

Agenda Item No:	6	Report No:	103/13
Report Title:	Strategic Partnership Governance		
Report To:	Audit and Standards Committee	Date:	24 June 2013
Ward(s) Affected:	All		
Report By:	Head of Audit and Performance		
Contact Officer(s):	Name(s): David Heath		
	Post Title(s): Head of Audit and Performance		
	Email (s) david.heath@lewes.gov.uk		
	Tel No(s) 01273 484157		

Purpose of Report:

To inform the Audit and Standards Committee of impending changes in the approach to the Strategic Partnership Governance arrangements.

Officers Recommendation(s):

- 1 To receive and consider the report.
-

Reasons for Recommendations

- 1 To inform the Committee of future changes to the Strategic Partnership Governance arrangements arising from the internal audit review of Partnerships.

Information

2 Background

- 2.1 In 2005 the Audit Commission's report "Governing Partnerships: Bridging the Accountability Gap" recognised that partnerships are essential for the delivery of public services. They identified that partnerships:
 - (a) Bring risks as well as opportunities
 - (b) Need sound governance arrangements
 - (c) Need to deliver good value for money so local public bodies should ask searching questions about what partnerships they engage with, and
 - (d) Need clear accountability between partners to produce better accountability for the partnership, including redress when things go wrong.

- 2.2** In 2007 the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives (SOLACE) published, "Delivering Good Governance in Local Government". This set out a framework so that councils could develop their local code of corporate governance. The framework recommends that the local code reflect the requirement to have effective governance arrangements in place for partnerships.
- 2.3** At its April 2008 meeting Cabinet approved the Guidance for Partnership Working. This guidance is in place to ensure that significant Council partnerships are well managed, have sound governance arrangements and deliver planned outcomes to local communities to improve people's quality of life.

3 Audit Review of Strategic Partnerships

- 3.1** The Annual Audit Plan for 2012/13 identified partnerships as key area for audit review. At the March 2013 meeting of the Audit and Standards Committee in the Statement of Internal Audit work and Key Issues the overall opinion and main points of the Partnerships audit were reported as follows:
- (a)** Overall Opinion: From the audit work carried out during this review Internal Audit has obtained substantial assurance that there is a sound governance framework for the Councils' partnerships. Controls are in place, and in most respects there is reasonable compliance with the mandatory guidance.
 - (b)** The document Guidance for Partnership Working is a comprehensive summary of the measures that are required to ensure adequate governance for strategic alliances and partnerships. A register of the Council's Strategic Alliances/Partnerships and Other Partnerships is maintained, and the annual review process provides reasonable safeguards over the Council's involvement in these bodies. Each of the Strategic Alliances/Partnerships, and some of the Other Partnerships, has a Lead Officer and a Lead Councillor representing LDC. The governance arrangements for each of the Strategic Alliances/Partnerships examined by the audit are adequate. However, there are some points that indicate there is scope to strengthen, and perhaps streamline, the ways in which the procedures are operated.
 - (c)** Main Points: The corporate monitoring of partnerships, including the partnership register, annual review questionnaires and a report on partnerships to the Audit and Standards Committee, helps to ensure that there are reasonable records of the key aspects of the strategic partnerships and there is assurance as to their ongoing relevance to the Council. These arrangements represent a significant improvement from the situation noted by the previous audit, but are relatively resource intensive to operate. There is scope to improve the annual review process to provide a greater

focus on governance issues and make the process more streamlined. The planned updating of the Council's Guidance for Partnership Working offers the opportunity to include simple and straightforward information on the governance arrangements that are appropriate for the new types of partnerships that are being entered into by the Council, and on the ways in which external partners are to use the Council's collaborative software, pam.

3.2 The Head of Audit and Performance is currently working on a revised annual review process of strategic partnerships which will be more streamlined and less resource intensive and this will be recommended to Corporate Management Team (CMT). This will also include the updating of the Council's Guidance for Partnership Working and how external partners can use the Council's collaborative software, pam. This work is due to be completed over the summer of 2013.

3.3 Due to the impending changes to the Governance arrangements for partnerships the Head of Audit and Performance will use the review of partnerships which were reported to the June 2012 Audit Committee to provide assurance for the Annual Governance Statement 2012/13. Strategic partnership lead officers have also been asked to confirm whether or not the governance arrangements are working satisfactorily in the partnerships for which they are responsible. All officers have confirmed that governance arrangements are working satisfactorily for the strategic partnerships. This approach has reduced the burden on partnership lead officers and the Head of Audit and Performance to ensure the improvements in governance of partnerships are put into place effectively.

4 Financial Appraisal

4.1 There are no additional financial implications from this report.

5 Risk Management Implications

5.1 Failure to implement improvements to the Council's governance arrangements for strategic partnerships will reduce the likelihood that there is effective governance of each partnership and could attract criticism from the Council's external auditor and the local community. These risks are mitigated by the Head of Audit and Performance reviewing and updating the arrangements and partnership officers implementing them when they have been agreed.

6 Sustainability Implications

6.1 I have not completed the Sustainability Implications Questionnaire as this report is exempt from the requirement because it is a progress report.

7 Equality Screening

- 7.1** I have given due regard to equalities issues and, as this is an internal monitoring report with no key decision, screening for equalities issues is not required.

8 Background Papers

- 8.1** Report on Strategic Partnerships to the 25 June 2012 Audit Committee.
<http://cmispublic.lewes.gov.uk/Public/Binary.ashx?Document=5060>
- 8.2** Interim Report on the Council's Systems of Internal Control 2012/13 to the 18 March 2013 Audit Committee.
<http://cmispublic.lewes.gov.uk/Public/Binary.ashx?Document=6155>