

## APPENDIX 3 PROPOSED CAERPHILLY COUNTY BOROUGH COUNCIL PARTNERSHIP GOVERNANCE TOOLKIT

### INTRODUCTION

This Partnership Governance Toolkit is designed to ensure that Caerphilly County Borough Council has purposeful and effective partnerships with clear remits for delivery. The toolkit provides guidance for building and maintaining effective partnership governance arrangements, and in achieving a high level of partnership performance.

A review of Caerphilly County Borough Council's partnerships and collaborations reveals the total number of significant partner organisations for the Council is 146, with 35 formal partnerships, 25 collaborations, and the Council as the lead in 8 of the collaborative arrangements<sup>1</sup>. It is to be noted that 25 of the partnerships/collaborations are either statutory/deemed as good practice/in receipt of Welsh Government collaboration funding. There is a strong base of working in partnership in a Gwent wide/South Wales/South East Wales footprint. A list of current partnerships and collaborations, including governance arrangements, alignment with local and national priorities, and lead officer is available on the Council's Intranet.

Alongside this guidance is a **Caerphilly County Borough Council Collaboration and Partnership Protocol**, which introduces quarterly reviews of the Council's partnerships and collaborations at Head of Service level, and checks on governance arrangements. Responsibility for forming new partnerships, and terminating existing partnership arrangements resides with the Head of Service responsible for the area. There will be an annual summary report made on the Council's partnership work to the Council's Audit Committee.

### DEFINING PARTNERSHIPS AND COLLABORATIONS

Partnerships falling under the scope of this guidance and the Council's **Collaboration and Partnership Strategy** are defined as 'formal' partnerships, with 'formal accountability' built in, for effective working relationships at operational levels in achieving better outcomes for local people. This is distinct from 'informal' partnerships, such as knowledge/information sharing, and networks of professional relationships, which do not have to involve organisational commitment. The Council has decided to exclude contractual relationships from its analysis of partnerships, as these arrangements are mutually beneficial and so different in focus from joint work around shared objectives. However, it is noted that contractual arrangements can have partnership characteristics.

For collaborations the following Wales Audit Office<sup>2</sup> definition has been adhered to:-

*Collaborative working can be defined as seeking to maximise efficiency gains through the scale in economies of more effective co-operation and co-ordination between agencies across the whole of the public sector, not excluding the independent, voluntary and private sectors. By using co-ordination rather than competition, users and producers of public services are enabled to be on the same side. As a consequence, the best outcomes are obtained when those who use and those who provide services work together in collaboration (p4).*

While a universally agreed list of the types of model of collaborative working does not exist the Welsh Local Government Association<sup>3</sup> has identified six main models of partnership working. The following models are used by CCBC in identifying collaborations:-

- **Delegation of functions** – a delegation of functions (based on statutory powers rather than contract) to another authority. It should not be categorised or documented in the same way as a contractual arrangement.
- **Joint committee** – this model usually involves one authority hosting the service with the other collaborating partners contributing to costs incurred.

The following are NOT covered by this work in the identification of collaborations:-

- **Informal arrangements**
- **Shared appointment/secondment**
- **Contractual arrangements** – with one authority providing goods or services under contract to another authority either on a cost recovery or for profit basis.
- **Corporate/Joint Venture** – where two or more authorities establish a corporate vehicle (usually a company) either as the vehicle for providing services back to themselves and/or to trade with a view to generating additional income.

The Commission on Public Service Governance and Delivery<sup>4</sup> has recommended that Local Service Boards maintain a single register of local partnerships, and overhaul partnerships to ensure they are 'radically streamlined and made more effective' and align with local and national outcomes, with partnerships that compound complexity, or do not add value disbanded (p88-90).

## **FRAMEWORK FOR PARTNERSHIPS AND COLLABORATIONS**

The following two factors will be considered at Head of Service level in both agreeing and continuing to work in partnership, for ensuring a consistent approach across CCBC, and that the anticipated collaborative benefits are being reaped:

1. **Clear reasons to be determined for why there is a need to work in partnership or collaboration, or continuation with the venture** - for example the Audit Commission<sup>5</sup> gives five main reasons for working in partnership:-
  - to deliver co-ordinated packages of services to individuals;
  - to tackle so-called 'wicked issues';
  - to reduce the impact of organisational fragmentation and minimise the impact of any perverse incentives that result from it;
  - to bid for, or gain access to new resources; and
  - to meet a statutory requirement (p9).

It can be further added:-

- to add value in improving range and quality of services for the public;
- for cost benefits and improving value for money.

2. **Consideration of the essential components to build in to collaborative arrangements for ensuring effective partnership working**, such as:-
  - Defining clarity and purpose and benefits of collaboration;
  - Determining outcomes with a realistic plan and timetable for reaching those outcomes;
  - Consideration of risk and positively managing risk;
  - Assessment of value for money;

- Establishing clear and robust partnership arrangements with defined lines of accountability and scrutiny for accessing partnership performance;
- Establishing commitment and ownership and level of trust between partners, and mechanism for dispute resolution;
- Process for monitor, review, assessment and audit with defined ways of measuring the partnership's achievements;
- Process for disbanding collaborations and partnerships and agreeing exit strategy.

## **CREATING NEW PARTNERSHIPS**

To create new partnership arrangements a report must be prepared for the appropriate Head of Service detailing a business case for establishing the partnership or collaboration. This should cover:-

- Project rational/justification for the partnership such as:-
  - to meet organisational priorities that cannot be achieved by the Council working alone
  - using resources more effectively and achieving value for money.
- Remit, aims and outcomes for the partnership working and intended partnership's lifespan;
- Assessment of ways in which to gauge/capture the partnership's achievements;
- Consideration of associated risk;
- Cost benefits analysis including resources available for the partnership's work/future resource implications/whether potential project benefits outweigh associated costs;
- Proposed membership of partnership;
- Accountability and scrutiny arrangements, including monitoring, reporting, review to who and when;
- Consideration of ways to gather local peoples' views on the effectiveness of the partnership working, and how it is delivering to meet citizen and community needs.

In considering the business case the Head of Service will decide whether there is a need for establishing the partnership or collaboration.

## **GOVERNANCE ARRANGEMENTS**

Governance is all about the arrangements partnerships put in place to ensure it is undertaking the right tasks, in the correct manner, delivering to the target group, in a timely and accountable fashion. For new and existing partnerships and collaborations the following governance arrangements need to be in place:-

- Clear partnership purpose with set aims, objectives and outcomes;
- Nomination of lead officer;
- Explicit lines of accountability (including partners' areas of responsibility) with set transparent decision making processes and scrutiny arrangements;
- Partnership's procedures and rules, such as in declaring conflict of interests;
- Protocols for information sharing;
- A consideration of any implications arising from the Equalities Act 2010, and the statutory General Duty placed on public authorities.

The Council's Corporate Governance Review Panel will from time to time select partnerships and collaborations to ensure good governance arrangements are in place. Details of the review will be included as part of the annual partnership report to the Council's Audit Committee (see Appendix 1 for Partnership Governance Check Discussion Guide).

## **ANNUAL PARTNERSHIPS ASSESSMENTS**

Annual partnership *health checks* should be undertaken reconsidering and revising if necessary the partnership's aims, outcomes and working arrangements.

Guidance for helping a local authority and its partners improve the accountability and performance of partnerships has been produced by the Commission on Good Governance in Public Services<sup>6</sup> providing the following six core principles of good governance:-

- 1. Good governance means focusing on the organisation's purpose and on outcomes for citizens and service users**
  - clear purpose and intended outcomes for citizens and service users;
  - ensuring high quality service;
  - making sure taxpayers receive value for money.
  
- 2. Good governance means performing effectively in clearly defined functions and roles**
  - clear about the functions of the governing body;
  - clear about the responsibilities of non-executives and the executive and making sure that those responsibilities are carried out;
  - clear about relationships between governors and the public.
  
- 3. Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour**
  - putting organisational values into practice;
  - individual governors behaving in ways that uphold and exemplify effective governance.
  
- 4. Good governance means taking informed, transparent decisions and managing risk**
  - being rigorous and transparent about how decisions are taken;
  - having and using good quality information, advice and support;
  - making sure that an effective risk management system is in operation.
  
- 5. Good governance means developing the capacity and capability of the governing body to be effective**
  - making sure that appointed and elected governors have the skills, knowledge and experience they need to perform well;
  - developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group;
  - striking a balance, in the membership of the governing body, between continuity and renewal.
  
- 6. Good governance means engaging stakeholders and making accountability real**
  - understanding formal and informal accountability relationships;
  - an active and planned approach to dialogue with and accountability to the public;
  - an active and planned approach to responsibility to staff;
  - engaging effectively with institutional stakeholders.

For a detailed account of the six core principles of good governance visit – [http://www.cipfa.org/-/media/Files/Publications/Reports/governance\\_standard.pdf](http://www.cipfa.org/-/media/Files/Publications/Reports/governance_standard.pdf)

Another useful guide in undertaking governance health checks has been published by the Chartered Institute of Public Finance and Accountancy (CIPFA)<sup>7</sup> which identifies the following six core principles of good governance, and a means for partnership evaluation of the principles:

- **Principle 1** - focusing on the purpose of the partnership and on outcomes for the citizens and service users and the partnership vision.
- **Principle 2** - working effectively together with clearly defined roles and responsibilities.
- **Principle 3** - promoting values for the partnership and demonstrating the values of good governance through high standards of conduct and behaviour.
- **Principle 4** - taking informed and transparent decisions which are subject to scrutiny and managing risk.
- **Principle 5** - developing the capacity and capabilities of the members and officers of the partnership to be effective.
- **Principle 6** - engaging with local people and other stakeholders and making accountability real.

For further details refer to the full publication:-



Partnership  
Governance checklist.c

The Office of the Deputy Prime Minister<sup>8</sup> has developed a useful partnership assessment tool based on the following six partnership principles:-

- Principle 1** – Recognise and accept the need for partnership.
- Principle 2** – Develop Clarity and Realism of Purpose.
- Principle 3** – Ensure Commitment and Ownership.
- Principle 4** – Develop and Maintain Trust.
- Principle 5** – Create Clear and Robust Partnership Arrangements.
- Principle 6** – Monitor, Measure and Learn.

The tool enables a quick appraisal to identify any problem areas in partnership working, and for those just setting up partnerships, provides a checklist of what to ensure and what to avoid. For further information visit –

<http://webarchive.nationalarchives.gov.uk/20120919132719/http://www.communities.gov.uk/documents/localgovernment/pdf/135112.pdf>

## **ENDING PARTNERSHIPS ARRANGEMENTS**

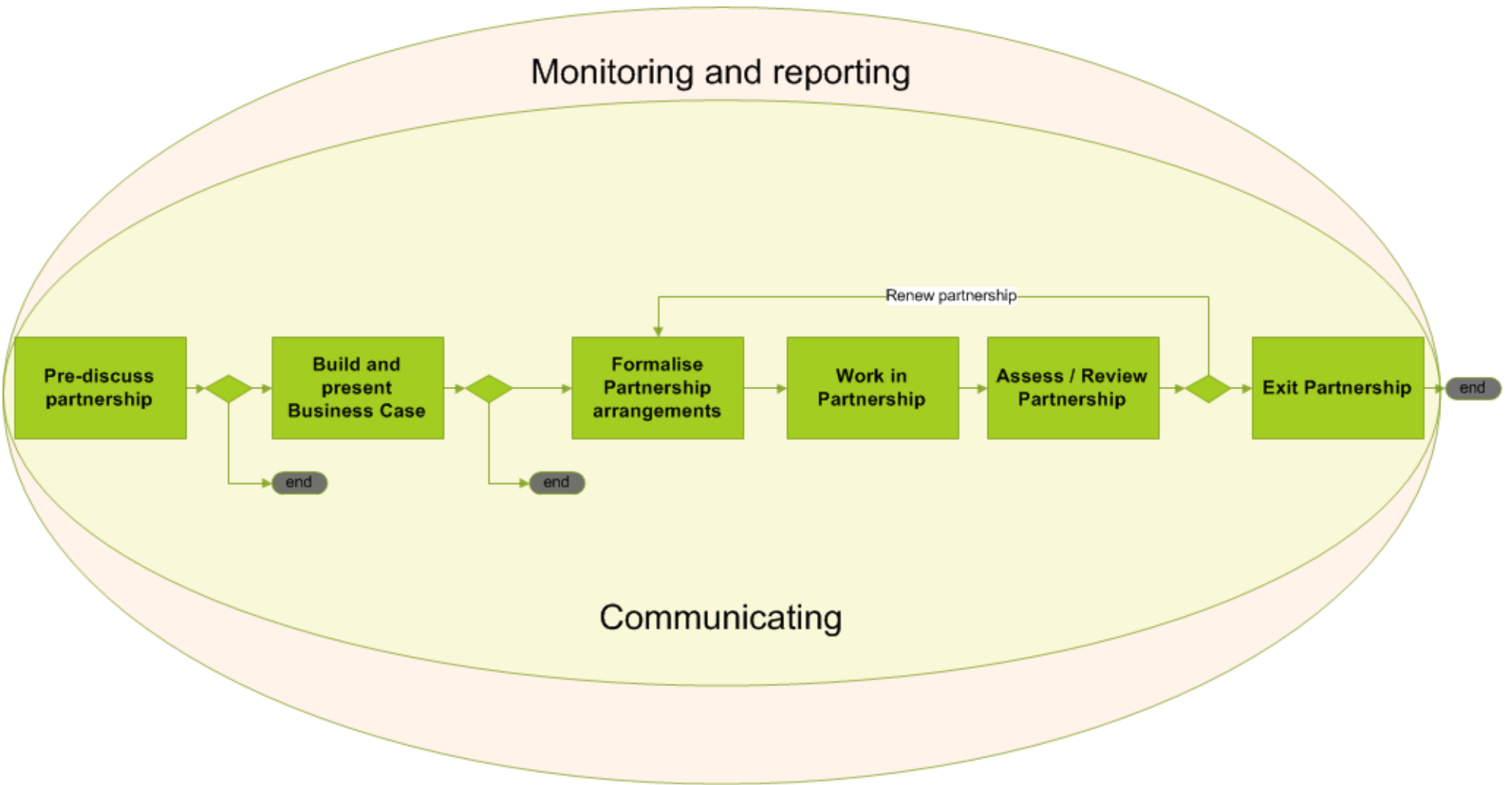
In managing partnerships effectively when the partnership has achieved its purpose the lead officer must alert the responsible Head of Service for the arrangements to be formally terminated. This could be because:-

- Outcomes of the joint work have been achieved;
- Funding/resources available for the venture have ceased;
- The focus for the work has been superseded/priorities have changed/a new approach has been formed for tackling the issue;
- Assessment had revealed the partnership is not meeting its objectives and can no longer deliver the envisaged outcomes.

## **PARTNERSHIPS AND COLLABORATIONS LIFE CYCLE**

The following diagram displays the partnership and collaboration life cycle:-

# Partnerships and Collaborations Life-cycle



For detail on the key stages in the partnership and collaboration framework see Appendix 2.

Further help in ensuring effective partnership arrangements are in place is available from:- Internal Audit Services, Performance Management Unit, Corporate Information Governance (on information sharing protocols) and the Policy Unit.

## REFERENCES

1. **Caerphilly County Borough Council Partnerships and Collaborations** (May 2014) Policy Unit
2. Wales Audit Office (2013) **Collaboration Caerphilly County Borough Council**
3. Welsh Local Government Association (2012) **Legal Guidance for Collaboration** Trowers & Hamlins LLP
4. **Commission on Public Service Governance and Delivery** (January 2014) Crown Copyright
5. Audit Commission (1998) **A Fruitful Partnership**
6. Commission on Good Governance in Public Services (2004) **The Good Governance Standard for Public Services** Office of Public Management and Chartered Institute of Public Finance and Accountancy
7. Chartered Institute of Public Finance and Accountancy **Partnerships – A Governance Healthcheck**
8. Office of the Deputy Prime Minister (2003) **Assessing Strategic Partnership – The Partnership Assessment Tool**



## APPENDIX 1 - PARTNERSHIP GOVERNANCE CHECK DISCUSSION GUIDE

This proforma provides the key areas that will be reviewed during a partnership governance check assessment with the partnership/collaboration lead officer, although this is not intended to be a definitive list. The lead officer is expected to prepare for the visit in advance, and provide evidence to demonstrate the robustness of governance arrangements. A write up of the assessment will be provided after the visit, with an opportunity for further discussion before a report of the assessment is made to the Council's Audit Committee. The aim of the check is to secure assurance that appropriate governance arrangements are in place, and the partnership is meeting its intended purpose in an effective, timely manner.

- **Clarity of purpose and intended outcomes of partnership working:**
  - links made with local/regional/national priorities
  - statutory partnership, Welsh Government instruction to collaborate?
  - set timescales for delivery
  - exit strategy in place.
  
- **Clear partnership lines of responsibility and accountability:**
  - informed and transparent decision making processes
  - laws and regulations complied with
  - information sharing protocols
  - scrutiny arrangements in place
  - means of communicating partnership work for public accountability.
  
- **Financial information and value for money:**
  - Details of full budget available for the partnership work, including staff resources and pooling of budgets from partners
  - Cost benefits analysis of working in partnership including mechanisms for monitoring resources
  - Savings and other benefits from the partnership working
  - Financial, and value for money information informs partnership decisions
  - Taxpayers receive value for money.
  
- **Arrangements for assessing and managing partnership risks:**
  - financial/operational/compliance/risk controls/organisational reputation/conflict resolution
  - risk management system in place.
  
- **Performance management arrangements:**
  - ability to judge quality of performance/monitoring/evaluation
  - commitment of partners
  - evidence of partnership self assessments/annual health checks
  - views of local people in assessing benefits of the partnership working – what the citizen/community wants/needs
  - performance management framework.
  
- **Conclusion:**
  - Is there anything further that the Council can be doing to improve governance arrangements and performance of partnership?

## **APPENDIX 2 - KEY STAGES IN THE PARTNERSHIP AND COLLABORATION FRAMEWORK**

### **Maintaining and Updating Partnerships and Collaborations List**

- Quarterly reviews of list by Head of Service (see Collaboration and Partnership Protocol)
- List published on Intranet
- Defining partnerships and collaborations (see Partnership Governance Toolkit).

### **Forming New Partnerships**

- Business Case submitted to Head of Service with justification for partnership (see Partnership Governance Toolkit)
- On approval of new partnership full details of venture to be built including: governance arrangements, allocation of resources, legal and regulation issues, risk management, information sharing protocols, monitoring and evaluation, timescales and exit strategy (see Partnership Governance Toolkit).

### **Communicating the work of partnerships**

- to key stakeholders and citizens for public accountability
- building in service users assessments into process demonstrating how partnerships are making a difference to local people.

### **Assessment**

- Partnerships required to do annual self assessment *health check* (see Partnership Governance Toolkit)
- The Corporate Governance Review Panel will select partnerships for assessing governance arrangements and effectiveness of partnership working (see Partnership Governance Check Discussion Guide).

### **Exiting Partnerships**

- Exit strategy to be built into all partnership arrangements
- Head of Service to be presented with request to terminate partnership arrangements for approval (see Partnership Governance Toolkit).

### **Reporting**

- Partnerships Governance Check Assessment Reports to Corporate Governance Review Panel, Improving Governance Partnership Board, Corporate Management Team and Audit Committee
- Input to Annual Governance Statement
- To inform annual review of Council's Constitution
- Annual Summary Partnership Report to Audit Committee.