

REPORT TO: Corporate Services Policy and Performance Board

DATE: 9th January 2007

REPORTING OFFICER: Strategic Director Corporate & Policy

SUBJECT: Partnerships

WARD(S): Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 The purpose of the report is to draw some conclusions on the work done to date in relation to Partnership activity within the Council.

2.0 RECOMMENDATIONS: That the Board make the following recommendations to the Executive Board:

- (1) the definition of Partnership set out in paragraph 3.5 is agreed;**
- (2) a register of all partnerships of which the Council is a member is created and kept by the Council Solicitor including the information outlined in paragraph 3.2;**
- (3) all new partnerships created or joined by the Council are notified to the Council Solicitor by the Officer with responsibility for the partnership;**
- (4) the Governance of Partnership Checklist is formally endorsed;**
- (5) the issues set out in the Checklist are properly considered and addressed before a decision is taken to form or enter into a new Partnership;**
- (6) annual progress reports are presented by each Partnership in the register to the appropriate PPB;**
- (7) the Corporate Services PPB reviews the Partnership Register and Partnership arrangements on an annual basis to ensure that they are working effectively.**

3.0 SUPPORTING INFORMATION

3.1 As has been reported previously there is considerable partnership working going on between the Council and other agencies. Considerable time and resources are spent by both members and

officers in this partnership working activity, and it is therefore necessary to ensure:

- That Partnership work is properly directed and overseen by the Council
- That resources invested in Partnership working are properly managed
- That arrangements are in place to ensure propriety and probity in Partnership working
- That Partnership working delivers value for money in terms of outcomes.

3.2 A register has been established and previously considered by the Board. The register records the following items of information in relation to Partnerships:

- Name of Partnership
- When Established
- Period of Partnership
- Purpose of Partnership
- List of Partners
- Halton B.C. Officer Representatives
- Halton B.C. Member Representatives
- Annual Revenue Budget
- Annual Capital Programme
- Percentage of Funding Provided by Halton B.C.
- Other Bodies Providing Funding
- Is Halton B.C. the Accountable Body?
- Arrangements for Reporting Decisions/Commitments to Halton B.C.
- Is a formal Partnership Agreement in Place?

3.3 This register is still in its formative stages and will develop to be a more comprehensive record of partnership working over time. It is possible that the register may never be fully comprehensive of all partnership activity going on, but the important thing is to ensure that it picks up all the key partnerships i.e. those that are crucial to delivery of the Council's priorities. As new Partnerships are established it is important that they are picked up and included in the register.

3.4 In addition to the register, a Governance of Partnerships checklist has been established (and is now available on the Council's intranet – see Appendix 1 attached). This focuses attention on the key areas to be addressed when the Council is considering Partnership working. By not making the checklist too long or onerous it is hoped that this will persuade officers to view the checklist as a helpful tool and therefore encourage its use. Initial feedback suggests that officers have found it useful and are happy to have some straightforward guidance when considering new partnership arrangements.

3.5 One issue that still needs to be addressed is how Partnership is defined. The partnership working identified so far ranges from organisations with significant budgets and employing a considerable number of staff (e.g.

the Halton and Warrington Youth Offending Team) to meetings of groups of specialist officers from neighbouring authorities simply to share experience and good practice. The suggested definition below (taken from the Audit Commission) is suggested for members consideration and is intended to capture the key partnerships with which the Council is involved.

Partnership – A joint working arrangement where the partners:

- are otherwise independent bodies
- agree to co-operate to achieve a common goal
- and to achieve it, create an organisational structure or process, an agreed programme, and share information, risks and rewards

- 3.6 The Board might wish to consider whether it is now in a position to make a number of recommendations to the Executive Board in relation to Partnership working so that the work done so far is formally incorporated into Council Policy and Procedure.

4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS

- 4.1 As considerable resources are invested in Partnership working it is important that appropriate arrangements for the control and oversight of partnership working are put in place to ensure proper husbandry of the resources invested.

5.0 RISK ANALYSIS

- 5.1 Considerable financial and other resources are invested in Partnership working. The Council depends on the effectiveness of its partnership arrangements for delivering large parts of its agenda. It is vital therefore that the Council puts in place appropriate control, accountability, scrutiny and governance systems for its partnership arrangements.

6.0 EQUALITY AND DIVERSITY ISSUES

- 6.1 None.

7.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 7.1 None

APPENDIX 1 - Governance of Partnerships - Checklist

Rationale for the Partnership

The aims and objectives of each partnership should be clearly aligned with the Council's key priorities.

All partnerships must identify and evaluate each partner's objectives. Each partnership must then ensure that all partners agree clearly defined and mutually shared objectives. Failure to achieve this may result in the Council not being able to lead and co-ordinate the efforts of the various partners.

- Why does the partnership exist? Does the organisation have clear and sound reasons for being involved in the Partnership?
- What are its agreed aims?
- Where have they been published?
- Is the partnership for a fixed term – how long?

Added Value from the Partnership

Partnerships involving the Council are generally established to contribute to improving the quality of local public services and to residents' quality of life. It is therefore important that partnerships can demonstrate accountability to the general public, service users or other stakeholders.

Partnerships should actively publicise their activity, where it is appropriate to do so, and where possible, promote transparency and openness. Examples may include articles published in the local press or Inside Halton magazine.

- How does this partnership add value?
- How is this added value demonstrated to the public?
- How do you know whether funds are being well spent? How is this information communicated to the public?

Governance Framework

Partnerships must have formal arrangements in place outlining the roles and responsibilities of all partners. For example, a written agreement or contract to be in place, which states the objectives of each partnership and the roles, responsibilities and regulations for

all partners. Accountability arrangements, both to the Council and to other stakeholders must also be considered.

The absence of formal arrangements can inhibit the achievement of the partnership's objectives and increase the potential for disputes and breakdowns in governance, control and probity.

The partnership arrangement shall be subject to prior approval by the Council Solicitor and the Section 151 Officer (Operational Director – Financial Services).

- Is there a written partnership agreement in place describing partner roles and responsibilities?
- Is there a governance framework and how does it function? Does this involve some form of scrutiny and/or use of Internal Audit processes?
- How do the partnerships governance arrangements link to those of individual partners?
- How are decisions made? Are they delegated to the partnership or must decisions be reported back to the constituent bodies for approval before action?
- How are they recorded? Who makes sure they are acted on?
- Who scrutinises them?
- To whom are they reported?

Performance Management

Partnerships need to demonstrate that they operate within the Council's financial reporting and scrutiny frameworks, to enhance the accountability of the partnership. Similarly, elected members and other stakeholders need assurance that the partnership is achieving its intended purpose and providing value for money.

- What action is taken to ensure that the plans/targets of the partnership are aligned with corporate objectives?
- How is the performance of the partnership monitored? E.g. How do you know which partnership targets you are meeting and which you are failing to meet?
- Who manages and reports progress?
- How do we monitor partner contributions?
- What scrutiny systems are in place?

Financial Management

Accountability to all stakeholders in terms of financial reporting and performance management should be clearly defined.

- Who provides the money?
- Who decides how to spend it?
- Can the money be reallocated?
- What are the financial reporting arrangements?
- Are procurement arrangements compliant with this Council's Procurement SOs?

Risk Management

As partnership working offers less direct control than delivering services alone, there are increased risks such as difficulties in managing different organisational cultures. A common commitment to objectives, and understanding of risks, and how those risks are to be managed is therefore integral to delivering a successful partnership.

- What criteria was used to decide whether to join the partnership?
- What is the extent of our involvement in the partnership?
- Has a risk assessment exercise been undertaken to achieve a common understanding of the risks and how they will be managed, and to provide clarity over the allocation of risk ownership?
- Have you considered whether there are any sustainability issues for the projects after funding ceases?
- How do you know when things go wrong?
- What arrangements are in place to avoid or manage conflicts of interest?

Termination Arrangements

When establishing a partnership, consideration should be given to when its work is likely to end and how any gains achieved through the partnership can be sustained. This is particularly important to avoid leaving a legacy of problems and potential financial and / or legal commitments for which the Council may become liable.

Similarly, arrangements for the ongoing ownership of a partnership's assets need to be clearly defined.

- What are the arrangements if the partnership comes to an end?
- Or if you decide you no longer want to be involved? Do you have an exit or a continuation strategy?
- How will resources/assets be disengaged?
- Is there any financial liability for the Council if partners withdraw?

Serving the Public

Partnerships should develop joint complaints procedures or determine which organisation is responsible for redress if things go wrong. If partnerships fail to document their processes then the public will not know which partner agency to contact, or which individuals within it deal with complaints.

- How does the partnership communicate with the public?
- How can the public and service users obtain redress when things go wrong? E.g. Is there a formal complaints and suggestion process the public can use?