



# **Advisory Note for Directors: Partnership Governance**

**Issued by:**  
Director of Resources

April 2011

## 1.0 Introduction

1.1 The Council's **Code of Corporate Governance** sets out six principles behind the Council's approach to corporate governance. These are:

- Focus on the Council's purpose and community needs;
- Clear responsibilities and arrangements for accountability;
- Good conduct and behaviour;
- Taking informed, transparent decisions that are subject to effective scrutiny and risk management;
- Developing the capacity and capability of representatives to be effective;
- Engaging with local people and other stakeholders.

1.2 These principles should also support its work with partners. This advisory note is based on the six principles.

1.3 The purpose of the advisory note is to set out:

- the steps which Directors should take **before entering into a partnership**; and
- the **minimum governance requirements** each partnership should have<sup>1</sup>.

## 2.0 Governance Considerations

### 2.1 Before entering into a partnership

Directors should ensure the following are carried out;

- an **options appraisal**.
- a full **risk assessment**;
- **consultation** with relevant stakeholders; and
- an **equality, diversity and community cohesion impact assessment**.

Directors should also identify an officer to be its **lead officer** for the partnership.

All decisions to enter into a partnership **must** be made in accordance with Article 13 of the Constitution.

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<sup>1</sup> The relevant Director may determine that a particular partnership does not need to comply with any requirement that is not applicable or appropriate to it.

## 2.2 Governance Considerations in Establishing Partnerships

Directors should ensure that, where applicable, each partnership:

### Governance and accountability

Identifies to whom it is **accountable**.

Agrees and annually reviews a **governing document**.

Agrees and regularly reviews:

- the **objectives** of the partnership; and
- a **strategic or business plan**.

### Performance and Finance

Agrees, regularly reviews and monitors:

- a **performance management framework**;
- a **financial performance framework**;
- **financial procedures**, which includes how the partnership will set and control its budget;
- a **commissioning strategy**; and
- a **procurement strategy** and **procurement procedures**.

Annually reviews whether the partnership is achieving **value for money** and makes a report available to the public which considers:

- its **performance**; and
- its **financial position** and **performance**.

### Conduct

Agrees, regularly reviews and monitors:

- procedures for dealing with **conflicts of interest**; and
- how the partnership will resolve **disputes** between its partners.

### Decision-making

Takes decisions on the basis of **timely, accurate, clear and relevant advice and information**.

Carries out an **Equality, Diversity and Community Cohesion Impact Assessment** of any proposed policies, plans or services; and that it takes the outcomes of these assessments into account when making decisions.

### Data management

Agrees, regularly reviews and monitors:

- **access to information** rules;

- arrangements for keeping its **documents**; and
- a protocol for **sharing information**.

#### Scrutiny and audit

Allows the Council's **internal auditors access** to documents on request.

Has its accounts **externally audited**.

Co-operates with any relevant **Scrutiny Board** Inquiry.

#### Support for representatives

Provides appropriate **support and training** so that representatives perform effectively.

#### Stakeholders

Practices the principles set out in the **Compact for Leeds**<sup>2</sup>.

Agrees, regularly review and monitors:

- a **stakeholder involvement strategy**; and
- a **complaints procedure**.

## 3.0 Responsibilities

- 3.1 The Director of Resources will maintain and annually review this advisory note for Partnership Governance to ensure it is relevant and fit for purpose.
- 3.2 The Head of Governance Services will maintain a register<sup>3</sup> of all partnerships established by decision of full council or Executive Board or by officers using their delegated authority<sup>4</sup>.
- 3.3 Directors are asked to seek to ensure that those partnerships which the Council enters into are established having regard to this advisory note and the Toolkit for Partnership Governance<sup>5</sup>.

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<sup>2</sup> Where voluntary sector or faith organisations are partners

<sup>3</sup> The register will be utilised by the Director of Resources to inform the Internal Audit work programme

<sup>4</sup> Limited to decisions notified by Key or Major decision

<sup>5</sup> Available on the Council's intranet site at:

[http://intranet.leeds.gov.uk/Interest\\_Areas/Former\\_Departments/Chief\\_Executives\\_Department/Council\\_and\\_democracy/Corporate\\_governance/Partnership\\_Governance.aspx](http://intranet.leeds.gov.uk/Interest_Areas/Former_Departments/Chief_Executives_Department/Council_and_democracy/Corporate_governance/Partnership_Governance.aspx)