

Decision under Delegated Powers

Officer Making the Decision

Head of Governance & HR

Recommendation

That the appended deed of variation to the partnership agreement for internal audit with North West Leicestershire District Council and Blaby District Council be entered into and sealed.

Reason

To reflect a variation to the existing partnership agreement to reflect amendments to the agreed staffing structure of the shared internal audit service.

Authority for Decision

Heads of Service have general delegated authority to take such action as may in their opinion be necessary or appropriate in connection with all operational management matters for those functions and service areas for which they have responsibility. The internal audit function falls within the service grouping of the Head of Governance & HR.

Decision and Date

Background

There has been a review of the staffing structure of the shared internal audit service, and it is therefore necessary to enter into the appended agreement to reflect those changes.

Comments from HR

Not applicable.

Financial Implications

The costs associated with this decision can be met from within available budgets.

Risk Management

There are no risks associated with this decision.

Key Decision:

No

Background Papers:

N/A



Deed of Variation

Version: 1
Issued: June 2022
Reference: DV1



This Deed is dated

PARTIES

- (1) **North West Leicestershire District Council** of the Council Offices, Whitwick Road, Coalville, Leicestershire LE67 3FJ ("NWLDC")
- (2) **Blaby District Council** of Civic Offices, Desford Road, Narborough, Leicester LE19 2EP ("BDC")
- (3) **Charnwood Borough Council** of the Council Offices, Southfield Road, Loughborough, Leicestershire LE11 2TX ("CBC")

BACKGROUND

- (A) NWLDC, BDC and CBC are all parties to an agreement for shared internal audit services dated 10 January 2020 (**Agreement**), a copy of which is attached as **Error! Reference source not found.** to this deed.
- (B) The parties have no agreed to appoint an apprentice to deliver part of the shared services. Consequently, the parties wish to amend the Agreement as set out in this deed with effect from [DATE] (**Variation Date**).

AGREED TERMS

1. Terms defined in the Agreement

In this deed, expressions defined in the Agreement and used in this deed have the meaning set out in the Agreement. The rules of interpretation set out in the Agreement apply to this deed.

2. Variation

- 2.1 With effect from the Variation Date and for a period of two years only the Parties agree the following amendments to the Agreement:

a)	Schedule 1 Services to be amended:	The table at Schedule 1 is to be replaced with the following:		
		Hours per week (averaged over a year)		
		Blaby		CBC
		Audit manager's time	5.8	11.6
		Senior auditor's time	5.2	23.8

		Internal auditor's time	30	30
		Apprentice's time	12	12
b)	Schedule 2 Charges to be amended:	<p>The fixed quarterly charges to be replaced with the following: A sum calculated using the following formula:</p> <p>Blaby $(AM \times 0.2) + (SA \times 0.14) + (IA1 \times 0.83) + (IAA \times 0.33)$</p> <p>CBC $(AM \times 0.4) + (SA \times 0.66) + (IA2 \times 0.83) + (IAA \times 0.33)$</p> <p>Where:</p> <p>AM = the salary and benefit costs in respect of 0.8 Audit Manager employed by NWLDC.</p> <p>SA = the salary and benefit costs, as notified to Blaby DC and Charnwood BC by NWLDC in respect of a full time equivalent Senior Auditor</p> <p>IA1 = the salary and benefit costs, in respect of an Internal Auditor (Blaby based) employed by NWLDC.</p> <p>IA2 = the salary and benefit costs, in respect of an Internal Auditor (Charnwood DC based) employed by NWLDC.</p> <p>IAA = the salary and benefit costs, as notified to Blaby DC and Charnwood BC by NWLDC in respect of a full time equivalent Internal Audit Apprentice.</p> <p>An annual reconciliation of actual time delivered compared to time charged will be performed by the Audit Manager in April each year to establish whether and credits or additional payments are necessary.</p> <p>For the avoidance of doubt, references to salary and benefits refer to all salaries, benefits, superannuation and other employment costs payable from time to time.</p>		

2.2 Except as set out in **Error! Bookmark not defined.****Error! Reference source not found.**, the Agreement shall continue in full force and effect.

3. Governing law

This deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

4. Jurisdiction

- 4.1 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this deed or its subject matter or formation.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

THE COMMON SEAL OF)
NORTH WEST LEICESTERSHIRE)
DISTRICT COUNCIL was hereunto)
affixed in the presence of)

.....Authorised Signatory

THE COMMON SEAL OF)
BLABY DISTRICT COUNCIL)
was hereunto affixed)
in the presence of)



.....Authorised Signatory

THE COMMON SEAL OF)
CHARNWOOD BOROUGH)
COUNCIL was hereunto)
affixed in the presence of)

.....Authorised Signatory