

Subject to review by Legal Services

**SERVICE LEVEL AGREEMENT**

**BETWEEN**

**MID ULSTER DISTRICT COUNCIL**

**AND**

**MID ULSTER MANUFACTURING AND ENGINEERING  
NETWORK (MEGA)**

**April 2022 – March 2025**

**THIS AGREEMENT** is made on the     day of                      2022

## **PARTIES**

- (1) MID ULSTER DISTRICT COUNCIL whose address is at Dungannon Office, 15 Circular Road, Dungannon BT71 6DT (the "**Council**"); and
- (2) MID ULSTER MANUFACTURING AND ENGINEERING GROWTH & ADVANCEMENT NETWORK whose address is c/o Sean Nugent Engineering Limited, 15 Aghnagar Road, Dungannon, County Tyrone BT70 2PP ("**MEGA**")

## **BACKGROUND**

- a) MEGA (Mid Ulster Manufacturing & Engineering Growth & Advancement Network) was created with the support of Mid Ulster District Council and Invest NI to address the immediate and medium term skills shortages in the manufacturing and Engineering industries in the Mid-Ulster area. MEGA's pilot project had its origins in the wider Mid Ulster Skills Forum (MUSF) which was set up in April 2017 to tackle skills issues across the whole Council area.
- b) MEGA is unique in that it is an industry-led collaborative network of businesses who are working together towards a common goal. Its main aim is to tackle skills and labour issues in Mid Ulster and create and implement ways to attract and retain talent in the engineering and manufacturing industry. The Project Promoter is Sean Nugent Engineering Limited and the other network members include Edge Innovate, Mallaghan Engineering, Specialist Joinery Fittings, Four Dee, Northern Hydraulics and Specdrum.
- c) The Council and MEGA have agreed to enter into this Agreement in order to set out the contractual basis upon which MEGA shall provide certain services to the Council.

## **1. DEFINITIONS**

"Charges" shall mean the charges which shall become due and payable by the Council to MEGA in respect of the Services in accordance with the provisions of this Agreement, as such charges are set out in Schedule 2.

"Commencement Date" shall mean 1<sup>st</sup> April 2022.

"Data Protection Legislation" means all applicable data protection and privacy legislation in force from time to time in the UK including the UK GDPR; the Data Protection Act 2018 (DPA 2018) (and regulations made thereunder) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended and the guidance and codes of practice issued by the Information Commissioner or other relevant regulatory authority and applicable to a party.

"Law" shall mean the laws of Northern Ireland and any other laws or regulations, regulatory policies, guidelines or industry codes which apply to the provision of the Services or with which MEGA is bound to comply.

“Project Promoter” shall mean the lead network member of MEGA

“Services” shall mean those services specified in Schedule 1 of this Agreement and any other such services which may be agreed between the parties from time to time.

“Term” shall mean from the Commencement Date until 31<sup>st</sup> March 2025.

“Working Day” shall mean Monday to Friday, excluding any public holidays in Northern Ireland.

## **2. COMMENCEMENT AND DURATION**

This Agreement shall take effect on the Commencement Date and shall continue for the Term.

## **3. SUPPLY OF SERVICES**

- a. MEGA shall provide the Services with a view to tackling skills and labour issues in Mid Ulster and creating and implementing ways to attract and retain talent in the engineering and manufacturing industry for the duration of the Term and in accordance with the provisions of this Agreement.
- b. Responsibility for the management of the MEGA will be vested in the MEGA Steering Group and the Operations Committee.
- c. The parties’ authorised representatives for the purpose of this Agreement shall be the Assistant Director of Economy, Tourism and Strategic Programmes and the Project Promoter of MEGA. MEGA contact for day-to-day purpose shall be the Funding and Investment Manager.
- d. The Council reserves the right to withdraw funding should the MEGA fail to adequately provide the Services which forms the basis of the Council’s agreement to commit funds to it.
- e. Funding will be reviewed annually and will require MEGA to submit a six-monthly report and an annual report during the Term of the agreement, in accordance with Schedule 1, showing progress against the targets and the plan for the year ahead. In addition MEGA may be required to attend a committee meeting of council in Quarter 3 to outline their progress to date and work for the future months.

## **4. COMPLAINTS PROCEDURE**

- a. MEGA shall operate a procedure for dealing with the repercussions of defaulting on any of its obligations under this Agreement and/or complaints about its provision of the Service.

## 5. COMPLIANCE AND CHANGE IN LAWS

- a. In performing its obligations under this Agreement MEGA shall have regard to and comply with all applicable Law (including but not limited to the Health & Safety at Work Act 1974 and any other Law relating to about health and safety).
- b. MEGA shall monitor and shall keep the Council informed in writing of any changes in the Law which may impact the Services and shall provide the Council with timely details of measures it proposes to take and changes it proposes to make to comply with any such changes.
- c. MEGA shall neither be relieved of its obligations to supply the Services in accordance with the terms of this Agreement nor be entitled to an increase in the Charges as the result of a change in Law.

## 6. INSURANCE

- a. MEGA shall at its own cost effect and maintain with reputable insurance companies adequate insurance to cover all such risks and liabilities as may arise in the course of providing the Services including death or personal injury, loss of or damage to property or any other loss (the "Required Insurances"). Such policies shall include cover in respect of any financial loss arising from any advice given or omitted to be given by the Supplier. This is, in part, to ensure the risk is minimised to the Council against all claims, demands, actions or proceedings made or brought and all losses, damages, costs, expenses and liabilities incurred, suffered or arising directly or indirectly in respect of or otherwise connected with the actions of the Services provided by MEGA.
- b. If, for whatever reason, MEGA fails to give effect to and maintain the Required Insurances, the Council may make alternative arrangements to protect its interests and may recover the costs of such arrangements from MEGA.
- c. The terms of any insurance or the amount of cover shall not relieve MEGA of any liabilities under the agreement.

## 7. MEGA STAFF

- a. In relation to the employment of staff, employment conditions and practices must comply with all the relevant Law and should take account of current good practice in relation to employment rights and the promotion of equality of opportunity and good relations.

## 8. AUDIT

- a. During the Term and up to 7 years following completion, MEGA shall allow the Council (acting by itself or via any representatives authorised to act on behalf of the Council) to access any of MEGA's premises, records, financial or otherwise, systems, personnel or equipment as may be required for the purposes of (*inter alia*) fulfilling any legally enforceable request by a regulatory

body, monitoring and evaluating MEGA's compliance with its obligations under this Agreement, verify the accuracy of the Charges or identify suspected fraud and to verify the achievement or objectives or progress towards such objectives.

## **9. CHARGES**

- a. The Council shall pay the Charges to the MEGA on a retrospective basis in accordance with Schedule 2. Monies must be spent by MEGA before funding is released by Mid Ulster District Council.
- b. If MEGA is in breach of any of its obligations relating to this Agreement then the Council may require MEGA to pay the Council the aggregate of all Charges paid to MEGA during the Term or such lesser amount as the Council may determine.
- c. Mid Ulster District Council shall be entitled to publish details of the assistance referred to in this letter at such times and in such manner as they may decide.
- d. The Council would expect that its contributions would receive formal recognition by way of an invitation to the Council Chair and the elected representatives for the area at any appropriate regional event/official opening and mention in publicity pertaining to the event/facility.
- e. MEGA shall be required to submit 6 month and end of year progress reports for each year of the agreement showing progress against the targets and the plan for the year ahead. In addition MEGA may be required to attend a committee meeting of council in Quarter 3 to outline their progress to date and work for the future months.

## **10. INDEMNITY**

- a. MEGA shall indemnify and keep indemnified the Council against all liabilities, costs, expenses, damages and losses incurred by the Council arising out of or in connection with:
  - i. MEGA's breach or negligent performance or non-performance of this Agreement;
  - ii. any claim made against the Council arising out of or in connection with the provision of the Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of this Agreement by MEGA.

## **11. LIABILITY**

- a. Nothing in this Agreement limits any liability which cannot legally be limited, including for:
  - i. death and personal injury caused by negligence; and

- ii. fraud or fraudulent misrepresentation.
- b. Subject to clause 10(a), the Council's total aggregate liability under this Agreement shall be limited to the Charges.

## **12. FREEDOM OF INFORMATION**

- a. The Council is subject to the terms of the Freedom of Information Act 2000 (the "Act"). Any information, which comes into the possession of the Council may be subject to disclosure under the provisions of that Act, unless an exemption applies. Only the Council can make the decision regarding whether information is disclosable or not. In arriving at the decision, The Council will take account of the nature of the information, exemptions provided by the Act, and the public interest. If the information is disclosable in accordance with the terms of the Council has no discretion to prevent its disclosure.
- b. MEGA will:
  - i. provide all necessary assistance and cooperation as reasonably requested by the Council to enable the Authority to comply with its obligations under the Act;
  - ii. transfer to the council all requests for Information relating to this Agreement that it receives as soon as practicable and in any event within 2 Working Days of receipt;
  - iii. provide the Council with a copy of all information belonging to the Authority requested in the request for information which is in its possession or control in the form that the Council requires within 5 Working Days (or such other period as the Council may reasonably specify) of the Council's request for such information; and
  - iv. not respond directly to a request for information unless authorised in writing to do so by the Council.

## **13. DATA PROCESSING**

- a. Both parties will comply with all applicable requirements of the Data Protection Legislation. This clause is in addition to, and does not relieve, remove or replace, a party's obligations or rights under the Data Protection Legislation.

## **14. NO PARTNERSHIP OR AGENCY**

- a. Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, or authorise any party to make or enter into any commitments for or on behalf of any other party.
- b. Each party confirms it is acting on its own behalf and not for the benefit of any other person.

## 15. CONFIDENTIALITY

- a. The provisions of this clause do not apply to any Confidential information:
  - i. is or becomes available to the public (other than as a result of its disclosure by the receiving party or its representatives in breach of this clause);
  - ii. was available to the receiving party on a non-confidential basis before disclosure by the disclosing party;
  - iii. was, is, or becomes available to the receiving party on a non-confidential basis from a person who, to the receiving party's knowledge, is not bound by a confidentiality agreement with the disclosing party or otherwise prohibited from disclosing the information to the receiving party;
  - iv. the parties agree in writing is not confidential or may be disclosed;
  - v. which is disclosed by the Authority on a confidential basis to any central government or regulatory body.
- b. Each party shall keep the other party's Confidential Information secret and confidential and shall not:
  - i. use such Confidential Information except for the purpose of exercising or performing its rights and obligations under or in connection with this Agreement (**Permitted Purpose**); or
  - ii. disclose such Confidential information in whole or in part to any third party, except as expressly permitted by this.
- c. A party may disclose the other party's Confidential information to those of its representatives who need to know such Confidential Information for the Permitted Purpose, provided that:
  - i. it informs such representatives of the confidential nature of the Confidential Information before disclosure; and
  - ii. it procures that its representatives shall, in relation to any Confidential Information disclosed to them, comply with the obligations set out in this clause as if they were a party to this Agreement,
  - iii. and at all times, it is liable for the failure of any Representatives to comply with the obligations set out in this clause.
- d. A party may disclose Confidential Information to the extent such Confidential Information is required to be disclosed by Law (including under the Act), by any governmental or other regulatory authority or by a court or other authority of competent jurisdiction provided that, to the extent it is legally permitted to do so, it gives the other party as much notice of such disclosure as possible.

## 16. WAIVER

- a. A waiver of any right or remedy is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy.

- b. A delay or failure to exercise, or the single or partial exercise of, any right or remedy shall not waive that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy.

## **17. SEVERANCE**

- a. If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this Agreement.

## **18. ASSIGNMENT AND OTHER DEALINGS**

- a. The Council may at any time assign, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights and obligations under this Agreement.
- b. MEGA shall not assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any of its rights and obligations under this Agreement without the prior written consent of the Authority.

## **19. ENTIRE AGREEMENT AND VARIATION**

- a. This Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous and contemporaneous agreements, promises, assurances and understandings between them, whether written or oral, relating to its subject matter.
- b. No variation of this Agreement shall be effective unless it is in writing and signed by the parties.

## **20. GOVERNING LAW**

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

## **21. JURISDICTION**

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



## **Schedule 1 – SERVICE OBJECTIVES & SPECIFICATION**

### **1. AIMS OF THE SERVICE**

MEGA will support Mid Ulster manufacturing and engineering post-pandemic recovery by working with partners to attract, develop and retain talent who are equipped with the skills to embrace a new era of manufacturing. MEGA will undertake marketing and promotional activities to enhance and contribute to the MEGA – Collaborative Growth Project: Post-COVID Recovery & Growth and support the delivery of a 3 year Strategic Action Plan 2022-25.

### **2. PROJECTS FOR FURTHER DEVELOPMENT**

MEGA will tackle skills and labour issues in Mid Ulster and create and implement ways to attract and retain talent in the engineering and manufacturing industry. This goal will be achieved through the delivery of a number of actions organised under three thematic workstreams, over the 3 year span of the project, until 2025, namely:

**2.1 Focus on People** - Address the current deficit in human resources available to the manufacturing and engineering sector in Mid Ulster with a focus on:

- a. Careers Portal. Collaborate with MUDC to develop a Manufacturing & Engineering online careers portal that showcases MEGA companies; career paths; “a day in the life of”; job vacancies etc.
- b. School Ambassadors programme rolled out. All ambassadors attend at least 1 school visit per year.
- c. JBO Connections – 2 meetings per year.
- d. PR & Marketing. Update and implement website content, PR and marketing activity. Develop a new communications strategy. Use PR to address misperceptions of the sector. Maximise MEGA opportunities for press and media exposure. Deliver media training for key MEGA representatives.

**2.1 Skills for the future** - Adapt the provision of education and skills development to meet the changing needs of the sector over time, with a focus on:

- a. Skills demand planning - conduct an annual survey of members to understand people & skills demands for the 12-18 months ahead. Collaborate with MUDC LMP to inform stakeholders of the rolling 12 – 18 month skills needs.
- b. Skills investment programme. Signpost and encourage members towards grant support packages available for skills investment (e.g. Skills Advancement Grant for INI clients)

**2.2 Collaborate to win** - Build strong working relationships with key delivery partners and leverage third party resources and budget to the best advantage of MEGA members, with a focus on:

- a. Education & skills alignment. Build strategic working relationships at board level with funded skills delivery partners (e.g SWC, NRC). Collaborate with

- operational resource to devise new training and development offerings that are aligned to industry skills demands.
- b. Degree apprenticeships. Sustain the Engineering degree apprenticeship. Grow to 30 plus places per year
- c. Emerging skills programme - build networks with Centres of Excellence to understand emerging technologies & skills requirements. Encourage Centres of Excellence to host awareness sessions in Mid Ulster
- d. MSW Growth Deal - build relationships with the MSW programme team and stay abreast of developments under the Growth deal.

### 3. ROLES AND RESPONSIBILITIES

3.1. MEGA will provide the following services for the Council:

- 3.1.1 MEGA will ensure that the Trade Union representative currently serving on the MEGA Steering Group will continue in this role for the three year duration of this Service Level Agreement.
- 3.1.2 MEGA will undertake all activities in respect of project outputs set out in part 2 of this Schedule 1.
- 3.1.3 MEGA will submit a 6 monthly report at end of each September (to highlight what has been achieved from April – September) and an annual report at end of March (detailing progress in respect of project outputs set out in part 2 of Schedule 1
- 3.1.4 MEGA will administer all structures necessary to manage and implement the funds appropriately.
- 3.1.5 MEGA will facilitate the involvement of council staff and elected members in its work.
- 3.1.6 MEGA will lobby and advocate relevant agencies and organisations for investment in skills in the manufacturing and engineering sector.
- 3.1.7 MEGA will strive to build strong working relationships with key delivery partners and leverage third party resources to advance the work of MEGA.
- 3.1.8 MEGA will facilitate the promotion of skills training and development to embrace Industry 4.0 digital manufacturing and automation.

## **SCHEDULE 2 – FINANCIAL & RESOURCING ARRANGEMENT**

3.1 The Council has agreed that payment of £15,000 sterling per annum (Fifteen thousand pounds) will be paid to MEGA for organisation costs for years 1 April 2022 – 31 March 2025.

Payment will be released only upon the following condition:

- Submission of an original invoice. Copies are NOT acceptable.
- Provision of completed and signed Declaration Form confirming MEGA has all requisite documentation in place
- Mid Ulster District Council will have the right to request repayment of all or part of the assistance if the conditions outlined in this Agreement are not met.

**ANNEX ONE****ACCEPTANCE FORM**

I, Shane Nugent, as Project Promoter of MEGA have read and understood the Council's Service Level Agreement between MEGA and Mid Ulster District Council.

I agree to comply with the conditions as detailed in these documents and to abide by those principles and procedures in my role as a Project Promoter (delete as appropriate) of MEGA.

**Council Official**

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**MEGA Project Promoter**

(delete as appropriate)

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**Signed:**

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**Signed:**

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**Position:**

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**Position**

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**Name (Block Capitals)**

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**Name (Block Capitals):**

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**Date**

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**Date**

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Please sign two copies of this Agreement, one to be returned to Mid Ulster District Council and one to be retained by MEGA.