

Executive – 10 September 2009

PARTNERSHIP POLICY AND GUIDANCE

Report of the Risk and Health and Safety Advisor

Statutory Powers: Not applicable

Financial Implications: Not applicable.

Purpose

To review the policy and guidance already in place to manage the Council's approach to, involvement in and monitoring of partnerships.

Recommendation

That Executive ADOPT the draft Partnership Policy and Guidance and that the procedure for assessing significant partnerships be carried out for existing arrangements.

Background

1. The first Partnership Framework was developed in 2003 and adopted by Executive in December 2003. A review of the framework was carried out in April 2007 and its continuing use approved by Executive in June 2007.
2. At its meeting on 28 May 2009 the Executive resolved that the draft Partnership Policy and Guidance be revised in consultation with the Executive Member for Value for Money and presented back to a future
3. A substantial revision of the document has taken place with the assistance of the Executive Member for Value for Money and the Solicitor to the Council and the document now follows a logical sequence.

Draft Partnership Policy and Guidance

4. The need for a framework has been adequately demonstrated in the past but with the greater emphasis now being placed on partnerships and the governance arrangements associated with them it is considered that more detailed information is required to assist those involved. Discussion with our external auditors in both 2008 and 2009 indicated that they saw our draft documents as being appropriate to achieve this.
5. Following detailed research involving the resources of the Audit Commission and systems in use with other local authorities the attached draft Policy and Guidelines for Partnerships has been produced. It provides definitions of partnerships, and guidance on the requirements from the initial proposal for a proposed partnership through to the exit arrangements.

6. A consultation process was previously carried out with officers including Heads of Service and others who are likely to be involved in partnerships and their comments were considered and included where appropriate. As with all guidance there will be occasions when situations arise where interpretation is required and this has been allowed for.
7. The guidance includes:
 - Checklists for governance arrangements and scrutinising;
 - Risk management guidance;
 - a methodology to enable us to identify those partnerships deemed to be “significant”;
 - An annual review process which will be the responsibility of the Head of Improvement ;
 - An annual report to Scrutiny for significant partnerships covering an appraisal of the outputs/achievements/outcomes, a review of the aims and objectives and an evaluation of whether they align with the Council’s objectives and priorities, cross-cutting themes and commitments and an appraisal of the financial commitment/staff input and whether the partnership continues to provide value for money for the Council.

Risk Assessment

8. The following are the significant opportunities, issues/obstacles and benefits identified:

Opportunity	
Working with partnerships is of increasing importance for the Council and can lead to better outcomes on our objectives and use of resources.	
Risks	Mitigation
Partnerships may be entered into without suitable assessments of the risks involved	The proposed draft document will provide a framework to enable full assessment, agreements, monitoring and evaluation to take place for partnerships that the Council is involved in.
Appropriate governance arrangements may not be in place for partnerships	
A range of processes for involvement in partnerships may leave the Council exposed to unnecessary risks	The Council will be able to demonstrate the effectiveness of its partnership risk management process.
Each partnership requires an exit strategy in place which is agreed by all partners	Liabilities for each partnership will be established which should enable better use of resources.
	Exit strategies, once in place, will enable the Council to end partnership arrangements at appropriate times.

Conclusion

9. A common approach to forming, managing, monitoring and evaluating partnerships will assist in ensuring that they are in place for the benefit of both the Council and the community.
10. The draft document will provide the Council with an evidenced system for achieving this.

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Risk and Health & Safety Advisor

Executive
10 September 2009

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Strategic Director (Resources)

Background Documents:

None



SOUTH HAMS DISTRICT COUNCIL PARTNERSHIP POLICY AND GUIDANCE

Introduction

1. In 2005, the Audit Commission's report 'Governing Partnerships: Bridging the Accountability Gap' (www.audit-commission.gov.uk) recognised that local partnerships are essential to deliver improvements in local people's quality of life, but:
 - They bring risks as well as opportunities, and governance can be problematic;
 - They may not deliver good value for money, so local public bodies should ask searching questions about who they engage with;
 - Clear accountability is needed between partners to produce better accountability to the public, including redress when things go wrong.
2. Partnership working is playing an increasingly important role in particular for working together in achieving outcomes in the future of policy development and service delivery for the public sector. The Council must, therefore, have in place a robust mechanism to deal with existing partnership working. It is important to understand that involvement in partnership working initiatives, however small or seemingly insignificant, may carry legal and financial implications for the Council.
3. This guidance provides a framework and guide to the Council's approach to the evaluation of and commitment to partnerships and aims to ensure that the Council adopts a consistent, efficient and high working standard of partnership working.
4. CIPFA also have practical guidance entitled Building Effective Partnerships which should be considered in association with this document.

Who should use this Partnership Policy and Guidance?

5. All Officers and Members involved in or considering partnership working initiatives in achieving outcomes for the Council and/or community.

What does this policy and guidance offer?

6. The policy and guidance will:
 - Assist any service wishing to review current partnership working arrangements;
 - Ensure a Council wide approach to developing partnership initiatives;
 - Provide advice and guidance for all Council staff involved in or considering a new partnership initiative;
 - Highlight importance to involve local people, partners and staff;
 - Ensure that partnerships apply principles and values of good governance.

Advice on the use of the Policy and Guidance

7. Advice concerning interpretation of any part of the document should, in the first instance, be sought from either the Risk and Health and Safety Advisor or the Internal Audit Manager.

Partnership Definitions

8. This section is designed to give an overview of what is meant by partnership working and will help to define partnership types. The terms “partnership”, “partnering” and “partnership working” within a local authority context refer to:

“A relationship between two or more independent legal bodies, organisations or individuals working together to achieve a common vision with clear aims and objectives and outcomes agreed”

Definitions NOT covered by this Partnership Policy:

9. This guidance document is **not** applicable to:
- Groups where the Council has direct control over budgets or decision making.
 - Informal groups set up to discuss and consider specific topics (consultation/working groups).
 - Appointments and/or financial commitments to outside bodies where the Council has no strategic or policy function.
 - “Commercial partnerships” with a view to make a profit, which are subject to the Partnership Act 1890.
 - Other commercial agreements.
 - Contracts and arrangements defined as a legally binding agreement which:
 - May be oral, written, partly oral and partly written or implied from conduct between the Council and another legal body or individual.
 - Gives rise to obligations which are enforced or recognised by law.
 - Commits the Council to make payment or provide some other consideration (e.g. the provision of a service).

Note: There may be contract arrangements where the failure of the contract would have a significant effect on the Council. In these cases the project planning stage should identify this and a form of partnership working may be applicable.

Working Arrangements Defined as Partnership Working Initiatives:

10. This guidance document is only concerned with arrangements where the Council is ‘**working with**’ other parties towards ‘**joint objectives**’, **sharing responsibilities, risk and sometimes resources**. These partnerships are generally about benefiting the community and not making a profit. Therefore, the types of partnership arrangements covered are:

- **Strategic Alliances**
- **Partnerships required or covered by law**
- **Not-for-profit organisations**

11. Brief explanations of these types of partnerships are given below:

- a. ***Strategic Alliances (formal forums, joint committees, management committees, local strategic partnerships)***
- i. ***Formal Forums.*** These forums are a medium for open discussion and debate which play an important key role in identifying / achieving service and strategic priorities and shaping/developing policies, strategies and services.
 - ii. ***Joint Committees.*** This type of partnership may be appropriate where two

or more local authorities wish to undertake joint activities, e.g. to combine their resources to obtain economies of scale and greater commercial bargaining power.

- iii. **Management Committee.** A management committee is a steering group which works together to support the management of a particular project or organisation. Generally, management committees do not have independent legal status and, therefore, each member will have to recognise what individual responsibilities and liabilities they could encounter.
- iv. **Local Strategic Partnership.** Local Strategic Partnerships are a Government initiative and their aim is to bring together the public, private, voluntary and community sectors to *improve* the delivery of public services and the quality of life for people at a local level.

A Local Strategic Partnership is defined as a single body that:

- brings together, at a local level, different parts of the public sector as well as the appropriate/relevant private, business, community and voluntary sectors so that different initiatives and services support each other and work together;
- is a statutory, non-executive organisation for councils;
- operates at a level which enables strategic decisions to be taken and is close enough to individual neighbourhoods to allow actions to be determined at community level; and
- should be aligned with local authority boundaries.

Local Strategic Partnerships are intended to help local service providers co-ordinate their actions. However, it is still the individual partners who will remain responsible and accountable for decisions on their own services and the use of their own resources.

b. **Partnerships required or encouraged by law**

An example of this type of legislation is the **Crime and Disorder Act 1998** which encourages partnership working between all local authorities and the police forces, as it places joint responsibility on these organisations to work together with other relevant organisations to develop strategies to reduce crime.

c. **Not for profit organisations that are conducted for the benefit of the community**

Examples of these organisations include the following:

- i. **Trusts.** A Trust is an unincorporated association which is a collection of individuals drawn together to pursue a common purpose which is often charitable in nature. Furthermore, a Trust does not have the advantage of a limited liability status. This means that individuals (i.e. trustees) will be personally liable for any liabilities of the Trust, which is clearly a concern for the individuals. However, the trustees will also own, in a fiduciary capacity, all the assets owned by the Trust. Trusts are often property-based and are created where property is either being held for particular purposes or on behalf of others. It should be noted that Companies Limited by Guarantee that have a charitable trust status may be permitted to use "trust" in the title (e.g. development trusts).

- ii. **Companies Limited by Guarantee.** A company limited by guarantee is incorporated under the Companies Act 1985. Generally, these companies will be established on a not-for-profit basis with the aim of advancing or promoting a charitable, social or other non-trading purpose.

In the event that any profit is made by such a company the profits will be used to further promote and achieve the company's objectives as opposed to being shared amongst its members by way of dividends (as is the case in 'Companies Limited by Shares').

- iii. **Social Enterprise.** Businesses set up to tackle a social and/or environmental need.

Procedures for entering into a Partnership

12. It is important to fully consider and investigate the need and working arrangements for a partnership before entering into such an agreement and, once entered into, to adhere to a strict regime of monitoring the use of resources and outcomes. The following procedures set out the requirements for carrying out the investigation, approval and monitoring processes.
13. The Policy will only apply to those partnerships that are considered significant in terms of risk, the amount of funds channelled through the partnership or the services being delivered.

Appraisal Process – New Partnerships

14. Before considering a Partnership Working Initiative it is important to fully assess the need, objectives, resource requirements, risks and expected outcomes of a potential partnership, together with establishing whether the partnership will address or contribute to the delivery of the Council's priorities, cross cutting themes and commitments.
15. A '**Partnership Assessment Initial Checklist**' is attached at **Appendix A** for completion and submission to the Strategic Management Team, together with a full report covering the issues identified on the checklist, for consideration.

Governance Arrangements

16. In general the principles of the Council's Code of Corporate Governance will apply to its partnerships, and specifically:
 - Work with partners and community groups to maximise the use of assets for the benefit of the local community;
 - Ensure a common vision of their work is understood and agreed by all partners;
 - Deciding how the quality of service for users is to be measured and making sure that the information needed to review service quality effectively and regularly is available (complying with data quality);
 - Ensuring relationships between the Council, its partners and the public are clear so that each knows what to expect of the other:
 - that members and officers are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the Council;
 - that there is clarity about the legal status of the partnership;
 - that representatives of organisations both understand and make clear to all other partners the extent of their Council to bind their organisation to partner decisions.

17. The Council's Constitution also considers the governance arrangements relating to partnerships. These are set out in 6.4 of the Financial Procedure Rules.
18. A checklist for the review of governance arrangements is attached at **Appendix B** and expects there to be in place: accountability, legal compliance, formal agreements, financial reporting and recharging, asset management, insurance arrangements, performance management and procurement.

Risk Management

19. Successful Risk Management enables the Partnership to effectively manage strategic-decision-making, service planning and delivery to safeguard the well-being of its stakeholders and is crucial to the achievement of all its objectives.
20. Effective Risk Management is one of the principle elements of good Corporate Governance. The process involves identification, analysis, control and monitoring of risks and the maximisation of opportunities that can impact on the Partnership's aims and objectives. It is therefore important that adequate Risk Management arrangements are in place.
21. *Aims of Risk Management in Partnerships:*
 - The Partners are aware and understand the nature and extent of the risks they face individually and in partnership working including environmental risks.
 - To have an effective strategy in place to manage those risks within the Partnership.
 - Everyone effectively manages risk to ensure the Partnership's objectives are achieved.
22. Please refer to **Appendix C** for more detailed guidance in this area.

Information Sharing

23. Information is an asset of the Council and it is important that responsibility is assigned and appropriate controls are put in place. This section only applies to partnership arrangements which involve the sharing, storing or collecting of information.
24. The Legal team provide guidance on aspects such as:
 - Legal Compliance - Data Protection Act, Freedom of Information Act (disclosure), Copyright - software licensing, databases
 - Information Standards - to facilitate sharing
 - Records Management - creating an inventory, managing the lifecycle of records from creation to disposal
 - Security - classification of information including risk management, business continuity; and
 - The Council's Information Management Strategy
25. **What to consider when developing Information Sharing Protocols**
 - Working protocols will need to be specific to the particular operational requirements arising from the client group concerned and should be developed with the support of relevant professionals and representatives of the client group.
 - The partnership may choose to develop the protocol themselves or to commission someone to draft the protocol for their comment.

- The person or group responsible for developing the protocol should consult with all partners and stakeholders with a view to the adoption of a common format and common or integrated procedures where appropriate.
- Reviewing protocols developed for the same user group elsewhere or for other user groups can shorten the development process, but should be done with a clear understanding of the local requirements and environment.
- Refer to information sharing protocol developed by the Procurement Officer and also adapted for Performance Indicator purposes

26. Issues to be addressed include:

- Disclosure of data
- Request for data
- Responding to requests
- Transfer of data
- Receiving data
- Purpose of sharing/storing of data
- Review procedures
- Professional codes of conduct (*Freedom of Information, Data Protection etc*)

Approval Process

27. A report setting out an appraisal of the partnership including risks, governance arrangements and a business case (where appropriate), will be submitted to the relevant Member body for consideration. A checklist of relevant questions to consider when scrutinising partnerships is attached at **Appendix D**.

Partnership Register

28. Once approved, partnerships will be entered on a Partnership Register. This register will be monitored annually by Scrutiny to assess whether the Council should continue with its involvement.
29. Scrutiny will concentrate on the monitoring and evaluation of the Council's significant partnerships.
30. To determine whether a partnership is **significant**, the procedure at Appendix E is to be followed.
31. Existing Partnerships. This procedure is to be carried out for existing partnerships within 3 months of the implementation of this policy.

Terms of Reference

32. Terms of Reference will be agreed by all parties to significant partnerships and a comprehensive partnership agreement drawn up to include the following main elements.
- The name of the partnership;
 - Aims and objectives;
 - Membership, including status of different members and termination of membership and schemes of delegation;
 - Powers;

- Roles;
- Income;
- Meetings: notice and frequency of meetings; quorum rules; chairing arrangements; voting arrangements; and representation of other members
- Decision-making processes (scope and timescales);
- Timescales;
- Amendments to partnership's rules;
- Minutes; and
- Exit strategy/arrangements for dissolution

33. A list of items to be included in the Terms of Reference is attached in **Appendix F**.

34. Scrutiny will oversee the results of the reviews of the terms of reference of **significant partnerships**.

Evaluation & Review

35. A detailed annual review of each significant partnership arrangement will be carried out to include, as a minimum, the following information:

- An appraisal of the outputs/achievements/outcomes to date;
- A review of the aims and objectives and an evaluation of whether they align with the Council's objectives and priorities, cross-cutting themes and commitments;
- An appraisal of the financial commitment/staff input and whether the partnership continues to provide value for money for the Council.

36. A report detailing the above will be reviewed by Scrutiny for all of the Council's significant partnerships.

Equality and Human Rights

37. The Policy has undergone an Initial Impact Assessment which demonstrates that the policy is fair and that there is no requirement to proceed to a full Equality Impact Assessment. The policy has also been assessed for human rights and there are no human rights implications to this policy document.

Review

38. This policy is the responsibility of the Head of Improvement and will be reviewed annually from the date of adoption. The Head of Improvement will have delegated power to make any minor amendments and updates. Substantial changes will require the recommendation of approval of the Community Policy Development Group to the Executive.

PARTNERSHIP ASSESSMENT INITIAL CHECKLIST

What is the issue or service delivery improvement to be addressed through the partnership?

How does this assist the Council to achieve one or more of its corporate priorities, cross-cutting themes and commitments?

Why does this require a partnership approach?

What is the Council's role in the partnership, e.g. lead organisation/accountable body, major/minor partner, observer?

Does the partnership meet a statutory duty or government requirement?

	Yes	No	Don't Know
Is there a partnership already in place which has a similar remit and which could take on this work?			
Has the added value that the prospective partnership will bring been identified?			
Will the prospective partnership contribute to streamlining existing partnerships?			
Will the anticipated benefits outweigh the likely costs (direct and indirect) of a partnership?			
Could all the benefits be achieved in a simpler or more cost-effective way?			
Are all the prospective partners willing to participate and commit resources needed to make the partnership succeed?			
Does the prospective partnership have clear, realistic and measurable objectives which are accepted by all prospective partners?			
Does the prospective partnership have agreed terms of reference?			
Does the prospective partnership have a clear action plan and is this reflected in the service plan?			
Are all partners clear about their roles and the resources they will need to commit?			
Is there a commitment to evaluating the performance of the partnership and clear identification of outcomes?			
Will the prospective partnership require a financial commitment from the Council and/or all partners?			
Are there clear procedures for making decisions and resolving conflict?			

	Yes	No	Don't Know

Is the partnership time limited or set up on a task and finish basis?			
Is there a clear exit strategy?			

For an informed decision to be made as to whether it is appropriate for the Council to attend or be involved in a partnership working arrangement, the following information should be provided in writing:

- state who the partners are;
- outline aims and objectives;
- indicate how long the partnership is expected to last;
- state the legal status of the partnership;
- detail insurance arrangements;
- describe what geographical area the partnership will cover;
- advise on the role description of its Members/officers (including duties expected);
- detail the regularity of meetings;
- state whether the partnership covers the expenses of its Members;
- advise if the Council is expected to contribute any funding or other resources and
- set out financial accountability.

Appendix B

Checklist of Governance Arrangements

	Yes	Comments
Has the partnership been approved?		
Are the governance arrangements for the partnership clearly set out?		
Is there a partnership agreement in place?		
Does the partnership have a constitution?		
Are responsibilities and accountabilities clearly defined and allocated?		
Is there a lead partner or accountable body?		
Have partners nominated members of the governing body?		
Are nominees mandated to exercise their role for employers?		
Are governing body nominees sufficiently experienced for the role?		
Does the partnership have audit arrangements?		
Does the governance document provide an arbitration process?		
Are there escalation procedures within the arbitration process?		
Is there an exit strategy for all partners?		
Is there a formal process for withdrawal by partners?		
In the event of a partner withdrawing, is there a contingency plan?		
Is there an annual review of the partnership?		
Does the partnership have an approach to lessons learned?		
Does the partnership report financial matters?		
Does the partnership have arrangements to ensure legal compliance?		
Does the partnership have arrangements to meet obligations with respect to human resources?		
Does the partnership have asset management arrangements in place?		
Does the partnership have a code of conduct?		
Does the partnership have a training and development plan?		
Does the partnership have a communications plan?		
Is performance management monitored and reported in particular outcomes?		
Does the partnership have arrangements for reporting and assurance?		
Are responsibilities for insurance cover defined?		

Partnership Risk Assessment Model

This document is a guide to identify and record areas of potential problems as a supplement to the Council's Risk Management Strategy. The risk assessment will need to be signed off by appropriate Head(s) of Service, and where necessary, high level risks must be referred to the Council's Risk Management Group. The table below is there to document the risk identification process, resulting in a Risk Category, and help develop an action plan to avoid risk.

CATEGORY	RISK ISSUE	LIKE-LIHOOD (see over)	SEVERITY (see over)	TOTAL (see over)	ACTION REQUIRED	PERSON RESPONSIBLE
Politics & law						
Social factors						
Technology						
Competition & markets						
Stakeholder-related factors						
Environmental See also at the end						
Infrastructure						
Finance						

Human resources						
Contracts & partnerships						
Tangible assets						
Processes						
Professional judgement & activities						
Environmental						

Likelihood

4	Very Likely	Regular occurrence. Frequently encountered daily, weekly, monthly
3	Likely	Likely to happen at some point over the next 1-2 years
2	Unlikely	Only likely to happen every 3+ years
1	Very Unlikely	Has happened rarely/never before

Severity

4	Major	Major loss of service and/or protracted period 5+ days
3	Serious	Complete loss of an important service area for a short period - 3-5 days
2	Significant	Major effect on important service area for a short period - 2-3 days
1	Minor	Brief disruption of an important service area. Service disruption up to 1 day

Risk Categorisation Scores (Continued)

Likelihood				
Very Likely 4	LOW 4	MEDIUM 8	HIGH 12	HIGH 16
Likely 3	LOW 3	MEDIUM 6	MEDIUM 9	HIGH 12
Unlikely 2	LOW 2	LOW 4	MEDIUM 6	MEDIUM 8
Very unlikely 1	LOW 1	LOW 2	LOW 3	LOW 4
Severity	Minor 1	Significant 2	Serious 3	Major 4

16 = Extreme Risk: Immediate action required, Strategic Director/Head of Services and Insurance and Risk Management Group must be involved.

12 = High Risk: Strategic Director/Head of Services attention needed and management responsibility specified and reported to Risk Management Group.

6 – 8 = Moderate Risk: Manage by **specific** monitoring or response procedures.

1 – 4 = Low Risk: Manage by **routine** procedures, unlikely to need specific or significant application of resources.

Risk Areas to Consider - Categories of Risk

STRATEGIC	<i>Sources of risk</i>	Risk examples	
	Politics & law	Effects of change of government policy, UK or EC legislation, national or local political pressures or control, meeting the administration's manifesto commitments, Data Protection matters	Political
	Social factors	Effects of changes in demographic, residential and social trends on ability to deliver objectives	Social
	Technology	Capacity to deal with obsolescence and innovation, product reliability, development and adaptability or ability to use technology to address changing demands	Technology
	Competition & markets	Affecting the competitiveness (cost & quality) of the service &/or ability to deliver Best Value and general market effectiveness	Competition
	Stakeholder-related factors	Satisfaction of: citizens, users, central and regional government and other stakeholders	Customer/ Citizen
	Environmental See also at the end	Environmental consequences of progressing strategic objectives (e.g. in terms of energy efficiency, pollution, recycling emissions etc.)	Environment
	Infrastructure	Functioning of transport, communications and utilities infrastructure. The impact of storms, floods, pollution.	Economic

OPERATIONAL	Finance	Associated with accounting and reporting, internal financial delegation and control, e.g. managing revenue and capital resources, neighbourhood renewal funding taxation, pensions	Financial
	Human resources	Recruiting and retaining appropriate staff and applying and developing skills in accordance with corporate objectives, employment policies, health & safety, and absence rates.	
	Contracts & partnerships	Failure of contractors to deliver services or products to the agreed cost & specification. Procurement, contract and relationship management. Overall partnership arrangements, e.g. for pooled budgets or community safety. PFI, LSVT and regeneration.	Partnerships and Contracts
	Tangible assets	Security of land and buildings, safety of plant and equipment, control of IT hardware.	Physical
	Processes	Infection control, inspection compliance, project management, performance management, benefits system, environmental management system (EMS). Input output of data, reliability of data.	

	Professional judgement & activities	Risks inherent in professional work, such as planning matters, legal advice, interpretation of legislation, designing buildings, response to the Human Rights Act.	Managerial
	Environmental	Relating to pollution, noise or the energy efficiency of ongoing operations	Environment

Checklist For Scrutinising Partnerships:

Internal Governance

- What is the legal status of the partnership?
- Does it have a memorandum and articles of association, written constitution etc, which define its role and power?

Accountability

- What are the reporting procedures for the partnership? Are there public documents? Are these disseminated within the Council?
- Does the partnership prepare an annual budget, or business plan? Is this a public document? Is it available for the Council?
- Does the partnership prepare annual accounts?
- Is it subject to external audit?
- Is it subject to external inspection? If so, by who?
- Is it required to agree targets with other bodies?
- Are there regular performance management reports to the constituent partner organisations as to progress against objectives and value for money?

Public Accessibility

- Are meetings of the partnership open to the public?
- Are papers available to the public prior to or after meetings?
- Is there an Annual General Meeting that the public can attend?
- Are community groups and residents involved in setting objectives?
- Do local residents or representatives organisations become involved in decision making as to the standard of delivery of services?
- Do local residents or representative organisations receive feedback as to performance?

Member Conduct

- Is there a code of conduct to regulate the behaviour of partnership members?
- Is there a register in which board members detail their financial and other interests? Is this compulsory? Is it open for public inspection?
- Are members of the partnership required to declare conflicts of interest at meetings? Are these defined in any way? Are members of the partnership who declare conflicts of interest required not to take part in that decision?

Partnership members and employment

- Who appoints staff?
- Who dismisses staff?
- Who determines salaries?
- Who determines terms & conditions of employment?
- Are there equal opportunities policies?

Accountable Body Responsibilities

- Is there a designated accountable body?
- What are the responsibilities of the Accountable Body?

Identifying Significant Partnerships

The Council carries out much work in partnership and this will continue. There is a need to evaluate partnerships in which the Council works to determine which of them are significant, with the aim of establishing the long-term value of continued involvement.

Using Audit Commission guidance, management team and middle managers developed a list of partnerships in which ECDC is involved.

The comprehensive questionnaire has been developed to “test” each partnership and its operation, for use when considering the continued value of participation to the Council. This questionnaire is at Annex 1.

In order to focus this work, a scoring matrix has also been developed that abbreviates the more comprehensive information gathered through the questionnaire. This will allow the most important partnerships to be identified and, at the opposite end of the scale, the least important. The methodology used in the scoring matrix is outlined at Annex 2.

ANNEXES

Annex 1 - Partnerships Questionnaire

Annex 2 - Key Partnerships Methodology

Partnerships Questionnaire

(References are to “**Governing partnerships – Bridging the Accountability Gap**” (Audit Commission October 2005))

Governing Partnerships		
Name of Partnership:		
Lead SHDC Officer:		
1	Rationale for the partnership	
	a	Why does this partnership exist?
	b	What are its agreed aims?
	c	Where have they been published?
	d	Can you identify a better way of serving the public?
2	Added value from the partnership:	
	a	How does this partnership add value? (Paragraphs 67-71 in Chapter 2.)
	b	How do you demonstrate this added value to the public? (Table 1 in Chapter 3.)
	c	How do you know whether funds are being well spent? (Case study 2 in Chapter 2 and paragraphs 101-104 in Chapter 3.).
	d	How does the public know that partnership funds are being well spent? (Table 1 in Chapter 3.)

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3	Governance arrangements:	
	a	How do your partnership's corporate governance arrangements link to those of individual partners? (Paragraphs 72-74 and Table 1 in Chapter 3, and paragraphs 140-143 in Chapter 5.)
	b	How are decisions made?
	c	How are they recorded?
	d	Who makes sure that they are acted on?
	e	Who scrutinises them?
	f	To who are they reported? (Paragraphs 75-79 and Case study 4 in Chapter 3.)

4	Performance management: (Paragraphs 94-100, and Case study 7 in Chapter 3)	
	a	How do you know which partnership targets you are meeting and which you are failing to meet?
	b	Who manages and reports progress?

5	Financial management:	
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(Chapter 3)		
a	Who provides the money?	
b	Who decides how to spend it?	
c	Can the money be reallocated?	
d	What are the financial reporting arrangements?	

6	Risk management:	
a	How do you know when things are going wrong?	
b	Who can take action when things are going wrong? (Chapter 1, Chapter 3 and Chapter 5.)	
c	How do you resolve conflicts of interest? (Paragraph 80 in Chapter 3)	

7	Termination arrangements: (Paragraphs 136-139 in Chapter 5)	
a	What are the arrangements if this partnership comes to an end?	
b	Or if you decide no longer to be involved?	

	c	How will resources be reallocated back to partners?

8	Serving the public: (Table 1 in Chapter 3 and paragraphs 127-132 in Chapter 4)	
	a	How effectively does this partnership communicate with the public?
	b	How can the public and service users obtain redress when things go wrong?
	c	Is there a complaints and suggestions process the public can use?

Key Partnerships – Scoring Methodology.

Each partnership is to be scored from 0-3 in terms of their importance, using the scoring categories below:

Spending Influence

Whether the partnership has influence over the spending of the Council, or vice versa. Movement of resources to reflect the agenda of a partnership is a significant commitment by the Council.

Cash Attached

To what extent there is potential for the Council to access funding through the partnership, or to what extent the Council contributes finances to the partnership.

Service Delivery

To what extent the partnership is concerned with delivering a service direct to the general public, or what influence over that service delivery the partnership may have.

Statutory Driver

Whether the partnership is required by legislation.

Good Practice

To what extent the partnership represents accepted good practice. Whether good practice or not, statutory partnerships do not score in this category.

Policy Influence

To what extent the partnership influences / has influenced the Council's policy development, or vice versa.

Savings / Adding Value

To what extent involvement in the partnership may produce savings for the Council, either direct cost savings, or increases in service for the same spend.

Public Influence

To what extent the public is aware of the partnership, or to what extent the strategies and policies of the partnership impact upon the public (this is related to service delivery).

The matrix below shows how each score would be achieved when assessing a partnership.

Category	Score			
	0	1	2	3
Spending Influence <i>Whether the partnership has influence over the spending of the Council, or vice versa. Movement of resources to reflect the agenda of a partnership is a significant commitment by the Council.</i>	No influence either way	Occasional influence over spending, usually within projects	The partnership has influence over SHDC spending / SHDC has influence over partnership spending. Spending is largely at district level and mainly short-term	The partnership has influence over SHDC spending / SHDC has influence over partnership spending. Spending is strategic and may be cross district / county level and medium – long term
Cash Attached <i>To what extent there is potential for the Council to access funding through the partnership, or to what extent the Council contributes finances to the partnership.</i>	No cash available from the partnership / No cash contributed to the partnership	The amount of spending / potential spending associated with the partnership is small compared to SHDC mainstream budgets	The amount of spending/ potential spending associated with the partnership is not large enough compared to SHDC mainstream budgets to have strategic potential	The amount of spending/ potential spending associated with the partnership is large compared to SHDC mainstream budgets / has strategic potential
Service Delivery <i>To what extent the partnership is concerned with delivering a service direct to the general public, or what influence over that service delivery the partnership may have.</i>	No connection to public service delivery	The partnership is not directly concerned with public service delivery, but may influence it indirectly	The partnership has influence over service delivery standards and levels	The partnership is concerned largely with direct public service delivery
Statutory Driver <i>Whether the partnership is required by legislation.</i>	Not associated with a statutory function	The partnership is an entirely local initiative to deliver a statutory function	Partnership is recognised as an effective way of delivering this statutory function, but is not a requirement	The partnership is required by legislation
Good Practice <i>To what extent the partnership represents accepted good practice. Whether good practice or not, statutory partnerships do not score in this category.</i>	This partnership is required by legislation	Partnership is one good practice solution to delivering this function	Partnership is the recognised best practice method of delivering this function	This partnership is recognised as best practice
Policy Influence	No policy influence either	Any policy influence is	The partnership has	The partnership has great

<i>To what extent the partnership influences / has influenced the Council's policy development, or vice versa.</i>	way	through information sharing and best practice.	influence over SHDC operational policy / SHDC has influence over partnership operational policy	influence over SHDC strategic policy / SHDC has great influence over partnership strategic policy
Savings / Adding Value <i>To what extent involvement in the partnership may produce savings for the Council, either direct cost savings, or increases in service for the same spend.</i>	Partnership has little potential to improve services or save money	Some savings may occur through information sharing and best practice	Working in this partnership improves the value / has potential to improve the value of services for same SHDC spending	Working in this partnership saves / has potential to save considerable funds compared to delivering the function alone
Public Influence <i>To what extent the public is aware of the partnership, or to what extent the strategies and policies of the partnership impact upon the public (this is related to service delivery).</i>	No public facing strategies / No connection with delivery of services	Little public awareness / partnership has little influence over service delivery or strategy	Partnership is recognised by the public/ influences service delivery	Partnership has a high public profile / is involved in significant work that directly affects the public/ is involved in significant strategic work that affects the public

Terms of Reference - Partnership Agreements

A. Introduction

State who and what the partnership is and the background to the partnership developing.
What initiated this partnership?

B. Vision and Objectives

Vision for the partnership is:

Objectives for this partnership are: *objectives should be Specific, Measurable, Achievable, Realistic and Time specific (SMART) so that you know what you want to achieve and whether you are achieving it. They should focus on outcomes and results rather than activities, i.e. what you will accomplish, rather than on how you will work or what you will do.*

C. Indicators

These are measures which help determine partnership achievements and outcomes.

Objectives	Indicators
<i>State objective</i>	<i>List indicators i.e.</i> <ul style="list-style-type: none"> ▪ <i>Number of ...</i> ▪ <i>Fewer</i>

D. Running the partnership

Document the following:

- Information/Data Sharing and storing protocols
- Partners' Roles / Duties/Responsibilities
- Identify resources required and how they will be met
- Identify ownership of assets
- Frequency of meetings
- Decision-making procedures
- Secretariat functions
- How will the partnership monitor and evaluate activities? How often?
- Partnership structure and reporting mechanism– *it is sometimes useful to include a chart indicating who is responsible for what and who is reporting to whom.*
 - Reporting mechanisms (*How often, who reporting to and what reporting on*)
 - Performance Management arrangements
 - How will complaints be handled?
 - Elected Member Involvement (roles and responsibilities, democratic accountability, declaration of interests etc)

E. Management and Timescale

Produce a timeline identifying key milestones and describe the management structure.

F. Financial Matters

Where applicable document:

- Accountable Body agreement
- Partnership capital
- Income & expenditure
- Grants and funding
- Banking and financial arrangements
- Accounting arrangements
- Making provision for tax payments and VAT

G. Special Circumstances

- Risk assessment - A risk assessment **must** be completed to meet SHDC standards
- Dealing with media/communications issues
- The circumstances necessary to expel a partner
- Resolving disputes (what complaints procedure should be applied in the case of dispute between partners or from service users)
- Procedures for whistle blowing/fraud, etc
- Breaches of protocol procedures

H. Dissolution/Exit Strategy

- Termination provisions
- Exit strategy – There **must** be evidence of an exit strategy
- Final reporting
- At dissolution the partners may need to:
 - Inform the funders
 - Provide appropriate final reports
 - Inform all stakeholders, clients etc as appropriate

I. Review

State when the agreement will be reviewed and by whom.