



DATED

2019

(1)The Council of the Borough of Havant

(2)Portsmouth City Council

(3)Gosport Borough Council

(4)Fareham Borough Council

COASTAL PARTNERSHIP AGREEMENT 2019

(An Agreement under section 113 of the Local Government Act 1972 for the employment by the Councils of a shared Flood and Erosion Risk Management Service (known as the Eastern Solent Coastal Partnership, “**ESCP**”) and for the placing at the disposal of each of the Councils, members of the ESCP Team employed by the other Councils for the purposes of their flood and erosion risk management functions.)



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THIS AGREEMENT is made on the _____ day of _____ 2019

BETWEEN

- (1) **The Council of the Borough of Havant** whose principal office is at Public Service Plaza, Civic Centre Road Havant Hampshire PO9 2AX ("**HBC**");
- (2) **Portsmouth City Council** whose principal office is at Civic Offices Guildhall Square, Portsmouth PO1 2BG ("**PCC**");
- (1) **Gosport Borough Council** whose principal office is at Town Hall, High Street, Gosport, Hampshire PO12 1ED ("**GBC**"); and
- (2) **Fareham Borough Council** whose principal office is at Civic Offices Civic Way Fareham PO15 7AZ ("**FBC**").

BACKGROUND

- A. Section 113 (1) of the Local Government Act 1972 provides that a local authority may enter into an agreement with another local authority for the placing at the disposal of the latter for the purposes of their functions, on such terms as may be provided by the agreement, of the services of officers employed by the former.
- B. Pursuant to an agreement dated 30th March 2012 the respective Cabinets/Boards or, as the case may be, executive members of the Councils acting pursuant to the Councils' Executive Arrangements approved the creation of the Coastal Defence Management Team (now known as the ESCP) for HBC, PCC, GBC and FBC.
- C. The parties have agreed to continue their partnership and this contract records the parties agreement.

NOW IT IS HEREBY AGREED as follows

1. Definitions and Interpretation

- 1.1 In this agreement and the Background statement the following terms shall have the following meanings

Term

Meaning

Business Day:

a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.



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Commencement Date	the date of this Agreement.
Council	HBC, PCC, GBC and FBC as the case may be
Data Controller	the data controller as defined by the Data Protection Legislation
Data Processor	the data processor as defined by the Data Protection Legislation.
Data Protection Legislation	means for the periods in which they are in force in the United Kingdom, the Data Protection Act 2018, the GDPR and all applicable laws and regulations relating to the processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner; and any successor legislation
ESCP	Eastern Solent Coastal Partnership being the partnership governed by this agreement between HBC, PCC, GBC and FBC
ESCP Head of Service	the Head of Service who is responsible for the allocation of the resources of the ESCP Team to amongst other things deliver the priorities set by the ESCP Client Manager Board and as shown in purple on the Team Structure Chart
ESCP Team	the ESCP Team established by HBC, PCC, GBC and FBC and as shown on the Team Structure Chart
ESCP Client Manager Board	the senior managers appointed by the Councils to act as a project board to amongst other things set the priorities for the ESCP and as shown in red on the Team Structure Chart. To be referred to as Client Managers.
ESCP Member Board	the Board consisting of one member of each Council which shall act in an advisory capacity as shown in dark blue on the Team Structure Chart.
Executive Arrangements	construed in accordance with Part II of the Local Government Act 2000



Executive Management Teams	the senior officer management teams of the respective Councils generally including the Chief Executive, Directors and Executive Heads of the Councils.
GDPR	means (a) the General Data Protection Regulation ((EU) 2016/679); and (b) any equivalent legislation amending or replacing it.
Host Employer	the Council elected from time to time pursuant to clause 4.2 to employ the staff recruited to the ESCP
Intellectual Property Rights	all rights available for the protection of any discovery invention name design process or work in which copyright or any rights in the nature of copyright subsist and all patents copyrights registered designs design rights trade marks service marks and other forms of protection from time to time subsisting in relation to the same including the right to apply for any such protection and trade secrets and other unpublished information
Legal Adviser	the Head of Legal, Licensing and Registrars with PCC, Solicitor to the Council or equivalent officer of FBC, the Borough Secretary of GBC and/or the Solicitor to the Council or equivalent officer of HBC
Net service Cost	Total Service Costs less Total Service Income
Personal Data	shall have the same meaning as set out in the Data Protection Legislation.
Project Fund	Financial reserve held on behalf of ESCP partnering authorities
Section 151 Officer	the officer appointed under Section 151 of the Local Government Act 1972
Team Structure Chart	the ESCP team structure chart attached to this Agreement at Annexure A
Termination Date	such date as may be determined in accordance with Clause 7
Total Service Costs	the total of all the costs listed in Clause 6.1



- Total Service Income comprises Grant in Aid (GIA), Community Infrastructure Levy (CIL), Regional Flood and Coastal Committee Levy (RFCC Levy), Private Developer income, Utility Company income, Local Authority income, Community Group Income and Natural England and Coastal Groups.
- TUPE Regulations the Transfer of Undertakings (Protection of Employment) Regulations 2006
- Withdrawal Date the date of expiration of the period of prior written notice specified in a notice served by a Council in accordance with Clause 7.5 (notice of withdrawal from the Agreement).
- 1.2 Headings contained in this Agreement are for reference purposes only and shall not affect the validity or construction of this Agreement.
- 1.3 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.4 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.5 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.6 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.7 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's personal representatives, successors and permitted assigns.
- 1.8 References to clauses and Schedules are to the clauses and Schedules of this agreement and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.9 The Schedules and Annexures form part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the Schedules and Annexures.



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2. Preliminary

2.1 This Agreement is made pursuant to:

- (a) Section 101 of the Local Government Act 1972 (arrangements for discharge of functions by local authorities);
- (b) Section 113 of the Local Government Act 1972 (power to place staff at the disposal of other local authorities);
- (c) Section 3 of the Local Government Act 1999 (duty to secure best value);
- (d) Section 1 of the Localism Act 2011 (the general power of competence);

and all other enabling powers.

2.2 This Agreement has been entered into by the Councils by virtue of the decisions of the Councils referred to in the Background statement.

2.3 This Agreement shall commence on the Commencement Date and subject to Clause 7 (Termination and Review) shall terminate on the Termination Date.

3. Eastern Solent Coastal Partnership Objectives

3.1 HBC, PCC, FBC and GBC agree that this Agreement shall with effect from the Commencement Date replace and supersede all previous agreements or arrangements between them for shared services/joint working in flooding and erosion risk management in which agreements or arrangements shall be deemed to have been terminated immediately prior to the Commencement Date PROVIDED THAT this agreement for termination shall be without prejudice to the enforceability of any subsisting liabilities or obligations arising between the parties under such agreements or arrangements before the date of such termination. The service itself is to be considered as continuous, but under these revised terms.

3.2 The objective of the ESCP is to provide an effective and co-ordinated flood and erosion risk management service to the Councils such that it reduces the risks to people and the developed and natural environment from flooding and erosion by encouraging the provision of technically, environmentally and economically sound and sustainable defence measures within the respective local authority areas.



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- 3.3 Subject to the terms of this agreement, the ESCP can sell services to other local authorities or the private sector, but not to the detriment of the core service provision. ESCP Client Manager Board are to be informed of any such work.
- 4. The Eastern Solent Coastal Partnership Team and the Application of Section 113 of the Local Government Act 1972**
- 4.1 The Councils have agreed to continue the shared coastal services from the Commencement Date via the ESCP. The ESCP shall comprise the ESCP Head of Service and such other Officers as the Councils may agree. For the avoidance of doubt, at the date of this Agreement the ESCP is intended to initially comprise those Officer posts identified in Schedule 1.
- 4.2 Unless otherwise agreed in writing by all the Councils, HBC will continue to act as the host employer for all new staff recruited to the ESCP Team.
- 4.3 For superannuation purposes, services rendered by an officer of one of the Councils whose services are placed at the disposal of the other Councils in pursuance of Section 113 of the Local Government Act 1972 and hence in pursuance of this Agreement is service rendered to the Council by whom he is employed but any such officer shall be treated for the purposes of any enactment relating to the discharge of functions as an officer of the other Councils and members of the ESCP Team may act and shall have powers to act under the constitutions of all the Councils.
- 4.4 The officers of the ESCP Team shall divide their time fairly and reasonably between the Councils as directed by the ESCP Head of Service to meet the objectives set by the ESCP Client Manager Board and shall not show bias toward one Council vis-à-vis the others. It is acknowledged and accepted that time spent on objectives of one Council may be higher than that of the other Councils but in the longer term the proportions of time spent will be similar to the apportionment of resource needs agreed by the ESCP Client Manager Board identified in accordance with clause 6.2.
- 4.5 The officers of the ESCP Team will need to meet any corporate requirements of the Host Employer and it is estimated that this would account for between 5% and 10% of the officer's available working time. This will be monitored by the ESCP Head of Service and reported through to the ESCP Client Manager Board.
- 4.6 Each Council may instruct its own corporate priorities to be delivered by the ESCP Team without the prior agreement of the ESCP Client Manager Board. Where there is a potential impact on other Councils' priorities, the ESCP Head of Service



shall report to and obtain the agreement of the ESCP Client Manager Board using the voting weighting mechanism set out in Clause 9.1.

4.7 The Councils shall appoint Officers to the posts of ESCP Head of Service, Business Development Manager, Team Managers, Team Leaders, Finance Business Partners, Coastal Project Engineers, Coastal Engineers, Coastal Surveyors, Technicians and Apprentices within the ESCP Team serving the Councils.

4.8 To accommodate the Coastal Defence Partnership, PCC will retain a post that has a part coastal function that sits outside the Coastal Defence Partnership. This clause does not have any implications for HBC, GBC or FBC but reflects that PCC is a Unitary Authority and therefore has additional responsibilities under the Flood and Water Management Act 2010. The funding for this post is also outside of the Coastal Defence Partnership and will be funded entirely by PCC. This role will include the following responsibilities:

- (a) Will act as PCC Client Manager and link from PCC to the Coastal Defence Partnership
- (b) Will ensure customer focus to PCC communities and stakeholders at risk of flooding or coastal erosion
- (c) Will be responsible for drainage and surface water management
- (d) Will be responsible for flooding emergency response in Portsmouth

4.9 The ESCP Client Manager Board shall convene appropriate meetings to assist the ESCP Head of Service to deal with (1) conflicts of interests of individual officers in the ESCP Team and (2) the roles of individual officers in the ESCP Team in providing advice to the Councils jointly and separately and (3) ensuring that the ESCP Team is adequately resourced to deliver its objectives and work plans.

5. The ESCP Client Manager Board

5.1 Each Council shall appoint one person to the ESCP Client Manager Board to set objectives and monitor progress of the said objectives of the ESCP. The ESCP Client Manager Board shall also consider and direct on future employment to the ESCP Team; decisions will be made in accordance with Clause 9 (Implementation and Governance of the Eastern Solent Coastal Partnership Service).



- 5.2 Notwithstanding Clause 6 (Cost and Income Apportionment) each Council shall meet any costs that they incur arising from meetings of the ESCP Client Manager Board.
- 5.3 The Council's shall procure that the ESCP Client Manager Board shall meet on at least four occasions a year where the ESCP Head of Service shall provide progress reports on the ESCP key objectives; financial position against budget; risk management updates; existing and future funding opportunities; and staffing matters. One of those meetings shall be scheduled to ensure that annual objectives are set, prioritised and budget assessments can be properly and fully considered by each of the Councils as part of their respective business planning and budget-making processes.
- 5.4 The Councils shall procure that the:
- (a) the ESCP Client Manager Board shall have proper regard to any relevant resolution of one Council provided that such resolution is not to the detriment of the other Councils;
 - (b) the ESCP Client Manager Board shall satisfy themselves that all relevant inter-Council consultation has been carried out;
 - (c) the taking of decisions shall be subject to there being appropriate and adequate budgetary provision by the Councils;
 - (d) any decision which could have legal implications shall be taken in consultation with the respective Legal Advisers to the Councils
 - (e) any decision which could have financial implications shall be taken in consultation with the Section 151 Officers of the Councils;
 - (f) the ESCP Client Manager Board shall satisfy themselves that all relevant consultation has been carried out with the ESCP Member Board;
 - (g) the ESCP Member Board shall consist of one member of each Council which will act in an advisory capacity;
 - (h) the ESCP Member Board shall meet at least two times a year;



- (i) the ESCP Member Board meetings will be chaired by one of the member representatives, with the chairman role changing between the Councils on an annual basis unless otherwise agreed by the ESCP Member Board. The chairman role will rotate, from PCC member, followed by GBC then FBC and then HBC.

6. Cost and Income Apportionment

6.1 The Total Service Costs arising from the operation of the ESCP shall be considered and agreed by the ESCP Client Manager Board and be inclusive of the following:

- (a) ongoing salary and on-costs including National Insurance and superannuation
- (b) leave,
- (c) overtime (where applicable),
- (d) recruitment costs,
- (e) casuals and agency staff,
- (f) training,
- (g) travel and subsistence,
- (h) ICT to meet specific needs of the service,
- (i) maintaining appropriate equipment and other supplies to fulfil the requirements of the service,
- (j) any future costs as a result of redundancy payments directly related to the service,
- (k) any future costs arising as a result of a compromise agreement made in contemplation or of an Employment Tribunal Claim being brought or an award made by an Employment Tribunal directly related to the service. For the avoidance of doubt future costs that arise from an Employment Tribunal Claim or settling a contemplated claim brought on the basis that



the recruitment, redundancy process was flawed in some way or unlawful discrimination does not directly relate to the service and therefore must be fully borne by the Host Employer.

- (l) professional liability insurance cover for employees of the service,
- (m) incidental costs of the service,
- (n) additional on-costs associated with being the host employer, e.g. HR, transaction processing and additional work spaces. These costs will be tabled and agreed at ESCP Client Manager Board as part of annual budget setting.
- (o) annual internal audit fee (as required by schedule 1)

6.2 The Total Service Costs shall be apportioned on an agreed ratio basis:

HBC: 32%,
 PCC: 40%,
 GBC: 14%,
 FBC: 14%.

(Note: This apportionment was based on an assessment of the resource needs of the Councils, at the commencement of the Coastal Partnership, looking forward over the financial years 2011/12 and 2012/13. Subsequent annual 'actuals' have been reported to ESCP Client Manager Board and have not led to a change in these apportionments.)

- 6.3 Future assessments of the resource needs and amendment to the agreed percentage ratio basis shall only be undertaken by the ESCP Head of Service on the request of the ESCP Client Manager Board.
- 6.4 If the ESCP Client Manager Board are in agreement that an assessment of resource identifies the need for an adjustment of the apportionment of costs between the Councils, then a proposal shall be required to be made to the Executive Management Teams of the Councils and only with the resolution of each of the Executive Management Teams shall there be any departure from the apportionment shown in clause 6.2.
- 6.5 An assessment of the Total and Net Service Costs and apportioned cost for each Council will be presented by the ESCP Head of Service to the ESCP Client Manager Board on an annual basis and sent to each authority's S151 officer at



- least one week before the meeting. These costs are to be agreed prior to the start of each financial year.
- 6.3 The income or grant received against the officer time incurred by the ESCP shall be apportioned to the Councils in accordance with the percentage contributions identified in clause 6.2.
- 6.6 The Councils will pay to the Host Employer as budget holder annually (in advance) at the start of each financial year, their annual fee (their apportionment of the estimated Net Service Costs).
- 6.7 Any year end surplus or shortfall against the estimated Net Service Cost will be presented to the ESCP Client Manager Board for approval and sent to each authority's S151 officer at least one week before the meeting. This will be reconciled/charged to the Partnership Councils in accordance with the percentage contributions pursuant to clause 6.2, unless otherwise agreed by the ESCP Client Manager Board. Any payments /reconciliations should only be completed upon approval of the ESCP Financial Audit (clause 6.8).
- 6.8 At the end of each financial year, at such time as the actual Net Service Cost has been established, PCC Finance Team shall undertake an annual financial audit of the financial transactions made in accordance with this Agreement and report their findings to the ESCP Client Manager Board.
- 6.9 The ESCP can hold a financial reserve referred to as a "Project Fund", only to be created via surplus income generation and held to provide risk mitigation and flexibility for business investment. The Project fund use is to be agreed by ESCP Client Manager Board. This fund is to be capped at 10% of the budgeted in year salary expenditure. The Project fund shall support amongst other things, the following:
- (a) to offset any future financial over spend that has been fully authorised by the ESCP Client Manager Board,
 - (b) enable investment in equipment and technology to make the Partnership more effective,
 - (c) employ consultancy support to progress initiatives where staff are already fully committed,
 - (d) a more agile approach to service development and transformation,
 - (e) take calculated risk on shared initiatives to secure significant funding.



- (f) to offset any redundancy payments

- 6.10 The Councils agree to provide workspaces for the ESCP Team on the following basis:

HBC: 4 workspaces,
 PCC: 4 workspaces
 GBC: 2 workspaces
 FBC: 2 workspaces

The associated costs for these workspaces will be borne by each respective Council. This formulation will be used each year or until such time as the ESCP Client Manager Board agree otherwise. The Host Employer will provide any additional work spaces required and recover costs in accordance with clauses 6.1 (n) and 6.2.

- 6.11 All Councils will adhere to the financial protocol for this Agreement as set out in Schedule 1.
- 6.12 Costs incurred upon termination shall be apportioned in accordance with Clause 7 below.

7. Termination and Review

- 7.1 This Agreement shall continue until terminated in accordance with this Clause 7 PROVIDED ALWAYS THAT the provisions of this Clause 7 shall be subject to any other provision of this Agreement extending financial liability beyond termination, in particular Clause 7.7.
- 7.2 Subject always to Clauses 7.6 and 7.7 this Agreement may be terminated by agreement between the Cabinets/Board of all the Councils.
- 7.3 One or more of the Councils acting by their Cabinet/Board may subject to clauses 7.4 and 7.5, withdraw from this Agreement by giving written notice.
- 7.4 Where one or more of the Councils propose to withdraw from this Agreement for whatever reason that Council shall prepare a report to all of the Cabinets/Board setting out its reasons. If the Cabinets/Board concerned or all of them acting reasonably cannot remedy the problem and such remedy may include invoking Clause 10 (Dispute Resolution) below within a reasonable time to the reasonable satisfaction of the Council or Councils proposing to withdraw then the Council or Councils proposing to withdraw shall be at liberty acting always under their constitution to withdraw from this Agreement.



- 7.5 Subject to clause 7.4, where any of the Councils withdraw from this Agreement they shall do so by giving to the other Councils not less than eighteen months' prior written notice and such a decision to terminate or withdraw may only be made by the Councils acting by their Cabinet/Board.
- 7.6 In the event of termination of this Agreement for any reason the Councils shall:
- (a) co-operate in terminating modifying re-structuring assigning or novating contractual arrangements entered into to mutual advantage and properly and promptly execute any documents necessary;
 - (b) use best endeavours to secure an amicable and equitable financial settlement;
 - (c) immediately following the Termination Date transfer or return any property including data belonging to the other Councils;
 - (d) ensure that each Council is allocated a fair and reasonable proportion of the members of the ESCP Team subject to any necessary actions being taken as required by employment law or by the policies of the transferring Council so that (1) each Council can maintain continuity in the provision of its services at the same level of effectiveness and efficiency as if this Agreement had not been terminated and (2) they become employed by the Council to which they are allocated; and
 - (e) the licence of intellectual property rights granted pursuant to clause 13.3 shall terminate with effect from the Termination Date.
- 7.7 In the event of a termination of this Agreement however and whenever occurring the costs consequential upon such termination including final payments due in respect of staff salaries to the date of termination, costs relating to transfer of staff whether under the TUPE Regulations or otherwise, removal of IT access/equipment and any other costs arising directly from such termination shall be apportioned between the Councils at the same percentages identified in Clause 6.2. For the avoidance of doubt the TUPE Regulations will be deemed to apply to any staff carrying out work for the ESCP at the date of termination who are required to transfer to another Council as a result of the termination. The apportionment of income due to each Council shall also be calculated up to the date of termination. Each Council shall pay the balance of costs due after deducting any income due, to the Host Employer within 1 calendar month of the date of termination. Unless otherwise agreed, any assets acquired by and



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belonging solely to the ESCP shall be apportioned between the Councils at the same percentages identified in Clause 6.2.

7.8 In the event that one or more of the Councils withdraw from this Agreement but the Agreement continues between the remaining Councils:

- (a) recruitment selection and administration costs arising directly from the withdrawal, excluding salary costs after the Withdrawal Date shall be apportioned between the Councils at the same percentages identified in Clause 6.2;
- (b) the estimated apportionment of income due to the withdrawing Council or Councils shall be calculated up to the Withdrawal Date;
- (c) the withdrawing Council or Councils shall pay the estimated costs due after deducting any estimated income due within 6 months of the date upon which notice of withdrawal is served in accordance with clause 7.5 unless otherwise agreed by the remaining Councils;
- (d) at the date of withdrawal any requisite balancing payments shall become due and payable by or to the withdrawing Council(s) as the case may be so as to reconcile the estimated costs against the actual costs;
- (e) the withdrawing Council shall co-operate in terminating, modifying, restructuring, assigning or novating contractual arrangements entered into and promptly execute any documents necessary;
- (f) immediately following the Withdrawal Date the withdrawing Council shall transfer or return any property including data relating to the work of the ESCP to the other Councils remaining part of the ESCP;
- (g) the licence of intellectual property rights granted by the withdrawing Council in favour of the Councils remaining part of the ESCP pursuant to clause 13.3 shall terminate with effect from the Withdrawal Date; and
- (h) the licence of intellectual property rights granted by the Councils remaining part of the ESCP in favour of the withdrawing Council pursuant to clause 13.3 shall terminate with effect from the Withdrawal Date.

7.9 Within 6 months of receipt of notice of withdrawal of a Council or Councils from the Agreement, the remaining Councils shall agree how costs and income shall be



apportioned from the Withdrawal Date. If agreement cannot be reached between the remaining Councils, each of the remaining Councils acting by their Cabinet/Board shall have the right to terminate or withdraw from the Agreement by giving 12 months written notice.

- 7.10 In the event of termination of or withdrawal by one or more Councils from the Agreement, each Council shall indemnify and keep indemnified the other Councils in respect of its share of the costs consequential upon such termination or withdrawal (as calculated pursuant to Clauses 6.2 and 7.7) from and against any actions and causes of action claims demands proceedings damages losses costs charges and expenses whatsoever arising from or in connection with such termination or withdrawal and such indemnity shall continue after the termination of this Agreement but shall not extend to indemnifying the Councils in relation to the costs of any replacement arrangements put in place to replace the ESCP Team.
- 7.11 The value of any assets owned by the ESCP and reserves held (Project Fund) will be paid over to the terminating authority on the cessation of the notice period at their relevant percentage share (Clause 6.2).

8. Variations to this agreement

- 8.1 The Councils may review and seek to amend this Agreement from time to time and in any event, shall carry out a review as to the efficacy and relevance of its terms upon every second anniversary of the Commencement Date. All changes arising upon such reviews shall only take effect upon the completion and sealing of a formal amending agreement.
- 8.2 No deletion addition or modification to this Agreement shall be valid unless agreed in writing and sealed by all the Councils forming part of the ESCP from time to time.

9. Implementation and Governance of the Eastern Solent Coastal Partnership

- 9.1 For the purpose of implementing the shared ESCP Service, the following governance arrangements will be established:

(a) ESCP Member Board

Composition: One member from each of the Councils

Delegated Powers: none



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Functions: member consultation/advisory capacity

(b) ESCP Client Manager Board

Composition: One Client Manager from each of the Councils,

Delegated Powers: To take decisions as set out in Clause 5.3. Each Council will have one vote that is weighted as per the percentage shares in Clauses 6.2.

HBC: 32%

PCC: 40%

GBC: 14%

FBC: 14%.

The weighting will reflect the percentage shares in operation at the point in time the decision is required.

Functions: To review expenditure and apportionment of the total service cost; if it is proposed to increase the total Net Service Cost, by more than 10% in any one year then each of the Council's executive cabinet or Board as the case may be, must pass a resolution approving the increase.

- 9.2 The ESCP Head of Service will manage the shared ESCP Service in accordance with the Team Structure Chart.
- 9.3 Performance Appraisals will be undertaken by the appropriate line manager in accordance with the Team Structure Chart. The Performance Appraisal of the ESCP Head of Service shall be carried out by Host Employer, who shall first obtain feedback from the ESCP Client Manager Board.
- 9.4 The following service specification identifies the general service functions provided by the ESCP Team. These are available for partners to use if required by the respective Partner authority:
- (a) Liaison and representation with the Environment Agency and Coastal Groups,
 - (b) Setting long term Policies i.e. North Solent Shoreline Management Plans,
 - (c) Developing local flood and erosion risk management strategies,
 - (d) Design & Implementation of Capital Projects,



- (e) Asset Inspections,
- (f) Maintenance of Coastal Assets,
- (g) Provide Flood Risk Advice and application of the Partnership for Urban South Hampshire Strategic Flood Risk Assessment,
- (h) Provide consultancy service support and express views on development application proposals that include coastal defences,
- (i) Attendance at Committee, Board and other meetings of the Councils in support of the Service provided; where required, the ESCP Client Manager Board to provide appropriate support to the ESCP Team,
- (j) Provide assistance to the Lead Local Flood Authorities in accordance with the Floods and Water Management Act with regard to managing tidal flood and erosion risk,
- (k) Land drainage and Surface Water Flood Risk Management;
- (l) Provide support and advice for Environmental Impact and Coastal Process Assessments.

9.5 Governance is the process by which the ESCP Member Board ensures that the ESCP is effectively and properly run. The ESCP Client Manager Board is made up of a group of people ultimately accountable for the activities of the ESCP; for making the decisions about the overall purpose and direction of the organisation; for ensuring that the money and property are properly used (and managed) to meet the aims and objectives of the organisation; for ensuring that the organisation does everything within the law and abides by this agreement; is accountable to its partner authorities.

9.6 The seven Principles of Good Governance (based on the Nolan Committee's 7 Principles of Public Life) will apply to staff working for the ESCP as well as those sitting on the ESCP Client Manager Board.

10. Dispute Resolution

10.1 In the event of a dispute concerning the construction or effect of this Agreement which cannot be resolved by the ESCP Client Manager Board the matter may be



referred to the respective Leaders of the Councils in consultation with the Chief Executives of the Councils and such other Senior Officers as are appropriate who shall take all reasonable steps to conciliate and resolve such dispute or difference whether by negotiation mediation or any other form of dispute resolution procedures (with a view to resolution by discussion and negotiation).

- 10.2 In the event that a matter in dispute cannot be resolved under Clause 10.1 the matter may be referred to an arbitrator under Clause 10.3.
- 10.3 The arbitrator shall be appointed with the agreement of the Councils 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 (such body to be determined by the Chief Executives of the Councils).
- 10.4 For the avoidance of doubt this Clause shall remain in effect after the termination or expiry of this Agreement to confer powers on the Councils to resolve matters remaining in dispute.

11. No Fetter of Discretion

- 11.1 Nothing in this Agreement shall fetter the discretion of the Councils.

12. Liabilities

- 12.1 The Councils shall be jointly and severally liable to any third parties in respect of all actions and causes of action claims demands proceedings damages losses costs charges and expenses directly arising from this Agreement ("Third Party Claims"). A Council shall not settle a Third Party Claim without the prior written agreement of the other Councils. The Council making a payment to such third party shall be the Paying Council for the purposes of this clause. Each of the other Councils (each one being an Indemnifying Council) shall promptly indemnify and keep indemnified the Paying Council for the full extent of the Indemnifying Council's liability for any Third Party Claims. In the event of breach of this Agreement by one of the Councils or negligence by one of the Councils in relation to this Agreement that Council shall be liable for an indemnify and keep the other Councils indemnified in respect of all actions claims demands proceedings damages losses costs charges and expenses directly arising from its breach of this Agreement or its negligence. The liability and indemnity provisions in this clause shall for the avoidance of doubt continue after the termination of this Agreement.



- 12.2 Each Council shall ensure that it has all appropriate insurances relating to public liability, employee liability professional indemnity and Member indemnity to cover any liabilities arising under this Agreement.
- 12.3 All proposed fee-income work contracted to non-partner councils and private third party businesses and organisations will be referred to the Host Employer's insurance department to arrange bespoke insurance cover which will be recharged to the employing authority/company.

13. Intellectual Property Rights

- 13.1 Each Council shall remain the owner of all intellectual property rights it owns at the date of this Agreement in any materials which it has created or the creation of which was undertaken by a third party which it commissioned to create those materials.
- 13.2 Any new material created jointly by the Councils in the course of provision of the ESCP Service shall belong to the Councils jointly.
- 13.3 Each Council hereby grants a licence to the other to use its intellectual property rights incorporated in or appearing from the materials referred to in Clauses 13.1 and 13.2 for the purposes of the performance of this Agreement.

14. Notices

- 14.1 Any notice to be served under this Agreement shall be valid and effective if it is addressed to the Chief Executive of the receiving Council and delivered by email, pre-paid first-class recorded delivery post or delivered by hand to the receiving Council's principal office.
- 14.2 Any notice or other communication served under or in connection with this agreement shall be deemed to have been received:
- (a) if delivered by hand, at the time it is left at the relevant address;
 - (b) if posted by pre-paid first-class recorded delivery post or other next working day delivery service, on the second Business Day after posting; and
 - (c) if sent by email, at the time of transmission, or, if this time falls outside business hours in the place of receipt, when business hours resume.



- 14.3 A notice or other communication given as described in clause 14.2 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day. In this clause, business hours means 9.00am to 5.00pm Monday to Friday on a day that is not a public holiday in the place of receipt.

15. Rights and Duties Reserved

- 15.1 Nothing in this Agreement shall prejudice or fetter the proper exercise of any function by the Councils or their officers.

16. Legal and Other Fees

- 16.1 Each Council shall bear its own legal and other fees in relation to the preparation and completion of this Agreement.

17. Provision of Statistical Information Accounts and other Documents etc

- 17.1 Each Council shall make available to the other such statistical information which each Council may from time to time reasonably require for the provision of the ESCP Service.

- 17.2 Without prejudice to any provision in this Agreement requiring the keeping of records the supply of statistics or the provision of information the Councils shall keep such other records and details of or concerning the ESCP Team or their performance as the Councils may require and shall produce or provide to the other copies whether kept electronically or in paper format of such accounts invoices orders contracts receipts statistics and other information or documents touching or concerning or arising from this Agreement or their performance or this Agreement as and when and in such form as each Council may reasonably require.

- 17.3 Without prejudice to any provision in this Agreement the Councils shall keep and maintain all necessary information and shall provide all necessary assistance to enable each Council to complete all necessary official returns or statistics related to this Agreement.

- 17.4 The Councils shall supply each other with such assistance and information as each Council may require to enable it to allocate such expenditure as each Council may incur under this Agreement.



18. Audit

- 18.1 Each Council's external and internal auditors shall have the like powers set out in Part II of the Audit Commission Act 1998. Each Council shall at all reasonable times (including following the termination for whatever reason of this Agreement) allow or procure for any auditor for the purposes of an external or internal audit immediate access to and permission to copy and remove any copies of and permission to remove the originals of any books records and information in the possession or control of either Council which in any way relates to or are or were used in connection with this Agreement including (but without limitation) any of each Council's data and any such information stored on a computer system operated by a contractor servant or agent of the other Council.
- 18.2 Each Council will provide all practicable co-operation and afford all appropriate access to personnel and records in order to assist the requesting Council in carrying out any investigations which are already under way at the Commencement Date and any investigations which are carried out after the termination or expiry of this Agreement.
- 18.3 The Client Manager Board shall determine from time to time which of the Councils shall carry out planned internal audits of the ESCP and when such planned internal audits should take place. All reasonable costs (reasonably incurred) in respect of the performance of a planned internal audit shall be met by the ESCP. Each Council shall be entitled to receive a copy of the final internal audit report within 10 Business Days of such report being finalised.

19. Partnership

- 19.1 Nothing beyond the terms of this Agreement shall be construed as establishing or implying any legal partnership or joint venture between the Councils.

20. Anti-Corruption

- 20.1 Any of the Councils may terminate this Agreement at any time and recover from the other the amount of any loss resulting from such termination if any of the following apply: -
- (a) any of the other Councils has offered or given or agreed to give to any person any gift or consideration as an inducement or reward without the joint agreement of all the Councils (1) for doing or forbearing to do or for having done or forborne to do any action in relation to the obtaining or



execution of the Agreement or any other contract with the Council (2) for showing or forbearing to show favour or disfavour to any person in relation to the Agreement or any other contract with the Council;

- (b) any person employed or by acting on behalf of the other Councils (whether with or without the other Council's knowledge or consent) acts in a similar manner to that set out in sub-Clause (a) above;
- (c) in relation to any contract or potential contract with the Council the other Councils or any person employed by or acting on behalf of the other Council shall have committed any offence under the Bribery Act 2010 or any amendment or replacement thereof or shall have given any fee or reward the receipt of which is an offence under sub-Section (2) of Section 117 of the Local Government Act 1972.

21. Discrimination

21.1 The Councils shall not unlawfully discriminate within the meaning and scope of the provisions of the Equality Act 2010 and any other legislation prohibiting discrimination on any grounds whatsoever. The Councils shall take all reasonable steps to secure the observance of these provisions and any statutory provisions amending or replacing the same by its employees in the performance of the Agreement.

22. Human Rights

22.1 The Councils in the performance of this Agreement shall comply with the provisions of the Human Rights Act 1998. The Councils shall indemnify and or keep indemnified each other against all actions and causes of action claims demands proceedings damages losses costs charges and expenses whatsoever in respect of any breach by a Council of this Clause and such indemnity shall continue after the termination of this Agreement.

23. Freedom of Information

23.1 The Councils recognise that they are public authorities subject to legal duties which may require the release of information under the Freedom of Information Act 2000 Environmental Information Regulations 2004 or any other applicable legislation governing access to information on request.

23.2 If any of the Councils do not wish any of the information supplied to the other Councils during the term of this Agreement to be disclosed, that Council shall, when providing information, identify that which is confidential or commercially



sensitive and should not be disclosed in response to a request for information under the Freedom of Information Act 2000. The Council should state why it considers the information to be confidential or commercially sensitive.

- 23.3 If a Council receives a request under the Freedom of Information Act 2000 that Council shall not be under any obligation to refuse to release any information from any of the other Councils that is marked confidential or commercially sensitive, and it is up to the Council receiving the request to decide if an exemption applies and whether information should be disclosed, but it shall properly consider the representations of the other Councils before making such decision.
- 23.4 The Councils agree to assist one another in order to enable them to comply with their obligations. In the event any of the authorities receives a request for information under the Freedom of Information Act 2000 or any other applicable legislation relating to the shared service it shall inform the others and seek their assistance.

24. Survival of this Agreement

- 24.1 In so far as any of the rights and powers of the Councils provided for in this Agreement shall or may be exercised or exercisable after the termination or expiry of this Agreement the provisions of this Agreement conferring such rights and powers shall survive and remain in full force and effect notwithstanding such termination or expiry.
- 24.2 In so far as any of the obligations of the Councils provided for in this Agreement remain to be discharged after the termination or expiry of this Agreement the provisions of this Agreement imposing such obligations shall survive and remain in full force and effect notwithstanding such termination or expiry.

25. Whole Agreement

- 25.1 Subject to clause 3.1, this Agreement constitutes the whole agreement and understanding of the Councils as to its subject matter and there are no prior or contemporaneous agreements between the Councils save as expressly mentioned herein.

26. Waiver

- 26.1 Failure by any of the Councils at any time to enforce any provision of this Agreement or to require performance by the other or others or any of the



provisions of this Agreement shall not be construed as a waiver of any such provisions and shall not affect the validity of this Agreement or any part or the right of that party to enforce any terms and provision of this Agreement.

27. Severance

27.1 If any term or provision of this Agreement shall in whole or in part become or shall be declared by any court of competent jurisdiction to be invalid or unenforceable in any way such invalidity or unenforceability shall in no way impair or affect any other term or provision all of which shall remain in full force and effect.

28. Governing Law

28.1 This Agreement shall be governed by and interpreted in accordance with English law and the Councils submit to the exclusive jurisdiction of the English courts.

29. Contracts (Rights of Third Parties) Act 1999

29.1 The Councils do not intend that any term of this Agreement should be enforceable by any third party as provided by the Contracts (Rights of Third Parties) Act 1999.

30. Non-Assignment

30.1 None of the Councils shall be entitled to assign this Agreement or any of its rights and obligations under it without the written consent of the others (which consent the other Councils may in their absolute discretion withhold).

31. Disruption

31.1 The Councils shall take reasonable care to ensure that in the execution of this Agreement it does not disrupt the operations of the other Councils, its employees or any other third party.

32. Health and Safety

32.1 Each Council shall promptly notify the other Councils of any health and safety hazards which may arise in connection with the performance of this Agreement and shall promptly notify each other of any health and safety hazards which may exist or arise at a Council's premises and which may affect the performance of this Agreement.



- 32.2 While on the Councils' premises the ESCP Team shall comply with any health and safety measures implemented by any of the Councils in respect of employees and other persons working on those premises.
- 32.3 Each Council shall notify the others immediately in the event of any incident occurring in the performance of this Agreement on the Councils' premises where that incident causes any personal injury or damage to property which could give rise to personal injury.
- 32.4 The Councils shall comply with the requirements of the Health and Safety at Work etc Act 1974 and any other acts orders regulations and codes of practice relating to health and safety which may apply to employees and other persons working on the Councils' premises in the performance of this Agreement.
- 32.5 The Councils shall ensure that their health and safety policy statements (as required by the Health and Safety at Work etc Act 1974) are made available to each other on request.

33. Data Protection

- 33.1 The parties will comply with all applicable requirements of the Data Protection Legislation. This clause 33 is in addition to, and does not relieve, remove or replace, a party's obligations under the Data Protection Legislation.
- 33.2 The Parties agree that, for the purposes of Data Protection Legislation, each Party (to the extent it processes Personal Data pursuant to or in connection with this Agreement) processes Personal Data as an independent Data Controller in its own right. Nothing in this Agreement (or the arrangements contemplated by it) is intended to construe either Party as the Data Processor of the other Party or as joint Data Controllers with one another.
- 33.3 Each Party shall:
- (a) comply with its obligations under Data Protection Law;
 - (b) be responsible for dealing with and responding to Data Subject requests, enquiries or complaints (including any request by a Data Subject to exercise their rights under Data Protection Legislation) it receives, unless otherwise agreed between the Parties; and



- (c) promptly (and without undue delay) notify the other Party in writing of any security incident affecting the Personal Data it processes pursuant to or in connection with this Agreement, including the unlawful or unauthorised Processing of the Personal Data, to the extent the security incident is likely to affect the other Party.
- 33.4 Without prejudice to clause 33.2, each Party (the **Disclosing Party**) agrees that if it provides Personal Data to the other Party (the **Receiving Party**), it shall ensure that it has provided all necessary information to, and obtained all necessary consents from, the Data Subjects of the Personal Data, in each case to enable the Personal Data to be disclosed to the Receiving Party for the purposes of this Agreement and in accordance with Data Protection Legislation.
- 33.5 In relation to the Personal Data it receives from the Disclosing Party, each Party shall at all times process the Personal Data in a manner that ensures appropriate security of the Personal Data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical and organisational measures, and the measures shall, at a minimum, comply with the requirements of Data Protection Legislation, including Article 32 of the GDPR.
- 33.6 Notwithstanding clause 33.2, should the Host Employer at any time act, for the purposes of the Data Protection Legislation, as a **Data Processor** on behalf of the any other Party then the other Party (**Data Controller**) will provide to the Host Employer information about the Personal Data in substantially the format set out in Schedule 2 (to include the scope, nature and purpose of processing by the Host Employer, the duration of the processing and the types of Personal Data and categories of Data Subject) and the Host Employer shall, in relation to any Personal Data processed in connection with the performance by the Host Employer of its obligations under this Agreement:
- (a) process that Personal Data only on the written instructions of the Data Controller unless the Data Processor is required by the laws of any member of the European Union or by the laws of the European Union applicable to the Data Processor to process Personal Data (**Applicable Data Laws**). Where the Data Processor is relying on laws of a member of the European Union or European Union law as the basis for processing Personal Data, the Data Processor shall promptly notify the Data Controller of this before performing the processing required by the Applicable **Data Laws** unless those Applicable **Data Laws** prohibit the Data Processor from so notifying the Authority;



- (b) ensure that it has in place appropriate technical and organisational measures, reviewed and approved by the Data Controller, to protect against unauthorised or unlawful processing of Personal Data and against accidental loss or destruction of, or damage to, Personal Data, appropriate to the harm that might result from the unauthorised or unlawful processing or accidental loss, destruction or damage and the nature of the data to be protected, having regard to the state of technological development and the cost of implementing any measures (those measures may include, where appropriate, pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of its systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the technical and organisational measures adopted by it);
- (c) ensure that all personnel who have access to and/or process Personal Data are obliged to keep the Personal Data confidential; and
- (d) not transfer any Personal Data outside of the European Economic Area unless the prior written consent of the Authority has been obtained and the following conditions are fulfilled:
 - (i) the Data Controller or the Data Processor has provided appropriate safeguards in relation to the transfer;
 - (ii) the data subject has enforceable rights and effective legal remedies;
 - (iii) the Data Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred; and
 - (iv) the Data Processor complies with reasonable instructions notified to it in advance by the Data Controller with respect to the processing of the Personal Data;
- (e) assist the Data Controller, at the Data Controller's cost, in responding to any request from a Data Subject and in ensuring compliance with its obligations under the Data Protection Legislation with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators;



- (f) notify the Data Controller without undue delay on becoming aware of a Personal Data breach;
- (g) at the written direction of the Data Controller, delete or return Personal Data and copies thereof to the Data Controller on termination of the agreement unless required by Applicable **Data** Law to store the Personal Data; and
- (h) maintain complete and accurate records and information to demonstrate its compliance with this clause 33 and allow for audits by the Data Controller or the Data Controller's designated auditor;
- (i) not appoint any third-party processor of Personal Data under this agreement with the written consent of the Data Controller in question.

34. **Confidential Information**

34.1 Each party undertakes that it shall not at any time during this Agreement and for a period of 6 years after termination of this Agreement, disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of any other party except as permitted by clause 34.2.

34.2 Each party may disclose the other parties' confidential information:

- (a) to its employees, officers, representatives or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with this Agreement. Each party shall ensure that its employees, officers, representatives or advisers to whom it discloses the other party's confidential information comply with this clause 34.1; and
- (b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

34.3 No party shall use any other party's confidential information for any purpose other than to exercise its rights and perform its obligations under or in connection with this agreement.

35. **Modern Slavery**



- 35.1 Each Council represents and warrants that at the date of this Agreement neither it nor any of its officers, employees, sub-contractors or other persons associated with it:
- (a) has been convicted of any offence involving slavery and human trafficking; and
 - (b) to the best of its knowledge and belief, has been or is the subject or any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence of or in connection with slavery and human trafficking.
- 35.2 Each Council shall at all times comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015.
- 36. Counterparts**
- 36.1 This Agreement may be executed in counterparts, each of which shall be regarded as an original, but all of which together shall constitute one agreement binding on both of the Parties.



IN WITNESS of which this Agreement has been executed as a Deed on the first day before written

Executed as a Deed by affixing the
Common Seal of **The Council of the
Borough of Havant** in the
presence of:)
)
)

Solicitor to the Council

Executed as a Deed by affixing
the Common Seal of **Portsmouth
City Council** in the
presence of:)
)
)

Authorised officer

Executed as a Deed by affixing the
Common Seal of **The Council of the
Borough of Gosport** in the
presence of:)
)
)

Authorised officer

Executed as a Deed by affixing the
Common Seal of **The Council of the
Borough of Fareham** in the
presence of:)
)
)

Solicitor to the Council



SCHEDULE 1: Financial Protocol

1. Budget Setting and Authorisation

- 1.1 Budget years will run from 1st April to the 31st March. The budget will be set on an annual basis and in accordance with clause 6, the budget will be agreed by ESCP Client Manager Board prior to the start of the next financial year
- 1.2 The budget for the Income and Expenditure Account and the Notional Balance Sheet with the Project Fund should be presented by the ESCP Head of Service with clear assumptions and supporting schedules. The ESCP Head of Service is responsible for ensuring that the Partnerships' objectives are met within the agreed budget.
- 1.3 This budget will detail all expenditure (including equipment and assets) required in order for the Partnership to complete its objectives as detailed in clause 3 of the agreement and will include all costs as defined in clause 6.1 of the agreement, although this list may not be exhaustive.
- 1.4 The budget will also detail the income expected to be earned in the budget year, estimated against each member of staff.
- 1.5 The ESCP Head of Service has no authority to overspend the budget, resulting in a net increase to Partnership fees. Overspend can only be incurred if agreed first by all members of the ESCP Client Manager Board, and a source of funding can be identified to meet the increased liability.

2. The Early Warning / Risk Mitigation Process

- 2.1 The Early Warning/Risk Mitigation Process is designed to alert all partner Councils of any forecast increases to net cost, or circumstances that will not allow the ESCP to achieve its fee target
- 2.2 It is the responsibility of the ESCP Head of Service to ensure that as soon as the possibility of an overspend becomes known that the ESCP Client Manager Board should be made aware, using the Early Warning Process, and in particular circumstances an emergency meeting should be called. The ESCP Client Manager Board will decide whether this expenditure can be avoided or mitigated in some way.
- 2.3 In the event that it can not be avoided or mitigated the ESCP Client Manager Board will work together to identify savings in any areas that would offset the effect of the overspend.
- 2.4 If after doing this it can not be avoided or mitigated in full this may mean that a change to the service provided is required in order that the budget can be met.



- 2.5 If this is not practicable or would make the financial position worse the ESCP Client Manager Board will be required to fund the overspend from their respective authorities in the proportions as set out in clause 6.2 of the agreement.

3. Financial Reporting and Financial Assurance

- 3.1 ESCP financial accounts and budgets will be hosted by the Host Employer and managed by ESCP Financial Assurance staff. Full transaction lists can be made available at any point at the request of an ESCP Client Manager.

- 3.2 The following reports will be issued to the ESCP Client Manager Board on a Quarterly basis:

- Quarterly Income & Expenditure Report
- A Quarterly Staffing Report
- Quarterly Notional Balance Sheet Report
- Summary of Expenditure “at risk”, either awaiting approval for funding or on objectives agreed by ESCP Client Manager Board that are outside of budgeted objectives.

4. Accounting for Transactions

- 4.1 All accounting transactions relating to the ESCP will be recorded in the Host Employer’s Financial System.

- 4.2 For the purposes of this protocol Financial System means the system with which the Hosting Employer prepares its audited accounts, spreadsheet reconciliation will not be acceptable as a form of recording transactions.

- 4.3 Procurement will be conducted and authorised as per the partner Councils financial and contract procedure rules. All accounts payable invoices relating to expenditure covered by the agreement and as agreed in the approved budget will be matched to an authorised purchase order or authorised as per the financial procedure rules and paid in accordance with the Better Payment Practice Guidelines.

- 4.4 All accounts receivable invoices relating to income covered by the agreement will be raised in a timely manner and generated by the Host Employer’s financial system. The recovery of overdue payments will be carried out in accordance with the Host Employer’s policies and procedures.

- 4.5 All partner authorities will undertake to follow the same commitment to ensure they raise purchase orders, accounts payable and accounts receivable invoices in a timely manner.

5. ESCP Accounts

- 5.1 All accounts for the ESCP will be accounted for under a single identifiable cost centre within each authority and only transactions that relate directly to ESCP activities will be recorded there. Each Council will make available any reports,



invoices or any other evidence of income or expenditure available to any of the ESCP Councils on request.

- 5.2 As per Clause 6.8 of the main agreement, PCC shall undertake a financial audit and calculate any reconciling balances either to be paid or received by each authority on an annual basis by the 30th June of the year following the budget year.
- 5.3 Accounts will be produced on an accruals basis in line with the SerCOP as per Local Authority Accounting Practices.

6. Allowable and Disallowable Costs

- 6.1 Costs for the year are agreed in advance by the ESCP Client Manager Board. The ESCP Head of Service should report to the Client Managers and seek their specific agreement to large one-off items of proposed expenditure over £20k, that arise outside the originally agreed budget. The ESCP Head of Service has authority for all expenditure if within the agreed budget.
- 6.2 Any costs that are incurred by any authority without prior approval by the ESCP Client Manager Board will be disallowable and will be borne by the Council who has incurred them
- 6.3 Any costs incurred that do not relate solely to ESCP activities will not be allowable under the agreement and will be borne by the authority who has incurred them.

7. Fee Earning

- 7.1 Fees for ESCP officers will be calculated using the Green Book methodology or as required by any grant aid memorandum as required. Each Council will be responsible for agreeing and calculating its staff's hourly rates prior to the budget year to allow the ESCP Head of Service to forecast potential fee income.
- 7.2 Any work carried out by ESCP employees as detailed in the agreement will be deemed to be ESCP income and will be shared equally to all Partnership members without exception as stated in clause 6.2 of the main agreement.
- 7.3 All fee earning time will be recorded on an auditable and controlled time recording system to be agreed by all partner authorities. Output reports from this system will be made available to all ESCP Councils upon request.

8. Tax

- 8.1 Each Council is required to ensure that it accounts for all tax in line with HM Revenue and Customs Guidance.
- 8.2 All budget amounts are included net of VAT. All VAT will be accounted for by the authority that incurs the expenditure under its own VAT registration.
- 8.3 All ESCP bodies are Section 33 bodies and the invoices between authorities are not required to account for VAT. Therefore, any invoices raised for fees will not be subject to output tax.



9 Asset Register

- 9.1 The Host Employer shall maintain a register of assets acquired by and solely belonging to the ESCP.



Schedule 2 Data Protection

Processing, Personal Data and Data Subjects

The subject matter and duration of the Processing	
Scope	
The nature and purpose of the Processing	
Types of personal data	
Categories of Data Subject	



Annexure A: Team Structure Chart