



North
Northamptonshire
Council

PARTNERSHIP GOVERNANCE FRAMEWORK AND GUIDANCE

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OVERVIEW

The Council wants to be as open and transparent as possible about the partnerships that we have and how they are managed. This Framework outlines our approach to partnership working and should be used as an aid to officers and elected members who are involved in these arrangements.

It may also be useful to partners who are already in or are considering entering a partnership arrangement with the Council.

The guidance will assist Lead Officers when completing partnership registration and self-assessment forms and includes guidance on supporting processes, procedures, and documentation.

To ensure that we protect the interests of the Council we must be able to identify who our significant partners are, understand their purpose, how they are operated and governed, and have procedures in place to influence these arrangements when necessary.

WHERE TO GO FOR FURTHER INFORMATION

For general queries about the Framework, including the register of significant partnerships and the registration and self-assessment processes, contact:

tom.barden@northnorthants.gov.uk



BENEFITS AND RISKS OF PARTNERSHIP WORKING

The Council recognises the wide range of benefits which flow from working in partnership with organisations in the public, private, voluntary and community sectors, but also acknowledge that these relationships may produce particular risk and governance issues.

It is therefore important that we consider both the benefits and the risks when deciding whether they are the most effective way of achieving the overall objectives of the Council.



BENEFITS

- Working together can produce better results, flexibility and innovation
- Better communication and engagement with residents
- More efficient and effective use of resources to deliver value for money
- Greater capacity to plan and develop solutions, including pooling expertise and resources



RISKS

- Merging cultures can lead to distrust and both parties not being as open and transparent as they could be
- Inadequate governance and scrutiny over, decision-making, management of resources, risk or performance to deliver value for money.
- Lack of public transparency and/or perceived lack of democratic accountability.
- Mixed or confusing messaging to audiences

MEMBERS AND OFFICERS ROLES WHEN WORKING WITH PARTNERSHIPS

ELECTED MEMBERS PLAY AN IMPORTANT ROLE IN THE COUNCIL'S PARTNERSHIP ARRANGEMENTS. THEY MAY BE APPOINTED TO PARTNERSHIP BOARDS, OR THEY MAY MAKE DECISIONS ABOUT THE CREATION OF PARTNERSHIPS. THEY WILL ALSO SCRUTINISE ARRANGEMENTS TO ENSURE THAT THE COUNCIL GET THE BEST VALUE FOR NORTH NORTHAMPTONSHIRE.

Officers will have an integral role in establishing, managing and reviewing partnerships. More detail on this is set out below.

When working with partnerships, members and officers must comply with their responsibilities under the Council's Code of Conduct for Councillors and Employees, and should ensure that governance as set out in this Framework is agreed and adopted by the partnerships, they are involved in.

Members and officers must also understand that acceptance of a role as either a charity trustee or company director carries additional personal responsibilities. The duty to act in the best interests of the charity or company must be balanced with the duty to the Council as an elected member or employee.

If a Member or Officer has any concerns about any of the following they must immediately report this to the Section 151 Officer, Janice Gotts, Janice.gotts@northnorthants.gov.uk

Senior Officer Responsibility

The Section 151 Officer has overall responsibility for the Council's partnership governance arrangements. They will maintain the Significant Partnership Register and report it annually to the Corporate Leadership Team.

Nominations to include a partnership in the Significant Partnership Register should be made through the relevant Executive Director/ Director who has corporate responsibility for the partnership. They will ensure that proposed partnerships are in line with the Council's Corporate Plan.

Lead Officers

These officers are the key point of contact between the Council and a partnership and contribute corporately to the Council's knowledge of partnerships.

They are also responsible for:

- completing and submitting the Partnership Registration Form
- completing the annual self-assessment of governance arrangements
- ensuring that corporately the Council is informed of partnership activity and progress.
- ensuring that the partnership is appropriately advised regarding its governance arrangements.
- ensuring that the partnership is subject to appropriate governance and effective management
- ensuring that appropriate entry on the Register of Strategic Partnerships is kept up to date.

UNDERSTANDING PARTNERSHIPS

What is a Partnership?

The Council have adopted the following broad definition of partnerships used by the Audit Commission and CIPFA:

'An agreement between two or more independent bodies to work collectively to achieve an objective, normally excluding the familiar relationships between client and contractor or employer and staff.'



What is a Significant Partnership?

Some of our partnerships are more significant than others, this framework governs the Council's relationship with 'significant partners'. To be considered 'significant', partnerships should have either:

strategic importance – the partnership is:

- critical to the delivery of the Council's key objectives or statutory obligations; or
- is a fundamental component of Council priorities and functions; and
- the Council's reputation could be damaged by the partnership's failure to deliver.

financial importance – the partnership is:

- based on a threshold for the Council's annual contribution, or for directing Council funding or £100,000 (excluding staffing costs).

The Council's significant partnerships may:

- be required by law or to secure funding;
- co-operate to achieve a common goal, shared objectives or contribute to the achievement of priorities in the Corporate Plan;
- plan and implement a jointly agreed programme, possibly with time limited outcomes; or
- make joint investments and share risks and rewards.

What is Non-Significant Partnership?

A partnership is not considered to be significant if:

- the Council has direct and sole control over budgets and decision-making
- a subscription or membership is made for a service (eg the Local Government Association)
- a grant is being made to another body for a specific purpose
- the Council have procured goods or services from a supplier under a contract

DETERMINING IF A PARTNERSHIP IS NEEDED

As a Council, we want to be outcome focussed; this means that we will always consider the desired outcome for the service user/North Northamptonshire first and then consider the best way to achieve it.

The first question should therefore be “what do I want to achieve?”. Consideration should then be given to all the options to ensure that a partnership is the best way to achieve it. There may alternative options which would allow the outcomes to be achieved and these should be actively considered.

Another key consideration is whether the establishment of the partnership is mandatory (statutory) or discretionary. Mandatory partnerships may be regulated but it is still important to provide assurance about the management of these types of partnerships.

Where the partnership is discretionary, it is important to assess whether it is necessary or if it could be achieved more effectively by the Council working alone.

Creating an Options Appraisal/ Business Case

The following questions may be used to assess the options available to reach the desired outcome:

- > Does the outcome link to the Council's Corporate Plan?
.....
- > Will the benefits outweigh the cost, does this option deliver value for money?
.....
- > Will there be any impact on Council resources? (not just budgets but officer time, buildings, equipment, etc)
.....
- > Who will strategically and operationally manage the partnership, and do we have the resources for that?
.....
- > What are the alternatives and why are they not the preferred option?
.....
- > Will the partner have the same shared outcomes and focus as the Council?
.....
- > If the outcome is a statutory function, how will you get assurance for the Council about compliance?
.....
- > Is the partnership required because of legislation (in which case, you do not need to give further consideration to the alternatives)

It is important that the legal and financial consequences of entering a partnership are understood before any decisions are made.

Appropriate financial controls must be in place to safeguard public resources in partnership arrangements. Colleagues in legal and finance may be consulted, and their comments included in the options appraisal/ business case.

A template business case is available in the Governance section of the Council's intranet.

The appraisal/ business case should be presented to the Executive Director/ Director who has corporate responsibility for the partnership. They will consider if it also needs to be presented to the Executive Member and the correct decision making process.

A PARTNERSHIP IS THE BEST OPTION **WHAT NEXT?**

PREPARE THE PARTNERSHIP AGREEMENT

If approval has been granted to progress with a partnership, Lead Officers must ensure that any partnering arrangement is incorporated into a legally binding agreement. Lead Officers should contact Legal Services for assistance with preparing the necessary documents to put this in place. You should attach the Business Case and authority to agree the partnership as this will help Legal Services to advise on the most appropriate agreement.

ADD TO THE SIGNIFICANT PARTNERSHIP REGISTER IF RELEVANT

Once the Partnership Agreement has been agreed, the Lead Officer must complete a Partnership Registration Form which is available in the Governance section of the Council's intranet. This will ensure that the partnership is added to the Significant Partnership Register which is an essential part of the Council's governance framework..

ENSURE THAT ADEQUATE PARTNERSHIP MANAGEMENT IS IN PLACE

Lead Officers should ensure that they continue to monitor and evaluate the partnership in accordance with the Governance Framework Principles and will be required to complete an Annual Self-Assessment Form in the first quarter of the financial year each year. The Form is available in the Governance section of the Intranet.

GOVERNANCE FRAMEWORK PRINCIPLES

- Proportionality and Accountability

There isn't a 'one size fits all' approach and consideration should be given to what is proportionate in the circumstances. As with any relationship, constant management is imperative to ensure that everyone is accountable for their actions.

- Ensuring a shared understanding of the objectives of the partnership

The partnership agreement should clearly specify how the partnership will operate. This should include information on structure, purpose and aims, activities, roles and responsibilities, membership, regulatory framework and exit strategy.

- Monitoring the Partnership

Consideration should be given as to how the Council will ensure that the partnership remains accountable. It should include targets, milestones and agreed outcomes. These should be monitored regularly to ensure that the arrangement is delivering against the agreed objectives. This may be achieved through regular reports or meetings, to consider performance and regulatory compliance, operate a system of openness and engagement, and have in place complaints and redress procedures. Risks should be identified, managed and mitigated regularly.

- Decision-making

It should be clear who is responsible for making decisions about the partnership and the actions that they may take. There should be clearly defined roles, responsibilities, accountabilities and open and transparent processes, such as records of delegated authority.

- Ensuring value for money

There must be a clear criterion to evaluate costs and benefits. This must be understood to ensure the partnership will deliver value for money over alternative arrangements. There must be provisions to enable the Council to continually review the partnership arrangement to ensure that it continues to deliver best value for the Council.

- Ensuring high standards of conduct and leadership

It must detail how the partnership will be governed, to ensure the needs of all partners are met, to identify conflicts of interest and to resolve disputes. High standards are imperative as any partnership to which the Council is a party may impact on its reputation.

GOVERNANCE PRINCIPLES IN PRACTICE

The following table can be used to help evaluate arrangements. A checklist is available in the Governance section of the Council's intranet to help you ensure that proper governance arrangements are in place.

CRITERIA	GOOD GOVERNANCE	GOOD PRACTICE
Purpose, structure and membership	<ul style="list-style-type: none"> Aims, objectives, outputs and outcomes are agreed and communicated Membership is aligned to objectives to provide relevant interests experience and expertise There is an appropriate board and committee structure with clearly defined remits Personal interests of members do not impact on decisions Equalities and Inclusion Policy in place 	<p>Establish a partnership agreement which includes:</p> <ul style="list-style-type: none"> Key messages and an agreed description of what the partnership is trying to achieve (purpose and deliverables) Roles and responsibilities Structure chart Partnership board and committee criteria Declaration of personal and pecuniary interest and requirement to withdraw from meetings/decisions Exit strategy for partners and the partnership Partnerships should operate on principles that actively value the benefits of diversity and which ensure fair treatment in service delivery in terms of equal access to, and equal outcomes from, local service delivery to meet identified local needs.

CRITERIA	GOOD GOVERNANCE	GOOD PRACTICE
Accountability and decision-making	<ul style="list-style-type: none"> • Good leadership promotes supportive culture and behaviour • Roles, responsibilities and accountabilities are understood • Decision-making is open and transparent • Reporting to officers and/or members supports scrutiny of decisions and activity • Means of redress when things go wrong • Data Sharing Protocols in Place 	<ul style="list-style-type: none"> • Responsibilities for decisions are agreed and recorded • Minutes of meetings record decisions, agreed action and relevant related discussion. • There is regular reporting within existing democratic structures • A communication strategy sets out internal and external communication processes, including how external stakeholders may engage with the partnership, spokesperson designation and process for approval of press statements • Ensure there is a complaints process in place for when things go wrong • The Information Commissioner can levy large fines on organisations that breach Data Protection legislation, and partnerships need to consider compliance through protocols covering issues such as confidentiality in meetings, data-sharing and handling. Data protection and confidentiality obligations apply equally to individual partners. • Professional advice should be sought and adhered to where relevant.
Monitoring and review	<ul style="list-style-type: none"> • There is regular review and evaluation of membership, policies, performance, and risk • Awareness is maintained of what is working and what is not, and action is taken to address issues • There are strategies for change and exit • Disputes between partners are addressed effectively • Performance management 	<ul style="list-style-type: none"> • The partnership is regularly reviewed to ensure it remains fit for purpose and aligned to council objectives and priorities • There are clearly defined indicators of performance to monitor delivery of the partnership objectives • Performance and risk are actively monitored, managed, and reported • Processes are in place to resolve disputes, for partners to exit (or join) the partnership, and for its termination • Consideration is given to internal and external audit requirements • Processes are in place for dealing with external complaints and compliments

CRITERIA	GOOD GOVERNANCE	GOOD PRACTICE
Financial management	<ul style="list-style-type: none"> The partnership is resourced to deliver its aims and objectives Responsibility for financial decisions is clear The partnership can show that it manages funding appropriately to add value efficiently and effectively Partnership responsibilities and minimum standards for financial management should be clearly defined and recorded. 	<ul style="list-style-type: none"> The accountable body for funding is identified Financial and business plans show clearly how funding and resources will be used to deliver objectives Financial accounting budgeting and reporting arrangements are in place and subject to appropriate external scrutiny Processes are in place by which financial, legal, and other technical advice may be provided to the partnership Arrangements should be proportionate to size, complexity and function and should reflect regulatory and operating environments. Clarity on where funding comes from and who the accountable body for the funding is Sufficient human and financial resources to operate effectively Agreement on the most VAT-efficient way of structuring the partnership Appropriate accounting, budget management and audit arrangements are in place. A financial plan has been developed and

CRITERIA	GOOD GOVERNANCE	GOOD PRACTICE
Meetings	<ul style="list-style-type: none"> Meetings operate efficiently and are of sufficient frequency to facilitate business The chair ensures meetings address the agenda, promotes contributions from all and ensures decisions are open and transparent Attendees bring expertise, knowledge, and experience relevant to the objectives of the partnership and have the necessary authority to make decisions 	<ul style="list-style-type: none"> Partnership terms of reference specify arrangements for meetings to include quorum, voting, representation and deputising, declarations of interest and arrangements for extraordinary meetings or other procedures for decision-making Agendas and minutes are produced to specified times, and arrangements for wider access (transparency) are clear Decisions, action points and accountable leads are clearly identified within the minutes Arrangements for a secretariat and resources to support it are in place if required Frequency of meetings of boards, groups and other bodies should be set according to their roles and responsibilities and should be reviewed to ensure they continue to meet partnership needs.
Risk Management	<ul style="list-style-type: none"> Adequate, proportionate arrangements in place to identify and manage risks to deliver its objectives. 	<ul style="list-style-type: none"> Risk Register in place as an output from the risk assessment process. It should record key risks to achieving objectives, as well as risk ratings, mitigating actions and ownership of each risk. It should be periodically reviewed to ensure the list of risks remains relevant and up to date and to check progress with agreed action on specific risks.

GOVERNANCE FRAMEWORK

THE SIGNIFICANT PARTNERSHIP REGISTER

The Council will maintain a Significant Partnership Register detailing new and existing significant partnerships.

The Significant Partnership Register can be found here (add link).

ANNUAL SELF-ASSESSMENT

In the first quarter of the financial year,, the Lead Officers will be required to complete a Self-Assessment Form to;

- Confirm partnership details or notify any changes;
- Provide assurance over the nature and effectiveness of the partnership governance arrangements;
- Identify the level of risk to the Council and mitigations in place.
- Form part of the assurance framework supporting the Council's Annual Governance Statement.

CORPORATE LEADERSHIP TEAM

The Section 151 Officer will present the Significant Partnerships Register to the Corporate Leadership Team in the second quarter of each financial year and will highlight any significant risks or changes to the self-assessment from previous years for due consideration.

AUDIT COMMITTEE

The Audit Committee will also consider the Significant Partnership Register annually. This will contribute to the Council seeking assurance of its governance arrangements as part of the approval of the Annual Governance Statement.