

Report to: **Overview and Scrutiny**
Date: **4th August 2016**
Title: **PARTNERSHIPS – REPORT OF TASK AND FINISH GROUP**
Portfolio Area: **Customer Services.**
Wards Affected: **All**

Urgent Decision: **No** Approval and clearance obtained: **Yes**

Date next steps can be taken:
(e.g. referral on of recommendation or implementation of substantive decision) **Executive**

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RECOMMENDATIONS

That the Overview and Scrutiny Panel RECOMMEND to Executive to RECOMMEND to Council that

- 1. The Partnership Policy (Appendix 1) and Guidance (Appendix 2) be adopted**
- 2. The Partnership register at Appendix 3 be adopted**
- 3. The review and recommendations of the Task and Finish Group at Appendix 4 be agreed.**
- 4. Partnerships be retained at current financial levels for 2017/18 subject to any financial modifications set out in Appendix 4 and /or any changes required pursuant to recommendation 5 below**
- 5. That those significant partners identified in para 3.7 (CAB and CVS) are invited to submit a business plan to O&S by end of September setting out;**
 - What they would spend the funding on**
 - How it will benefit residents**
 - Links to Councils Strategic Priorities**
 - What value for money it will provide and**
 - What success measures they would use**
- 6. New, or updated, partnership agreements be established for 17/18 onwards establishing clear outcomes relating to Our Plan themes and, where appropriate, the Locality work to ensure co-ordinated delivery for communities.**
- 7. That alongside this a further financial and governance review be undertaken to identify the most appropriate delivery options aligned to financial and procurement procedures once a decision on the LACC is confirmed**

1. Executive summary

- 1.1 The Councils have long recognised the benefits of partnership working and, in particular, the key role that the charitable and voluntary sector can play in supporting communities and individuals. Over the years the Councils have entered into a range of partnerships, at strategic and local level, to assist and support local communities. Both Councils have shared and adopted arrangements for the establishment and management of partnerships with a Partnership Policy and Guidance dating from October 2013
- 1.2 Both Overview and Scrutiny Groups agreed the need for a review and co-ordinated approach to partnerships (17th September 2015 in South Hams and 29th September 2015 in West Devon) and agreed to the establishment of a joint Task and Finish group. This

group has met on a number of occasions and this report sets out the conclusions and recommendations of the T&F group.

1.3 This paper sets out recommendations relating to

- Classification of Partnerships
- Adoption of an updated Partnership Policy and Guidance
- Adoption of, and arrangements for, the Register of Partnerships
- Future management arrangements for Partnerships

2. Background

2.1 This report sets out the summary outcomes from the work of the Task and Finish Group along with a series of outcomes and recommendations. The terms of reference for the Task and Finish group were

- Agree high level objectives for Partnership arrangements and a simplified means of classifying partnerships
- Consider any required changes to the existing Partnership Policy and Supplementary Guidance
- Identify the most proportionate and expedient manner of monitoring and reviewing partnerships
- Complete a full register of Partnerships
- Identify Significant Partnerships for review
- Report back to Overview and Scrutiny

3. Outcomes/outputs

3.1 **Classifying the partnerships.** The partnerships that the Councils are involved with vary greatly. Some are strategic and seeking to influence policy at regional level whilst others might provide fund to support local charitable and community work. Some have financial support others have officer input only. For the purposes of reviewing and managing partnerships it is helpful to group them. The following groupings have been used

- **What area of work do they cover? Our Plan Themes.** Our Plan establishes the comprehensive basis for the work of the Councils. Both Councils have the same 8 themes emerging through the Our Plan process and these have been used to group the Partnership Register (see Appendix 3). This assists in allocating partnerships to Lead Specialists (and Lead Members) who tend to have oversight of a particular professional area.
 - Economy
 - Homes
 - Infrastructure
 - Communities

- Wellbeing
 - Environment
 - Heritage
 - Resources
- **How much monitoring do they need? Significant and Desirable Partnerships.** For resource management purposes the T & F group recommends that greater focus needs to be given to the monitoring and operation of those "Significant" partnerships that have the greatest resources devoted to them. The following definition of Significant and Desirable partnerships is proposed for adoption (as further set out in Appendix 1)
 - A resource threshold of £10,000 or more per Council per annum (including direct financial contributions and officer time) and /or
 - More than 4 days staff time per month and/or
 - Potential for significant reputational, political, legal or operational risk taking into account whether the partnership has a
 - high influence on Council or Partnership spending or provides an opportunity to access a significant level of funding;
 - high impact on service delivery;
 - high impact on strategic policy development;
 - significant role in meeting identified local needs and priorities;
 - potential to save considerable funds and provide a high level of "value for money" compared to partners acting independently;
 - high public profile and is involved in significant strategic work that affects the public
 - Statutory requirement

All partnerships will be subject to Annual Reporting but selected Significant Partnerships (particularly those with financial commitments) will be subject to Quarterly Performance Reporting.

- **What type of management do they require?** Partnerships vary greatly and different types of partnership require very different levels of officer and member management. To assist future management arrangements the following approaches will be used. The review to date has focussed on the most significant partnerships and those with greatest community or strategic profile. There is a need, as the management of partnerships progresses, to return to the Service Delivery Partnerships (where officers

are involved in numerous technical working partnerships) and the Community Liaison arrangements where there may be opportunities to streamline and focus work with Town and Parish Councils.

Type	Purpose	Management	Examples
Strategic	Influencing policy, projects and financial programmes at county, regional or national level.	Usually a formal arrangement with "Terms of reference" or similar. Not always involving direct funding – rather a commitment of time and influence. Councils represented by Leader, Portfolio lead, SLT or ELT level representative.	LEP City Deal Growth Deal LAG/ LEAF
Service Improvement	Working with public sector or business partners to improve general scope and delivery of services.	May be formal or informal arrangement. Not usually involving direct funding – rather a commitment of time and influence. Councils represented by appropriate Specialist.	Devon Planning Officers Group. Devon Waste Group.
Community Liaison	Supporting local organisations to work together to improve outcomes for communities and individuals Usually community led	Usually a formal arrangement with Terms of reference or similar. Usually covers a geographic area but could cover a theme (i.e. housing) Not usually involving direct funding – rather a commitment of time and support. Has an identified Specialist or Locality lead	WD Northern Cluster. SH Town Mayors and Clerks. South Hams Tree Wardens.
Community Delivery	Supporting a community organisation to deliver specific community outcomes	Usually a formal arrangement. Usually involves direct funding where Council contribution levers in additional social benefits on a not for profit basis. Has an identified Specialist lead.	CAB CVS Ring & Ride

3.2 Partnership Policy and Guidance. Joint partnership Policy and Guidance Notes were introduced in 2013. Under the steer of the Task and Finish Group these have been reviewed and are presented for adoption (as set out in Appendices 1 & 2). Despite a natural

appetite to significantly reduce the amount of the guidance material the current documents do still retain key flowcharts and checklists to help guide the establishment, management and monitoring of partnerships.

3.3 The Partnership Register. The previous work on Partnerships had generated a schedule. These have now been consolidated into a register which groups the partnerships under separate tabs for the eight Our Plan themes (see Appendix 3). This spreadsheet will be a live document and includes details for

- Name
- Lead Member
- Lead Officer
- Significant/Desirable
- Area covered
- Purpose
- Partners
- Agreement dates
- Financial arrangements
- Type of Partnership (i.e Strategic, community delivery etc)
- Contact Details

3.4 Management Arrangements. The review has demonstrated not only how many partnerships are in place – but also the dispersed approach to management and monitoring. In accordance with existing powers and delegations the following operational approach is suggested through the Policy and Guidance. Management arrangements are suggested to be as follows

- Overall Policy, budget setting and entering Significant Partnerships. Strategy and Commissioning and Council decision.
- Entering partnerships within policy and budget. In accordance with delegated procedures.
- Monitoring. Overview and Scrutiny.
- Operational delivery. Customer First Community of Practice Lead Specialists supported by Partnership Specialist and Case Managers.
- Member appointments to partnerships are made at the Annual Council in May each year.

3.5 Financial Arrangements. The full scope of financial commitment is set out in the register. This is a combination of direct financial contributions and officer time (which in some cases still requires some refinement and detailed costing once officer costs are confirmed). Given the varying nature of the partnerships there isn't a "one size fits all" approach to establishing value for money – this needs to be assessed on a case by case basis through the initial partnership arrangement and thereon through any performance monitoring, Annual Reports (submitted by the partner) and Annual Review (undertaken by the CoP Lead).

Within the range of partnerships there are some financial uncertainties which will require further review. These are a combination of the following issues

- That partnerships may potentially, in some circumstances, constitute service contracts and thus fall within Financial and Contract Procedure Rules. In many cases local arrangements with groups started out as “grants” to support public benefit activities. Tightening of monitoring, and the increased imposition of outcomes over the years (in order to measure performance), may have tipped a number of these arrangements into the territory of contracts requiring open tendering.
- That cumulative contributions to charitable partners may constitute state aid and fall under restrictive measures.
- There is still a need to consider the potential efficiency of delivering some services in house once the LACC position is confirmed.

3.5.1 The response to these issues will be informed by the decision on the LACC option and will need full consideration once the LACC decision is taken. There will need to be a further consideration of whether the current partnership outcomes are suitable for in house delivery, or best suited to continue external commissioning. There will also need to be an assessment of the procurement position for existing and new partnerships once the future direction for commissioning is confirmed.

3.6 Legal Arrangements. The partnerships are governed by a wide variety of approaches. The more significant partnerships have Service Level Agreements and these, where they have up to date delivery outcomes included, provide the most robust approach. In moving forward new, standardised, agreements need to be put in place based on best practice. The Guidance at Appendix 2 sets out potential issues that may need to be addressed through the individual partnership agreements.

3.7 Outcomes of the Review and Recommendations

During the review a number of the “Significant” partners were invited to present to officers and members. These took place as structured sessions with the aim of ascertaining the overall community benefits and value for money.

A further range of partnerships were reviewed by officers in order that a comprehensive understanding of the purpose, operation and outcomes are in place.

The review has demonstrated that in the vast majority of cases that the partnerships are delivering well and that significant added value is being delivered through the partnering approach. In many cases

the council funding is more than matched by other contributors and for many community focussed partnerships the contribution is a catalyst to extensive volunteer action.

Nevertheless there is clear opportunity to work with some key partners, particularly those with direct day to day **community delivery** roles, to ensure strong and focussed delivery aligned to the Councils work. These partnerships include the CAB and CVS arrangements in both South Hams and West Devon. These partners will be forwarded a copy of this report and asked to provide a business plan, for the Council, on;

- What they would spend the funding on
- How it will benefit residents
- Links to Council strategic priorities and Locality delivery
- What value for money it will provide and
- What success measures they would use

The business plan should be submitted to O&S by end of September so that it can be considered as part of the Councils budget setting for the 2017/18 financial year. This would enable a clear commissioning approach to our allocation of funding so that O&S can make recommendations to Executive and Council on any 2017/18 funding arrangements.

The outcomes of the review and recommendations for all partnerships are summarised in Appendix 4

4. Options available, consideration of risk and proposed way forward

The purpose of the review was to take stock of the range of partnerships being operated by the councils and to assess their effectiveness. This has allowed a comprehensive stock take of the arrangements and the specific partnerships. The following options, risks and ways forward are proposed

Work Area	Actions	Risk
Overall Arrangements	Establish Policy, Guidance and register	Failure to manage effectively if not followed
Financial Management	Ensure arrangements meet Financial Regulations and Procurement rules	Potential Challenge to approach
Individual Governance	Ensure effective agreements are in place and up to date	Inability to manage partnership if not in place, with a potential risk of challenge

Monitoring	Establish regular monitoring, reporting and review	Ineffective delivery if not in place.
Delivery of outcomes	Consider alternative delivery options in light of whatever commissioning model follows the LACC decision.	Instability for partnerships whilst decisions are made

In terms of the **overall arrangements** the adoption of the updated policy, guidance and register establishes a sound position for the future management of partnerships. This does need to be kept under review as procurement and financial regulations are adapted

On **financial management** there is some current concern that alternative procurement arrangements might need to be considered to ensure compliance with the Financial and Contract regulations. It is recommended that this be best undertaken in the context of the overall commissioning approach to be implemented after a decision on the LACC is made. It is suggested that interim arrangements be put in place for 2017/18 to allow this to take place.

For **individual governance** there is a need to ensure all partnerships have clear arrangements in place. There is currently some good practice – but a number of partnerships are operating on insufficient information. These should be updated as partnerships are renewed for 17/18 with the CoP Lead Specialist ensuring compliance.

Monitoring is already in place for many partnerships. The policy establishes the frequency and nature of required monitoring and this should be implemented. This includes reporting to Overview and Scrutiny.

Delivery of Outcomes does require some further work. Many of the partnerships have been in place for some years – and there are clear opportunities to investigate whether there are alternative providers or whether the councils (or future LACC) might provide the service direct. The trigger for undertaking this further work is the decision on the LACC – and the operating model – and it is suggested that any further consideration of alternative delivery run alongside LACC consideration. Interim governance and financial arrangements need to be put in place to secure delivery of outcomes in the meantime.

5. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>Localism Act 2011 (Section 1 – Powers of General Competence). Those partnerships required by statute have their own specific legislative requirements</p> <p>O&S Partnerships Task and Finish group Terms of Reference included need to address legal basis for partnerships generally and specific agreements for individual partnerships.</p> <p>Updated partnership agreements will require individual legal input.</p> <p>Implementation of overall programme will require ongoing legal input to ensure compliance with regulations</p>
Financial		<p>Partnership working incurs the following costs</p> <ul style="list-style-type: none"> • Revenue funding • Staff support costs <p>These have been set out in the Partnership register</p> <p>Future financial arrangements will need to be subject to budget setting. It is proposed that current arrangements be carried through to 2017/18 other than where identified in Appendix 4 or through the Business Case review for CAB and CVS.</p>
Risk		<p>A failure to review partnership principles, partnership arrangements and partnership opportunities could lead to</p> <ul style="list-style-type: none"> • Ineffective use of council funds • Poor quality service to those in need of support • Inequality of delivery across the council area • Knock on resource pressures direct to the council <p>These risks are mitigated by</p> <ul style="list-style-type: none"> • Review of Partnership Policy and Guidance • Review of individual partnership arrangements • Scope of opportunities for efficiencies through joint approach

		<ul style="list-style-type: none"> • Scope of opportunities for other work to be delivered efficiently through alternative arrangements • Implementation of monitoring and review procedures
Comprehensive Impact Assessment Implications		
Equality and Diversity	y	The services provided by partnerships promote equal opportunities and help prevent discrimination in our communities.
Safeguarding	y	Partners are required to operate to adopted Child and Vulnerable Adult Safeguarding Policies where appropriate
Community Safety, Crime and Disorder		Partnerships should provide advice and volunteering opportunities which reduce the potential for anti-social behaviour.
Health, Safety and Wellbeing		Partnerships include consideration of health implications where appropriate
Other implications		None

Supporting Information

Appendices:

1. Policy
2. Guidance
3. Register
4. Summary and Recommendations

Background Papers:

None