



Department of

Finance

An Roinn

Airgeadais

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REMOVING BARRIERS TO THE CHILDREN'S SERVICES CO-OPERATION ACT

DECEMBER 2025

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EXECUTIVE SUMMARY

This report is in response to Recommendation 9 of the Public Accounts Committee Report on Child Poverty in Northern Ireland, which called on the Department of Finance to work with other departments to review the barriers to the effective implementation of the Children's Services Co-operation Act (Northern Ireland) 2015 and to produce an agreed action plan by December 2025.

The Act was designed to improve the outcomes for children and young people by enabling greater collaboration, resource pooling, and integrated service delivery across public bodies. However, the Public Accounts Committee report identified that bureaucratic and administrative burdens, alongside a lack of detailed guidance, have limited the Act's effectiveness and full realisation.

In response, the Department of Finance has led a review in collaboration with stakeholders in government and local councils and included a structured information-gathering exercise to identify legislative, administrative, and operational barriers to pooling resources and delivering integrated services.

The key barriers identified include:

- **Governance** misalignment, with unclear accountability and complex procurement processes.
- The lack of **statutory guidance** for councils and the absence of a **lead authority** to drive forward collaboration.
- **Finance** constraints, particularly the arising from the impact of single-year budgets on long-term planning.
- **Data sharing** challenges, including GDPR concerns and lack of formal agreements.

The report outlines a series of actions to address these barriers, including:

- Regularly review, promote and reinforce the use of currently available guidance that is within the remit of the Department of Finance.
- Following completion of Phase 3 of the NICS Collaboration Test and Learn Initiative, the initiative's Programme Management Team (DfC) to engage with DoF to distribute any learning regarding the testing of pooled budgets.
- Request and distribute other useful information such as successful case studies to build confidence and demonstrate practical application.
- Support the implementation of multi-year budgets and promote use of joint bids within the Budget process.

- Improve promotion of existing statutory guidance on data sharing, including Information Commissioner's Office guidance.

While some proposals, such as legislative reform or the creation of a lead authority, fall outside the vires of the Department of Finance, the report recognises the importance of continuing any cross-cutting collaborative efforts and the improved strategic alignment that can be achieved with wider Executive strategies, including the Programme for Government and the NICS Collaboration Test and Learn Initiative.

This report and its agreed actions will support ongoing implementation of the Act. By addressing some of the practical barriers reported to collaboration, it aims to support more effective and joined-up services that improve outcomes for children and young people across Northern Ireland.

GLOSSARY

ALB's – Arm's Length Bodies

BHC – Before Housing Costs

CSCA – Children's Services Co-Operation Act (Northern Ireland) 2015

CYPS – Children and Young People's Strategy

DAO – Dear Accounting Officer

DE – Department of Education

DEA – District Electoral Area

DfC – Department for Communities

DoF – Department of Finance

FD – Finance Director

GDPR – General Data Protection Regulation

ICO – Information Commissioner's Office

NIAO – Northern Ireland Audit Office

NICS – Northern Ireland Civil Service

NILGA – Northern Ireland Local Government Association

NISRA – Northern Ireland Statistics and Research Agency

PAC – Public Accounts Committee

PfG – Programme for Government

INTRODUCTION

This report has been prepared in response to a recommendation made in the Public Accounts Committee (PAC) Report on Child Poverty in Northern Ireland¹, regarding the implementation of the Children’s Services Co-operation Act (Northern Ireland) 2015² (The Act). The PAC recommended that the Department of Finance (DoF) review the barriers to the Act and produce an action plan to reduce and remove these barriers.

The Act was enacted with the aim of improving the opportunities for collaboration between public bodies in Northern Ireland to enhance and improve the outcomes and well-being of children and young people. The Act consequently provides the statutory footing to enable cooperation and collaboration between children’s authorities³ and other relevant bodies, aiming to reduce silo working and to promote a more integrated approach to service delivery.

The Act has been structured as follows⁴:

- Well-being of children and young persons – a “purpose clause” used to define what is meant by well-being and what is intended by the Act.
- Co-operation to improve well-being – a duty on the Executive to make arrangements to promote co-operation across relevant bodies to improve well-being.
- Children and young person’s strategy – a duty on the Executive to bring forward a strategy to outline the priority outcomes for children’s well-being. ***The Children and Young People’s Strategy 2020-2030 was agreed by the Executive and published in January 2021⁵.***
- Sharing of resources and pooling of funds – an enabling power to allow Departments and Agencies to pool resources (*should they choose*) to deliver children’s services.
- Report on the operation of the Act – a duty on the Executive to report on the delivery of the strategy and how the lives of children and young people have improved. ***The first report on the operation of the Act covering the period December 2020 to June 2022 was published in July 2024,⁶ with the second report published in July 2025⁷ covering the period June 2022 to June 2025.***
- Programme for Government (PfG) – a requirement that the PfG consider issues raised in the report on the operation of this Act.

¹ <https://www.niassembly.gov.uk/assembly-business/committees/2022-2027/public-accounts/reports/report-on-child-poverty-in-northern-ireland/>

² <https://www.legislation.gov.uk/nia/2015/10/contents>

³ <https://www.legislation.gov.uk/nia/2015/10/section/9/enacted>

⁴ <https://www.education-ni.gov.uk/articles/childrens-services-co-operation-act-northern-ireland-2015>

⁵ <https://www.education-ni.gov.uk/publications/children-and-young-peoples-strategy-2020-2030>

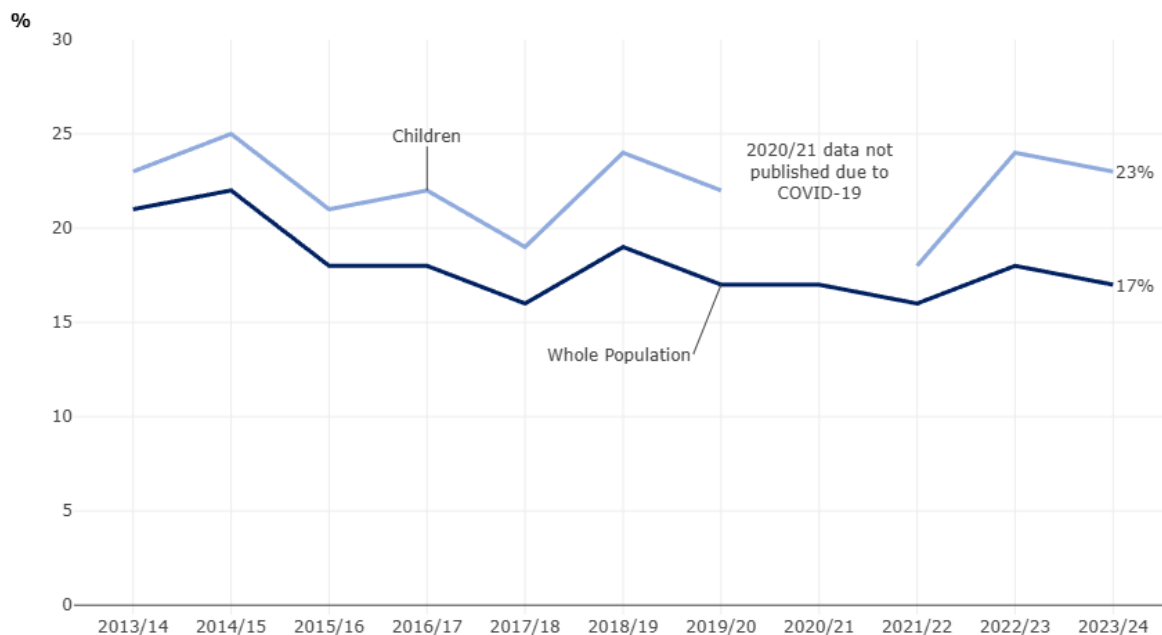
⁶ <https://www.education-ni.gov.uk/publications/first-report-operation-childrens-services-co-operation-act-northern-ireland-2015>

⁷ <https://www.education-ni.gov.uk/publications/second-report-operation-childrens-services-co-operation-act-northern-ireland-2015>

- Guidance⁸ – a clause which details that the Executive Office may bring forward guidance on the implementation of this Act.
- Regulations relating to clause 4 – a clause which gives DoF the power to introduce regulations which would outline how Departments should act in the pooling of budgets.

As the Northern Ireland Audit Office (NIAO) stated in their March 2024 report on Child Poverty in Northern Ireland⁹, around one in five children lives in relative poverty, which in turn can lead to both short and longer term inequalities in missed opportunities, poorer health, and worse educational and wellbeing outcomes than their wealthier peers.

Figure 1. Percentage of Children in Relative Poverty (Before Housing Costs (BHC))



Source: Northern Ireland Poverty and Income Inequality Report 2023/24¹⁰

The proportion of children in relative poverty (BHC) is estimated to be 23% (approximately 104,000) in 2023/24, which is lower than the estimate of 24% in 2022/23.

People are considered to be living in relative income poverty if the income of their household is less than 60 per cent of the UK median household income in the current year.¹¹

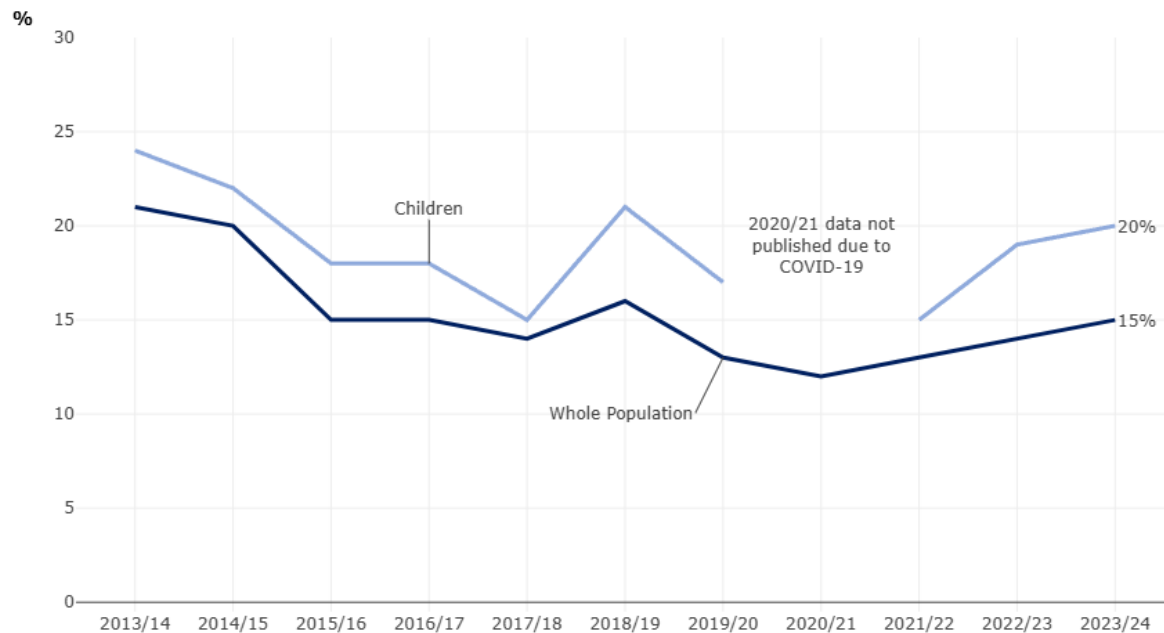
⁸ <https://www.education-ni.gov.uk/publications/guidance-childrens-services-co-operation-act-northern-ireland-2015>

⁹ <https://www.niauditoffice.gov.uk/publications/child-poverty-northern-ireland>

¹⁰ https://datavis.nisra.gov.uk/communities/PII_report_2324.html#

¹¹ Page 18 - NIAO report on Child Poverty in Northern Ireland (11 March 2024)

Figure 2. Percentage of Children in Absolute Poverty (Before Housing Costs (BHC))



Source: Northern Ireland Poverty and Income Inequality Report 2023/24¹²

In 2023/24 the proportion of children in absolute poverty (BHC) increased to 20% (approximately 90,000), from 19% in 2022/23.

People are considered to be in absolute income poverty if the income of their household is less than 60 per cent of the UK median household income for 2010-11, adjusted year on year for inflation.¹³

In addition to the social inequalities it would be remiss to not highlight the persistent long term financial cost that child poverty can continue to present. As the expert panel engaged by the Department for Communities (DfC) reported in 2021¹⁴ that estimates showed in 2017 the cost of child poverty in Northern Ireland was £825 million annually, of which £420 million were considered the direct cost of services. In subsequent high-level calculations by the NIAO in their 2024 report, they estimated that the cost of dealing with child poverty was considered to be approximately £1 billion per year¹⁵. Therefore, by working to reduce child poverty the positive impact on the funding available from the Block Grant could be significant by freeing up scarce resources for allocation to other important Executive priorities.

In preparing their report on child poverty the PAC considered evidence over several weeks in June 2024 and it felt there was significant untapped potential within the Act to enhance collaboration, resource pooling, and the sharing of outcomes across children’s services. However, it has also highlighted that bureaucratic and administrative challenges, coupled

¹² https://datavis.nisra.gov.uk/communities/PII_report_2324.html#

¹³ Page 18 - NIAO report on Child Poverty in Northern Ireland (11 March 2024)

¹⁴ <https://www.communities-ni.gov.uk/publications/report-anti-poverty-strategy-expert-advisory-panel>

¹⁵ Page 28 - NIAO report on Child Poverty in Northern Ireland (11 March 2024)

with a lack of detailed guidance, have significantly hindered the Act's effective implementation.

Recommendation 9 was accepted in full by DoF:

'The Committee considers that there is significant untapped potential in the Children's Services Co-operation Act (Northern Ireland) 2015 that would allow organisations to pool resources and share outcomes. However bureaucracy and administrative burdens, alongside a lack of detailed guidance, has limited its implementation and effectiveness. The Committee recommends that the Department of Finance works with other departments to review the barriers to the Children's Services Co-operation Act (Northern Ireland) 2015 and by December 2025 produces an agreed action plan to reduce and remove these barriers.'

In line with the Committee's recommendation, DoF, in collaboration with the other departments and pertinent stakeholders (as identified in the Act), has undertaken a review to identify and address the barriers that are seen as impeding the full realisation of the Act objectives.

This report outlines the review findings, presents an overview of the current activities aimed at improving the delivery of the Act, and presents several agreed actions aimed at reducing the impact and facilitating the removal of any barriers identified.

STAKEHOLDER ENGAGEMENT

The Act permits children’s authorities to make contributions to a fund, i.e. “pooled resources from which payments can be made”. Section 9 of the Act identifies a children’s authority as any of the following:

- a Northern Ireland department,
- a district council,
- a Health and Social Care trust,
- the Regional Agency for Public Health and Social Well-being,
- the Education Authority,
- the Northern Ireland Housing Executive,
- the Police Service of Northern Ireland, or
- the Probation Board for Northern Ireland.

The stakeholder engagement strategy underpinning this report was focused on children’s authorities as listed above. Information was sought from members of the Children and Young People’s Strategy (CYPS) Monitoring and Reporting Board, comprising of representatives from government departments and therefore captures information from departments and their ALBs, and also local councils.

Stakeholders were invited to identify any legislative, administrative and operational barriers they perceived as limiting their ability to pool resources and realise the full potential of the Act.

The engagement aimed to:

- Build an understanding of the challenges to the Act.
- Encourage discussion particularly between finance and the service delivery functions of departments.
- Inform the development of realistic and feasible actions to support the pooling of resources, service delivery and improved outcomes for children and young people.
- Ensure all relevant children’s authorities were represented within the information gathered.

We would like to extend our thanks to colleagues in the Department of Education (DE) for their ongoing advice and to all stakeholders who contributed their time and responses to the information gathering exercise. The engagement and insight were instrumental in shaping our understanding, the depth of our analysis and decision-making.

The commitment to supporting this effort reflects a shared dedication to achieving improved outcomes, and we are grateful for the collaboration.

A copy of the information gathering template used during the stakeholder engagement is available at **Annex D**.

CURRENT INITIATIVES AND ACTIVITIES

DOF ACTIVITIES

The publication of the Guidance to Departments on Pooling of Budgets by DoF in April 2025 represents a significant step forward in supporting departments to collaborate more effectively under the Children’s Services Co-operation Act. The guidance was developed to provide a clear and practical framework for pooling resources, offering detailed steps for implementation, governance considerations, and alternative mechanisms where pooling may not be appropriate.

It promotes key principles such as transparency, flexibility and is underpinned by existing guidance including Managing Public Money NI and the Consolidated Budgeting Guidance. By consolidating best practice and outlining technical options such as joint bids and transfers, it is hoped that the guidance will help reduce the administrative burden, build confidence, and encourage a culture of partnership working across departmental boundaries.

STATUTORY ACTIVITIES

The Act required the Executive to develop and adopt a strategy setting out the strategic direction that would assist in delivering improvements in the well-being of children and young people in Northern Ireland. The Children and Young People’s Strategy 2020-2030 was subsequently agreed by the Executive and published in January 2021¹⁶. The Department of Education leads in overseeing effective delivery of the Strategy in conjunction with all government departments.

This Strategy is supported by a number of legislative and policy frameworks, including the development of a new draft strategy delivery plan for 2025–2028, ongoing monitoring and reporting mechanisms, and the encouragement of strategic financial planning through pooled budgets and the submission of joint bids from departments during the budget setting process and in-year monitoring.

In parallel, a number of broader initiatives such as the Draft Anti-Poverty Strategy and cross-departmental collaboration pilots underscore the ongoing commitment of the Executive to integrated, evidence-based approaches that it’s hoped will address the inherent challenges of reducing child poverty.

¹⁶ <https://www.education-ni.gov.uk/publications/children-and-young-peoples-strategy-2020-2030>

The list below provides links to examples of current guidance, initiatives and work being taken forward by departments to improve the outcomes for children and young people. Please note the list is not exhaustive and provides a representative snapshot:

- [The Executive’s Children and Young People’s Strategy 2020-2030](#).
- [DE guidance on Children’s Services Co-Operation Act \(Northern Ireland\) 2015](#).
- [Children and Young People’s Strategy Monitoring and Reporting Board and their reporting on the implementation of the Act. The first report was published on 24 July 2024 and the second report published on 30 July 2025](#).
- [Development of the Children and Young People’s Strategy Delivery Plan 2025 – 2028](#).
- [The Executive’s Draft Anti-Poverty Strategy](#), issued by DfC for public consultation on 17 June 2025.
- [DoF Guidance on Pooling Budgets](#).
- Joint funding bids are encouraged and welcomed by DoF during the Budget process, and the use of Technical Transfers are facilitated by DoF during [In Year Monitoring Rounds](#).

While not specifically children and young people focused, examples are shown below of other current guidance and work being carried out by departments and councils that support the objectives of the Act include:

- [FD \(DFP\) 08/06 – Accountability for Joined Up Projects](#)¹⁷
- [DAO 08/15 – The Code of Practice for Reducing Bureaucracy in the Voluntary and Community Sector](#)^{18 19}
- An upcoming NISRA landscape review exercise looking at among other things the potential legal barriers to data sharing.
- A good practice audit on pooling budgets carried out by Community Planning in DfC.
- NICS Collaboration Test and Learn, a cross departmental initiative to help deliver better outcomes for communities using a collaborative approach. See Annex C for further information.
- [Northern Ireland Local Government Association Guidance \(NILGA\) on Pooling Budgets](#)²⁰

¹⁷ <https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/fddfp0806.pdf>

¹⁸ <https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/daodfp0815.pdf>

¹⁹ <https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/daodfp0815att.pdf>

²⁰ <https://www.nilga.org/media/2761/nilga-pooled-budgets-mar-2025.pdf>

STAKEHOLDER RETURNS

During the information gathering exercise stakeholders were asked to reflect on perceived barriers to the full realisation of the Act and how they felt these manifested both internally and externally to their organisation, the risks they posed and any current and potential future actions that they believed could mitigate or remove them.

This information was collected through a structured template (Annex D) which was designed to capture both qualitative and quantitative data. In collating the stakeholder responses several common key themes emerged. The table below provides a summary of responses and categorises them according to these overarching themes.

Key Themes	Barrier (description)	Internal			External		
		admin	legislative	No category	admin	legislative	No category
Data Sharing	Data Sharing				✓		
Governance / Legislative basis	Departmental Structures, Business Plans, Aims and Objectives tend to work against collaboration rather than support it	✓	✓				
Data Sharing	Data Sharing					✓	
Governance / Legislative basis	Lack of lead Authority						✓
Finance	Budget uncertainty and collaboration			✓			
Governance	Established financial accountability arrangements	✓	✓				
Finance/ Legislative basis	Lack of long term planning and opportunities for developing sustainable and integrated funding proposals				✓	✓	
Governance	There does not appear to be a standardised way of commissioning from the Community and Voluntary Sector	✓					

Key Themes	Barrier (description)	Internal			External		
		admin	legislative	No category	admin	legislative	No category
Finance/ Governance/ Legislative basis	Fragmented Budgeting and Governance, and Barriers to Pooled Commissioning with the Statutory/Third Sector and Shared Reporting				✓	✓	
Finance/ Governance	Alignment and Pooling of Budgets in line with respective governance arrangements and budget setting processes, timetables and geographical spread.	✓					
Finance/ Governance/ Legislative basis	1. Statutory Duty. 2. Strategic Alignment. 3. Process and Protocols. 4. Pooling Resources 5. Legislation				✓	✓	

**One response was considered as outside the scope of this exercise.*

Governance - Governance structures, narrowly defined responsibilities and often-misaligned strategic objectives between potential partners were identified. It was recognised that whilst there is significant appetite to work collaboratively, these governance issues complicate efforts to pool resources with concerns being raised around accountability, legal ambiguity, and complex and differing administrative and procurement processes, thus hindering engagement in joint funding initiatives. Stakeholders reported these issues contribute to duplicated efforts, hampers the development of integrated service delivery, and reduces the overall capacity to address complex child poverty challenges.

Finance - Stakeholders reported that the disjointed nature of budgeting and governance structures between different sectors, often characterised by misaligned finance/funding cycles, uncertainty around financial accountability, fragmented funding streams and reporting requirements, monitoring and evaluation frameworks, and differing procurement rules can hinder the coordination of pooled budgets. This leads to delays and reduces the effectiveness of service delivery. It was also noted these disadvantage the voluntary and community sector by limiting the ability of programmes to flexibly adapt their service delivery models while continuing to demonstrate they offer value for money.

Compounding these are issues with single year budgets. While it was recognised it is outside the control of the Executive, it was noted that the uncertainty that arises from short-term funding plans undermines long-term planning and the consistent delivery of sustainable and impactful services. Stakeholders reported they feel unable to commit to multi-year projects, diminishing their capacity to deliver early intervention services and eroding trust with their community and third sector partners

Data sharing - One of the common threads identified by stakeholders was the perceived difficulties faced with data sharing, including concerns around GDPR compliance and the absence of statutory or formal data sharing agreements. Stakeholders reported these constraints and the subsequent failure to share data have impeded effective planning, particularly for children with special educational needs, and contributed to duplication of data collection, lack of readiness, delays and inequities in delivering services for children and young people.

Legislative basis - Legislative constraints have also been identified as a complicating factor, and that this often cuts across the other key themes identified. Issues raised include limited statutory powers particularly for councils in relation to children's services, the lack of a statutorily backed lead authority to drive, facilitate and deliver cross-cutting CSCA initiatives, and concerns around the competing intent between differing legal compliance requirements. It was recognised that the Act provides the legal basis for resource sharing but there is uncertainty around how it applies in practice. It was noted that this lack of clarity creates uncertainties around pooled budgets, discouraging engagement in innovative or preventative approaches.

Other - While not directly within the scope of this report, stakeholders also reported concerns that disabled young people aged 18–21 are underrepresented in strategic planning and delivery frameworks. While the legislation covers this group, they are often overlooked in practice, leading to fragmented responsibilities across departments and a lack of coordinated support.

A more detailed analysis of returns is available at **Annex A** and **Annex B**.

WHAT AND HOW CAN WE IMPROVE?

In identifying deliverable actions to help eliminate the barriers and issues reported by stakeholders, it is important to ensure that any being proposed are measured, feasible and considered sustainable within the wider constrained public expenditure landscape and within the vires of departments.

Our stakeholder engagement has been crucial to the identification of proposed realistic and deliverable actions, ensuring that views and experiences of key stakeholders have been accounted for and considered.

GOVERNANCE / GUIDANCE

Barrier: Stakeholders have reported misaligned departmental objectives, complex administrative and procurement processes, and a lack of standardised commissioning models with the community and voluntary sector. The absence of a lead authority to drive and co-ordinate efforts, and the need for stronger legislation, and statutory guidance for collaboration with statutory and third-sector partners have also been identified as potential barriers.

Current Position: The Executive’s Programme for Government 2024–2027, Our Plan: Doing What Matters Most²¹, provides a strategic framework to support better outcomes. Continued focus on the PfG should improve planning, alignment and delivery across government to improve wellbeing, deliver sustainable public services, and address pressing societal challenges. The establishment of a lead authority or statutory body to coordinate collaborative efforts across departments lies outside the vires of DoF, as does strengthening the legislative basis for community planning and cross-cutting collaboration. These matters would necessitate cross-party Executive and political support and substantial amendments to primary legislation.

Although the introduction of governance regulations under clause 4 of the Act to place the pooling of resources on a statutory footing does fall within the department’s legislative competence, there is already an existing body of guidance addressing resource pooling which, if promoted and encouraged, could remove the need for further regulation. It should also be noted there is a risk that further regulation may restrict the flexibility of departments and the third sector partners when working collaboratively.

DoF²² and NILGA²³ have both recently published guidance on pooled budgeting (April and March 2025 respectively). These recent publications represent an important step forward which can go some way to provide direction and advice for all departments and councils in overcoming many of the administrative barriers reported. Further strengthening of this

²¹ <https://www.northernireland.gov.uk/publications/programme-government-2024-2027-our-plan-doing-what-matters-most-documents>

²² <https://www.finance-ni.gov.uk/publications/guidance-pooling-budgets>

²³ <https://www.nilga.org/media/2761/nilga-pooled-budgets-mar-2025.pdf>

existing guidance through, for example, the identification and dissemination of case studies showcasing successful models of pooled resources, and signposting statutory data-sharing mechanisms and guidance could help build knowledge and confidence further reduce risks, and help encourage a culture of collaboration with departments and councils

Action: Regularly review, promote and reinforce the use of currently available guidance that is within the remit of DoF.

NICS Collaboration Test and Learn is a cross departmental initiative focusing on, among other things, the governance around the commissioning of services from the community and voluntary sector and the pooling of resources. This initiative is also exploring the alignment of monitoring and evaluation frameworks of pooled resources. Phase 3 is due to commence shortly and will provide a testing ground for the application of the DoF guidance and also on how pooled budgets work in practice. Further information on the NICS Collaboration Test and Learn Initiative is available at Annex C.

Action: Following completion of Phase 3 of the NICS Collaboration Test and Learn Initiative, the initiatives Programme Management Team (DfC) to engage with DoF to distribute any learning regarding the testing of pooled budgets.

Action: Request and distribute other useful information such as successful case studies to build confidence and demonstrate practical application.

FINANCE

Barrier: Single-year budgets, fragmented funding streams and misaligned funding cycles were reported to undermine long-term planning and service sustainability. Difficulties in committing to multi-year projects affects early intervention and community trust.

Current Position: While the introduction of multi-year budgets is for the Executive to agree and technically outside the scope of DoF, one of the key actions in the Budget Sustainability Plan²⁴ published in October 2024 was that the Executive agreed to “*the implementation of multi-year budgets where possible*”.

The Executive can only agree multi-year budgets when the UK Government has provided a multi-year spending envelope as part of its Spending review process. The announcement of the Spending Review 2025 outcome by the Chancellor on 11 June 2025 covering resource spending up to 2028-29 and capital investment until 2029-30 will allow the Executive to set a multi-year budget for 2026-27 and beyond which should go some way to providing clarity and certainty to those delivering long term services and have felt ongoing constraints due to the imposition of single year budgets. It should also be noted that while joint bids have always possible, the Information Gathering Exercise commissioned by DoF on 30 June 2025 to inform the Budget 2026 – 2029/30 process stated that joint bids from departments are

²⁴ <https://www.finance-ni.gov.uk/publications/budget-sustainability-plan>

particularly welcomed, whether they are for joint policy areas or to deliver cross cutting efficiencies.

Alignment of finance/funding cycles and the reporting mechanisms across departments and councils, while potentially beneficial, exceeds the authority of DoF and would require broader NICS and public sector reform.

Action: Support the implementation of multi-year budgets and promote use of joint bids within the Budget process.

DATA SHARING

Barrier: Stakeholders have reported challenges in successfully sharing data across departments and agencies, citing GDPR concerns, potential competing intent between data protection legislation and the Act, and the lack of formal or statutory data sharing agreements. These issues lead to delays in service provision, particularly for those children with special educational needs, hindering effective planning and continuous service provision.

Current Position: Statutory guidance produced by the Information Commissioner’s Office (ICO) on data sharing currently exists, however there appears to be uncertainty around the interplay between Data Protection and the Act.

Action: Improve promotion of existing statutory guidance on data sharing, including Information Commissioner’s Office guidance.^{25 26}

While meeting the requirements of recommendation 9 of the PAC report, the agreed actions being taken forward and outlined above may also go some way to help deliver on some of the areas identified as opportunities for improvement contained in the “Children’s Services Co-operation Act (Northern Ireland) 2015 - Second report to the Northern Ireland Assembly for the period June 2022 – June 2025”. These include:

- **Pooling of Resources**

This is still considered to be underutilised with a desire expressed by many that it be further promoted and where necessary, barriers removed.

- **Sharing information and Good Practice**

²⁵ Data Sharing Code of Practice

<https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/data-sharing/data-sharing-a-code-of-practice/>

²⁶ Data sharing across the public sector: The Digital Economy Act codes

<https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/data-sharing/data-sharing-a-code-of-practice/data-sharing-across-the-public-sector-the-digital-economy-act-codes/>

Responses indicate more could be done to create and improve mechanisms for secure and effective information sharing between co-operating partners to realise the full scope of well-being improvement for children and young people.

- **Stable Funding and Longer-Term Planning**

The need to move away from temporary, short term and/or piecemeal funding and towards the development of long term planning and multi-year recurrent funding strategies and mechanisms to ensure sustainability of services/programmes. This is highlighted as an opportunity to offer greater flexibility to respond to changing/emerging needs and to maximise the impact of services/programmes

CONCLUSION

This report has identified a range of barriers reported by stakeholders as hindering the effective implementation and full realisation of the Children's Services Co-operation Act (Northern Ireland) 2015, particularly in relation to the pooling of resources, cross-cutting service delivery and the sharing of outcomes for children and young people.

While some challenges are considered as legislative or structural in nature and fall outside the direct remit of DoF, several can be addressed through practical changes and improved collaboration. While DoF has led the development of this report, in line with recommendation 9 of the PAC Child Poverty report, this report and the agreed actions identified have been developed in partnership with departments and other relevant stakeholders.

- **Regularly review, promote and reinforce the use of currently available guidance that is within the remit of DoF.**
- **Following completion of Phase 3 of the NICS Collaboration Test and Learn Initiative, the initiative's Programme Management Team (DfC) to engage with DoF to distribute any learning regarding the testing of pooled budgets.**
- **Request and distribute other useful information such as successful case studies to build confidence and demonstrate practical application.**
- **Support the implementation of multi-year budgets and promote use of joint bids within the Budget process.**
- **Improve promotion of existing statutory guidance on data sharing, including Information Commissioner's Office guidance.**

DoF is well-positioned to lead on the promotion and reinforcement of existing guidance on pooled budgeting. Since the publication of the PAC recommendation both DoF (April 2025) and NILGA (March 2025) have produced detailed guidance on pooled budgeting. This represents an important step forward in providing consistent advice and guidance to both departments and local government in the steps to take when considering the pooling of budgets.

Building on and reviewing this guidance over time and including any lessons learnt from Phase 3 of the NICS Collaboration Test and Learn Initiative, will hopefully help to alleviate many of the administrative and confidence-related barriers reported by stakeholders. Although there is the ability for further legislative reform, it is equally important to consider that the introduction of new legislation may be of limited added value if the challenges associated with implementing the existing legislative frameworks have not yet been effectively addressed. It will take time for the recently published guidance to make a practical impact, but with continued review and promotion of this guidance the case for legislative reform may reduce.

While pooled budgets are one option for achieving collaborative delivery, they should not be considered as the only mechanism that can be utilised and other methods like joint bids through the budget setting process or technical transfers processed during in-year monitoring rounds should also be fully considered. In many instances these equivalent arrangements are utilised and work effectively. Departments are encouraged to consider the range of options available to them in the detailed guidance, and DoF are available to provide advice and assistance to departments during their options consideration stage or when developing proposals to introduce joint funding models.

Pooled budgets or equivalent arrangements require the buy-in and the effective support of all collaboration partners, alongside strong working relationships and the appropriate governance frameworks in place, therefore, the further strengthening of the existing guidance through the identification and dissemination of case studies showcasing successful models of pooled resources and signposting to other relevant sources of information and guidance will also help build confidence, reduce risks, and aid collaboration.

The findings also highlight the importance of developing a standardised model of commissioning services while also aligning the monitoring and evaluation frameworks to help reduce duplication and administrative burden, particularly for those in the community and voluntary sector, as this could help support a more combined and outcomes-focused approach to children's services across Northern Ireland. This is currently being explored through a NICS Collaboration Test and Learn initiative in partnership with several local councils. Lessons learned from this pilot may lead to further actions in this regard.

In addition to the various barriers identified by stakeholders during the information gathering exercise several respondents also reported cross-cutting impacts on Section 75 groups, particularly children, young people with disabilities, and families with dependants.

These findings again help to reinforce and highlight the importance of overcoming the barriers to pooling budgets and the sharing of resources under the Children's Services Co-operation Act.

The actions outlined will provide a platform for DoF and others to address what are seen as the bureaucratic and administrative hurdles, while continuing to promote and champion best practice and help drive forward meaningful changes to support improved outcomes for children and young people.

AGREED ACTIONS TO ADDRESS BARRIERS

The section outlines the agreed actions which aim to address the key barriers identified during the stakeholder engagement and information gathering exercise and subsequent analysis, particularly around those relating to governance, finance, data sharing, and guidance. Each action is considered to be deliverable within existing departmental vires, realistic; and capable of supporting improved collaboration and service delivery under the Act.

The table below summarises the core issues, the corresponding actions, and the intended outcomes, providing a roadmap for progress.

Theme	Issue	Action	Activity	Outcome
Governance / Guidance	Governance issues can be seen to complicate efforts to pool resources hindering engagement in joint funding initiatives.	Regularly review, promote and reinforce the use of currently available guidance that is within the remit of DoF.	Regularly review, update and circulate DoF guidance on pooled budgeting.	Increased visibility, confidence and consistency when pooling resources.
		Following completion of Phase 3 of the NICS Collaboration Test and Learn Initiative, the initiative's Programme Management Team (DfC) to engage with DoF to distribute any learning regarding the testing of pooled budgets.	DfC to engage with DoF and distribute any appropriate information and lessons learned.	Better understanding and confidence when pooling resources.
	The lack of case studies of initiatives that successfully pooled resources.	Request and disseminate other useful information such as successful case studies to build confidence and demonstrate practical application.	As part of the regular review of DoF guidance Request and disseminate other useful information such as successful case studies.	Better understanding and confidence when pooling resources.

Theme	Issue	Action	Activity	Outcome
Finance	Single-year budgets, fragmented funding streams and misaligned funding cycles were reported to undermine long-term planning and service sustainability.	Support the implementation of multi-year budgets and promote use of joint bids within the Budget process.	Support the implementation of multi-year budgets.	Increased budget clarity and certainty for long term services.
Data Sharing	The perceived difficulties faced with data sharing, including concerns around GDPR compliance and the absence of statutory or formal data sharing agreements	Improve promotion of existing statutory guidance on data sharing, including Information Commissioner’s Office guidance	<p>Highlight and promote ICO guidance as part of the regular review of DoF guidance.</p> <p>Departments to engage with their Departmental Data Protection Officers on data sharing difficulties that arise.</p>	Reduced delays and improved data access, to help build confidence and consistency in data sharing across children’s authorities.

ANNEX A – DETAILED ANALYSIS - DEPARTMENTAL RETURNS

9 responses received from Departments and Arm’s Length Bodies, 8 of which were within the scope of Recommendation 9.

Barrier	Inside Scope of Recommendation 9	Outside Scope of Recommendation 9
Data Sharing.	✓	
Departmental Structures, Business Plans, Aims and Objectives tend to work against collaboration rather than support it.	✓	
Community Use of Schools/Monitoring and Evaluation of Tackling Educational Disadvantage Funding.		✓
Issues with Data Sharing.	✓	
Lack of lead authority.	✓	
Budget uncertainty and collaboration.	✓	
Established financial accountability arrangements	✓	
Lack of long-term planning and opportunities for developing sustainable and integrated funding proposals.	✓	
There does not appear to be a standardised way of commissioning from the Community and Voluntary Sector.	✓	

Internal/External Barrier

- 4 responses considered barriers as external
- 4 responses considered barriers as internal

Legislative/Administrative

- 3 responses considered the barrier as both legislative and administrative (1 external + 2 internal)
- 1 response considered the barrier as legislative only (external)
- 2 responses considered the barrier as administrative only (1 internal + 1 external)
- 2 responses did not indicate either legislative or administrative (1 external + 1 internal).

Barrier Impact

- 7 responses considered the impact of the barrier as high
- 1 response considered the impact of barrier as medium

Risk

- 5 responses consider the risk of the barrier as high

- 3 responses consider the risk of the barrier as medium

Section 75 Impacts

- 8 responses reported Section 75 impacts.

Common Themes - Departments and Arm's Length Bodies

Governance / Guidance

Barriers:

- Departmental remits and objectives not aligned for collaboration.
- Lack of lead authority to drive cross-cutting cooperation.
- Accountability concerns for pooled funds.
- Legislative ambiguity around financial responsibility.
- Complex procurement and reporting requirements.

Impact:

- Duplication of efforts.
- Missed opportunities to integrate service delivery.
- Reduced effectiveness in addressing complex, cross-cutting issues like child poverty.
- Reluctance to engage in pooled funding.
- Inefficiencies and duplication.
- Missed opportunities for innovation and early intervention.

Finance / Governance

Barriers:

- Fragmented funding streams with distinct reporting requirements.
- Administrative burden on schools.

Impact:

- Inability to demonstrate value for money.
- Reduced flexibility and innovation in service delivery.

Finance

Barriers:

- Non-recurrent funding cycles.
- Inability to plan or retain staff for long-term services.

Impact:

- Service contraction or cessation (e.g. mental health support in schools).
- Reduced capacity and morale within organisations.
- Inconsistent service delivery.

Data Sharing

Barriers:

- GDPR and data protection concerns.
- Lack of formal agreements (e.g. Service Level Agreements, Memorandums of Understanding).
- Absence of statutory duty to share data across departments.

Impact:

- Inability to plan effectively for children with special educational needs.
- Safeguarding risks for children missing education.
- Delays in service provision and inequality of access.

Cross-Cutting Impacts on Section 75 Groups

Most Affected Groups:

- **Age:** Children and young people are consistently identified as the primary group impacted.
- **Disability:** Particularly in relation to SEN and access to services.

Other groups considered to be impacted include Men and Women generally, people of different religious belief, political opinion, racial group, sexual orientation, and Good Relations.

Nature of Impact:

- **Major Negative:** In areas like safeguarding, access to education, and mental health services.
- **Minor Negative:** In administrative inefficiencies and community engagement.

Alongside responses received on the information gathering templates, several were received in different formats, supplementing the structured data collected, and are summarised below.

- One response underscores the importance of practical worked examples of simplifying processes to encourage the wider adoption of pooled resources. The stakeholder has experience with technical transfers in collaboration with others but highlighted they can remove control and clarity over the actual use of resources.
- The two barriers identified were the lack of available successful case studies to help build confidence in developing shared resource pools, and the resource-intensive nature of setting up such arrangements. This in turn can deter departments with limited capacity to develop pooled resources. The suggestion was also made for a

“lighter touch” approach for smaller-scale collaborations, to provide a stepping stone towards more robust joint initiatives.

- Another response reiterated the need for practical case studies and highlighted the absence of a single ‘owning’ body with the legal or statutory vires to lead on cross-cutting initiatives. It also cited the lack of multi-year budgets hampering the ability to plan long-term and the unwillingness of departments to act as financial “hosts” due to the risks involved.
- While not directly within the scope of this report, they also raised concerns that disabled young people aged 18–21 are underrepresented in strategic planning and delivery frameworks. While the legislation covers this group, they are often overlooked in practice, leading to fragmented responsibilities across departments and a lack of coordinated support.

Together, these responses reinforced the broader themes identified: clearer statutory guidance, simplified administrative processes, and stronger strategic alignment across departments. They also highlight the importance of inclusive planning that considers the needs of all children and young people, particularly those with complex needs or disabilities. These insights suggest that while the legislative framework exists, its practical implementation requires further support to unlock the full potential.

ANNEX B – DETAILED ANALYSIS – LOCAL COUNCIL RETURNS

3 responses received from local councils

Barrier	Inside Scope of Recommendation 9	Outside Scope of Recommendation 9
Fragmented Budgeting and Governance, and Barriers to Pooled Commissioning with the Statutory/Third Sector and Shared Reporting	✓	
Alignment and Pooling of Budgets in line with respective governance arrangements and budget setting processes, timetables and geographical spread.	✓	
1. Statutory Duty. 2. Strategic Alignment. 3. Process and Protocols. 4. Pooling Resources 5. Legislation	✓	

Internal/External Barrier

- 2 responses considered barrier as external
- 1 response consider barrier as internal

Legislative/Administrative

- 2 responses considered the barrier as both legislative and administrative (2 external)
- 1 response considered the barrier as administrative only (internal)

Barrier Impact

- 1 response considers the impact of barrier as high
- 2 responses consider the impact of barrier as medium

Risk

- 1 response considers the risk of the barrier as high
- 2 responses consider the risk of the barrier as medium

Section 75 Impacts

- 3 responses reported Section 75 impacts.

Common Themes – Local Councils

Governance

Barriers:

- Lack of clear statutory guidance on how to pool resources with statutory and third-sector partners.
- Administrative and legal uncertainties around shared funding models.
- Limited statutory powers for councils in children’s services.
- Community planning legislation does not mandate departmental participation or funding alignment.

Impact:

- Hesitancy to engage in collaborative funding.
- Missed opportunities for innovation and early intervention.
- Fragmented service delivery.
- Inability to drive integrated outcomes for children and young people.

Finance / Governance

Barriers:

- Misalignment of budget cycles and governance structures across departments and councils.
- Difficulty in coordinating pooled budgets due to differing financial planning timelines and procurement rules.

Impact:

- Delays in joint planning and service delivery.
- Reduced efficiency and effectiveness in addressing children’s needs.

Finance

Barriers:

- Year-to-year funding undermines long-term planning and sustainability.
- Inability to commit to multi-year collaborative projects.

Impact:

- Reduced capacity for preventative and early intervention services.
- Loss of trust and disengagement from community partners.

Data Sharing

Barriers:

- Inconsistent data sharing protocols and lack of interoperable systems.
- Strategic goals of councils not always aligned with departmental priorities.

Impact:

- Duplication of effort and inefficiencies.
- Difficulty in tracking outcomes and demonstrating impact.

Cross-Cutting Impacts on Section 75 Groups

Most Affected:

- **Age:** Children and young people.
- **Disability and Dependents:** Particularly in relation to poverty and access to services.

Other groups considered to be impacted include people of different racial group and sexual orientation.

Nature of Impact:

- **Major Negative:** Where pooled funding and collaborative planning are essential.
- **Minor Negative:** Due to administrative inefficiencies and lack of strategic alignment.

ANNEX C – NICS COLLABORATION TEST AND LEARN INITIATIVE

- NICS Collaboration Test and Learn is a cross departmental initiative to help deliver better outcomes for communities using a collaborative approach.
- Feedback from community organisations indicates a lack of an effective ‘joined up’ approach both across Government and between Government and partners makes their jobs harder. Test and Learn aims to improve collaborative working between Government departments, community, Councils and other partners. By working together, we aim to better identify the needs of the community, better allocate resources to meet those needs and better measure the outcomes.
- Creating a more effective collaborative and integrated place-based cross Departmental approach combined with close working with Local Government is essential in providing the right support for deprived communities. This requires the participation of other Government Departments and an active development and testing of structures to support this delivery model.
- This need for better place-based collaborative led to the creation of the Cross Departmental Group and the development of the NICS Collaboration Test & Learn Initiative commissioned and endorsed by the Head of Civil Service and the Northern Ireland Civil Service Board, in 2023. A core aim of the Initiative is to explore new and enhanced ways of working, to increase efficiency and effectiveness in delivering shared, long term and strategic outcomes that address community needs and aspirations.
- An Evaluation Report of the Phase 1 pilots was presented to NICS Board July 2024 who endorsed the recommendations contained within the Report and agreed that delivery of both new and existing place-based initiatives should actively consider using the test and learn model within the existing pilot areas.
- In keeping with the NICS Collaboration Test and Learn Evaluation Report, Phase 2 pilots aim to:
 - produce an agreed collaborative-based area plan (linked to the community plan).
 - consider how better collaboration can maximise the use of resources to deliver the plan.
 - produce an agreed area outcomes framework.
 - consider how more collaborative relationships between partners can help deliver better outcomes.

- A key part of the Test and Learn Initiative is to ensure a clear alignment with community plans. With community plans being a key planning tool for a Council area, the work of Test and Learn aims to contribute to their development and delivery.
- The Test and Learn pilots aim to work with community organizations to make a practical difference to how partners work together. In particular the aim is;
 - A greater involvement of community partners to improve how decisions, including funding, are made at a place-based level.
 - A reduction in the administration burden on community organizations and in particular a move towards an ‘apply once, ‘tell us once’ and ‘report once’ approach. This will involve Government funders simplifying, reducing, and combining their administrative requirements.
 - The use of a collaborative place-based outcomes framework that provides better information for decision making.
- The pilots have now completed Phase 2, with the production of collaborative area plans for each location. Phase 2 Evaluation Report which will be presented to NICS Board September 2025. The evaluation design aims to provide critical analysis, best practice, area-based data and global comparative models, but in particular focuses on tracking the impact and delivery of the three pilot areas interventions.
- In Phase 3 (commencing October 25) we will work to test alternative approaches to community investment that reduce Departmental silos and develop a collaborative place-based outcomes. The local area plans developed in Phase 2 will be used as a practical way to test better place-based working. The goal is to improve collaboration between Government and communities by:
 - Supporting flexible, evidence-based local decision-making;
 - Streamlining administrative processes for everyone involved;
 - Pooling government resources to deliver shared outcomes; and
 - Ultimately improving outcomes for people in need.

ANNEX D – INFORMATION GATHERING TEMPLATE

CHILDREN'S SERVICES CO-OPERATION ACT (NI) 2015 – ACTION PLAN INFORMATION GATHERING

Organisation Name:

Perceived Barrier: Title here.....

Is it internal or external?

Is this a legislative barrier?

Is this an administrative barrier?

Impact of perceived barrier

Impact Rating (High/Medium/Low)

Risk of perceived barrier

Risk Rating (High/Medium/Low)

Mitigating actions to address the perceived barrier

Which Section 75 group(s) does the perceived barrier impact?

What is the impact on the Section 75 group(s)?

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ANNEX E – PROGRAMME FOR GOVERNMENT PRIORITIES



Grow a Globally Competitive and Sustainable Economy



Deliver More Affordable, Accessible, High-Quality Early Learning and Childcare



Cut Health Waiting Times



Ending Violence Against Women and Girls



Better Support for Children and Young People with Special Educational Needs



Provide More Social, Affordable and Sustainable Housing



Safer Communities



Protecting Lough Neagh and the Environment



Reform and Transformation of Public Services

