



Report of the Assistant Chief Executive (Corporate Governance)

Corporate Governance and Audit Committee

Date: 29th July 2010

Subject: Governance of Significant Partnerships

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

1. The purpose of this report is to inform Members of the outcome of:
 - the annual review of the Register of Significant Partnerships ('the register'); and
 - the annual review of the Council's involvement in its significant partnerships.
2. An annual review of the register has been undertaken. As a result, several amendments have been made to the register to keep it up-to-date. A copy of the current register is attached at Appendix 2.
3. Corporate Governance Board has also considered any potential omissions from the register, and has reviewed the partnerships that were removed from the register during 2009.
4. Lead officers are required under the Framework to carry out an annual review of their partnership by the end of the municipal year. Annual reviews have been completed for 37 out of 38 of the partnerships that were registered in May 2010. The result of the annual reviews is outlined in paragraph 3.8.
5. Members are recommended to note the arrangements in place for significant partnerships.

1.0 Purpose Of This Report

- 1.1 The purpose of this report is to inform Members of the outcome of:
- the annual review of the Register of Significant Partnerships ('the register'); and
 - the annual review of the Council's involvement in its significant partnerships.

2.0 Background Information

The Framework

- 2.1 The Council has a Governance Framework for Significant Partnerships ('the Framework'), which was first approved by Corporate Governance and Audit Committee in June 2007. The current version of the Framework is attached at Appendix 1. The purpose of the Framework is to set out:
- the steps which the council will take **before entering into a significant partnership**;
 - the **minimum governance requirements** each significant partnership must have;
 - how the council will **support** the governance of each significant partnership; and
 - how the council monitors and **reviews** its involvement with each significant partnership.
- 2.2 The Framework is based on the six principles behind the Council's approach to Corporate Governance, as set out in the Council's Code of Corporate Governance. A toolkit for partnership governance has also been produced, which provides guidance to officers on the requirements in the Framework.

Scope of the Framework

- 2.3 The Framework applies to the Council's **significant** partnerships. Under the Framework, a **partnership** is defined as:
- 'An agreement between two or more independent bodies to work collectively to achieve an objective, **excluding**:
- any contractual agreement; or
 - any agreement to provide an organisation with grant aid,
- except where these arrangements create a separate decision-making structure¹.'
- 2.4 In identifying whether a partnership is **significant**, the Framework requires Directors to take into account:
- the **resources** which the Council contributes to the partnership;
 - how the partnership helps achieve the **priorities and outcomes** in the **Leeds Strategic Plan**;
 - the consequences if the partnership were to **fail**;
 - the types of **decisions** the partnership makes;
 - whether the partnership is **required by law or to secure funding**; and
 - the extent to which the partnership helps the Council to **manage risk**.
- 2.5 A significance scorecard also assists Directors in assessing whether a partnership is significant. Partnerships with a score of 51% or more are deemed to be significant.

¹ PFI arrangements are excluded from this definition.

- 2.6 Under section 4.1 of the Framework, the Assistant Chief Executive (Corporate Governance) is required to maintain and annually review a register of the Council's significant partnerships.
- 2.7 As part of the annual review, the Head of Governance Services reviews the register, to assess whether it is comprehensive. This is done by reference to:
- the joint arrangements set out in Part 3 of the Constitution;
 - arrangements referred to in the Strategic Plan;
 - arrangements within the Leeds Initiative; and
 - the Register of Partnerships and Financial Stewardships held by Corporate Financial Management.
- 2.8 Under section 3.3 of the Framework, lead officers are required to annually review each partnership that they are responsible for to assess:
- its performance;
 - its financial position and performance;
 - how it helps the Council achieve the outcomes and priorities in the Leeds Strategic Plan and/or the Vision for Leeds;
 - if it provides value for money to the Council; and
 - if it adds value (if it delivers more than the sum of the individual contributions from each partner).
- 2.9 After each annual review, the lead officer must consider whether to continue, change or finish the Council's involvement in the partnership. Lead officers are required to confirm the outcome of the annual review to Governance Services by the end of each municipal year.

3.0 Main Issues

Annual Review of the Register 2009/10

- 3.1 This report informs the Committee of the annual review undertaken of the register of significant partnerships. Directors were asked to confirm:
- that they had reviewed their current entries on the register;
 - whether they had any new significant partnerships to add to the register; and
 - whether any of their current partnerships needed amending, or removing from the register.
- 3.2 The results of this were:
- One new significant partnership was added to the register (Leeds Bradford Corridor);
 - One significant partnership was removed from the register (West Yorkshire Housing Partnership Board – because the partnership had ended); and
 - The details of four partnerships were amended, as follows:
 - (i) Strategic Design Alliance – new lead officer;
 - (ii) Yorkshire and Humber Regional Migration Partnership – purpose of partnership was amended;
 - (iii) Beeston Hill & Holbeck Regeneration Partnership – name of partnership had changed;
 - (iv) EASEL Leeds Ltd – name of partnership had changed.
- 3.3 Since the annual review, other amendments have been made to the register as necessary, including updates to the significant partnerships within Children's

Services following a review of Children's Trust arrangements. The current version of the register is attached at Appendix 2 for information.

Potential Omissions from the Register

- 3.4 Following the initial part of the annual review, Corporate Governance Board identified ten additional arrangements as potentially being significant partnerships, which were not on the register. The relevant Directors were asked to reconsider these arrangements for inclusion on the register. As a result, four of these arrangements were added to the register, as follows:
- Golden Triangle Partnership;
 - Leeds Youth Offending Team Partnership;
 - West Yorkshire Casualty Reduction Partnership; and
 - West Yorkshire Joint Services Committee.
- 3.5 A list of the remaining six arrangements, and the reasons why they haven't been added to the register, is attached at Appendix 3 for information.
- 3.6 Corporate Governance Board also reviewed the 29 partnerships that had been removed from the register during 2009. This list is attached at Appendix 4. Of these, Corporate Governance Board asked the relevant Directors to reconsider the following three partnerships for inclusion on the register:
- West Yorkshire Pension Fund Investment Panel – has not been added, as this partnership is not deemed to be significant;
 - West Yorkshire Pension Fund Joint Advisory Group – has not been added, as this partnership is not deemed to be significant; and
 - Aire Valley Leeds Regeneration Partnership - has not been added, as this partnership is not deemed to be significant, however the lead officer is going to keep the significance score under review.

Annual Review of each Significant Partnership 2009/10

- 3.7 In relation to the requirement for lead officers to annually review the Council's involvement in each partnership, of the 38 partnerships that were on the register in May 2010, 37 have been reviewed.
- 3.8 Out of these, for 29 partnerships, the lead officer recommended that the Council continue to be involved in the partnership, without changes. For the remaining 8 partnerships, the result was as follows:
- Change the governance arrangements of the partnership in some way:
 - (i) Leeds Safeguarding Children Board;
 - (ii) West Yorkshire Resilience Forum;
 - (iii) Learning Disability Partnership;
 - (iv) Leeds Youth Work Partnership; and
 - (v) Integrated Youth Support Service (this partnership has now been removed from the register).
 - Change how the Council is involved with the partnership (for example by reducing or increasing resources it gives to the partnership or changing the Council's roles and responsibilities):
 - (i) Leeds Transport Innovation Fund Project Board;
 - (ii) Strategic Design Alliance; and

- (iii) Leeds City Region (the Corporate Governance and Audit Committee was informed of the changes to the Leeds City Region at its meeting on 10th February 2010).

3.9 The partnership which lead officers have not yet indicated that a review of the Council's continued involvement has been undertaken is as follows:

- (i) West Yorkshire Casualty Reduction Partnership.

Next Steps

3.10 Lead officers will review the extent to which each partnership complies with the minimum governance requirements in the Framework. The results of this monitoring exercise will be compared with last year's results before being reported back initially to Directors and Corporate Governance Board. Corporate Governance and Audit Committee will be informed of the results at its meeting to be held on 14th December 2010.

3.11 As noted in the Annual Governance Statement, partnership governance training is offered to lead officers at least annually. Directors are also informed of the training to encourage take-up.

3.12 In seeking to ensure that the Framework is proportionate in light of the abolition of CAA and resource constraints, consideration is being given to how the content of the Framework, and the way in which it is monitored, could be amended. Any resultant proposals will be presented to Corporate Governance and Audit Committee for consideration.

4.0 Implications For Council Policy And Governance

4.1 Ensuring that the register is up-to-date and comprehensive provides assurance that all of the Council's significant partnerships are being monitored under the Governance Framework for Significant Partnerships.

4.2 Ensuring that an annual review of each significant partnership is carried out provides assurance that the Council's involvement in each of its partnerships is beneficial, and where it is not, that appropriate action is taken.

5.0 Legal And Resource Implications

5.1 There are no legal or resource implications.

6.0 Conclusions

6.1 An annual review of the register of significant partnerships has been undertaken, in accordance with the detailed monitoring arrangements set out in the toolkit, and including scrutiny by Corporate Governance Board. The process provides assurance that the register is comprehensive and up-to-date.

6.2 Annual reviews have been completed for 37 out of 38 partnerships that were registered in May 2010.

7.0 Recommendations

7.1 Members are asked to note the arrangements in place for significant partnerships.

Background Documents

Report to Corporate Governance and Audit Committee 'Governance of Partnerships', 29th June 2007

Report to Corporate Governance and Audit Committee 'Leeds City Region – Update on Governance Arrangements', 10th February 2010

Governance Framework for Significant Partnerships

Toolkit for Partnership Governance