APPENDIX G

Proposed Addendum to the East Midlands Shared Services Joint Committee Shared Partnership Agreement.

1. **Assumption of Service**

1.1 Where any transactional service has been delivered to the Participating Authorities by EMSS for a continuous period of not less than six (6) months, and such services are consistent with the objectives and scope of the Agreement, those services shall be deemed to constitute a Shared Service Function delegated to Joint Committee for the purposes of this Agreement.

1.2 Upon such services being deemed a Shared Service Function:

a) the Parties shall, as soon as reasonably practicable, formalise the arrangement by the execution of a Schedule in accordance with Clause 3.2;

b) the costs and responsibilities associated with such services shall be apportioned in accordance with Clause 8.7 or as otherwise agreed by the Participating Authorities; and

c) all provisions of this Agreement, including those relating to governance, financial arrangements, performance monitoring, and dispute resolution, shall apply to such services as if they had been expressly included from the Commencement Date.

2. **Removal or Amendment of Shared Service Functions**

2.1 The Executives of the Parties (operating executive functions) and the Council of any Member Authority (not operating executive arrangements within the meaning of the Local Government Act 2000 (or any of them) may from time to time agree to the removal of or amendment of a Shared Service Function of the Joint Committee PROVIDED that no such removal or amendment shall be delegated to the joint committee for approval without the prior written consent of all the Parties to this agreement.

2.2 Each removal or amendment of a Shared Service Function shall be evidenced by the execution of a Deed of Variation to this agreement; each such Deed shall:

a) identify the Shared Service Function to be removed or amended, the Participating Authorities affected, and any transitional arrangements including timelines, financial or staffing implications; and

b) be executed on behalf of each of the Participating Authorities; and

c) in the event that a Participating Authority initiates the removal or amendment of a Shared Service Function, and such change is not applied equally across all Participating Authorities, any costs associated with or incurred by the removal or amendment of the amended or removed service function shall be borne solely by the initiating Participating Authority.

2.3 Any proposal to amend or remove any element of the Shared Service Function must be accompanied by official written notice to all Participating Authorities. The minimum notice period shall be three (3) months. Depending on the size and scale of the proposed change, the notice period may be extended to six (6) or twelve (12) months, as advised by the shared service provider.

2.4 If it is not possible to agree the exit and or transitional arrangements between participating authorities, the dispute resolution process set out in section 17 of the partnership agreement shall be followed.

2.5 The Shared service functions included in the Removal or Amendment of Shared Service Functions process, shall be process driven and shall not include the removal or amendment of any element of the core operating systems, licences and or system support contracts that form part of the original agreement and are fundamental to its existence.

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The following amendments do not change the fundamentals of the Partnership Agreement, however, Terms of reference will require updating and approval by both LCC & NCC Legal departments.

Flexibility to the frequency of the Joint Committee meetings:

- December Joint Committee meeting remains in place Q2 performance report, Budget and MTFP report.
- June Joint Committee meeting remains in place – Annual Performance Report, Strategic Plan update, Audit Update.
- September Joint Committee meeting remains in place, with an agreement that it may be cancelled if it there is no significant business requiring decision. The Q1 performance if just for noting, will be included with the Q2 report at the December meeting.

This proposal is based on the following:

- The Head of EMSS jointly meets with the Sponsors' for EMSS monthly, discussing in a structured and formal format all aspects of the service's operational, financial and strategic performance.
- This governance is in addition to the terms set out in the Partnership Agreement.
- Monthly account meetings are held with Strategic Finance and HR colleagues, across all the EMSS service provisions, which discuss performance at a detailed level.
- Whilst the December meetings consist of matters requiring agreement at Joint Committee the June and Sept meetings tends to have little in the way of decision making and is possibly not always a good use of the committee's time.
- The frequency of the Joint Committee means that elected members and councillors are receiving updates on operational, rather than strategic matters. Three months is a short timeframe for most strategic updates, therefore reports between each meeting can feel very similar with little change.
- The reports, with the exception of the budget, are largely for noting. The committee should be used for providing strategic direction and challenge to the shared service.

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- The Shared Service function is well established with consistent performance many Joint Committee meetings end well before their allotted time, with significant travel incurred for what is often a very short meeting.
- There is an opportunity to reduce the travel costs and time for attendees.
- Less frequent meetings will provide less repetitive updates and encourage better engagement from members at both LCC and NCC.
- In line with the original agreement additional meetings can be called in addition to the annual meeting as required, should there be any issues that require discussion or approval.

Whilst this meeting flexibility does not require Cabinet approval, it will require the Terms of Reference associated with the Partnership Agreement to be approved by both Legal Teams.