



GUIDANCE ON PREPARING A PARTNERSHIP AGREEMENT

1. Why we need a partnership agreement

If we decide to fund your project we will enter into a legally binding grant agreement with the lead organisation. This organisation must accept our terms and conditions of grant and will be solely accountable to us for all monitoring information, how all the money is spent and for the full and successful delivery of the project.

One of our standard terms and conditions of grant is that the organisation we enter into a grant agreement with cannot subcontract any of the project to other organisations without our prior agreement in writing. So if we award a grant, before the project can start, we must approve a partnership agreement between the lead organisation and the other partners involved in the project.

In all cases the partnership agreement must ensure that the lead organisation, both for itself and all its partner organisations, can meet all our terms and conditions of grant, follow our branding guidelines, provide us with all the financial, monitoring and any other information we require and deliver the project on time and within budget. If the partners named in the application form are to provide goods or services needed to deliver the project and achieve its outcomes, then this must be covered in detail in the partnership agreement and in a way which meets our requirements.

However, if the partnership will focus on areas such as encouraging closer understanding or sharing information but the project is not dependent on this to achieve its outcomes, or if no part of the Arts Council's grant is used to pay for the partner's involvement in the project, the agreement can be less detailed.

If other organisations, other than the partners named in the application form, will provide goods or services needed to deliver the project, then we expect the lead organisation to follow its agreed procedures for obtaining goods and services, show value for money and meet any relevant European laws. If an open tender process is not appropriate we need to know why, so that we may consider if this is the best way to deliver the project. However we would not expect such openly procured organisations to be part of a partnership agreement.

The partnership agreement must cover a period that is at least as long as our grant agreement with the lead organisation.

In all cases the partnership agreement must refer to, or preferably include, our terms and conditions of grant. This is because all partner organisations must act in accordance with our terms and conditions so far as applicable to the delivery of their obligations under the partnership agreement. It is sometimes appropriate to attach the Arts Council's terms and conditions for the grant as a schedule to the partnership agreement so that it is clear that the partner organisation is fully aware of them. The partnership agreement must also state that if there is any conflict between the interpretation of our terms and conditions of grant and the terms of the partnership agreement, ours will always take precedence.

2. What should a partnership agreement include?

Since a wide range of partnership arrangements exist and every project will be different, we cannot provide detailed guidance.

To help clarify what needs to be included in a partnership agreement we suggest that the lead organisation goes through our standard terms and conditions of grant and decides which ones are relevant to each of the partners involved in delivering the project. This will help identify what needs to be included in the partnership agreement to enable the lead organisation to meet all our terms and conditions.

All the organisations in the partnership should also study our terms and conditions of grant carefully and agree what their responsibilities are and how they will carry them out.

We expect partnership agreements will cover the following points:

- **Purpose or aim of the partnership**
Explain how the aim of the partnership links with the aim of the project.

- **Who the lead organisation is**
Make clear that the organisation that submits the application to us is the lead organisation for the purposes of any grant we award. Include a statement that the lead organisation will be solely responsible to us to deliver the project in accordance with our terms and conditions.

- **Details of each partner organisation**
State the names and addresses of all the organisations that are signing up to the agreement. Include details of key contacts.

Ensure that each partner organisation undertakes to act in accordance with our terms and conditions of grant so far as applicable to discharging their obligations under the partnership agreement and that in the event of conflict between the terms and conditions of the partnership agreement and the terms and conditions of the funding agreement, the Arts Council's terms and conditions will take precedence.

- **Financial and contractual arrangements**

It is important that the lead organisation is not seen to *make grants* to its partners. This grant decision making is the statutory responsibility of the Arts Council. The lead organisation does of course make *payments from its grant* to its partners in consideration for the activities they are delivering under the partnership agreement.

If a partner organisation will supply goods or services as part of the project then include details of what will be delivered, how often, what the method of payment will be and when payments will be made. We cannot be responsible for payments to partner organisations. This responsibility lies with the lead organisation.

Include a statement that the lead organisation will be responsible for all funds received from us and will not be liable to make payments to a partner organisation until they have received our grant payments. The lead organisation must keep records of all project expenditure and be able to provide evidence of spending to us if we ask for it.

- **Roles and responsibilities**

Explain the main roles and responsibilities of each organisation in the partnership. Make clear which tasks and services each partner will be responsible for delivering.

- **Policies and procedures**

Include all that are required by law or relevant to the project, such as health and safety, equal opportunities and the protection of children, young people and vulnerable adults.

- **Administration, meetings and record keeping**

Explain who is responsible for setting up meetings, how often they will happen and what records will be kept. Records need to be kept for a period of seven years under our terms and conditions of grant, so therefore the lead

organisation should make sure that its partner organisations do the same. Don't forget that both the Arts Council and the National Audit Office have the right to visit the premises of both the lead organisation and any partner organisation for up to seven years under the terms and conditions of grant.

- **Monitoring and reporting**

Explain how monitoring information will be provided by the partner organisations throughout the period of the grant agreement to enable the lead organisation to complete regular progress reports for us. Also set out the responsibilities of each partner in working with our programme-level evaluator.

- **Communication**

Make clear how often the project will be discussed by the partnership and by what methods, for example, face-to-face meetings, phone or email. Make it clear who will be responsible for promoting the project through the media and who will handle enquiries.

- **Branding**

This must be in accordance with our guidelines. All partner organisations that receive any part of the grant should also be required to do this.

- **Changes to the agreement**

Explain how changes to the agreement or disputes will be managed and resolved. Remember that a disagreement between the partners might mean that the lead organisation will not be able to meet our grant terms and conditions.

- **Duration of the agreement**

This should include the provision for the lead organisation to terminate the agreement if for any reason we need to suspend or terminate our grant.

- **Signed declaration**

All partners must sign and date the agreement.