement by service on the other of a Termination Notice in the event of –
  - 10.2.1 a breach by either Council of its obligations within this Agreement which if capable of remedy is not remedied within [30] days of receipt of the written notice of such failure or where such breach is reasonably thought to be irremediable;

10.2.2 the establishment of an alternative delivery vehicle for the Pooled Services pursuant to clause 3.3;

10.2.3 a change in applicable law which prevents the Agreement from being enforceable;

10.2.4 A Force Majeure event lasting more than 120 working days.

## **11 CONSEQUENCES OF TERMINATION**

11.1 In the event of termination under clause 10.1, the Council terminating for convenience shall be liable for reasonable Breakage Costs.

11.2 In the event of termination under clause 10.2.1 the Council in breach shall be liable for reasonable Breakage Costs.

11.3 In the event of termination under clause 10.2.3 and 10.2.4 each Council shall be responsible for their own Breakage Costs.

11.4 Breakage Costs resulting from the adoption of alternative service delivery vehicle will be provided for in the establishment of the alternative service delivery vehicle.

11.5 Except for termination under clause 10.2.2, on termination of this Agreement, the Exit Plan set out in Schedule 5 will apply.

11.6 Termination of this Agreement shall be without prejudice to any accrued rights and liabilities of any of the Councils.

## **12 FINANCE**

Except as provided for in clause 11 above the Councils agree to bear their own costs and disbursements in relation to this Agreement, the Programme or any of its Projects unless they are Agreed Costs or unless otherwise provided for in the Finance Agreement.

## **13. ACKNOWLEDGMENTS**

13.1 The Councils acknowledge that:

13.1.1 this Agreement is binding on both of them; and

13.1.2 each owes the other a duty of good faith;

14 **DISPUTE RESOLUTION**

- 14.1 Any dispute arising in relation to any aspect of this Agreement shall be resolved in accordance with this clause 14 and Schedule 7.
- 14.2 The Councils shall endeavour to notify each other of any anticipated disputes to try and ensure that any potential dispute can be avoided by negotiations between them.
- 14.3 The Councils shall endeavour to resolve any failures to agree matters or any disputes by direct negotiations between senior representatives of both Councils.
- 14.4 Notwithstanding any other provision of this clause 14, the Councils shall comply with the provisions of the Dispute Resolution Procedure set out in Schedule 8.

15 **THIRD PARTY RIGHTS**

Except as stated in elsewhere in this Agreement, the Councils do not intend any of its terms to be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

16 **VARIATION**

No variation of this Agreement will be effective unless in writing and signed by or on behalf each of the Councils.

17 **SEVERABILITY**

Each of the undertakings set out in this Agreement is separate and severable and enforceable accordingly and if any one or more of such undertakings or part of an undertaking is held to be against the public interest or unlawful or in any way an unreasonable restraint of trade, the remaining part of the undertakings will continue in full force and effect.

18 **NOTICES**

- 18.1 Any notice or other communication given in connection with this Agreement will be in writing and will be delivered personally or sent by pre-paid first class post (or air mail if overseas) to the recipient's address set out in this Agreement.

18.2 A notice is deemed given:

18.2.1 if delivered personally, upon delivery at the address provided for in this paragraph; or

18.2.2 if sent by pre-paid first class post, on the second business day after posting it or

18.2.3 if sent by air mail, on the sixth business day after posting it

provided that, if it is delivered by hand on a day which is not a business day in the country in which the recipient's address is (as set out in this Agreement) or after 4 pm on any such business day, it will instead be deemed to have been given or made on the next relevant business day.

#### 19 ENTIRE AGREEMENT

This Agreement is the entire agreement between the Councils and supersedes any arrangements, understanding or previous agreement between them relating to the subject matter covered by this Agreement.

#### 20 GOVERNING LAW AND JURISDICTION

20.1 This Agreement and any non contractual obligations arising out of or in connection with it shall be governed by and construed in all respects in accordance with English law.

20.2 The courts of England and Wales will have exclusive jurisdiction to settle any disputes which arise out of or in connection with this Agreement including (without limitation) in relation to any non-contractual obligations and the Councils hereby irrevocably agree to submit to that jurisdiction.

**IN WITNESS** of which this Agreement has been duly executed by the parties.

**SIGNED** for and on behalf of **NORTH LINCOLNSHIRE COUNCIL**

Signature **Redacted**

Name: M. WEAVER

Position: DIRECTOR OF POLICE & RESOURCES

Date: 6/12/12

**SIGNED** for and on behalf of **NORTH EAST LINCOLNSHIRE BOROUGH COUNCIL**

Signature **Redacted**

Name: ELIZABETH ANN JONES

Position: Deputy Chief Executive

Date: 28/11/12

## **SCHEDULE 1**

### **Aims and Objectives of Agreement**

1. The Aims and Objectives underlying the creation of the Programme are to work collaboratively in order to establish a Joint Service between the Councils for the discharge of some or all of its finance related functions either by the establishment of a fully integrated unified service model or by the identification of those areas of the finance functions as would most conveniently be discharged jointly but without the need to develop a fully integrated model.
2. In particular to achieve the following objectives for the Services are:
  - 2.1 A reduction in operating costs of £1.27m from 2014/15 onwards across the two Council's with the provision that underlying costs will be reduced and the Council's will carry on making savings year on year.
  - 2.2 Better outcomes for customers
  - 2.3 Increased capacity and resilience to cope with changes to the Service and fluctuations in demand, through the sharing of resources, skills and knowledge
  - 2.4 Maximisation of income for the Councils ensuring accurate, fair and effective billing and recovery of local taxation
  - 2.5 Maximisation of benefits entitlement and timely payment, working with all the Councils partners to assist them to maximise financial inclusion and reduce poverty
  - 2.6 Ensure the Councils operate in accordance with all relevant legislation and statutory requirements at all times
  - 2.7 Contribute to the efficiency requirements of both Councils
  - 2.8 Improved "Value for Money" by the reduction of duplication across both partners, more in depth sharing of best practice and be the catalyst to challenge the value of current activities and procedures.
  - 2.9 Simplification of processes resulting in the elimination of "failure demand" "avoidable contact", double-handling and non-value adding activities which add to current costs

- 2.10 Harmonisation of policies and procedures across the two Services will make it easier for customers and partners such as landlords, Housing Associations etc to know what is expected from them.
- 2.11 Greater flexibility to staff, their roles and their location resulting in more a robust resource base.
- 2.12 Channel migration to more efficient methods of service delivery.
- 2.13 Potential for more efficient and innovative procurement and use of existing and new IT.
- 2.14 A re-focus of core functions and outcomes for the service in fast changing environment.
- 2.15 Improvements in key performance outcomes and measures.
- 2.16 Improved customer perception of the Service for both Councils.
- 2.17 A common standard of Service for customers regardless of the location.

3. Contribute to the strategic priorities of each Council i.e.

**NLC -**

- Excellence in customer service
- Provide value for taxpayers money
- Make our communities stronger
- Regenerate our area and increase prosperity

**NELC –**

- Strengthen the local economy
- Improve health and wellbeing
- Being an effective and efficient council

4. It should be noted that these aims and objectives will be achieved within the context of the major changes being planned nationally which will require joint planning and project implementation, particularly with regards to Housing Benefits, Fraud and Localised Council Tax Benefit. These include:

- 4.1 **The introduction of Universal credit** which will replace the main income related benefits for working age people, proposed to start in October 2013 with

full transition to be completed by 2017. Local Authorities will be expected to help prepare for the introduction of universal credit up to and beyond October 2013. Housing Benefit for working age claimants will be abolished and Universal Credit will contain an element for housing costs.

- 4.2 Responsibility for Housing Benefit for pensioners will remain within Local Authorities but it is intended that they will eventually be transferred to the Pensions Service and paid on the same basis as the housing allowance in Universal Credit. However, there is no definite timetable for when this transfer will take effect.
- 4.3 **Localised Council Tax Support** will be introduced on 1<sup>st</sup> April 2013. This is a major project that requires a local scheme of council tax benefit to be introduced which pays 10% less than the current scheme whilst protecting pensioners and vulnerable individuals.
- 4.5 **Local Authority fraud** resources are to be transferred to a Single Fraud Investigation Service (SFIS) under the DWP. Although the staff will remain employed by the Councils from 1 April 2013 they will be working to the rules of the new team. This will almost certainly result in a reduction in the administration grant to both councils.
- 4.6 **Localisation of Business Rates;** The Government intends that Councils will be able to retain an element of additional Business rates collected due to economic growth in the area.
- 4.7 **Potential Changes to Council tax discounts and exemptions** – From 1 April 2013 the Councils will have the power to reduce or amend the current scheme for charging council tax on exempt properties and certain discounts.

## **SCHEDULE 2**

### **Local Taxation and Benefits Management Board**

#### **Terms of Reference**

The Terms of Reference below set out the governance and operation of the Board

#### **Purpose & Remit of the Board**

- To propose and develop a strategic plan for the integrated delivery of Local Taxation and Benefits Services provided by North Lincolnshire Council and North East Lincolnshire Council
- To oversee implementation, development and propose any modifications of the Project Plan.
- To oversee annual reviews of the Project Plan.
- To receive and consider monitoring reports on specific projects developed through the plan and recommend any modifications.
- To provide progress reports on each Project.
- To develop guidance and make recommendations on the future direction of the Local Taxation and Benefits provision in North Lincolnshire and North East Lincolnshire.
- Monitor Financial performance of the Project Plan.
- Provide an annual report for the Members of both Council's by no later than 30<sup>th</sup> June, each year covering the performance and the financial position of the Service in the 12 month period ending on the proceeding 31<sup>st</sup> March..

#### **1. Decision-making**

- The Board is not vested with decision-making authority.
- The Board will make recommendations to decision makers within North Lincolnshire Council and North East Lincolnshire with regard to decisions needed to be made by the Councils in promoting and developing the Project.
- Decisions arising from Board recommendations will go through the appropriate decision-making processes of each Council.
- To, on an annual basis, agree a three year business plan including:
  - Financial objectives
  - Performance improvement & efficiency targets
  - Indicative staffing level's
  - Business continuity planning
  - Risk management

#### **2. Board Representation**

Assistant Director Financial Services (NLC)  
Chief finance officer (NELC)  
Local Taxation and Benefits Shared Service Manager

#### **3. Board Meetings**

- Each Council to appoint the above representatives to the Board, each representative to have one vote.
- The Annual appointment of the chair to be on a rotating basis. The first chair to be appointed at the first meeting of the Board.
- Each Council to have a named substitute for its Board members if required.
- A substitute may attend and may vote.
- Meetings to be called on 5 working days notice unless fixed at previous meeting.
- The Quorum of the Board shall be 3
- All decisions shall be by agreement.

- The Board may co-opt members, but co-opted members may not vote.
- The Board shall have power to determine its own procedure.
- The Board to have a nominated Secretary to provide governance and secretarial support,
- The Board to have professional support as required.
- 
- The Board will meet a minimum of three times per year.
- Minutes of the meeting will be distributed to all Board members, their managers and the Local Taxation and Benefits Management Team.

**SCHEDULE 3**

**Project Plan**

**Not used**

**SCHEDULE 4**  
**The Service Specification**

The functions that form the Services for Local Taxation and Benefits are:

1. Benefits assessments, overpayments recovery and appeals.
2. Council Tax billing and recovery.
3. Non Domestic Rate (NNDR) billing and recovery.
4. Sundry debt recovery for both Councils (for North Lincolnshire from a future date to be agreed)
5. The management of the staff in the anti fraud teams will continue until the move to the Department for Work and Pensions Single Fraud Investigation Service.
6. Post handling, scanning and indexing.
7. Systems administration and subsidy control.
8. Training and development including the capacity and resources to deliver the major changes regarding the Government proposals for Welfare Reforms.
9. Working with existing internal and external partners outside of the Agreement, maintaining existing arrangements.
10. Administration of free school meals for North East Lincolnshire Council.

## **SCHEDULE 5**

### **The Exit Plan**

#### **1 Overview**

- 1.1 This Schedule 5 (Exit Plan) sets out the principles of the exit of the Service that are intended to apply on the expiry or termination of this Agreement together with exit obligations intended to apply for the life of this Agreement. For the avoidance of doubt, the Head of Service shall be responsible for the overall management of the exit and Service transfer arrangements.

#### **2 Agreement Life Obligations**

- 2.1 During this Agreement the Councils will:
  - 2.1.1 Maintain a register of any shared assets, detailing their ownership and status as either exclusive assets or non-exclusive assets and the net book value of such assets.
  - 2.1.2 Maintain the register in such format as is agreed between the Council's and shall update the register from time to time and in particular in the event that assets or other relevant agreements are deemed to be included or be removed from the Services. Ensure that all exclusive assets listed in the register are clearly marked to identify that they are exclusively used for the provision of the Services under this Agreement
- 2.2 The Councils shall (unless otherwise agreed in writing) use reasonable endeavours to procure that all sub-contracts, which may be procured jointly or separately with third parties, that are necessary to enable the Councils to perform the Services in accordance with this Agreement, be assignable and/or capable of novation at the request of either Council, upon the termination of this Agreement.

#### **3 Exit Plan**

- 3.1 In the event of termination in accordance with clause 10 of this Agreement, the Councils will meet and use their respective reasonable endeavours to agree the contents of the final Exit Plan.
- 3.2 If both Councils are unable to agree the final Exit Plan within Thirty (30) Days then such dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 3.3 The Exit Plan shall contain as a minimum;
  - 3.3.1 The division of equipment (where possible) according to which Council provided that equipment. Equipment purchased jointly during the existence of the Agreement shall be divided (as closely as possible) in accordance with the Finance Agreement).
  - 3.3.2 The return of files to each Council. Both Councils must ensure that access of the files is available to one another after the termination of this Agreement and should not be unreasonably withheld.
  - 3.3.3 Details of how the Service will be provided during any Termination Period

- 3.3.4 Provide a timetable and identify critical issues for providing the termination Services during any Termination Period.

#### **4 Termination Obligations**

- 4.1 The Councils shall comply with all obligations contained in the final Exit Plan.
- 4.2 During any Termination Period both Councils shall take all reasonable steps which are necessary and consistent with their continuing obligations to mitigate losses, costs, liabilities and expenses which the other Council may incur as a result of the termination including the termination of any relevant joint contracts on the most favourable terms that can be achieved in the particular circumstances and reducing labour costs by the release of seconded personnel to the extent possible in the circumstances.
- 4.3 At the end of any Termination Period (or earlier if it does not adversely affect the performance of the Services) the Councils will:
  - 4.3.1 Erase from any computers, storage devices and storage media that are to retained by the Councils after the Termination Period any software containing the other Council's information.
  - 4.3.2 vacate the other Council's Premises
  - 4.3.3 return to the other all Confidential Information relating to the Council and will certify that it does not retain the other's Confidential Information.
- 4.4 Except where this Agreement provides otherwise all licences, leases and authorisations granted by one Council to the other in relation to the Services shall be terminated with effect from the end of any Termination Period.

## **SCHEDULE 6**

### **Confidential Information**

The following is a list of confidential information held by the Local Taxation and Benefits Services of both Councils.

1. Personal details of individual benefit claimants, council taxpayers and Business rate payers relevant to their claim or account including some or all of the following depending on the individual:
  - Name
  - Addresses – current and past
  - Ownership and Tenure of property, details of landlord and amount and frequency of rent paid
  - Type and size of accommodation occupied
  - Nationality and any immigration controls in place, rights of residence etc
  - Relationship including spouses, partners, civil partners
  - Details of children and other household members including ages, disabilities, income
  - Date of birth
  - National insurance number
  - Telephone numbers
  - All disabilities, including registration with Social Services, mental incapacity etc
  - Income – including earnings, pensions, tax credits, maintenance, and all benefits and allowances
  - Any hospitalisation
  - Students – educational establishments and hours attended
  - Details of employers
  - Capital including bank /building society account numbers, national savings certificates, premium bonds, stocks and shares, unit trusts etc.
  - Details of expenditure
2. Information relating to other benefits/ tax credits supplied to the Councils from DWP/HMRC included on following forms:
  - Local authority Input Documents (LAID)
  - Local Authority Change I (LACI)
  - Electronic transfer of data (ETD)
  - Automated transfer of local authority data (ATLAS)
3. Information relating to taxpayer, claimants or other household members or forwarding addresses obtained from other agencies including credit reference agencies:
  - Experian
  - Bailiffs
  - IT suppliers (trace and collect)
  - DVLA
4. Personnel information relating to the staff of both Councils, who are involved in providing the Services
5. Discussions of the Board and other related matters

6. This is not an exhaustive list and may include other information of whatever nature identified by one Council to the other in writing as being Confidential Information

## **SCHEDULE 7**

### **Dispute Resolution Procedure**

1. The Councils undertake and agree to pursue a positive approach towards dispute resolution which seeks to identify a solution at the lowest operational level that is appropriate to the subject of the dispute and which avoids legal proceedings and maintains a strong working relationship between the parties.
2. In the event that the parties are not able to resolve a dispute arising under this Agreement, it shall be referred to the Board for the Board to make a recommendation to the Councils upon how the dispute is to be resolved.
3. If the Board is unable to make such a recommendation or one of the Councils do not accept a recommendation made by the Board in respect of the dispute, the dispute shall be referred to the Director of Policy and Resources (NLC) or Strategic Director Resources (NELC) who shall seek to make a unanimous agreement in resolving the dispute.
4. If the dispute is still not capable of resolution it shall be referred to mediation pursuant to the procedure set out in paragraph 7 of this Schedule 8 unless one or both Councils consider that the dispute is not suitable for resolution by mediation.
5. Nothing in this dispute resolution procedure shall prevent either Council from seeking from any court of competent jurisdiction an interim order restraining the other Party from doing any act or compelling the other Party to do any act.
6. The obligations of the Councils under the Agreement shall not cease, or be suspended or delayed by the reference of a dispute to mediation and the Councils shall comply fully with the requirements of the Agreement at all times.
7. The procedure for mediation and consequential provisions relating to mediation are as follows:
  - i. a neutral adviser or mediator (the "Mediator") shall be chosen by agreement between the Councils or, if they are unable to agree upon a Mediator within 10 Working Days after a request by one Party to the other or if the Mediator agreed upon is unable or unwilling to act, either Council shall within 10 Working Days from the date of the proposal to appoint a Mediator or within 10 Working Days of notice to either Council that he is unable or unwilling to act, apply to an appropriate mediation provider to appoint a Mediator.

- ii. The Councils shall within 10 Working Days of the appointment of the Mediator meet with him in order to agree a programme for the exchange of all relevant information and the structure to be adopted for negotiations to be held. If considered appropriate, the Councils may at any stage seek assistance from an appropriate mediation provider to provide guidance on a suitable procedure.
- iii. Unless otherwise agreed, all negotiations connected with the dispute and any settlement agreement relating to it shall be conducted in confidence and without prejudice to the rights of the Councils in any future proceedings.
- iv. If the Councils reach agreement on the resolution of the dispute, that agreement shall be recorded in writing and shall be binding on the Councils once it is signed by their duly authorised representatives.
- v. If the Councils fail to reach agreement in the structured negotiations within 60 Working Days of the Mediator being appointed, or such longer period as may be agreed by the Councils, then any dispute or difference between them may be referred to the Courts.