

# **Joint Audit and Governance Committee**



Listening Learning Leading



Report of Head of HR, IT & Technical Services

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To: Joint Audit and Governance Committee

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## **Five Councils' governance**

### **Recommendation**

That the committee notes the five councils' partnership governance arrangements

### **Purpose of Report**

1. At its meeting of 20 March 2017 the committee requested "a report on the role of the 5 council's partnership joint client team and the governance arrangements to ensure appropriate oversight of the 5CP is being undertaken". This report has been written in response to the committee's request.

### **Background**

2. Contracts for the delivery of a range of services were awarded to Capita (Lot 1) and Vinci (Lot 2), with service commencement date of 1 August 2016 for South Oxfordshire ("South") and Vale of White Horse ("Vale") District Councils.
3. The Five Councils partnership includes Hart District Council, Havant Borough Council, and Mendip District Council in addition to South and Vale. Service commencement dates for these partners are 31 July 2017 for Mendip (amended from 1 July), and 1 October 2017 for Hart and Havant.
4. East Hampshire District Council is able to access services through its own partner council, Havant, but is not itself a party to the contracts.

5. Governance arrangements are set out in the contracts and in an Inter-Authority Agreement (IAA) between the five partner councils. The IAA provides for the appointment of a client relationship director, a role which is currently filled on an interim basis by a senior employee of Havant and East Hants.
6. The client relationship director has at her disposal a client team made up of employees of all partner councils whose role (in outline) is to monitor the contracts and manage the performance of the contractors.

## **Governance at councillor level**

7. There are two committees established by the five councils, a Joint Committee and a Joint Scrutiny Committee.
8. The terms of reference of the Joint Committee are attached as appendix one. They are set out in an inter authority agreement signed by the five partners dated 4 April 2016. This committee does not have executive powers.
9. The Joint Committee has met twice, on 15 November 2016 and 15 May 2017, with papers published on the South website.
10. The draft terms of reference of the Joint Scrutiny Committee are attached as appendix two. They are set out in an inter authority agreement signed by the five partners dated 4 April 2016.
11. At its initial meeting on 23 May 2017, the Joint Scrutiny Committee resolved to adopt the draft terms of reference for the Five Councils' Partnership Corporate Services Scrutiny Committee with the following amendments:
  - A new point 1.1) to be added stating that this is a Scrutiny Committee constituted under the Local Government Act 2000 (subsequent points to be renumbered accordingly).
  - A new section 4 to be drafted to cover the regular assessment of the Key Performance Indicators at this Scrutiny Committee.
12. Hosting and administration of both committees rotates by municipal year, and has now passed to Hart District Council for 2017-18.

## **Governance at officer level - partnership**

13. There are two formal levels of governance set out in the contracts with Capita and Vinci, the Strategic Management Board (SMB) and the Joint Tactical Board (JTB). Appendix three shows the role and membership of these boards, which include representatives of both contractors and all council partners.
14. For South and Vale, the SMB is attended by the chief executive or his nominated substitute, and the JTB is attended by the head of HR, IT and technical services.
15. In addition to the formal levels of governance, the s151 officers from the partner councils have been meeting on a regular basis. This has resulted in a better shared understanding of the financial implications of the contracts, and is helping with decision making regarding the implementation of new financial systems.

16. The partners' internal audit managers have also been meeting regularly, and monitoring officer meetings are due to commence shortly.

## **Governance at officer level – South and Vale**

17. Within our two councils we have a programme board which meets most weeks and includes the following:

- chief executive
- interim chief operating officer
- head of finance (section 151 officer)
- head of legal and democratic services (monitoring officer)
- head of HR, IT and technical services
- assurance manager
- communications manager.

18. The role of this group is to discuss all five councils issues as they affect Vale and South, including both contractual and operational matters. This provides robust support for decision making and enables representatives at SMB and in particular JTB to act with the authority of the councils.

19. The assurance manager has regularly spoken to external auditors on five councils matters in order to ensure that they are fully briefed.

## **Joint client team**

20. The joint client team is made up of employees of all partner councils, headed by the client relationship director (CRD).

21. The role of the team encompasses management of the two contracts, support for the governance structures described above, and facilitation of the partnership arrangements. There is a well documented route for escalation of operational issues through the contractors to the client team.

22. During the early years of the contract there is a great deal of service transformation activity taking place across many disciplines in all six councils, requiring extensive management of projects, change and risk. The expectation is that the size of the client team should be reduced significantly once all services have achieved their target operating models at all partners.

23. The initial headcount of the team numbers 27. There are six managers (of whom two are Vale employees, two Mendip, and two Havant / East Hants) reporting to the CRD covering the following disciplines:

- revenues and benefits
- finance and procurement
- human resources

- customer services, licensing and land charges
- property, facilities management and car parks
- information technology.

24. It was always the intention that the role, size and structure of the joint client team should be reviewed after the first few months of operation. Experience to date has shown that this review is indeed required, noting that:

- the partner councils have not adopted a consistent approach to the retention of expertise within the councils, so where at South and Vale all professional roles have largely been outsourced, in other councils there is expected to be a core of retained resource
- at present, only the CRD has authority (derived from the inter authority agreement) to act on behalf of all partner councils, which is constraining the ability of members of the team to take decisions
- linked to the point above, the delegation of budgets to the joint client team has not been fully resolved
- without full delegated authority it is not possible to share data.

25. The interim CRD has been tasked with undertaking a review of the joint client team. Her findings, with three options for future structure, are to be presented at a meeting of the five councils strategic management board on 3 July. Officers expect to be able to provide a verbal update to the Joint Audit and Governance Committee at its own 3 July meeting.

## **Conclusion**

26. There are extensive governance arrangements in place for the five councils partnership. The contracts are still in the early stages, with most services yet to be adopted by the partners other than South and Vale, but at this point the governance arrangements appear to be robust and are not offering any cause for concern. Where there are problems with the performance of contractors we have found that there are appropriate processes in place for seeking resolution.

27. Proposals have been presented for potential adjustments to the joint client team, and officers will be able to report on progress at the meeting.

## **Background Papers**

None.

# **Appendix one**

## **TERMS OF REFERENCE OF JOINT COMMITTEE**

### **SCHEDULE 1**

#### **Terms of reference of Joint Committee**

##### **STRATEGIC**

- (a) Oversee the achievement of the Mutual Aims
- (b) Review and revise as necessary the Mutual Aims in accordance with the strategic objectives of the Partner Authorities
- (c) Monitor and review the performance of the Corporate Services Contracts at a Strategic Level
- (d) Develop and agree proposals for the future management of the Corporate Services for the Partner Authorities
- (e) Review opportunities to align policies and services where they create efficiencies or cashable savings
- (f) Approve the inception of strategic projects including cross cutting projects that interface with the retained services
- (g) Resolve conflicts (and highlight synergies) between the project and other initiatives/projects involving the Councils individually or collectively

##### **FINANCIAL**

- (a) Oversee expenditure on the Corporate Services Contract to ensure that the Corporate Services are delivered
- (b) Agree a draft budget by 30 November for the following financial year to include the contribution required from each Partner Authority
- (c) Consider how expenditure may be targeted more effectively to deliver the Mutual Aims
- (d) Agree three year strategic plans and annual business plans for the Project and the Corporate Services Contracts

##### **OPERATIONAL**

- (a) Take decisions in relation to all matters relating to the Corporate Services Contracts referred to it by the Project Strategic Group including changes to the Corporate Services Contracts recommendations as to termination, partial termination and the exercise of step-in rights and the resolution of disputes between Partner Authorities
- (b) Consider and recommend improved and more cost effective ways of delivering the Mutual Aims
- (c) Carrying out publicity for the Corporate Services Project and the Mutual Aims
- (d) Review, update and agree the agreement entered into between the councils to manage the Project (the Inter Authority Agreement) and the Corporate Services Contracts dated 4 April 2016 as required

## SCHEDULE 3

### Mutual Aims

1. Support the achievement of each authority's corporate targets through:

- Development of insight and evidence based decision making
- Integration of strategic planning and financial management
- Helping customers input into service planning and redesign and self-service
- Supporting multi-agency, partnership and two-tier collaborative working
- Supporting community-led initiatives
- Supporting growth in the areas serviced by the authorities

2. Improve the satisfaction of customers and service users through:

- Ensuring the public sector only needs to be told once
- Simplifying engagement around key life events
- Enabling customers to engage with each authority through the devices they want to use
- Ensuring customers and users can access information that is relevant to them
- Resolving customer and user issues quickly
- Face-to-face service provided in a secure, accessible and fit for purpose environment
- Maintaining and enhancing the public perception of the authorities as effective providers of public services

3. Improving the productivity of the authorities' staff through:

- Helping them to attract the right people and on-board them quickly
- Ensuring they are equipped with the right skills throughout their employment
- Enabling them to work flexibly
- Supporting effective performance management
- Providing them with access to the right applications and management information
- Minimising administration and paper within the authorities whilst retaining compliance
- Supporting effective and efficient workflow processes
- Providing access to fit for purpose working and meeting facilities

4. Achieve high levels of resilience and compliance through:

- Minimising dependency on specific locations to deliver service
- Standardising processes and applications
- Achieving open data standards
- Protecting the authorities, their customers and their staff from unauthorised activity
- Engaging effectively with external assurance
- Forecasting and planning for changes in levels of service demand
- Achieving a highly utilised but flexible civic estate demonstrating transparency to the public

5. Deliver improved value for money through:

- Ensuring the authorities achieve greater financial benefits through collaboration
- Harmonising and improving service performance
- Consistent and unit-based pricing of common elements of scope
- Developing a flexible partnership model that increases flexibility and innovation in the delivery and provision of the services and allows the Authorities to transfer services within the scope of this procurement at a date of their choosing
- Reducing the cost to the authorities of providing the services including reducing the unit cost of transactions
- Encouraging the use of and access to the services through more cost effective and efficient channels and assisting with demand management
- Enabling the authorities to achieve efficiencies in, and better outcomes from, their client and contract management function
- Enabling capability to support future transformation
- Utilising modern approaches to the provision of ICT infrastructure and new technology generally.

# **Appendix two**

## **DRAFT TERMS OF REFERENCE OF JOINT SCRUTINY COMMITTEE**

### **1. Terms of Reference**

- 1.1 To scrutinise decisions made or other action taken, by the Joint Committee in connection with the provision of services through the joint procurement of corporate services.
- 1.2 To act as a consultative body for the Joint Committee responding to requests in relation to new and changed policies and services in relation to any matter within their purview.
- 1.3 To monitor and review the performance of the Joint Committee.
- 1.4 To make reports or recommendations to the Local authorities and Joint Committee with respect to the provision of services through the joint procurement of corporate services.
- 1.5 The committee shall prepare an annual report for the Councils.

### **2. Composition of the Committee**

- 2.1 The committee shall consist of ten Councillors to be made up of two Councillors from each authority.
- 2.2 With the exception of Cabinet members, any Councillor of the respective Council may act as a substitute for the nominated member.
- 2.3 Each Council may change their nominated Councillor at any time.
- 2.4 The committee may co-opt external representatives or appoint advisors as it sees fit.

### **3. Administration and proceedings of the Committee**

- 3.1 The administration and chairmanship of the committee shall rotate between the councils on an annual basis.
- 3.2 The committee shall follow the procedures of the hosting council.

# **Appendix three**

## **MANAGEMENT BOARDS**

### **SCHEDULE 8.1**

#### **GOVERNANCE**

##### **Governance**

###### **1      DEFINITIONS**

In this Schedule, the following definitions shall apply:

<b>"Authorities Finance Lead"</b>	the manager nominated by the Authorities to act on its behalf in relation to financial matters
<b>"Authorities Operational Lead"</b>	The manager nominated by the Authorities to act on its behalf in relation to operational matters
<b>"Authorities Representative"</b>	as defined in Schedule 1 of the Agreement
<b>"Board Member"</b>	the initial persons appointed by the Authorities, the Supplier and the Lot 2 Supplier to the Boards as set out in Annex 1 and any replacements from time to time agreed by the Parties in accordance with Paragraph 3.4
<b>"Boards"</b>	the Strategic Management Board and the Joint Tactical Board and " <b>Board</b> " shall mean either of them
<b>"Business Case"</b>	as defined within the Innovation and Transformation Hub Service Delivery Plan in Schedule 4.1
<b>"Corporate Services Project"</b>	means the Authorities' project to procure services from the Supplier under this Agreement and the Lot 2 Supplier under the Lot 2 Agreement
<b>"Full Business Case"</b>	As defined within the Innovation and Transformation Hub Service Delivery Plan in Schedule 4.1
<b>"Joint Committee"</b>	means the joint committee established under section 101(5) of the Local Government Act 1972 and section 20 of the Local Government Act 2000 by the Authorities to be responsible for the management of the Corporate Services Project;

<b>“Joint Innovation and Transformation Team”</b>	the body described in Paragraph 6.1
<b>“Joint Tactical Board”</b>	the body described in Paragraph 5.1
<b>“Lot 2 Agreement”</b>	the agreement entered into on 4 April 2016 between the Authorities and the <b>Lot 2 Supplier</b> ;
<b>“Lot 2 Supplier”</b>	Vinci Construction UK Limited;
<b>“Lot 2 Supplier Finance Lead”</b>	the manager nominated by the <b>Lot 2</b> Supplier to act on its behalf in relation to financial matters
<b>“Lot 2 Supplier Operational Lead”</b>	The manager nominated by the <b>Lot 2</b> Supplier to act on its behalf in relation to operational matters
<b>“Lot 2 Supplier Representative”</b>	the representative of the Lot 2 Supplier appointed for the duration of the Lot 2 Agreement with authority to act on behalf of the Lot 2 Supplier on matters set out in, or in connection with, Lot 2 Agreement;
<b>“Relationship Management Plan”</b>	the document set out in Schedule 4.1 (Supplier’s Solution) Overarching Service Delivery Plan
<b>“Strategic Management Board”</b>	the body described in Paragraph 4.1
<b>“Service Improvement Groups”</b>	the bodies described in Paragraph 6.1
<b>“Service Improvement Group Member”</b>	the initial persons appointed by the Authorities and the Supplier to the Service Improvement Groups as set out in Annex 1 and any replacements from time to time agreed by the Parties in accordance with Paragraph 3.4
<b>“Supplier Finance Lead”</b>	the manager nominated by the Supplier to act on its behalf in relation to financial matters
<b>“Supplier Operational Lead”</b>	The manager nominated by the Supplier to act on its behalf in relation to operational matters
<b>“Supplier Representative”</b>	as defined in Schedule 1 of the Agreement

## **2 MANAGEMENT OF THE SERVICES**

- 2.1 The Supplier shall appoint a representative and the Authorities shall appoint a single representative to act for all the Authorities for the purposes of this Agreement through whom the Services shall be managed on a day-to-day basis.
  
- 2.2 Both Parties shall ensure that appropriate resource is made available on a regular basis such that the aims, objectives and specific provisions of this Agreement can be fully realised.

### **3      BOARDS AND SERVICE IMPROVEMENT GROUPS**

#### **Establishment and structure of the Boards and Service Improvement Groups**

- 3.1 The Boards and Service Improvement Groups shall be established by the Authorities for the purposes of this Agreement on which both the Supplier and the Authorities shall be represented.
- 3.2 In relation to each Board, the:
- (a) Authorities Board Members;
  - (b) Supplier Board Members;
  - (c) Lot 2 Supplier Board Members;
  - (d) frequency that the Board shall meet (unless otherwise agreed between the Parties);
  - (e) location of the Board's meetings; and
  - (f) planned start date by which the Board shall be established,
- shall be as set out in Annex 1.
- 3.3 In relation to each Service Improvement Group, the:
- (a) Authorities Board Members;
  - (b) Supplier Board Members;
  - (c) frequency that the Board shall meet (unless otherwise agreed between the Parties);
  - (d) location of the Board's meetings; and
  - (e) planned start date by which the Board shall be established,
- shall be set out in Annex 1.
- 3.4 In the event that either Party wishes to replace any of its appointed Board Members, that Party shall notify the other in writing of the proposed change for agreement by the other Party (such agreement not to be unreasonably withheld or delayed). Notwithstanding the foregoing it is intended that each Authorities Board Member has at all times a counterpart Supplier Board Member of equivalent seniority and expertise.

## **Board meetings**

- 3.5 Each Party shall ensure that its Board Members shall make all reasonable efforts to attend Board meetings at which that Board Member's attendance is required. If any Board Member is not able to attend a Board meeting, that person shall use all reasonable endeavours to ensure that:
- (a) a delegate attends the relevant Board meeting in his/her place who (wherever possible) is properly briefed and prepared; and
  - (b) that he/she is debriefed by such delegate after the Board Meeting.
- 3.6 A chairperson shall be appointed by the Authorities for each Board as identified in Annex 1. The chairperson shall be responsible for:
- (a) scheduling Board meetings;
  - (b) setting the agenda for Board meetings and circulating to all attendees in advance of such meeting;
  - (c) chairing the Board meetings;
  - (d) monitoring the progress of any follow up tasks and activities agreed to be carried out following Board meetings;
  - (e) ensuring that minutes for Board meetings are recorded and disseminated electronically to the appropriate persons and to all Board meeting participants within seven Working Days after the Board meeting; and
  - (f) facilitating the process or procedure by which any decision agreed at any Board meeting is given effect in the appropriate manner.
- 3.7 Board meetings shall be quorate as long as at least two representatives from each Party are present and for matters which relate to the Corporate Services Project as a whole at least two representatives of the lot 2 Supplier are also present.
- 3.8 The Parties shall ensure, as far as reasonably practicable, that all Boards shall as soon as reasonably practicable resolve the issues and achieve the objectives placed before them. Each Party shall endeavour to ensure that Board Members are empowered to make relevant decisions or have access to empowered individuals for decisions to be made to achieve this.

- 3.9 The Parties acknowledge that, as far as possible, the Councils wish to ensure that the Corporate Services Project is managed as a whole to ensure that the Services provided under this Agreement and the Lot 2 Agreement are delivered in such a way that they are integrated and that the Supplier and Lot 2 Supplier work together where possible.
- 3.10 For each meeting of each Board there will be three agendas, one dealing with matters which relate to this Agreement only, one dealing with matters which relate to the Lot 2 Agreement only and one dealing with matters which relate to the Corporate Services Project as a whole. The meetings may take the form of a single meeting for all three agendas or may be separate meetings by agreement between the Parties.

#### **4 STRATEGIC MANAGEMENT BOARD**

##### **4.1 Role**

- (a) The Strategic Management Board shall be responsible for the overall vision and strategic direction for the Corporate Services Project

##### **4.2 Functions**

- (a) be accountable to the Joint Committee for comprehensive oversight of the Services and for the senior management of the operational relationship between the Parties;
- (b) be the custodian of the strategic objectives, values and culture of the Corporate Services Project (including the partnership success criteria) and to review these on an annual basis;
- (c) consider and approve the three year strategic plans, annual business plans and the pipeline of new Business Cases to be developed by the Innovation and Transformation Hub for the Corporate Services Project;
- (d) review targets associated with Corporate Services Project savings and growth and development of the Corporate Services Project;
- (e) receive reports from the Authorities Representative, the Supplier Representative and the Lot 2 Supplier Representative on issues relating to delivery of existing Services and performance against Performance Indicators, progress against the Implementation Plan and possible future developments;
- (f) review and report to the Joint Committee on service management, co-ordination of individual projects and any integration issues;

- (g) deal with the prioritisation of resources and the appointment of Project Managers on behalf of the Parties;
- (h) identify and consider new business and trading opportunities for the Corporate Services Project including how the Parties can collaborate to realise benefits;
- (i) promote continuous improvement by challenging strategic performance of each Service;
- (j) discuss areas for potential expansion of the Services including the introduction of new service elements in accordance with the Service Delivery Plans and the Change Control Procedure set out in Schedules 4.1 (Supplier Solution) and 8.2 (Change Control Procedure)
- (k) agree and trigger communication of key messages about the Corporate Services Project;
- (l) promote the Corporate Services Project and the Services with key external stakeholders;
- (m) observe and promote the Relationship Management Plan to the Parties' respective organisations; and
- (n) consider and resolve Disputes (including Disputes as to the cause of a Delay or the performance of the Services) from the Joint Tactical Board and then in accordance with the Dispute Resolution Procedure set out in Schedule 8.3;

## **5      THE JOINT TACTICAL BOARD**

### **5.1    Role**

The Joint Tactical Board shall:

- (a) provide senior level guidance, leadership and strategy for the overall delivery of the Services;
- (b) report to and be accountable to the Strategic Management Board; and
- (c) carry out the specific obligations attributed to it in Paragraph 5.2.

5.2 Functions:

- (a) ensure that the strategic objectives are being implemented through the Service Delivery Plans and such other documentation as may be required from time to time, including the encouragement of continuous improvement and innovation across the Corporate Services Project ;
- (b) receive and review reports from the Service Implementation Groups and review reports on technology, service and other developments that offer potential for improving the benefit that either Party is receiving, in particular value for money;
- (c) determine business strategy and provide guidance on policy matters which may impact on the implementation of the Services or on any Optional Services; and
- (d) authorise the commissioning and initiation of, and assess opportunities for, Optional Services;
- (e) preparing the three year strategic plan for consideration and approval by the Strategic Management Board;
- (f) develop annual service plans outlining areas for continuous improvement including consideration of other services which may be included within the Corporate Services Project;
- (g) dynamically monitor performance against expectations ensuring the services being provided remain fit for purpose;
- (h) ensure resources are aligned to deliver Corporate Services Project priorities agreed by the Strategic Management Board;
- (i) manage the performance of the Corporate Services Project and the relationship between the Parties;
- (j) manage operational elements of the Corporate Services Project including priorities, delivery, people and culture, financial and strategic alignment;
- (k) monitor monthly performance of the Services against KPIs, volumes and delivery of Full Business Cases;
- (l) maintain a positive commercially sustainable position for both parties;

- (m) develop and maintain the Corporate Services Project risk register and ensure appropriate risk mitigations are in place;
- (n) resolve outstanding issues identified and escalated from the Service Improvement Groups;
- (o) escalate issues to the Strategic Management Board where resolution cannot be agreed;
- (p) review and monitor actions arising from the Relationship Management Plan assessments;
- (q) prepare and submit an annual service report (as set out in Schedule 8.4) to the Strategic Management Board;
- (r) resolve any inter-service issues
- (s) consider and resolve Disputes (including Disputes as to the cause of a Delay or the performance of the Services) in the first instance and if necessary escalate the Dispute to the Strategic Management Board.

## **6 THE SERVICE IMPROVEMENT GROUPS**

- 6.1 The Service Improvement Groups are the forum for the Authorities and the Supplier to discuss service specific performance and issues. The aim of the Service Improvement Groups is to provide a flexible and pragmatic forum for the identification, discussion and resolution of service issues and development.
- 6.2 The Lot 2 Supplier may be invited to specific Service Improvement Groups where service specific performance and issues are either impacted by or have an impact on the Lot 2 Supplier.
- 6.3 The Joint Innovation and Transformation Team shall be a Service Improvement Group responsible for the development of Business Cases in accordance with the process set out in the Service Delivery Plan Innovation and Transformation Hub set out in Schedule 4.1 (Supplier's Solution).
- 6.4 The process for approval of Business Cases is set out in Service Delivery Plan Innovation and Transformation Hub set out in Schedule 4.1 (Supplier's Solution). Business Cases shall be subject to approval by the Strategic Management Board save that they may require approval

by the Joint Committee and some Business Cases may depend for their implementation on decisions taken by one or more of the Councils.

- 6.5 The Joint Tactical Board shall consider and make recommendations in relation to any practical issues in connection with the implementation of any Business Cases. It is expected that such consideration by the Joint Tactical Board shall take place prior to the consideration for approval of the Business Case by the Strategic Management Board. Following approval of a Business Case, the Joint Tactical Board shall be responsible for overseeing its implementation by the Joint Innovation and Transformation Team.

## **7 CONTRACT MANAGEMENT MECHANISMS**

- 7.1 Both Parties shall pro-actively manage risks attributed to them under the terms of this Agreement.
- 7.2 The Supplier shall develop, operate, maintain and amend, as agreed with the Authorities, processes for:
- (a) the identification and management of risks;
  - (b) the identification and management of issues; and
  - (c) monitoring and controlling project plans.

- 7.3 The Risk Register shall be updated by the Supplier and submitted for review by the Joint Tactical Board.

## **8 ANNUAL REVIEW**

- 8.1 An annual review meeting shall be held throughout the Term on a date to be agreed between the Parties.
- 8.2 The meetings shall be attended by the Managing Director (Local Government Services) of the Supplier and the Client Relationship Director of the Authorities and any other persons considered by the Authorities necessary for the review.

## **9 COMMERCIALLY SENSITIVE INFORMATION**

- 9.1 The Supplier acknowledge that to the extent reasonably required to facilitate monitoring of the Corporate Services Project and operation of this Agreement it may be required to disclose Confidential Information to the Lot 2 Supplier provided that the Authorities have procured

that the Lot 2 Supplier enters into a confidentiality agreement in respect of and prior to such Confidential Information being disclosed.

- 9.2 The Supplier shall not be obliged to reveal to the Lot 2 Supplier any Commercially Sensitive Information if such disclosure would cause significant commercial disadvantage or material financial loss.

## ANNEX 1: Boards

### **Strategic Management Board Representation and Structure**

Authorities Members of Strategic Management Board	Chief Executives of each of the Authorities
Supplier Members of Strategic Management Board	Supplier's Local Government Director Supplier Representative Supplier Finance Lead Supplier Operational Lead
Lot 2 Supplier Members of the Strategic Management Board	TBC
Start Date for Service Management Board meetings	1 August 2016
Frequency of Service Management Board meetings	Quarterly until the first anniversary of the last Operational Services Commencement Date and thereafter twice a year or as otherwise agreed between the Parties
Location of Service Management Board meetings	Rotating between Authorities' premises

### **Joint Tactical Board Representation and Structure**

Authorities members of Joint Tactical Board	Authorities Representative (Chairperson)  Authorities Finance Lead  Authorities Operational Lead  Nominated director from each of the Authorities
Supplier members of Joint Tactical Board	Supplier Representative  Supplier Finance Lead  Supplier Operational Lead
Lot 2 Supplier Members of the Joint Tactical Board	Lot 2 Supplier Representative  Lot 2 Supplier Finance Lead  Lot 2 Supplier Operational Lead
Start date for Joint Tactical Board meetings	1 <sup>st</sup> May 2016

Frequency of Joint Tactical Board meetings	Monthly
Location of Joint Tactical Board meetings	Rotating between Authorities' premises

### **Service Improvement Group**

Authorities members of Service Improvement Group	Authorities Representative Authorities Finance Lead Authorities user representative
Supplier members of Service Improvement Group	Supplier Operational Lead Heads of Service
Start date for Service Improvement Group meetings	1 <sup>st</sup> September 2016
Frequency of Service Improvement Group meetings	Monthly
Location of Service Improvement Group meetings	As agreed by the Parties