

CEREDIGION COUNTY COUNCIL

GWYNEDD COUNCIL

POWYS COUNTY COUNCIL

AGREEMENT

Relating to TraCC

BETWEEN:

PARTIES:

- (1) **CEREDIGION COUNTY COUNCIL** of Neuadd Cyngor Ceredigion, Penmorfa, Aberaeron, Ceredigion, SA46 0PA (“Ceredigion”)
- (2) **GWYNEDD COUNCIL** of Swyddfa’r Cyngor, Caernarfon, Gwynedd. LL55 1SH. (“Gwynedd”)
- (3) **POWYS COUNTY COUNCIL** of County Hall, Llandrindod Wells, Powys LD1 5LG (“Powys”)

(together described as “the Authorities”)

BACKGROUND

(1) The Authorities under an Agreement dated the _____ day of August 2009 (“the 2009 Agreement”), established a joint committee or Board for the purpose of carrying out duties and responsibilities more particularly described in the 2009 Agreement, and now also in this Agreement, with the following core aims and objectives:

- To improve:
 - safety for all transport users;
 - accessibility to services, jobs and facilities for all sectors of society;
 - the quality and integration of public transport, including the role of community transport;
 - the efficiency and use of the highway network including connectivity to other regions;
- To provide, promote and improve sustainable forms of transport;
- To maintain and improve the existing highway and transport infrastructure;
- To minimise the impact of movement on the local and global environment;
- To administer, manage, pay and monitor public transport and other grants and funding;
- To ensure that transport, the need to travel and accessibility issues are paramount in land use decisions; and

- To do anything else within the law that promotes or helps to promote the aims and objectives.

(2) The Authorities have agreed to continue to operate as a joint committee or Board in accordance with the terms of this Agreement (which supersedes the 2009 Agreement) and which regulates their respective rights and obligations to each other in the carrying out of the core aims and objectives.

NOW IT IS AGREED as follows:

1. Definitions and Interpretation

1.1. For the purpose of this Agreement the following definitions apply to this Agreement and the Schedules:

the Accounts shall mean the financial statements, records and relevant documents of TraCC;

the Authorities shall mean the Councils who from time to time are parties to this Agreement and any reference to “Authority” shall mean reference to one of the Councils who are from time to time parties to this Agreement;

Approved Strategies shall mean such plans including policies within the remit of this Agreement as approved in accordance with Clause 3.2 and the Third Schedule;

Board shall mean the joint committee established in accordance with this Agreement;

Budget shall mean an itemised summary of intended revenue and capital expenditure for the Financial Year as approved in accordance with Clause 5.2;

Chair shall mean a Member acting as chair of meetings of the Board in accordance with this Agreement;

Constitution shall mean a document produced, approved and maintained by an Authority setting out that Authority’s arrangements including any procedural rules

relating to contracts, finance and land and such other information as required by Section 37 of the Local Government Act 2000;

Funding means funding, including grant aid, provided or advanced to the Board otherwise than from the Authorities;

Financial Year shall mean a year beginning on 1st April;

Lead Authority shall mean the Authority which, in accordance with this Agreement (and, in particular, Clause 4 of it) the Board has appointed to carry out a particular function on behalf of the Board;

Loss shall mean all liabilities, losses, actions, claims, demands, proceedings, damages, costs, charges and expenses of whatever kind whether in contract, tort or otherwise;

Management Authorities shall mean the Authorities;

Management Group shall comprise an appropriate Chief Officer and invited senior officers from each of the Authorities;

Member shall mean a person elected to hold the office of member of an Authority in accordance with Section 79 of the Local Government Act 1972;

the Region shall mean the combined administrative areas of Ceredigion and Powys and the former Meirionnydd district of Gwynedd, or such other combined area from time to time, for which the Authorities shall have responsibility;

TraCC means Trafnidiaeth Canolbarth Cymru (Mid-Wales Transportation);

Treasurer shall mean the officer specified in clause 4.6 below who shall have responsibility for maintaining the financial accounts of the Board in relation to this Agreement;

Vice-Chair shall mean such Member serving in the place of the Chair in accordance with this Agreement.

1.2. In this Agreement and Schedules:-

- 1.2.1. any references to a specific statute include any statutory extension or modification amendment or re-enactment of such statute and any regulations or orders made under such statute;
- 1.2.2. references to any clause, sub-clause, schedule or paragraph without further designation shall be construed as a reference to the clause, sub-clause schedule or paragraph to this Agreement so numbered;
- 1.2.3. the clause, paragraph and schedule headings do not form part of this Agreement and shall not be taken into account in its construction or interpretation;
- 1.2.4. person shall mean corporation, partnership, firm, unincorporated association and natural person;
- 1.2.5. the singular includes the plural and vice versa;
- 1.2.6. the three Schedules form part of the Agreement and have the same force and effect as if expressly set out in the body of the Agreement and any reference to this Agreement shall include the Schedules.

2. Power to make this Agreement

- 2.1 This Agreement is made under the powers conferred by Sections 101, 102 and 113 of the Local Government Act 1972, Sections 2 and 20 of the Local Government Act 2000, and all other powers so enabling the Authorities.
- 2.2 In making this Agreement each of the Authorities confirms that it has in place an appropriate scheme of delegation under which the powers and duties set out in the Third Schedule are delegated wholly to the Board and do not require to be ratified in any way by the individual Authorities.

3. The Board

- 3.1. The Authorities agree to continue with the Board of TraCC in accordance with the provisions of the First Schedule and to undertake the duties and responsibilities set out in the Third Schedule of this Agreement or such other duties and/or responsibilities as may be further agreed from time to time by the Authorities.

3.2. The Board may recommend such matters that are not considered to be in the ambit of the Third Schedule for consideration and decision in accordance with each Authority's constitution.

4. Management Authorities

4.1. The Management Authorities shall carry out the administrative functions of the Board which shall include the following:

4.1.1. Subject to the Third Schedule, to employ sufficient people to enable the Board to operate in an effective manner within the approved Budget; and

4.1.2. to enter into and use reasonable endeavours to perform all contracts approved by the Board; and

4.1.3. to apply for Funding as directed by the Board; and

4.1.4. to receive and make payments out of all monies dedicated to the Board (and the other parties expressly agree that Funding shall be paid to the Authority employing the Treasurer which Authority shall hold the same in accordance with its financial regulations); and

4.1.5. to act as clerk and host the Board support and other requisite support services, including legal services; and

4.1.6. to comply with the provisions of this Agreement and do all such things as authorised from time to time by the Board.

4.2. The Management Authorities shall nominate an Authority who shall also:

4.2.1. subject to the statutory role of each Authority's monitoring officer in accordance with Section 5(A) (1) of the Local Government and Housing Act 1989 and the Local Authorities (Executive and Alternative Arrangements) (Modification of Enactments and Other Provisions) (Wales) Order 2002 SI 2002 2002/808 in relation to their Authority, provide for the purposes of the Board the services of its monitoring officer; and

- 4.2.2. control and manage finance (and make all payments when due) through the financial systems of the Treasurer's Authority and ensure that the accounting practices comply with relevant SORP, legislation and other controls;
4. 3. The Management Authorities shall be entitled to recover from the Budget dedicated to the Board an amount equal to the costs and outgoings which have been properly incurred in undertaking the responsibilities allocated under this Agreement including the payment of wages, expenses, pension contributions and termination/redundancy payments for employees. A detailed analysis of such costs and outgoings will be presented to the Treasurer for payment and to the Board for information.
4. 4 The Treasurer will make available to the chief finance officers and internal or external auditors of the other Authorities access to the Accounts (financial statements, records and relevant documents of TraCC) of the Board at all reasonable times free of charge by any Member of the Authorities or any officer of any of the Authorities duly authorised for the purpose and such accounts shall be subject to audit as accounts to which Section 2 of the Audit Commission Act 1998 applies.
4. 5. After the conclusion of every Financial Year the Treasurer shall, by the 30th June in each year, send to each of the Authorities a copy of the final accounts of the Board for such Financial Year this provision being in addition to and not in substitution for any obligation to furnish to each of the Authorities copies of the auditor's report on such accounts and the associated financial statements.
- 4.6 For the purposes of discharging the administrative functions detailed in paragraphs 4.1 to 4.5 above, it is agreed that the functions listed in Column 1 below shall, on the execution of this Agreement, be primarily undertaken by the Authority ('the Lead Authority' for each such function) listed in Column 2 below:

Column 1

Human Resources
 Clerk to the Board
 Monitoring Officer
 Treasurer
 Legal Services

Column 2

Ceredigion
 Ceredigion
 Ceredigion
 Ceredigion
 Ceredigion

PROVIDED ALWAYS that the Management Authorities may, by agreement from

time to time, vary the arrangements detailed in columns 1 and 2 above.

5. Lead Authority

- 5.1 The Lead Authority for each function listed in Clause 4.6 shall act on behalf of all the Authorities in respect of that function.
- 5.2 The Lead Authority shall act under the direction of the Board.
- 5.3 Where the Lead Authority for a particular function incurs any costs or liability in discharging that function, that Authority shall promptly inform the Treasurer of the cost or liability.

6. Finance

- 6.1. At the first meeting of the Board after the date of this Agreement, the Board shall re-assume responsibility for the existing Budget adopted by the Authorities under the First Agreement.
- 6.2. A Budget forecast shall be submitted for consultation by 31st December of the preceding year and approval sought by 31st January. The Budget shall include the cost of providing the service by the Management Authorities in accordance with this Agreement for the approval of the Board. Any substantial increase to the baseline shall be agreed by the Board with clear funding options identified.
- 6.3. In respect of grants and other external sources of funding, the Treasurer shall notify the Authorities in writing of the sums which have been granted to the Board as and when the Treasurer becomes aware of the same.
- 6.4. The Board shall operate within its Budget, as agreed with each of the Authorities, subject to maximum thresholds and any additional external funding. Quarterly financial monitoring reports and forecasts will be provided by the Treasurer.
- 6.5. Each Authority shall contribute equally to the net cost of the management and finance functions of the Board such contributions to be paid quarterly in advance against an invoice issued by the Treasurer.

- 6.6. If an Authority fails to pay its share of the net costs within 31 working days of the delivery of an invoice in respect of the same then interest shall be payable on the outstanding amount until payment is made at the rate of one per centum per annum over the base lending rate of the Bank of England applicable for the relevant period.
- 6.7 Any underspend of the Budget shall be rolled forward to the next Financial Year (and credited to a specific reserve) or, if agreed by the Board, may be used to fund something else within the Authorities' core aims and objectives under this Agreement.
- 6.8 Overspends shall be notified to the Management Group and the Board promptly with a clear explanation of the reason for the deficit. Any funds in the specific reserve will be utilised in the first instance to reduce the overspend but the Authorities will forthwith agree a recovery proposal for the existing and future years' Budget, and sources of funding. In the immediate circumstances, the Authorities will meet the deficit equally. If substantial overspends continue, the Board must consider the future viability of TraCC and, if appropriate, consider terminating this Agreement.
- 6.9 Audit arrangements will be in accordance with the Treasurer's local arrangements and the Treasurer shall meet all audit requirements imposed in respect of grant funding to TraCC.
- 6.10.1 The Treasurer shall ensure that any purchases or supply of services made to TraCC which are taxable under VAT legislation, whether or not the purchase price includes an element of VAT, shall be paid for only on the receipt by the responsible financial officer of an invoice complying with VAT regulations or a written guarantee that an authenticated VAT receipt will be issued on payments.
- 6.10.2 VAT will be chargeable on payments between the Authorities only where a taxable supply of goods or services is deemed to have been made as defined by the VAT Act 1994 as amended.

7. Ownership of Assets

- 7.1. The Management Authorities shall hold all the assets belonging to the Board on trust for the three Authorities in equal shares.
- 7.2. Upon termination of this Agreement the Management Authorities shall distribute any assets belonging to the Board as directed by the Authorities but in accordance with the proportions set out in clause 7.1 and in the event of dispute shall comply with the provisions of paragraph 12 of the Second Schedule

8. Indemnities

- 8.1. Each Authority shall indemnify and keep indemnified the other Authorities for an appropriate proportion of all Loss except where the liability arises from any fraud, dishonesty, negligence, unlawful expenditure, libel or slander on the part of an Authority performing a management function as set out in Clause 4 above, and/or where an Authority has acted outside the scope of its authority.
- 8.2. If an Authority in the performance of a management function, as set out in clause 4 above is responsible for Loss, or otherwise acting outside the scope of its authority, that Authority shall indemnify and keep indemnified the other Authorities against such Loss.
- 8.3. If the Lead Authority is in receipt of Funding on behalf of all the Authorities, and subsequently disburses some or all of it to the other Authorities, the other Authorities shall each, in the event that the Funding subsequently become repayable because of breach of the conditions of the Funding, or because the Agreement is terminated, or for any other reason, forthwith repay to the Lead Authority the Funding advanced to them and now repayable; and shall jointly and severally indemnify and keep indemnified the Lead Authority against all Loss in respect of the same.

9. Termination

- 9.1. Any of the Authorities may terminate this Agreement by giving to each of the other Authorities notice in writing to expire 6 months from the end of the Financial Year in which the notice is given and that notice shall have the effect of terminating the entire Agreement unless the other Authorities resolve

otherwise within 6 months of the end of the Financial Year in which the notice is given.

9.2. In the event that this Agreement is terminated in accordance with clause 9.1. the Authorities shall remain liable for the following costs in the proportions set out in clause 7.2 above:

9.2.1. the operational costs calculated to the date of termination;

9.2.2. costs arising as a consequence of the indemnities referred to in clause 9;

9.2.3. the cost of any redundancies consequent upon the termination;

9.2.4. any other costs properly incurred in connection with this Agreement or its termination;

9.3. In the event that this Agreement continues notwithstanding the withdrawal of one of the Authorities the Authority so withdrawing shall remain liable for its share of the costs referred to in clause 7.2 calculated to the date upon which its notice expires provided that the withdrawing Authority shall remain liable for the costs of any redundancy as follows:-

| A redundancy in respect of which notice has been given within: | % of cost |
|---|------------------|
| 1 st year after withdrawal | 100 |
| 2 nd year after withdrawal | 80 |
| 3 rd year after withdrawal | 60 |
| 4 th year after withdrawal | 40 |
| 5 th year after withdrawal | 20 |
| Thereafter | nil |

9.4. In the event that the Agreement continues, notwithstanding the withdrawal of one of the Authorities subject to the liability of the withdrawing Authority with regard to the costs as provided in Clause 9.3., the remaining Authorities shall be liable for the balance of costs of any redundancy in equal shares after deducting the contribution of the withdrawing Authority.

10. Supplemental Provisions

The provisions of the Second Schedule shall apply to this Agreement.

11. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of England and Wales.

IN WITNESS of which the Common Seals of the respective Authorities were hereunto affixed the day and year first before written.

FIRST SCHEDULE

CHARTER AND OPERATION OF THE BOARD

1. Establishment and Charter

- (a) There shall be constituted a Board:
 - (i) consisting of two voting Members, one of whom shall be the portfolio Member for Transport, to be appointed by each of the Authorities;
 - (ii) having the functions, powers and duties described in the Agreement; and
 - (iii) upon and subject to the terms and conditions described in the Agreement.
- (b) The Board may adopt or authorise the use of a brand name, logo or similar method to describe itself or its activities.

2. Nomination of Deputy to attend Meetings

Each Authority shall from time to time evidenced in writing by their chief executive officer or other authorised officer as the case may be nominate a deputy for any Member appointed by them to attend and to vote at any meeting of the Board in place of the Member who for any reason is unable to attend that meeting.

3. Appointment of Representative Members and Period of Office

Each of the Authorities shall appoint Members as mentioned in paragraph 1 and a Member so appointed shall hold office until the Member:

- (a) dies; or
- (b) resigns; or
- (c) becomes disqualified in accordance with Section 80 of the Local Government Act 1972; or
- (ch) ceases to be a Member of the Authority they represent; or
- (d) is suspended;
- (dd) the Authority which the Member represents has decided that another Member should act in their place.

4. Failure to Attend Meetings/ Filling of Casual Vacancies

- (a) The Management Authorities shall notify an Authority if one of their Members fails to attend three consecutive meetings of the Board
- (b) If for any reason there shall be a vacancy in the representation of any of the Authorities on the Board allowed under the terms of this Agreement for the time being the Authority in whose representation the vacancy occurs may forthwith fill such vacancy by appointment evidenced in writing by their chief executive officer or other authorised officer as the case may be.

5. Election of Chairperson and Vice-Chairperson

- (a) The first Chair and Vice Chair of the Board after signing this Agreement shall be a Member agreed between the Authorities.
- (b) Subsequently at the first meeting held after 1st May 2008 and then biennially a new Chair and Vice Chair shall be appointed from amongst the voting Members to hold office for the following two years.
- (c) Following the appointment of the first Chair and Vice Chair of the Board the right to appoint the Chair and Vice Chair shall rotate biennially and pass to each Authority in succession as agreed between the Authorities.
- (ch) The Chair and Vice Chair of the Board shall not be Members representing the same Authority.
- (d) In the absence of the Chair at the meeting, the Vice Chair shall take the chair and in the absence of the Chair and the Vice Chair, a chair for that meeting shall be appointed by the Board from amongst the voting Members in attendance.
- (dd) The Chair at any meeting shall not have a casting vote

6. Co-opted Persons

- (a) The Board may invite such number of co-opted persons as it shall determine to attend meetings of the Board for a fixed period of time;
- (b) Such persons may be individuals or representatives of such organisations as the Board shall determine;
- (c) Such co-opted persons may not vote at meetings of the Board and may be required by the Chair not to attend some or any part of a meeting.

7. Meetings of the Board

The Board shall meet at least once a year, or at such frequency as the Board shall determine.

8. Convening of Meetings

The meetings of the Board shall be convened by notice in writing issued by the Authority clerking the Board in accordance with clause 4.1.5 of the Agreement or by the Chair and delivered to each Member of the Board and such co-opted person as required or sent by post to or delivered to the Member's or co-opted person's address as notified to the Management Authorities at least three clear working days before the day of the meeting.

9. Quorum of Meetings

To constitute a meeting of the Board not less than two voting Members from two different Authorities, one of whom shall hold the portfolio for Transport for an Authority, shall be present, including the Chair.

10. Voting

- (a) Whilst the Board shall endeavour to work by consensus, each Authority shall be entitled to one vote for each voting Member attending at the meeting of the Board. Prior to any formal vote taking place each Authority shall indicate to the Chair which of their Members will exercise that Authority's two votes at that meeting;
- (b) Copies of the draft minutes of the proceedings of every meeting of the Board shall after each meeting be sent by the Management Authorities to the chief executive officers of the Authorities, Members, officers appointed to the Management Group by the Authorities and as appropriate co-opted persons.
- (c) The Chair at any meeting shall not have a casting vote

11. Special Meetings

The Chair of the Board shall call a special meeting of the Board within ten working days of the receipt of a requisition signed on behalf of two or more Authorities. That requisition must set out in detail the matter to be discussed at such meeting and that requisition must be sent to all the Authorities with the notice summoning that special meeting and that meeting shall be convened in accordance with paragraph 8 of this First Schedule

12. Clerk to the Board

The Management Authorities shall nominate one Authority to act as clerk to the Board.

13. Standing Orders etc

Unless otherwise mutually agreed, the Board shall, where relevant and subject to the provisions of this Agreement, operate in accordance with the Treasurer's Authority's constitution including, without limitation, contract procedure rules and financial procedure rules.

SECOND SCHEDULE

SUPPLEMENTARY PROVISIONS

1. Confidentiality/Transparency

- 1.1. The provisions of Sections 100 100A - 100I and 100K of the Local Government Act 1972 shall apply to proceedings of the Board.
- 1.2. Without limiting the generality of the above paragraph 1.1. the Authorities shall comply with the Data Protection Act 1998 and Freedom of Information Act 2000 as applicable and appropriate.
- 1.3. With the exception of the matters referred to in paragraph 1.2. above, the Authorities shall jointly agree a protocol for the disclosure of information relating to this Agreement.
- 1.4. None of the Authorities shall make any communication otherwise than in accordance with a jointly agreed protocol for disclosure of information relating to this Agreement.

2. Force Majeure

- 2.1. Notwithstanding anything else contained in this Agreement, no Authority shall be liable for any breach of its obligations resulting from causes beyond its reasonable control including but not by way of limitation national emergency, war, flood, earthquake, strike or lockout, other than a strike or lockout induced by the Authority so incapacitated, imposition of governmental regulations or law which renders performance of the Agreement impossible.
- 2.2. Each of the Authorities agrees to give written notice forthwith to the other upon becoming aware of the reasons likely to result in a delay and of the likely duration of the delay. Subject to the giving of such notice, the performance of such notifying Authority's obligations shall be suspended during the period such circumstances persist and such notifying Authority's obligations shall be granted an extension of time for performance equal to the period of the delay. Any costs arising from such delay shall be borne by the Authority incurring the same.
- 2.3. The other Authorities may if the delay continues for more than 10 (ten) working days terminate the Agreement forthwith on giving written notice to the notifying Authority signed by all the other Authorities.
- 2.4. The notifying Authority may if the delay continues for more than twenty (20) working days terminate its participation in the Agreement on giving written notice to the other Authorities.

3. Variation

At any time the Board or one or more of the Authorities may recommend changes to this Agreement by giving notice in writing to the Authorities or other Authorities as the case may be. The Authorities in receipt of the notice shall use all reasonable endeavours to consider within six weeks of such receipt whether to accept the recommendation. If all the Authorities agree to the recommended changes a memorandum of variation shall be prepared by the Management Authorities for execution on behalf of all the Authorities and appended to this Agreement.

4. No Partnership

Nothing in this Agreement shall be construed as establishing or implying any partnership between the Authorities and except as stated in this Agreement nothing in this Agreement shall be deemed to constitute any of the Authorities hereto as the agent of the other Authorities or authorise any Authority (i) to incur any expenses on behalf of any other Authority (ii) to enter into any engagement to make any representation or warranty on behalf of any other Authority (iii) to pledge the credit of or otherwise bind or oblige any other Authority or (iv) to commit any other Authority in any way whatsoever without in each case obtaining that other Authority's prior written consent.

5. Successors

This Agreement shall be binding upon and endure to the benefit of the Authorities and their respective successors in title.

6. Notices

6.1. Any demand, notice or other communication given or made under or in connection with this Agreement will be in writing.

6.2. Any such demand notice or other communication will, if given or made in accordance with this clause, be deemed to have been duly given or made as follows:

6.2.1. if sent by prepaid first class post on the second working day after the date of posting; or

6.2.2. if delivered by hand upon delivery at the address provided for in this Agreement; or

6.2.3. if sent by facsimile on the day of transmission provided that a confirmatory copy is sent by pre-paid first class post on the same working day that the facsimile is transmitted;

provided however that if it is delivered by hand or sent by facsimile on a day which is not a working day or after 4.00 p.m. on a working day it will instead be deemed to have been given or made on the next working day.

6.3. Any such demand notice or other communication will in the case of the service by post or delivery by hand be addressed to the recipient's address stated in this Agreement or at such other address as may from time to time be notified in writing by the Authorities as being the address for service.

6.4. Any such demand notice or other communication will in the case of service by facsimile be sent to the recipient using facsimile number then used by the recipient at an address which in accordance with this clause could have been used for service by post.

7. Severability

If any of the provisions of this Agreement is found by a Court or other competent authority to be void or unenforceable such provisions shall be deemed to be deleted from this Agreement and the remaining provisions of this Agreement shall continue in full force and effect. Notwithstanding the foregoing, the Authorities shall thereupon

negotiate in good faith in order to agree the terms of a mutually satisfactory provision to be substituted for the provision so found to be void or unenforceable.

8. Entire Agreement

- 8.1. This Agreement and any Appendices thereto constitutes the entire agreement and understanding of the Authorities and supersedes any previous agreement between the Authorities relating to the subject matter of this Agreement.
- 8.2. Each of the Authorities acknowledges and agrees that in entering into this Agreement it does not rely on and shall have no remedy in respect of any statement representation warranty or understanding whether negligently or innocently made of any person whether party to this Agreement or not other than as expressly set out in this Agreement.

9. The Contracts (Rights of Third Parties) Act 1999

The Authorities agree that the provisions of this Act are excluded.

10. Co-operation

The Authorities agree at their own cost to co-operate fully with each other and provide such information and assistance as the other may reasonably require in connection with any actual or potential legal proceedings arbitration hearings inquiries ombudsman enquiries inspections internal investigations and disciplinary hearing arising out of or in connection with the provision of this Agreement provided that such obligation shall not extend to any such proceedings between the Authorities.

11. Litigation

The Authorities agree to notify promptly each other by written notice upon becoming aware of or in receipt of any process or other notice of the commencement of proceedings in which any Authority is named in connection with this Agreement. No litigation will be commenced in connection with anything arising out of this Agreement without the other Authorities prior written consent, such consent not to be unreasonably withheld or delayed.

12. Dispute Resolution

- 12.1. Prior to any dispute difference or disagreement being referred to mediation pursuant to the remaining provisions of this paragraph 12 the Authorities shall seek to resolve the matter as follows:-
 - 12.1.1 in the first instance the issue shall be considered by chief officers with delegated responsibility for transportation matters;
 - 12.1.2 if the aforementioned chief officers are unable to resolve the matter within 30 working days then the issue shall be referred to the chief executive officers of each of the Authorities;
 - 12.1.3 if the chief executive officers are not able to resolve the matter within a further thirty (30) working days the provisions of paragraph(s) 12.2 and 12.3 shall take effect.

12.2

12.2.1 For the purpose of this paragraph 12.2. a dispute shall be deemed to arise when one Authority serves on the others a notice in writing stating the nature of the dispute;

12.2.2 Every dispute notified under this paragraph 12.2. shall first be referred to mediation in accordance with the mediation procedures of the Alternative Dispute Resolution Group London;

12.2.3 The mediator shall be agreed upon by the Authorities and failing such agreement within fifteen (15) working days of one Authority requesting the appointment of a mediator and providing their suggestion then the mediator shall be appointed by the President or the Vice -President for the time being of the Law Society;

12.2.4 Unless agreed otherwise the Authorities shall share equally the costs of mediation;

12.2.5 The use of mediation will not be construed under the doctrines of laches waiver or estoppel to affect adversely the rights of any Authority and in particular any Authority may seek a preliminary injunction or other judicial relief at any time if in its judgment such action is necessary to avoid irreparable damage.

12.3.

12.3.1 In the event of the Authorities failing to reach agreement on their dispute or difference following mediation pursuant to paragraph 12.2 one Authority may serve on the others a notice in writing stating the nature of the matters still in dispute;

12.3.2 the dispute or difference shall then be referred to the arbitration of a sole arbitrator to be appointed in accordance with Section 16(3) of the Arbitration Act 1996 (“the Arbitration Act”) the seat of such arbitration being designated in this Agreement as Wales;

12.3.3 In the event of failure of the Authorities to make the appointment pursuant to Section 16(3) of the Arbitration Act the appointment shall be made by the President or if the President be unwilling, unable or unavailable the Vice President for the time being of the Law Society;

12.3.4 The arbitration will be regarded as commenced for the purposes set out in Section 14(1) of the Arbitration Act when one Authority sends to the others written notice in accordance with the Arbitration Act;

12.3.5 The arbitration shall be conducted in accordance with the Rules of the Chartered Institute of Arbitrators(s)/The Rules of the London Court of International Arbitration for the Chartered Institute of Arbitrators or any amendment or modification of the same being in force at the date of commencement of the arbitration.

THIRD SCHEDULE

ROLE OF THE BOARD AND MANAGEMENT GROUP

1. The Duties and Responsibilities of the Board

The Board shall:

- 1.1. having regard to Approved Strategies, prepare regional strategies including transportation policies, proposals and programmes;
- 1.2. approve bids for Funding in pursuit of Approved Strategies and refer such to the Management Authorities to apply for funding in accordance with Clause 4.1.3;
- 1.3. to the extent only that a project is the subject of Funding undertake the implementation of Approved Strategies;
- 1.4. obtain appropriate advice, assistance and services together with the approval of the staffing structure and procurement of consultants and advisers;
- 1.5. provide advice to the Authorities on strategic, regional and local policy and operational transportation issues in the Region, and
- 1.6. respond to consultations which have regional transportation implications.;
- 1.7. approve such contractual arrangements as are proposed to be entered into on behalf of all the Authorities by the Management Authorities;
- 1.8. administer, manage, pay and monitor Regional Transport Services Grant and associated funding; and
- 1.9. do such other things in accordance with the terms of this Agreement as may be agreed from time to time by the Authorities.

2. The Role of the Management Group

The Management Group shall provide managerial direction and to advise the Board in the fulfilment of their responsibilities under this Third Schedule.

EXECUTED as a Deed by affixing)
the **COMMON SEAL** of)
CEREDIGION COUNTY COUNCIL)
in the presence of:)

A duly authorised officer

EXECUTED as a Deed by affixing)
the **COMMON SEAL** of)
GWYNEDD COUNCIL)
In the presence of:)

A duly authorised officer

EXECUTED as a Deed by affixing)
the **COMMON SEAL** of)
POWYS COUNTY COUNCIL)
In the presence of:)

A duly authorised officer