

MAKING THE CONNECTIONS - PARTNERSHIPS FOR DELIVERY

ADVICE NOTE 8

POOLED BUDGETS UNDER S25 OF CHILDREN ACT 2004

INTRODUCTION

- 1 This is the eighth in a series of advice notes the purpose of which is to provide examples of the types of agreement that partners may wish to develop in pursuance of their partnership arrangements.
- 2 This advice note describes how to set up and manage pooling arrangements under **S25 of the Children Act 2004**. This will assist in supporting a broad range of cross sectoral partnerships for Children and Young People.

OTHER ADVICE NOTES IN THIS SERIES

- 3 Partners should also consider the other opportunities available to NHS and Local Authorities alone under **S33 of the NHS Act Wales 2006**, as set out in the existing series of advice notes at the Making the Connections web site:

<http://wales.gov.uk/topics/improvingservices/poolbudgets/?lang=en>

<http://wales.gov.uk/topics/improvingservices/poolbudgets/?lang=cy>

Advice Note 1 - Policy, Legislation, Usage
Advice Note 2 - Practicalities of Partnership Development
Advice Note 3 - Corporate Governance and Accounting in Partnerships
Advice Note 4 - Treatment of VAT in Partnership arrangements
Advice Note 5 - Workforce issues
Advice Note 6 - Charging for Services within S33 agreements
Advice Note 7 – Illustrative Agreements for S33 of the NHS Act 2006

- 4 The aim of this note is to provide guidance on how to utilise the specific flexibilities provided for under **S25 of the Children Act 2004** (referred to throughout this note as ‘the 2004 Act’).
- 5 Here we offer a practical tool in the form of an illustrative agreement that could be used as the basis of an agreement between partner bodies to support local 2004 Act ‘pooling arrangements’.

Key Message

This and other advice notes in the series together with any attachments should not be used as an alternative to obtaining independent advice as appropriate.

The advice notes are intended as aids to the consideration of what might be required.

SUMMARY

- 6 Integration or alignment of resources and budgets is not a new concept. The Health Act 1999 enabled health and local authorities in England and Wales to work together better for the benefit of their citizens and provided a clear statutory basis to facilitate that. The provisions contained in the Health Act 1999 are now consolidated in the NHS Act Wales 2006¹. This is described in the advice notes referred to above and has given added impetus to the use of the flexibilities between NHS and LAs.
- 7 However, **partnership working for Children should not be confined solely to health and social care or the NHS Act Wales 2006 arrangements**: there are numerous examples where integration can bring benefits to delivering economies of scale and accruing significant gains in effectiveness and efficiency and this may involve other partners.
- 8 Pooled budgets are increasingly seen as a key part of joint commissioning for Children and Young People partnerships. They are described in Assembly guidance as one of the key features of an integrated strategy.
- 9 Such a budget, more correctly called a 'pooled fund', offers scope to combine and concentrate money from a variety of sources effectively to shape local services around the needs of children, young people and their families. A pooled fund also has the potential to generate economies of scale and bring efficiencies.
10. While the 2004 Act enables key local partners, referred to in the Act as '**Relevant Partners**', to create pooled funds, uncertainty remains about how to establish and use such funds.
- 11 A significant prerequisite for partners should be a **written agreement** that records the objectives, management, governance and review arrangements that will apply to their pooled fund.
- 12 Annex 1 to this advice note provides an explanation of how a S25 Partnership Agreement might operate.
- 13 Annex 2 to this advice note provides an illustration of a S25 Partnership Agreement that could be adapted locally to assist.
- 14 Local Service Boards (LSBs), building on existing experience in Community Strategies and Local Strategic Partnerships, should look to strengthen collaborative working to ensure that organisations work

¹ See section 33 of the 2006 Act

together better and respond more effectively to citizens' needs. The result should be streamlined delivery of services and far better quality for service users.

Key Message

Partnership working for Children Services is a major challenge. Difficulties do exist, but sometimes the difficulties are too easily allowed to become barriers. While pooling should not be the starting point for discussion, it is an important mechanism in helping real and effective partnership working.

POLICY CONTEXT

15 In his report '***Beyond Boundaries***², Sir Jeremy Beecham said that '*the Assembly Government should fundamentally re-assess financial systems so as to (amongst other things) increase flexibility to spend across budgets and financial years*'. Sir Jeremy recommended that the Assembly Government should ensure that funding mechanisms promote capability and collaboration rather than competition. In the Assembly Government's response document, '***Delivering Beyond Boundaries***³, there are aspirations for working together with the Assembly Government's delivery partners through LSBs. The Assembly Government said that the Local Service Agreements (now known as Local Delivery Agreements) between the LSBs and the Assembly Government would '*lead to innovations in governance, accountability and funding in the delivery of public services, including the pooling of budgets both within the Assembly Government and between different organisations*'.

16 The encouragement given to public sector partners to consider pooling of budgets has been strongly reinforced in subsequent strategic policy documents issued by the Assembly Government. For example,

- to support ***Fulfilled Lives, Supportive Communities***⁴ (paragraph 4.15), the Assembly Government will review the use of flexibilities provided for in legislation (pooled budgets, integrated provision and lead commissioning) and take action to promote their use in improving social services;
- in '***A Shared Responsibility***⁵ (paras 9.11 and 9.12) there is a commitment to encourage pooling of budgets, and to consider pooling resources centrally to focus on key policy objectives and to provide LSBs with the resources to deliver results;

² Review of Local Service Delivery: Report to the Welsh Assembly Government: June 2006

³ Making the Connections – Delivering Beyond Boundaries: Transforming Public Services in Wales: November 2006

⁴ A Strategy for Social Services in Wales over the next decade: February 2007

⁵ 'A Shared Responsibility' – Local Government's contribution to improving people's lives: March 2007

- the **Health, Social Care and Well-being Strategy** Guidance⁶ calls on local partners to review their use of flexibility powers in support of their strategies; the Community Services Framework⁷ strongly supports the use of available flexibilities;
- **'The Community Strategy'**⁸ guidance sets out the role for LSBs in championing the pooling of resources across organisational boundaries to deliver integrated services to citizens. It also refers to the role that LSBs should play in providing optimum conditions for effective and co-ordinated local partnership working.

17 The Assembly Government wishes to see increased use of joint commissioning among local partners in providing services for children and young people. This is supported by section 25(6) of the Children Act 2004 that gives the local authority and its main statutory partners⁹ the power to pool funding and share resources. Chapter 4 of guidance on local duties to cooperate – *Stronger Partnerships for Better Outcomes*¹⁰ – sets out the background for the development of such arrangements.

18 The Children and Young People's Plan (CYPP) in each local authority area sets out agreed strategic priorities for the improvement of outcomes for children and young people that act as a basis for local joint commissioning.

19 CYPP Planning Guidance entitled *Shared Planning for Better Outcomes*¹¹, published in September 2007, reinforces the requirement to consider opportunities for use of pooled funding (paragraphs 2.24-2.26). Pooled funding can be particularly valuable in providing services for children and young people with complex needs who require packages of care from a number of agencies and partners.

Key message

The Assembly Government's policy agenda across a number of service sectors is clear: the use of pooled budgets and other resources is an important tool to support partnerships in their delivery of citizen focused public services. **This is all underpinned by a clear statement in 'One Wales'¹² to develop Local Service Boards and agreements including a commitment to pooled budgets.**

⁶ Health, Social Care and Well-being Strategy Guidance

⁷ Community Services Framework

⁸ 'The Community Strategy' – guidance [will be] issued for consultation in September 2007, with final guidance scheduled for publication by March 2008

⁹ Defined under subsection (4)

¹⁰ 'Stronger Partnerships for Better Outcomes' – Guidance on Local Co-operation under the Children Act 2004: August 2006

¹¹ 'A Shared Responsibility' – Local Government's contribution to improving people's lives: March 2007.

¹² 'One Wales – A progressive agenda for the government of Wales': June 2007

LEGISLATIVE FRAMEWORK

20 The legislative base to support pooling arrangements is as follows -

- The Health Act 1999 provided significant flexibilities for NHS bodies and local government to pool budgets integrate services and/or delegate the commissioning or management of provision of particular services to a lead partner, in respect of health related functions, as provided for by Regulations. These provisions are now consolidated in the **National Health Service (Wales) Act 2006** (the 2006 Act), in particular section 33. The relevant Regulations are the **National Health Service Bodies and Local Authorities Partnership Arrangements (Wales) Regulations 2000**¹³ (S.I 2000/2993(W.193)) referred to throughout this series of advice notes as 'The Partnership Regulations'. These prescribe the functions of NHS bodies and local authorities that may be subject to partnership arrangements.
- **The Local Government Act 2000** introduced a general power of wellbeing to encourage innovative service provision and partnership working.
- Section 25 of the **Children Act 2004** requires local co-operation between local authorities (unitary authorities) in Wales, key partner agencies and other relevant bodies, and other bodies which children's service authorities consider appropriate (which may include bodies within the voluntary and community sectors), in order to improve the wellbeing of children and young people in the area. It enables specified partners to pool budgets and other resources in support of these arrangements. Section 26 provides the basis for statutory Children and Young People's Plans (CYPPs), for which the Children and Young People's Plan (Wales) Regulations 2007 came into force on 1 September 2007.
- **The Crime and Disorder Act 1998** requires local authorities, the probation services, police services and health authorities to combine staff and other resources to deliver youth offending teams and the full range of youth justice services. The Act allows these agencies to resource the teams and services out of a pooled budget established by the local authority. **The Police Reform Act 2002** as extended by the **Police and Justice Act 2006** brought in changes to the Community Safety Partnerships by widening the range of authorities to include police authorities, fire authorities and NHS trusts and bringing together audits and strategy processes. These changes are intended to create benefits of increased capacity, pooling of resources, cross-partnership activity and economies of scale.

¹³ The Health Act 1999 was repealed with effect from 1 March 2007. However, para 1(2) of schedule 2 to the National Health Service (Consequential Provisions) Act 2006 provides that any subordinate legislation made under a provision repealed and re-enacted by the Consolidating Acts (in this case the 2006 Act) it has effect thereafter as if made under the corresponding provision in the Consolidating Act i.e. section 33 of the NHS (Wales) Act 2006. As such the Partnership Regulations continue to have effect.

Key Message

Significant legislative flexibilities now exist for the NHS, local authorities, the criminal justice system and the voluntary sector to combine resources and budgets to meet a range of national and local priorities.

USAGE

21 Having demonstrated that Assembly Government policy is clearly stated and given the statutory framework as set out earlier, it is useful to recall that the flexibilities can be used across sectors to promote the following -

- Community wellbeing
- Health
- Educational attainment and integrated services for children and young people
- Community safety advice provision
- Housing
- Transport
- Environment
- Lifelong learning and skills
- Regeneration and economic development
- Local Safeguarding Children Boards

22 Local government potentially has very broad powers to pool and integrate the management of resources through the wellbeing power under the Local Government Act 2000. This can be applied across all services and functions. NHS bodies also have significant flexibility to pool and integrate resources but these must be applied to health-related functions. Similarly, the criminal justice system has important flexibilities to pool resources in relation to community safety and crime and disorder reduction

**ILLUSTRATIVE AGREEMENT TEMPLATE FOR A POOLED FUND
UNDER SECTION 25 OF THE CHILDREN ACT (WALES) 2004**

- Explanatory Notes -

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PART 1: EXPLANATORY NOTES

Context

1. As well as underpinning a pooled fund, a written agreement based on the template should also help bind some members of Children and Young People Partnerships together and strengthen their commitment to local delivery of the Children and Young People's Plan.
2. Although the explanatory notes and the agreement template are not themselves statutory, they are based on the relevant legislation. While Relevant Partners will need to involve their legal advisors in drafting the written agreement, they should find that the agreement template helps to reduce the preparation required.

Introduction

3. The agreement template is designed for use by children and young people partnerships for the pooling of funds in Wales under Section 25 of the Children Act 2004. It is provided as an illustration and to set a framework which shows the issues which partner bodies will need to consider. Partner bodies will need to decide the extent to which they adapt the agreement to suit their purposes and circumstances.

Purpose of Section 25 Pooled Fund Agreements

4. Section 25 of the Children Act 2004 provides for the Children Services Authority and any of the Relevant Partners to create a common fund that is managed by one of them. This is the pooled fund. Money from this fund may be used to meet the costs incurred by a Relevant Partner when it discharges a statutory function for which it is responsible.
5. Section 25 does not make provision for the functions of one Relevant Partner to be undertaken by another, such as allowing one to act for another by managing their functions, employing staff to carry out their functions, or to deliver their functions. So, for example, where a local authority, an LHB and other Relevant Partners share the cost of a children's services manager this does not mean that the local authority's manager can manage services of the LHB or the other Relevant Partners. Nor would the other Relevant Partners be able to undertake children's services functions simply because they were contributing to the cost of such through a pooled fund.
6. If local partners wish to delegate functions to one another, then Section 33 of the NHS Act 2006 provides this power for NHS bodies and local authorities only. Subject to a clear written agreement in accordance with

the Partnership Regulations, such functions may be delegated on a day-to-day basis.

7. Some of a local authority's functions may be exercised by other local authorities under local authority legislation. Such powers fall outside the scope of these notes and the agreement template. A local authority should obtain legal advice if it wishes to explore these powers.

The Relevant Partners

8. The Partners who may form a pooled fund under Section 25 are known under the Act as the Local Authority and its *Relevant Partners*.
9. In Wales the Relevant Partners are:
 - (a) the police authority and the chief officer of police for a police area any part of which falls within the area of the children's services authority;
 - (b) a local probation board for an area any part of which falls within the area of the authority;
 - (c) the Secretary of State in relation to his functions under [sections 2](#) and [3](#) of the Offender Management Act 2007, so far as they are exercisable in relation to Wales
 - (d) any provider of probation services that is required by arrangements under [section 3\(2\)](#) of the Offender Management Act 2007 to act as a relevant partner of the authority
 - (e) a youth offending team for an area any part of which falls within the area of the authority;
 - (f) a Local Health Board for an area any part of which falls within the area of the authority;
 - (g) an NHS trust providing services in the area of the authority;
 - (h) the Assembly to the extent that it is discharging functions under Part 2 of the Learning and Skills Act 2000.
10. The Relevant Partners have a duty to cooperate with the Local Authority to make arrangements to improve the wellbeing of children in the authority's area.
11. Relevant Partners are included in a longer list of partners listed under Section 28 of the Children Act 2004, who each have a duty to discharge their functions having regard to the need to safeguard and promote the welfare of children.

Host Partner

12. Under the arrangements set out in the agreement template, one Relevant Partner should act as the host for the pooled fund. They should manage the pooled fund on behalf of the other Partners and arrange for this to be administered day-to-day by a pooled fund manager who has specific planning and reporting responsibilities.
13. The pooled fund should be made up of contributions from each of the Partners for an agreed individual amount, which may differ between them. The Partners may also contribute staff, goods or other services which are to be a part of the pool or in support of the pool and its objectives. If this power is to be used in respect of staff, it is essential that all Partners have a clear understanding of the employment law provisions that apply and the effect of those provisions. This should be set out in a written agreement between the Partners before such provisions are used.

Expenditure from the Pooled Fund

14. The pooled fund manager should undertake payment of any expenditure that has been agreed against a budget plan for the pooled fund. Payments may include repaying costs incurred by any of the Partners against that plan. The budget plan should be prepared at least annually and should be based on the detailed Objectives and Delivery plan (ODP) included in the Partnership agreement at Schedule 1 of the agreement template as attached.

Objectives and Delivery Plan (ODP)

15. The Objectives and Delivery Plan (ODP) should stem from the Children and Young People's Plan and should reflect the outcomes that the **Relevant Partners agree to achieve for children and their families.**

The ODP should only include objectives that are:

- a. derived from the CYPP for the pooled fund and,
 - b. are within the functions of the agreed Partners to deliver. This may also mean functions of the Local Authority or Relevant Partner discharged by 'arranging' provision of services through others, such as delivering some of the objectives through a supplier.
16. The ODP should comprise a series of objectives and targets for securing change and improvement. It should usefully also set out how stakeholders will be involved in local Children Services planning.
 17. Where the ODP creates new services or contributes to existing services, those services funded through the pooled fund should be described in Schedule 2 of the agreement template. This should include a brief

description of the services, which may chart the relationship to other services locally. The services should be disaggregated into:

- a. those to be contracted for by the host and paid from the fund;
- b. those to be paid for by the host Partner;
- c. those to be arranged by a Partner drawing upon expenditure from the fund;
- d. the referral/eligibility criteria where appropriate and available.

Activity Commissioned from the Pooled Fund

18. Where delivery is to be secured through others as agreed within the budget plan, i.e. from those who are not Relevant Partners to the pooled fund, then the fund may be used to purchase goods and services. Where services are purchased from such others, this does not make them a partner to the agreement or to its governance arrangements. Such services should be commissioned under contract. In these circumstances, the appropriate commissioner should commission the services. In other words, the Local Authority or a Relevant Partner who may commit such expenditure themselves in accordance with the agreed ODP and budget plan, with reimbursement to follow from the pooled fund.
19. Alternatively, the pooled fund may be used to pay others directly on behalf of the Local Authority, a Relevant Partner or Partners at their request, provided this complies with agreed procedures for the host Partner's management of the fund and is within authorised spending from the fund.

Reporting and Accountability for Spending

20. The host Partner should ensure that spending matches that set out in the agreed budget plan and should report on spending from the fund.
21. Where a Partner intends to incur spending under the ODP and wishes to be reimbursed from the pooled fund, the Partner should secure the pooled fund manager's prior agreement that the planned spend complies with the budget plan. The Partner should also provide the pooled fund manager with any agreed performance information about the spending in accordance with the reporting framework. The host Partner's pooled fund manager should report on spend and performance against the whole pooled fund. These monitoring arrangements, which should record spending from the fund against agreed expenditure and outputs, are essential to ensure financial probity.
22. Ultimately, the pooled fund provides a focal point to set an implementation plan, gather information on performance of the agreed actions and measure the outcomes of any change.

Governance

23. Governance arrangements are set out in the agreement template and should consist of:

- a. A pooled fund manager, responsible for the fund's performance and accountable to a management group.
- b. A management group (MG), comprised of one representative officer from each of the Partners to the pooled fund. The MG should be able to vary the fund and the agreement, as provided for in the agreement. The following limitations should apply to the MG:
 - I. Each representative on the MG should be subject to the limitations of their organisation's specific delegated powers, acting for their organisation and reporting to it on the operation of the pooled fund.
 - II. Partners cannot make commitments at MG on behalf of others who, for any reason, cannot be present, except where those not present have given a prior written indication of their specific preferences on any matter for decision making that is expected.
 - III. All decisions of the MG should be by unanimous agreement unless otherwise agreed locally.

24. As part of the governance, the following arrangements should operate:

- a. The pooled fund should operate in accordance with the Standing Orders (SOs) and Standing Financial Instructions (SFIs) of the host Partner at all times.
- b. VAT arrangements should operate as agreed by the Partners in accordance with HMRC protocols. The HMRC should be notified of the intended arrangements.
- c. Accounting for the pooled fund should operate in accordance with national and international financial reporting standards. For accounts purposes, a pooled fund is defined as a 'Joint Agreement that is Not an Entity' (JANE). The financial treatment of JANEs is governed by Financial Reporting Standard 9 (FRS9), which covers associates and joint ventures.
- d. If necessary, the Disputes procedure should be operated in accordance with the procedure set out in the agreement (Partners may also wish to include in their agreement provision for arbitration of disputes).

Review and Plan

25. An annual review is critical to ensuring that the agreement for the pooled fund remains up-to-date and reflects intended and actual use of the fund. The MG should review the pooled fund against the ODP and budget plan at least annually. In the first year, the review should be held after three months of the fund's commencement. This is to ensure that any budgets and plans not able to be fully confirmed within individual organisation

planning cycles at the Commencement Date can be reconfirmed in the agreement for the remainder of the year.

26. The agreement's continuation should be subject to a satisfactory annual review of the fund's financial performance. The review should also be used to agree the contributions for the year ahead and for a new or revised ODP, and any other necessary Schedule revisions. A new or revised ODP should be accompanied by a report each year, prepared by the pooled fund manager, which identifies risks, counter-measures and contingencies for the year ahead, and any special measures proposed for reporting.

Appendix 1: Section 28 bodies:

Section 28 (1) Arrangements to safeguard and promote welfare: Wales

(1) This section applies to each of the following—

- (a) a Local Authority in Wales;
- (b) a Local Health Board;
- (c) an NHS trust all or most of whose hospitals, establishments and facilities are situated in Wales;
- (d) the police authority and chief officer of police for a police area in Wales;
- (e) the British Transport Police Authority, so far as exercising functions in relation to Wales;
- (f) a local probation board for an area in Wales;
- (g) the Secretary of State in relation to his functions under [sections 2 and 3](#) of the Offender Management Act 2007, so far as they are exercisable in relation to Wales
- (h) a youth offending team for an area in Wales;
- (i) the governor of a prison or secure training centre in Wales (or, in the case of a contracted out prison or secure training centre, its director);
- (j) any person to the extent that he is providing services pursuant to arrangements made by a Local Authority in Wales under section 123(1)(b) of the Learning and Skills Act [2000 \(c. 21\)](#) (youth support services).

DATED this day of

**PART 2: AGREEMENT
IN RESPECT OF A POOLED FUND
Section 25 of the Children Act 2004**

(Promotion of Well Being for Children)

THIS AGREEMENT is made the first day of:

BETWEEN:¹⁴

(1)

COUNCIL (“the Council”) situated at:

and

(2)

LOCAL HEALTH BOARD (“the LHB”) situated at:

and

(3) POLICE AUTHORITY (“the Police”) situated at:

and

(4)

PROBATION BOARD (“the Board “) situated at:

and

(6)

YOUTH OFFENDING TEAM (“the YOT”)¹⁵ situated at:

and

(8)

ANY OTHERS (listed alphabetically and situated)¹⁶:

¹⁴ The number of parties will vary locally. Insert head office addresses for all parties. Only the Children Services Authority and its relevant partners under the Act should be parties as this agreement is for the exercise of the s25 powers specifically.

¹⁵ Though Youth Offending Teams are named in section 25(4) of the Children Act 2004 as one of the relevant partners it should be remembered that constitutionally they are not a separate legal entity but are established by local authorities.

¹⁶ These are examples of the potential partners who may be involved in this type of agreement and is not an exclusive list – note also the possibility of other relevant partners under s25 (4) when considering which partners to include to best meet local needs.

Together “the Partners”

IT IS AGREED AS FOLLOWS:

- A The Partners wish to work together to increase the joint working they undertake to improve the well being of children and young people in the area of In pursuance of this aim the Partners wish to utilise the powers given to them by section 25 of the Act to pool funding and they enter into this Agreement to govern how those powers will be exercised.
- B The Council is the Host Partner for the purposes of management, and reporting on performance, of the Pooled Fund.
- C The purpose of this Agreement is to facilitate the commissioning and provision of the Services and the development thereof in the manner and form specified in this Agreement.
- D Each partner warrants that it is within its powers to contribute funding to a pool to be used for purchasing the Services.
- E The Partners acknowledge that section 25 of the Act does not authorise the exercise of the functions of one Partner by any other Partner.¹⁷

¹⁷ The exception to this would be if the agreement is written as a combined s33 and s25 agreement in which case the council and health bodies could delegate specified functions to one another.

DEFINITIONS AND INTERPRETATION

1.1. In this Agreement, except where the context otherwise requires, the following expressions shall have the meanings respectively ascribed to them:-

“Act”	means the Children Act Wales 2004;
“Agreement”	means this Agreement and any variation of it from time to time agreed between the Partners;
“Authorised Officer”	means an officer of a Partner appointed to be that partner’s representative for the purpose of this Agreement;
“Children and Young People’s Partnership Plan”	means the plan prepared by the Council in accordance with the The Children and Young People’s Plan (Wales) Regulations 2007 Regulations setting out the authority's strategy for discharging their functions in relation to children and relevant young persons;
“Commencement Date”	means:.....
“Employment Liabilities”	<p>means without limitation any and all costs, claims, fines, liabilities or expenses however arising from:</p> <ul style="list-style-type: none">(a) the employment of any persons;(b) the termination of such employment;(c) the termination of any collective agreement;(d) any dispute whether or not the subject of litigation in any court or tribunal which relates to such

	employment or collective agreement or their termination;
“Financial Year”	means the financial year from 1st April in any year to 31st March in the following calendar year;
“ Functions”	means the Partners’ statutory functions in relation to children and young persons as specified in [Schedule 2]; ¹⁸
“Host Partner”	means the Council who shall act as the Partner undertaking the function of managing the Pooled Fund on behalf of the Partners in accordance with this Agreement;
“MG” ¹⁹	means the Management Group to be constituted and responsible for review of performance and oversight of use of the Pooled Fund in accordance with the provisions of Schedule 4;
“ODP”	means the Objectives and Delivery Plan as set out at Schedule 1;
“Partners”	means the Host Partner and the other parties to this agreement and the term “Partner” shall mean either one of them;
“Pooled Fund Manager”	means the person determined from time to time under Clause 7 and who will at the outset of this Agreement be the Council’s
“Pooled Fund”	means the joint fund of monies established and maintained by the

¹⁸ Each partner’s functions being funded in any way through this agreement should be listed to give absolute clarity as to what the fund can be spent on and also to make clear that the partners remain responsible for exercising their own functions

¹⁹ Note that this may mean simply adding these specific roles to the constitution of an existing group to avoid duplication of meetings. Governance arrangements will vary depending upon existing structures for children and young people partnerships purposes. Where existing groups are used it is particularly important to be clear that stakeholders who are not relevant partners under s25 cannot be involved in the decision-making related to this agreement and the pooled fund.

Partners in accordance with this Agreement;

“Services” means services paid for from the Pooled Fund and which are arranged according to the Objectives and Delivery Plan

“Service User” means any person receiving the benefit of the Services;

“Staff” means any employee of any of the Partners made available for the purposes of this Agreement;

“Term” means the period from the Commencement Date expiring on:²⁰

subject to earlier termination in accordance with the terms of this Agreement;

“TUPE” means the Transfer of Undertakings (Protection of Employment) Regulations 2006.

1.1. Save to the extent that the context or the express provisions of this Agreement otherwise require:

1.2.1. obligations undertaken or to be undertaken by more than a single person shall be made and undertaken jointly and severally;

1.2.2. words importing any gender include any other gender and words in the singular include the plural and words in the plural include the singular;

1.2.3. references to any enactment shall be deemed to refer to any modification or re-enactment thereof for the time being in force;

1.2.4. headings and the Index are inserted for convenience only and shall be ignored in interpreting or in the construction of this Agreement;

1.2.5. references in this Agreement to any Clause or Sub-Clause or Schedule without further designation shall be construed as a

²⁰ At least two years from Commencement is recommended.

reference to the Clause or Sub-Clause of or Schedule to this Agreement so numbered;

1.2.6. any obligation on any of the Partners shall be a direct obligation or an obligation to procure as the context requires;

1.2.7. any reference to “indemnity” or “indemnify” or other similar expressions shall mean that the relevant Partner indemnifies, shall indemnify and keep indemnified and hold harmless the other Partners; and

1.2.8. any reference to a person shall be deemed to include any permitted transferee or assignee of such person and any successor to that person or any person which has taken over the functions or responsibilities of that person but without derogation from any liability of any original Partner to this Agreement.

2. TERM

2.1. This Agreement shall commence on the Commencement Date and shall continue for the Term, subject to earlier termination as provided for below.²¹

3. OBJECTIVES AND DELIVERY PLAN

3.1 The Objectives and Delivery Plan for this Agreement are set out in Schedule 1.

4. POOL CONTRIBUTIONS

4.1. Subject to the outcome of any review under Clause 9.1, each Partner’s contribution to the Pooled Fund in each financial year of this Agreement shall be as set out in the financial contributions table at Schedule 3.

4.2 The Partners shall make payments to the Council monthly on the 15th day of the month in accordance with an agreed schedule of payments.

4.3 The payments mentioned in Clause 4.1 shall together form the Pooled Fund.

4.4 The Partners shall make available for use in support of the ODP any other staff, goods or services described at Schedule 3²²

²¹ Note that the shorter the agreed term the more difficult it may be to secure sufficient stability of pool funding to use the pool for strategic commissioning – a minimum of two years is suggested.

- 4.5 Any variations to the amounts shown at Clauses 4.1 as additional payments into the pooled fund shall be subject to separately agreed arrangements from time to time.

5. FUNCTIONS

- 5.1. The Partners agree that the Pooled Fund and ODP shall be used only to plan, budget and contribute to expenditure to deliver the Functions agreed by the Partners as specified in Schedule 2

6. THE SERVICES

- 6.1 The Services shall be purchased for or provided²³ to the Service Users in accordance with the provisions of the ODP.
- 6.2 The eligibility of Service Users to receive the Service shall be determined in accordance with the provisions of Schedule 2.
- 6.3 The Council shall be the Host Partner for management of the Pooled Fund.
- 6.4 The Council shall enter into Contracts²⁴ in a form agreed by the MG.
- 6.5 The Partners acknowledge that each individual Partner's internal contract standing orders will also need to be complied with.
- 6.6 Each Partner shall ensure the provision of the Staff necessary for the provision of their element of any processes set out within the Schedules including for assessment and delivery of care.

7. POOLED FUND MANAGEMENT

- 7.1 The Pooled Fund Manager shall be such officer of the Council as the Council may from time to time nominate for this role and who has been approved by the Partners.
- 7.2 The Pooled Fund Manager shall be accountable directly to the Council's: ²⁵
- 7.3 The Pooled Fund Manager shall be responsible for authorising and the Council shall make payments from the Pooled Fund in accordance with the Services description and the ODP.
- 7.4 The Pooled Fund Manager shall be responsible for managing the Pooled Fund and forecasting and reporting to the MG upon the targets and information in accordance with Schedule 4 and any

²² Note that only the Children Services Authority and its relevant partners have the power to do this under the Act, as with the pooling of funds.

²³ If agreement is solely for commissioning outside of the partnership remove provider reference.

²⁴ The council enters into contracts on its own behalf – there may not be vires to enter into contracts on behalf of other Partners and this distinction should be noted.

²⁵ This may be the relevant Director rather than a finance officer who will then need to liaise with/ report to the Director of Finance. You should decide which officer is most appropriate in your structure and ensure the financial reporting is arranged accordingly.

further targets or performance measures that may be set by the MG from time to time²⁶.

- 7.5 The Partners agree that they shall be jointly responsible for any costs, claims, expenses or liabilities which are incurred with their agreement and which are in excess of the value of the Pooled Fund and that their responsibility shall be in proportion with their respective contributions to the Pooled Fund.
- 7.6 Any surplus in the Pooled Fund at the end of any Financial Year shall:-
 - 7.6.1 first, be distributed to the Partners proportionate to the original contributions to the Pooled Fund [unless otherwise agreed by the MG and in which case;
 - 7.6.2 secondly, be used for such other expenditure as the MG may determine.
- 7.7 The Pooled Fund Manager shall submit to the Partners (1) quarterly reports as soon as possible after the end of each quarter but in any event within twenty (20) days of the end thereof and (2) an annual return at the end of each year in line with any statutory and local deadlines and requirements.
- 7.8 The quarterly reports and annual return will report on (1) income and expenditure from the Pooled Fund, (2) performance against budget and targets and (3) any other information by which the Partners can monitor the effectiveness of the Pooled Fund arrangements.
- 7.9 Each Partner shall pay its own costs and expenses incurred from time to time in the negotiation and management of this Agreement, save as expressly otherwise provided in this Agreement.

8. GOVERNANCE²⁷

- 8.1 The Partners agree that the governance arrangements shall be as set out in Schedule 4 and that they have each secured all necessary delegations to enable those arrangements to be put in place and operate.
- 8.2 Each Partner has secured internal reporting arrangements to ensure compliance with the standards of accountability and probity required by their own obligations and requirements.
- 8.3 No Partner shall exercise the Functions of any other unless expressly authorised to do so in accordance with a relevant statutory power.

²⁶ Partners may wish to include provision to avoid decisions being made in the management group by partners who have not made a contribution to the Pooled Fund for the purposes in question.

²⁷ Suggested minimum clauses for governance – will need adapting locally to reflect existing and intended arrangements. Insert any relevant adaptations in the box provided beneath paragraph 8.3

9. INDEMNITY AND INSURANCE²⁸

9.1 In the event that as a result of any complaint, enquiry or claim in connection with this Agreement about any act or omission of any of the Partners or their employees, agents or contractors in relation to the Services one Partner (the first Partner) becomes liable for the acts or omissions of any other Partner or that other Partner's employees, agents or contractors:

9.1.1 the liability of the first Partner and any associated costs and losses will be apportioned between the first Partner and the other Partners in such manner as is just and equitable;

9.1.2 the Partners shall make such payments to each other to effect such apportionment of liabilities;

9.1.3 in the event that the Partners are unable to agree a just and equitable apportionment, the procedure in Clause shall apply.

9.2 Each Partner shall ensure that they maintain policies of insurance (or in the case of the LHB(s) equivalent arrangements through schemes operated for the National Health Service Wales) or make appropriate other arrangements in respect of all potential liabilities arising from this Agreement.

10. REVIEW

10.1 The Partners shall review the provision of the Services and this Agreement after 3 months from the Commencement Date and no later than 6 Months from the Commencement Date with a view to confirming the operation of the Pooled Fund and their respective contributions to the Pooled Fund for the initial Financial Year of the Agreement if not already agreed at the Commencement Date.

10.2 The Partners shall review the provision of the Services and this Agreement no later than 1st July in each subsequent Financial Year with a view to confirming their respective contributions to the Pooled Fund for that Financial Year.

²⁸ Many councils have contract standing orders which require the use of particular insurance clauses – in which case substitute as relevant in the box provided beneath paragraph 9.2. This clause suggests equitable sharing of liabilities rather than strict indemnities, again adapt locally as required.

- 10.3 The Partners shall use reasonable endeavours in each Financial Year to agree by 1st October draft budgets for the following Financial Year.
- 10.4 The Partners shall confirm final budgets and any changes to financial procedures by no later than 28th February in each preceding financial year for the following financial year to operate and, provided that it is recorded in writing and agreed by all the partners, this shall form a Revised Schedule 3.
- 10.5 Reviews shall be conducted in good faith and in accordance with the governance arrangements set out in Schedule 4; shall be based upon information to be provided as set out in Schedule 4 and shall take account of:-
- 10.5.1 increases for inflation in line with²⁹
- 10.5.2 any agreed addition or decrease of the Pooled Fund to be agreed by the MG ³⁰; and
- 10.5.3 any commitments under or in connection with any contracts previously entered into with the agreement of the Partners.
- 10.6 No provision of this Agreement shall preclude the Partners by mutual agreement making additional contributions of non-recurring monies to the Pooled Fund from time to time but no such additional contributions shall be taken into account in the calculation of the Partners' respective contributions for the purpose of Clause 4. Any such additional contributions of non-recurring monies shall be explicitly recorded in MG minutes and recorded in the budget statement as a separate item.
- 10.7 Nothing in this clause shall prevent the Partners from agreeing their financial contributions to the Pooled Fund for more than one Financial Year at a time subject to agreement as to an annual uplift of contributions and how such uplift is to be calculated.

11. TUPE

- 11.1 In the event that TUPE is determined by two or more Partners or by a court or other tribunal of competent jurisdiction to apply to either the Staff who are made available for the purposes of this Agreement or the Services at any time before or after the termination or expiry of this Agreement or upon the early termination or variation of this Agreement, those Partners agree to comply with their obligations

²⁹ For example RPIX.

³⁰ Where decisions of this sort are taken in the MG, Partners will wish to ensure that those who represent them on the MG are aware of the limits of their authority to commit to agreements.

under TUPE and co-operate in a manner consistent with the principles of this Agreement and TUPE to determine the required financial contributions.³¹

12. TERMINATION

- 12.1 This Agreement may be terminated by not less than three/six (3/6) months notice from the Host Partner to any of the Partners if any of the Partners has failed to confirm in writing its respective contribution for any Financial Year by 1st October in that year in accordance with Clause 10.1 or has failed in any subsequent Financial Year to confirm in writing its respective contribution by 1st July in the relevant year in accordance with Clause 10.2 the agreement remaining in force as between the Host Partner and the other partners unless otherwise agreed.
- 12.2 This Agreement may be terminated by not less than three/six (3/6) months notice from any of the Partners to the Host Partner if the Host Partner has failed to confirm in writing its respective contribution for any Financial Year by 1st October in that year in accordance with Clause 10.1 or has failed in any subsequent Financial Year to confirm in writing its respective contribution by 1st July in the relevant year in accordance with Clause 10.2.
- 12.3 If any of the Partners fails to meet any of its respective obligations under this Agreement, the Host Partner may by notice require the Partner in default to take such reasonable action within a reasonable time-scale as the Host Partner may specify to rectify such failure. Should the Partner in default fail to rectify such failure within such reasonable time-scale, the Host Partner may give notice to terminate this Agreement immediately as regards that partner.
- 12.4 If the Host Partner fails to meet any of its respective obligations under this Agreement, any of the Partners may by notice require the Host Partner in default to take such reasonable action within a reasonable time-scale as the Host Partner may specify to rectify such failure. Should the Host Partner fail to rectify such failure within such reasonable time-scale, any of the Partners having served such notice to rectify may give notice to terminate this Agreement immediately.
- 12.5 Any Partner shall be entitled to terminate this Agreement immediately by notice to the other Partners, if another Partner, by its employees or agents either offers, gives or agrees to give to anyone any inducement or reward or confers any other benefit in respect of this or any other Agreement (even if the Partner is unaware of any such action) or otherwise commits an offence under the Prevention of Corruption Acts 1889 to 1916 or Section 117(2) of the Local Government Act 1972.

³¹ Where the kinds of services to be provided in any given case are likely to result in staff transfers then Partners will need to give consideration to including further provision in this regard to clarify expectation.

- 12.6 In circumstances other than the above, any Partner may by giving not less than twelve (12) months notice to the other Partners terminate this Agreement such notice to expire no sooner than 31st March in any Financial Year.
- 12.7 Any purported termination of this Agreement under this Clause shall be without prejudice to any continuing obligations of the Partners to indemnify each other under clause 9 and to the continued operation of the MG in accordance with Schedule 4.
- 12.8 Notwithstanding any of the provisions of this Clause 12, no Partner may give notice to terminate this Agreement without consulting the other Partners and the MG in advance.

13. EFFECTS OF TERMINATION

- 13.1 Notwithstanding any notice of termination in accordance with Clause 12:-
 - 13.1.1 the Partners shall continue to be liable to purchase or provide the Services in accordance with this Agreement for all current Service Users at the date of service of the notice of termination and to fulfil all existing obligations to third parties under any contract;
 - 13.1.2 the Partners shall remain liable to operate the Pooled Fund in accordance with this Agreement so far as is necessary to ensure fulfilment of the obligations in Sub-Clause 13.1.1 and
 - 13.1.3 the Partners shall remain liable to contribute that proportion of the cost of the Services which either is their proportionate contribution in the current Financial Year or, if such contribution has not at the date of notice of termination yet been confirmed under Clause 10.1 or Clause 10.2, the Partner's contributions in the immediately preceding Financial Year represented as a proportion of the aggregate contributions of the Partners in that preceding Financial Year; such liabilities to continue for so long as the Service Users shall require the Services or the obligations to third parties under contracts previously entered into and agreed by the MG remain to be fulfilled.
- 13.2 Subject to the foregoing commitments of the Partners, following termination of this Agreement, the Council shall return to each of the individual Partners within three (3) months any of the individual Partners' contributions to the Pooled Fund which have not been spent on the provision of the Services or any part thereof.

- 13.3 Assets purchased from the Pooled Fund will be disposed of by the Council for the purposes of meeting any of the costs of winding up the Service or where this is not practicable such goods will be shared proportionately between the Partners according to the level of past contributions to the Pooled Fund.

14. VARIATION / CHANGE OF LAW

- 14.1 No variation to this Agreement shall be effective unless it is in writing and signed by all of the Partners or has been unanimously approved by the MG and recorded as such.

15. CONFIDENTIALITY

- 15.1 The Partners shall:-

15.1.1 keep confidential any information obtained in connection with this Agreement and personal Service User data subject to the Data Protection Act 1998; and

15.1.2 take appropriate technical and organisational measures against unauthorised or unlawful processing of such personal data and against accidental loss or destruction of or damage to such personal data.

- 15.2 The Partners shall keep confidential any information acquired through their conduct of this Agreement and will take all reasonable steps to ensure that their employees do not divulge such information to a third party, without the express consent of the responsible Partner and the Service User, except in accordance with the requirements for external audit, as may be required by law or where such information is already in the public domain.

16. FREEDOM OF INFORMATION

- 16.1 The Partners agree that they will each cooperate with one another to enable any Partner receiving a request for information under the Freedom of Information Act 2000 ("FoIA") to respond to that request promptly and within the statutory timescales. This cooperation shall include but not be limited to finding, retrieving and supplying information held, directing requests to other Partners as appropriate and responding to any requests by the Partner receiving a request for comments or other assistance.

- 16.2 Any and all agreements between the Partners as to confidentiality shall be subject to their duties under FoIA . No Partner shall be in

breach of any confidentiality clauses or agreements if it makes disclosures of information in accordance with the Act.

17. DISPUTE RESOLUTION

17.1 The Partners will use their best efforts to negotiate in good faith and settle any dispute that may arise out of or relate to this Agreement. If any dispute cannot be settled amicably by the Authorised Officers through ordinary negotiations then it shall be referred for resolution to the Chief Executive Officer or equivalent level of officer of each Partner in dispute.³²

18. EXCLUSION OF PARTNERSHIP AND AGENCY

18.1 The Partners expressly agree that nothing in this Agreement in any way creates a legal partnership between them.

18.2 No Partner nor any of its employees or agents will in any circumstances hold itself out to be the servant or agent of any other Partner, except where expressly permitted by this Agreement.

19. ASSIGNMENT AND SUB AGREEMENTS

19.1 The Partners shall not assign or transfer the whole or any part of this Agreement.

20. THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

20.1 The Contracts (Rights of Third Parties) Act 1999 has no application whatsoever to this Agreement.

21. PREVENTION OF CORRUPTION / QUALITY CONTROL³³

21.1 The Partners shall ensure that relevant controls assurance, probity and professional standards are met.

22. COMPLAINTS

22.1 Complaints regarding the Services shall in the first instance be directed to the Council and if not able to be resolved as a complaint to the Council will be managed according to the complaints procedures of the relevant Partner as determined appropriate. Each relevant

³² Partners may want to include provision about referring disputes to arbitration.

³³ Most councils have standard anti corruption clauses in all of their agreements by virtue of their SOs, insert here if required.

partner's complaints procedure will include information to all Service Users and their carers or established representatives on how to complain, which will be made known at the point of commencement of the Services to any individual Service Users.

23. NOTICES

- 23.1 All notices under this Agreement shall only be validly given if given in writing.
- 23.2 Any notice or communication to the relevant Partner shall be deemed effectively served if sent by registered post or delivered by hand to the Authorised Officer at an address set out above at the head of this Agreement or to such other address notified from time to time to the other Partner.³⁴
- 23.3 Any notice served by delivery shall be deemed to have been served on the date it is delivered to the addressee. Where notice is posted it shall be sufficient to prove that the notice was properly addressed and posted and the addressee shall be deemed to have been served with the notice 48 hours after the time it was posted.

24. OMBUDSMEN

- 24.1 The Partners will co-operate with any investigation undertaken by the Public Services Ombudsman for Wales.

25. ENTIRE AGREEMENT

- 25.1 The terms herein contained together with the contents of the Schedules constitute the complete agreement between the Partners with respect to the subject matter hereof and supersede all previous communications, representations, understandings and agreement; and any representation, promise or condition not incorporated herein shall not be binding on any Partner.

26. WAIVERS

- 26.1 The failure of any Partner to enforce at any time or for any period of time any of the provisions of this Agreement shall not be construed to be a waiver of any such provision and shall in no matter affect the right of that Partner thereafter to enforce such provision.
- 26.2 No waiver in any one or more instances of a breach of any provision hereof shall be deemed to be a further or continuing waiver of such provision in other instances.

³⁴ Partners may wish to provide for service by fax and e-mail also.

27. GOVERNING LAW

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

28. SEVERABILITY

28.1 If at any time any part of this Agreement (including any one or more of the Clauses of this Agreement or any sub-Clause or paragraph or any part of one or more of these Clauses) is held to be or becomes void or otherwise unenforceable for any reason under applicable law, the same shall be deemed omitted from this Agreement and the validity and/or enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired as a result of that omission.

IN WITNESS whereof the Partners have executed this Agreement.

THE COUNCIL

Authorised
Signatory

Authorised
Signatory

THE LHB

Authorised
Signatory

Authorised
Signatory

THE (Other).....

Authorised
Signatory

Authorised
Signatory

THE (Other).....

Authorised
Signatory

Authorised
Signatory

THE (Other).....

Authorised
Signatory

Authorised
Signatory

SCHEDULE 1

(This is to be developed and drafted locally and attached to the agreement as Schedule 1. The headings below are suggested headings.)

OBJECTIVES AND DELIVERY PLAN

1. Introduction: Description and Purpose of Agreement
2. Outcome for Service Users
3. Plan for Services
4. Named Partner and Services for Delivery as a Part of the Plan
5. Other Providers of Services to be secured via the Partners
6. Key Performance Areas
7. Inclusion of Stakeholders

SCHEDULE 2

(This is to be developed and drafted locally and attached to the agreement as Schedule 2. The headings and content below are suggested headings and content.)

FUNCTIONS, SERVICES, MANNER, LOCATION AND ACCESS

1. Functions of each Partner being exercised in whole or part under this Agreement

.....
.....

2. The Planned Scope of Service

The Service will be for:

In accordance with the ODP, this will include:-

- specialist:
- assessment:
- prevention:
- social support:
- education support:
- family support:

3. Purchase Contracts

The details of the Services will be specified in Contracts entered into by the Council (as described in Schedule 1 and the budget at Schedule 3).

4. Provided Services (from the Partners)

The details of the Services to be provided by any or all of the partners (as described in Schedule 1 and the budget at Schedule 3).

5. Service Eligibility

As necessary

Chart 1: Care Pathway for Access to Services:
--

SCHEDULE 3

(This is to be developed and drafted locally and attached to the agreement as Schedule 3. The headings and content below are suggested headings and content.)

RESOURCES

Introduction

This Schedule provides details of the budgets, goods and services to be made available by the Partners and also outlines the principles governing budget setting and accounting for the use of resources.

Financial Arrangements for the Operation of the Agreement

The MG will agree by 28th February each year financial procedures and arrangements for the operation of this agreement for the following financial year (1st April to following 31st March). This will act as a revised Schedule 3 and which sets out the budget.

The proposed budget for the following financial year will be presented to the MG no later than 31st December and the budget will be agreed by the MG no later than 28th February. The budget as agreed by the MG will take into account effects on other budgets and other financial flows of the Partners.

Financial Planning and Budget Setting Process

The Partners will prepare planning assumptions of inflation allowances for pay and non-pay expenditure, and income, together with proposed budget variations in respect of :-

- growth and demographic change;
- service enhancements or reductions;
- required efficiency / quality improvements;
- cost pressure funding; and
- national initiatives.

These will be considered in the context of the overall budgets of the Partners, as applicable, and shall be presented to the MG no later than 31st December for the following financial year's budget.

Pooled Fund

The Pooled Fund Manager shall ensure that any matters relating to the Pooled Fund which may have a material effect on expenditure or income are identified and reported to the MG no later than 31st December for the following financial year's budget³⁵.

These matters, together with the planning assumptions and proposed budget variations referred to in above, are to be considered by the MG in its approval by 28th February of the budget for the following financial year.

As part of the annual budget setting process, the Partners shall ensure that their managers provide advice as necessary.

Financial Performance / Risk Sharing Arrangements

The Council is the host for the operation of this agreement and will appoint a Pooled Fund Manager with responsibility for the management of the Pooled Fund, subject to the governance arrangements set out in Schedule 4 to this agreement. The Pooled Fund is comprised of contributions from the Partners and forms a single fund. The Pooled Fund Manager shall ensure that the Pooled Fund is used solely to achieve the ODP set out in Schedule 1 to this agreement.

The Pooled Fund Manager shall report monthly to the MG on the information specified in Schedule 4 and according to the frequency for reporting described there.

The Partners agree to provide all necessary information to the Pooled Fund Manager in time for the reporting requirements to be met.

The Pooled Fund Manager shall ensure that action is taken to manage any projected under or overspends from the budgets relating to the Pooled Fund reporting on the variances and the actions taken or proposed to the MG.

If at any time during the financial year a projected under or overspend on the Pooled Fund is forecast to occur, the Pooled Fund Manager will prepare an action plan to manage the under or overspend, for presentation to the MG as quickly as possible. The MG will consider the action plan, amend if appropriate and agree the actions to be taken.

The Pooled Fund Manager will provide monthly progress reports to the MG on implementation of the action plan, until such time that the under or overspend has been dealt with to the satisfaction of the MG.

Budget Analysis

The budget amounts to be contributed by the Partners to the Pooled Fund are as follows:-

<u>Budget</u>

- LHB:
- Council:

³⁵ Partners may wish to extend this obligation to extend to each of the Partners too.

- Other Partner:
- Other Partner:

Total Pooled Fund:

Budget Plan

The Plan for expenditure from the Pooled Fund is set out below:

Resources Available Outside the Pooled Fund

The Partners shall ensure access to the following resources outside the Pooled Fund as necessary for the purposes of this agreement:-

- Contracts and procurement functions
- Operations functions
- IT functions
- Finance functions
- Property functions

Accommodation Arrangements for Services

Premises

The Partners shall continue to provide or make available the premises that they provided or made available before the Commencement Date, with the same support services and facilities management.

These premises are:-

The Council shall ensure access to the following additional premises:-

The LHB shall ensure access to the following premises:-

The:

shall ensure access to the following premises:-

Staff made available by the Partners

(Insert details and basis of being made available, e.g. secondment, share of time etc.)

Assets made available by the Partners (Insert details).

SCHEDULE 4

(This is to be developed and drafted locally and attached to the agreement as Schedule 4. The headings and content below are suggested headings and content.)

MANAGEMENT GROUP, GOVERNANCE AND PERFORMANCE

MG Membership

The membership of the MG will be as follows:-

- the LHB's:

or a deputy to be notified in writing to the Pooled Fund Manager in advance of any meeting;
- the Council's:

or a deputy to be notified in writing to the Pooled Fund Manager in advance of any meeting;
- the':

or a deputy to be notified in writing to the Pooled Fund Manager in advance of any meeting;
- the':

or a deputy to be notified in writing to the Pooled Fund Manager in advance of any meeting;

- the’s:

or a deputy to be notified in writing to the Pooled Fund Manager in
- the Pooled Fund Manager who will also provide the Secretariat function to the MG.

Role of MG

The MG shall:-

- receive the necessary information as set out in this Schedule;
- review the operation of this Agreement and consider its renewal;
- agree such variations to this Agreement from time to time as it thinks fit;
- review and agree annually a risk assessment and a risk sharing protocol;
- review and agree annually a revised Schedule 1 and a revised Schedule 2 and a revised Schedule 3 as necessary ;
- set such protocols and guidance as it may consider to be necessary in order to enable the Pooled Fund Manager to approve expenditure from the Pooled Fund;
- agree the terms of any proposed contract for services to be funded from the Pooled Fund;
- consider progress on the Objectives and Delivery Plan at Schedule 1 and consult further where necessary; and
- provide an annual report on outcomes.

MG Support

The MG will be supported by officers from the Partners from time to time and they may be involved in assisting the MG in implementation of the Objectives and Delivery Plan .

Meetings

The MG will meet at least monthly at a time to be agreed and within ten (10) working days of receipt of each monthly report of the Pooled Fund Manager referred to below.

The quorum for meetings of the MG shall be a minimum of 50% of members, not counting the Pooled Fund Manager.

Decisions of the MG shall be made unanimously by those present. Where unanimity is not reached then the item in question will in the first instance be referred to the next meeting of the MG. If no unanimity is reached on the second occasion it is discussed then the matter shall be dealt with under Clause 17.

Where a partner member of the MG is not present and has not given prior written notification of their intended position on a matter to be discussed, then those present may not make or record commitments on behalf of that partner in any way.

Minutes of all decisions shall be kept and copied to the *Authorised Officers* within seven (7) days of every meeting

Delegated Authority

The MG is authorised within the limits of delegated authority for its members (which is received through their respective organisation's own scheme of delegation) to:-

- confirm and agree pursuant to Clause 10 the respective contributions of the Partners for the budget and the revised Schedule 3;
- to authorise commitments which exceed or are reasonably likely to lead to exceeding the contributions of the Partners to the aggregate contributions of the Partners to the Pooled Fund, confirmed or agreed pursuant to Clause 10; and
- to authorise the Council to ³⁶enter into any contract for services which assist in the fulfilment of the Objectives and Delivery Plan at Schedule 1.

Pooled Fund Manager

The Pooled Fund Manager may delegate the day-to-day management of pooled fund in accordance with Council's Standing Financial Instructions.

Information and Reports

The Pooled Fund Manager shall supply to the MG on a monthly basis the financial and activity information as referred to in the Appendix to this Schedule

The Objectives and Delivery Plan as revised will be the basis for delivery by the Council against the Agreement along with the content of the revised Schedule 3 on Resources. Any variation from these would need to be agreed by the MG.

The Pooled Fund Manager will refine any Objectives and Delivery Plan set out in Schedule 1 into targets for performance measures to be agreed by the MG from time

³⁶ The MG is not a legal entity and cannot enter contracts itself.

to time and in any event by 30th ³⁷2009 for the first year and by 30 July in each subsequent Financial Year following a strategic and financial review to be led by the MG.

The Pooled Fund Manager will prepare a report annually as a part of the Review and agreement of any replacement Schedules which identifies risk for the year ahead and any special measures proposed for managing and reporting on this.

Post-termination

The MG shall continue to operate in accordance with this Schedule following any termination of this Agreement under Clause 12 but shall endeavour to ensure that the benefits of any contracts are received by the Partners in the same proportions as their respective contributions at that time.

³⁷ Insert date 3 months from Commencement Date.

APPENDIX 1

(This is to be developed and drafted locally and attached to the agreement as Appendix 1. The headings and content below are suggested headings and content.)

FINANCIAL AND ACTIVITY REPORTING - MONTHLY REPORT

The MG shall receive a monthly Financial and Activity Report. This shall be prepared by the Pooled Fund Manager.

The report shall include any matters referred to the MG for attention by any of the Partners

1. Finance

Schedule 3 outlines the nature and detail of the financial contributions of the Partners.

2. Service and Delivery Reporting

3. External Performance Data

Monthly, quarterly and annual Information on specific national performance indicators as below:-

4. Reporting Format:

The information outlined at Paragraphs 1, 2 and 3 above shall be in the form and frequency as set out in the Summary Table below of Reporting to the MG

	PERFORMANCE AREA	KEY DELIVERABLES	FREQUENCY
1.	OUTCOMES FOR SERVICE USERS		
2.	FINANCE	(Monthly income and expenditure by team and total with comparisons to budget and a commentary on significant variances.)	Monthly
3.	SERVICE IMPROVEMENT		
4.	EXTERNAL PERFORMANCE DATA		

