

Agenda Item No: 7
Report To: Audit Committee
Date: 27th September 2012
Report Title: Principles of Good Partnership Governance – 6-month Review
Report Author: Policy and Performance Officer



Summary: This review follows a report to the Audit Committee in April which set out those principles of good governance the council would expect all key operational partnerships to generally adhere to. The need for the review was highlighted in the 2010/2011 Annual Governance Statement and is carried over to the 2011/2012 Statement. Assurance has been given that over 90% of the principles set out in the governance framework are being exhibited already by these partnerships, whilst none of the gaps identified are considered of immediate risk to the partnerships as a whole.

Key Decision: NO

Affected Wards:

Recommendations: **The Audit Committee be asked to:-**

Note progress with the review of operational partnerships, and offer comment ahead of relevant officers continuing the review process

Policy Overview: The report reviews the effectiveness of key operational partnerships, ensuring that the transparency and accountability set out in the governance framework is being met by these partnerships in an appropriate and proportionate manner

Financial Implications: None

Risk Assessment The framework is designed to safeguard the council's interests in its partnership working through the design of good governance and accountability arrangements.

Equalities Impact Assessment Not applicable

Other Material Implications: None

Background Papers: Report to April Audit Committee – *Principles of good partnership governance*

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Report Title: Principles of Good Partnership Governance – six month review

Purpose of the Report and background

1. To conduct a baseline review of the council's key operational partnerships, against the principles of good governance agreed by the Audit Committee in April.
2. Earlier this year, a small task and finish group of the Audit Committee was constructed to formulate a new set of partnership governance principles to address a weakness in this area, as identified in the Annual Governance Statement 2010-11. This governance framework, and a commitment to review the council's partnerships against it, begins to address this weakness.
3. This report reviewing the council's partnership governance arrangements is of work-in-progress. As noted in the exceptions section below, some of the partnerships listed in the previous report are evolving and are in their infancy, and will need to be reviewed once appropriate structures are in place.

Methodology

4. At the Audit Committee in April, the committee recommended that a 6-month review be conducted against the partnership framework, in order to give a baseline indication of the current state of those key partnerships identified. This would allow for any significant gaps to be identified regarding individual partnerships, but also give members a flavour of overall adherence to good governance principles across the range of partnerships in operation.
5. In order to keep the review light-touch and proportionate, an 'Assurance Checklist' was drawn up, to be completed by the lead officer for each partnership. This would allow for comparability across partnerships as well as giving clear indications of any gaps against the agreed governance principles. These checklists are attached as Appendix A to this report, but are summarised below.

Summary of Review

6. The checklists submitted confirm that a large majority of good governance principles are being met already. In total, 91% of the questions asked received a positive response, indicating that almost all of the features one would expect to find in an effective partnership are in place.
7. The most common feature missing from current partnerships is that of an agreed formal mechanism whereby partners can join or exit the partnership. This does not mean, however, that it would be impossible to join or leave these partnerships – merely that there is no statement in terms of reference or elsewhere regarding this.
8. Executive decision-making authority for the officer or member involved with the partnership is another area where mixed responses were gathered. This

offers an example of where further review is appropriate, as it is necessary to fully understand the nature and scope of any executive decision-making powers that can be exercised in the pursuit of partnership working, without recourse to the cabinet or council. The diverse nature of the partnerships the council is involved in is reflected here – some very strategic and others more operational or based upon a specific ‘watching’ brief, such as with the Ashford Clinical Commissioning Group.

9. The transparency of partnerships remains a key principle of their governance, bearing in mind the government’s push for local government to publicise as much information on its operations as possible. As part of the ongoing review process, the transparency of partnerships through the publication of minutes, agendas and other reports – in an appropriate and accessible manner – is one of continued importance. As such more work may well be needed, especially with those partnerships currently in their infancy.

Exceptions

10. As stated above, the intention was to complete a full suite of ‘Assurance Checklists’ for those current partnership arrangements set out in the April report. However upon beginning the review process a number of issues became apparent.

South East Local Enterprise Partnership

11. Although this is, and shall be, an important strategic partnership for the council in terms of finance, infrastructure and the addressing of cross-borough issues, at present the South East LEP remains in its infancy. The council has yet to hold any formal meetings or discussions with the LEP. Such interactions are planned for the near future - indeed the lack of interaction so far is due to the lack of formal LEP structures to engage with. Once a more formal involvement from the council is established with the LEP a review of these governance will take place.

East Kent Regeneration

12. The council has been involved in a number of discussions with other east Kent authorities, specifically over managing the future of the Pfizer site which has a cross-border impact on the economies and workforce of these boroughs. At present these discussions do not constitute a formal partnership – the council’s standpoint being based solely upon informal attendance at roundtable meetings whilst maintaining a watching brief on the ongoing issues. If a more formal arrangement does develop a review of this against good partnership principles will be conducted.

Ashford Town Centre Partnership and Visit Kent

13. When reviewing these partnerships, it was concluded that the named lead officer – in both cases the Chief Executive – was not the appropriate person to return an Assurance Checklist. Checklists are now with relevant officers but this has not allowed sufficient time for these to be completed. These will be included in the next report.

Risk Assessment

14. Without assessing the strength of its partnership governance, the council is at risk of involvement in partnerships which are not operating with sufficiently efficiency or transparency, which in turn may undermine the strategic objectives of the authority.

Conclusion

15. Officers have given assurance, through the completion of the attached checklists, that almost all of the good governance principles set out in the previous report are being exhibited already by the council's key operational partnerships.
16. Moreover, none of the gaps identified are considered of immediate risk to the partnerships as a whole. Consideration will be given by those council representatives involved with each partnership on responding to those gaps identified.

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Appendix A – Partnership Assurance Checklists

Partnerships Governance Assurance Checklist		
Ashford Locality Board		
Principle	Question	Yes / No?
1. Shared purpose and direction	Are purpose and outcomes clearly stated in a Terms of Reference?	Yes
	Can new partners join?	Yes
2. Focus on delivery	Is there an agreed set of priorities/outcomes?	Yes
	Is there a formal decision-making route, both within the partnership body and by partner organisations?	Yes
	Is it clear what decisions <u>do not</u> require approval by partner organisations?	Yes
	Does the council representative have executive decision-making authority?	Yes
3. Accountability	Is there an annual, or other, progress report?	Yes
	Is administration of the partnership proportionate to its needs?	Yes
4. Sustained commitment	Is there consistent attendance at the right level?	Yes
	Does the partnership have the ability to trigger a review if its actions stall for any reason?	Yes
5. Tracking Performance	Is evidence produced and made available to all partners that the partnership is achieving its stated purpose?	Yes
6. Cost-effectiveness	Have resource / budget contributions been made as required?	Yes
7. Innovation and risk-management	Is there a commitment to problem solving?	Yes
	Is there a proportionate approach to risk awareness / management?	Yes
8. Effective Communications	Does the partnership operate in a transparent manner?	No
	Is necessary information provided in the public interest?	Not operating on this basis yet, but this is the intention
	Are there arrangements to deal with FOI or similar requests?	Yes
9. Exit Strategy	Are exit arrangements stated as part of the partnership's formal constitution or Terms of Reference?	No

Partnerships Governance Assurance Checklist		
Kent Forum		
Principle	Question	Yes / No?
1. Shared purpose and direction	Are purpose and outcomes clearly stated in a Terms of Reference?	Yes
	Can new partners join?	Yes
2. Focus on delivery	Is there an agreed set of priorities/outcomes?	Yes
	Is there a formal decision-making route, both within the partnership body and by partner organisations?	No
	Is it clear what decisions <u>do not</u> require approval by partner organisations?	Yes
	Does the council representative have executive decision-making authority?	Yes
3. Accountability	Is there an annual, or other, progress report?	Yes
	Is administration of the partnership proportionate to its needs?	Yes
4. Sustained commitment	Is there consistent attendance at the right level?	Yes
	Does the partnership have the ability to trigger a review if its actions stall for any reason?	Yes
5. Tracking Performance	Is evidence produced and made available to all partners that the partnership is achieving its stated purpose?	Yes
6. Cost-effectiveness	Have resource / budget contributions been made as required?	Yes
7. Innovation and risk-management	Is there a commitment to problem solving?	Yes
	Is there a proportionate approach to risk awareness / management?	Yes
8. Effective Communications	Does the partnership operate in a transparent manner?	Yes
	Is necessary information provided in the public interest?	Yes
	Are there arrangements to deal with FOI or similar requests?	Yes
9. Exit Strategy	Are exit arrangements stated as part of the partnership's formal constitution or Terms of Reference?	Yes

Partnerships Governance Assurance Checklist		
ASHFORD LOCAL CHILDREN'S PARTNERSHIP		
Principle	Question	Yes / No?
1. Shared purpose and direction	Are purpose and outcomes clearly stated in a Terms of Reference?	yes
	Can new partners join?	no
2. Focus on delivery	Is there an agreed set of priorities/outcomes?	yes
	Is there a formal decision-making route, both within the partnership body and by partner organisations?	yes
	Is it clear what decisions <u>do not</u> require approval by partner organisations?	yes
	Does the council representative have executive decision-making authority?	no
3. Accountability	Is there an annual, or other, progress report?	yes
	Is administration of the partnership proportionate to its' needs?	yes
4. Sustained commitment	Is there consistent attendance at the right level?	yes
	Does the partnership have the ability to trigger a review if its' actions stall for any reason?	yes
5. Tracking Performance	Is evidence produced and made available to all partners that the partnership is achieving its' stated purpose?	yes
6. Cost-effectiveness	Have resource / budget contributions been made as required?	yes
7. Innovation and risk-management	Is there a commitment to problem solving?	yes
	Is there a proportionate approach to risk awareness / management?	yes
8. Effective Communications	Does the partnership operate in a transparent manner?	yes
	Is necessary information provided in the public interest?	yes
	Are there arrangements to deal with FOI or similar requests?	yes
9. Exit Strategy	Are exit arrangements stated as part of the partnership's formal constitution or Terms of Reference?	yes

Partnerships Governance Assurance Checklist		
Kent Housing Group		
Principle	Question	Yes / No?
1. Shared purpose and direction	Are purpose and outcomes clearly stated in a Terms of Reference?	Yes
	Can new partners join?	Yes
2. Focus on delivery	Is there an agreed set of priorities/outcomes?	Yes
	Is there a formal decision-making route, both within the partnership body and by partner organisations?	Yes
	Is it clear what decisions <u>do not</u> require approval by partner organisations?	Yes
	Does the council representative have executive decision-making authority?	Yes
3. Accountability	Is there an annual, or other, progress report?	Yes – Annual Conference
	Is administration of the partnership proportionate to its needs?	Yes
4. Sustained commitment	Is there consistent attendance at the right level?	Yes
	Does the partnership have the ability to trigger a review if its actions stall for any reason?	Yes
5. Tracking Performance	Is evidence produced and made available to all partners that the partnership is achieving its stated purpose?	Yes
6. Cost-effectiveness	Have resource / budget contributions been made as required?	Yes
7. Innovation and risk-management	Is there a commitment to problem solving?	Yes
	Is there a proportionate approach to risk awareness / management?	Yes
8. Effective Communications	Does the partnership operate in a transparent manner?	Yes
	Is necessary information provided in the public interest?	Yes
	Are there arrangements to deal with FOI or similar requests?	Yes
9. Exit Strategy	Are exit arrangements stated as part of the partnership's formal constitution or Terms of Reference?	No

Partnerships Governance Assurance Checklist		
Joint Policy Planning Board (Housing)		
Principle	Question	Yes / No?
1. Shared purpose and direction	Are purpose and outcomes clearly stated in a Terms of Reference?	Yes
	Can new partners join?	Yes
2. Focus on delivery	Is there an agreed set of priorities/outcomes?	Yes
	Is there a formal decision-making route, both within the partnership body and by partner organisations?	Yes
	Is it clear what decisions <u>do not</u> require approval by partner organisations?	Yes
	Does the council representative have executive decision-making authority?	Yes
3. Accountability	Is there an annual, or other, progress report?	Yes – Annual Workshop
	Is administration of the partnership proportionate to its needs?	Yes
4. Sustained commitment	Is there consistent attendance at the right level?	Yes
	Does the partnership have the ability to trigger a review if its actions stall for any reason?	Yes
5. Tracking Performance	Is evidence produced and made available to all partners that the partnership is achieving its stated purpose?	Yes
6. Cost-effectiveness	Have resource / budget contributions been made as required?	Yes
7. Innovation and risk-management	Is there a commitment to problem solving?	Yes
	Is there a proportionate approach to risk awareness / management?	Yes
8. Effective Communications	Does the partnership operate in a transparent manner?	Yes
	Is necessary information provided in the public interest?	Yes
	Are there arrangements to deal with FOI or similar requests?	Yes
9. Exit Strategy	Are exit arrangements stated as part of the partnership's formal constitution or Terms of Reference?	No

Partnerships Governance Assurance Checklist

Choice Based Lettings Partnerships

Principle	Question	Yes / No?
1. Shared purpose and direction	Are purpose and outcomes clearly stated in a Terms of Reference?	Yes
	Can new partners join?	Yes
2. Focus on delivery	Is there an agreed set of priorities/outcomes?	Yes
	Is there a formal decision-making route, both within the partnership body and by partner organisations?	Yes
	Is it clear what decisions <u>do not</u> require approval by partner organisations?	Yes
	Does the council representative have executive decision-making authority?	Yes
3. Accountability	Is there an annual, or other, progress report?	Yes
	Is administration of the partnership proportionate to its needs?	Yes
4. Sustained commitment	Is there consistent attendance at the right level?	Yes
	Does the partnership have the ability to trigger a review if its actions stall for any reason?	Yes
5. Tracking Performance	Is evidence produced and made available to all partners that the partnership is achieving its stated purpose?	Yes
6. Cost-effectiveness	Have resource / budget contributions been made as required?	Yes
7. Innovation and risk-management	Is there a commitment to problem solving?	Yes
	Is there a proportionate approach to risk awareness / management?	Yes
8. Effective Communications	Does the partnership operate in a transparent manner?	Yes
	Is necessary information provided in the public interest?	Yes
	Are there arrangements to deal with FOI or similar requests?	Yes
9. Exit Strategy	Are exit arrangements stated as part of the partnership's formal constitution or Terms of Reference?	Yes

Partnerships Governance Assurance Checklist		
KCC Supporting People Commissioning Body		
Principle	Question	Yes / No?
1. Shared purpose and direction	Are purpose and outcomes clearly stated in a Terms of Reference?	Yes
	Can new partners join?	No
2. Focus on delivery	Is there an agreed set of priorities/outcomes?	Yes
	Is there a formal decision-making route, both within the partnership body and by partner organisations?	Yes
	Is it clear what decisions <u>do not</u> require approval by partner organisations?	Yes
	Does the council representative have executive decision-making authority?	Yes
3. Accountability	Is there an annual, or other, progress report?	Yes
	Is administration of the partnership proportionate to its needs?	Yes
4. Sustained commitment	Is there consistent attendance at the right level?	Yes
	Does the partnership have the ability to trigger a review if its actions stall for any reason?	Yes
5. Tracking Performance	Is evidence produced and made available to all partners that the partnership is achieving its stated purpose?	Yes
6. Cost-effectiveness	Have resource / budget contributions been made as required?	Yes
7. Innovation and risk-management	Is there a commitment to problem solving?	Yes
	Is there a proportionate approach to risk awareness / management?	Yes
8. Effective Communications	Does the partnership operate in a transparent manner?	Yes
	Is necessary information provided in the public interest?	Yes
	Are there arrangements to deal with FOI or similar requests?	Yes
9. Exit Strategy	Are exit arrangements stated as part of the partnership's formal constitution or Terms of Reference?	Yes

Partnerships Governance Assurance Checklist		
[Kent Waste Partnership]		
Principle	Question	Yes / No?
1. Shared purpose and direction	Are purpose and outcomes clearly stated in a Terms of Reference?	Yes
	Can new partners join?	No
2. Focus on delivery	Is there an agreed set of priorities/outcomes?	Yes
	Is there a formal decision-making route, both within the partnership body and by partner organisations?	Yes
	Is it clear what decisions <u>do not</u> require approval by partner organisations?	Yes
	Does the council representative have executive decision-making authority?	No
3. Accountability	Is there an annual, or other, progress report?	Yes
	Is administration of the partnership proportionate to its needs?	Yes
4. Sustained commitment	Is there consistent attendance at the right level?	Yes
	Does the partnership have the ability to trigger a review if its actions stall for any reason?	Yes
5. Tracking Performance	Is evidence produced and made available to all partners that the partnership is achieving its stated purpose?	Yes
6. Cost-effectiveness	Have resource / budget contributions been made as required?	Yes
7. Innovation and risk-management	Is there a commitment to problem solving?	Yes
	Is there a proportionate approach to risk awareness / management?	Yes
8. Effective Communications	Does the partnership operate in a transparent manner?	Yes
	Is necessary information provided in the public interest?	Yes
	Are there arrangements to deal with FOI or similar requests?	Yes
9. Exit Strategy	Are exit arrangements stated as part of the partnership's formal constitution or Terms of Reference?	Yes

Partnerships Governance Assurance Checklist		
Community Safety Partnership		
Principle	Question	Yes / No?
1. Shared purpose and direction	Are purpose and outcomes clearly stated in a Terms of Reference?	Yes
	Can new partners join?	No
2. Focus on delivery	Is there an agreed set of priorities/outcomes?	Yes
	Is there a formal decision-making route, both within the partnership body and by partner organisations?	Yes
	Is it clear what decisions <u>do not</u> require approval by partner organisations?	Yes
	Does the council representative have executive decision-making authority?	No
3. Accountability	Is there an annual, or other, progress report?	Yes
	Is administration of the partnership proportionate to its needs?	Yes
4. Sustained commitment	Is there consistent attendance at the right level?	Yes
	Does the partnership have the ability to trigger a review if its actions stall for any reason?	Yes
5. Tracking Performance	Is evidence produced and made available to all partners that the partnership is achieving its stated purpose?	Yes
6. Cost-effectiveness	Have resource / budget contributions been made as required?	Yes
7. Innovation and risk-management	Is there a commitment to problem solving?	Yes
	Is there a proportionate approach to risk awareness / management?	Yes
8. Effective Communications	Does the partnership operate in a transparent manner?	Yes
	Is necessary information provided in the public interest?	Yes
	Are there arrangements to deal with FOI or similar requests?	N/A
9. Exit Strategy	Are exit arrangements stated as part of the partnership's formal constitution or Terms of Reference?	No

Partnerships Governance Assurance Checklist		
[Mid Kent Audit Partnership]		
Principle	Question	Yes / No?
1. Shared purpose and direction	Are purpose and outcomes clearly stated in a Terms of Reference?	Yes – see Note 1
	Can new partners join?	Possibly – see Note 2
2. Focus on delivery	Is there an agreed set of priorities/outcomes?	Yes – Note 3
	Is there a formal decision-making route, both within the partnership body and by partner organisations?	Yes – Note 3
	Is it clear what decisions <u>do not</u> require approval by partner organisations?	Yes – Note 3
	Does the council representative have executive decision-making authority?	No – Note 3
3. Accountability	Is there an annual, or other, progress report?	No – Note 4
	Is administration of the partnership proportionate to its needs?	Yes
4. Sustained commitment	Is there consistent attendance at the right level?	Yes – Note 5
	Does the partnership have the ability to trigger a review if its actions stall for any reason?	Yes – Note 5
5. Tracking Performance	Is evidence produced and made available to all partners that the partnership is achieving its stated purpose?	Yes – Note 6
6. Cost-effectiveness	Have resource / budget contributions been made as required?	Yes – Note 7
7. Innovation and risk-management	Is there a commitment to problem solving?	Yes – Note 7
	Is there a proportionate approach to risk awareness / management?	Yes – Note 7
8. Effective Communications	Does the partnership operate in a transparent manner?	Yes – Note 7
	Is necessary information provided in the public interest?	Yes – Note 7
	Are there arrangements to deal with FOI or similar requests?	Yes – Note 7
9. Exit Strategy	Are exit arrangements stated as part of the partnership's formal constitution or Terms of Reference?	Yes – Note 7

Mid Kent Audit Partnership - Notes to accompany completed checklist

1. The business case for the partnership covered the shared purpose, its direction and terms of reference. This was reported to and approved by the four councils between June 2009 and February 2010. Ashford's report was considered by the Executive on 26 March 2009 and 14 January 2010.
2. Not specifically covered by the business case or collaboration agreement, but any proposal to expand the partnership, or change its form or direction in some other way would be considered by each of the four councils Audit Committees and Cabinets and the case considered on its merits against the interests of the partner councils.
3. A formal Collaboration Agreement was completed and signed by the four councils in 2012. This formalises many issues relating to the operation and governance of the partnership, and the relationships and responsibilities between partner councils. As an operational partnership decision-making is undertaken at various levels. Councils' Audit Committees (on behalf of each council) maintain control of the strategic audit plan. It is the full councils that would decide on termination issues, not officers. Councils individually will agree the budget. A strategic senior officer management team with a representative from each council operates to guide the Audit Partnership Manager and to make recommendations to the four councils about future direction and development of the partnership.
4. Although each council receives an annual internal audit report, there is not an annual partnership report as such. This is an improvement that has been suggested to the Audit Partnership Manager and will be considered by the operational management team, with a view to the first report next July.
5. Attendance at operational management team (meets bi-annually) is expected to be consistent, as is attendance at Audit Committees. Through these meetings the ability to trigger reviews is there.
6. Evidence about each council's audit work is reported each year to the Audit Committees. The point made above about an Annual Report will strengthen and complement these reports through providing an evaluation of progress more generally against the partnership's objectives.
7. These points are covered within the Collaboration Agreement.

Partnerships Governance Assurance Checklist		
Ashford Clinical Commissioning Group – currently running in ‘shadow’ form		
Principle	Question	Yes / No?
1. Shared purpose and direction	Are purpose and outcomes clearly stated in a Terms of Reference?	Yes
	Can new partners join?	Yes
2. Focus on delivery	Is there an agreed set of priorities/outcomes?	Yes
	Is there a formal decision-making route, both within the partnership body and by partner organisations?	Yes
	Is it clear what decisions <u>do not</u> require approval by partner organisations?	Yes
	Does the council representative have executive decision-making authority?	No
3. Accountability	Is there an annual, or other, progress report?	N/A – 1 st year
	Is administration of the partnership proportionate to its needs?	Yes
4. Sustained commitment	Is there consistent attendance at the right level?	Yes
	Does the partnership have the ability to trigger a review if its actions stall for any reason?	Yes
5. Tracking Performance	Is evidence produced and made available to all partners that the partnership is achieving its stated purpose?	N/A – 1 st year
6. Cost-effectiveness	Have resource / budget contributions been made as required?	Yes
7. Innovation and risk-management	Is there a commitment to problem solving?	Yes
	Is there a proportionate approach to risk awareness / management?	Yes
8. Effective Communications	Does the partnership operate in a transparent manner?	Yes
	Is necessary information provided in the public interest?	Yes
	Are there arrangements to deal with FOI or similar requests?	Yes – Public Meeting
9. Exit Strategy	Are exit arrangements stated as part of the partnership’s formal constitution or Terms of Reference?	N/A – 1 st year