

AUDIT COMMITTEE - 13 MAY 2016

Title of paper:	Partnership Governance Verification of Health Checks	
Director(s)/ Corporate Director(s):	Candida Brudenell, Assistant Chief Executive Nigel Cooke, Director of One Nottingham Colin Monckton, Director of Commissioning, Policy and Insight	Wards affected: All
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Other colleagues who have provided input:	Rob Smith, Internal Audit	
Recommendation(s):		
1	To note the key findings from the verification of the Health Checks of three partnerships on the Register of Significant Partnerships.	

1 REASONS FOR RECOMMENDATIONS

- 1.1 It is recommended that Audit Committee note Sections 2.4 and 2.5 with key findings from the annual verification of the Health Checks of three partnerships from the Register of Significant Partnerships.

2 BACKGROUND

- 2.1 At Audit Committee in February 2016 a report was presented detailing the Health Checks undertaken in autumn 2015. Along with this, the revised Register of Significant Partnerships was shared and the recommended additions and removals were accepted.
- 2.2 Audit Committee agreed that the verification of three partnerships, which takes place on an annual basis, could be presented to the next meeting of Audit Committee which is why this report has been written.
- 2.3 Partnerships are selected for verification on a rolling programme; Appendix One shows the updated schedule to 2020. Partnerships will be subject to verification at least every four years. The partnerships selected for verification this time are:
- Children's Partnership Board
 - Green Nottingham Partnership
 - N2 Skills and Employment Board
- 2.4 **Health Check Scores**
Appendix Two shows the Health Check scores for all Significant Partnerships including those being verified. Below are the points noted from the Health Check self-evaluations of the three partnerships where they have scored anything 3 or 4 ('some key areas for improvement' or 'many key weaknesses'), or 'not applicable'.

- 2.4 i **Children's Partnership Board (CPB)** recorded 'not applicable' for the following:
- Performance Management – The four main themes of the Children and Young People's Plan (CYPP), which the CPB works to support, are reported on quarterly on a rolling basis. The partnership action plan of the CYPP is reported on twice each year (June and December) and an annual activity report is presented to the Local Strategic Partnership, One Nottingham. The reason for the return of 'NA' against this measure is because delivery contracts are monitored by individual organisations' commissioning teams, not by the partnership itself. A recommendation regarding this is included in section 2.5 i.
 - Finance – The Children's Partnership Board holds no budget, therefore the questions around financial management were deemed not applicable by the partnership.
- 2.4 ii **Green Nottingham Partnership** recorded a rating of 4 for the following:
- Finance – This is not in relation to any risks which the partnership has regarding its financial conduct, this was due to the partnership not having a budget, which it was stated 'continues to hold back the partnership' as it 'relies on the good will of partners where any finance is required'. In addition, the officer who has taken minutes for the partnership 'has a different role and will need to be replaced in order to maintain good record keeping'. The financial risk is of the partnership ceasing to exist or being less effective than it could be if a budget was available, rather than risking any funding awarded to the partnership by Nottingham City Council. The question on the Health Check asks if the partnership can monitor its finances appropriately therefore consideration should be given by the partnership as to whether they have policies in place should financing be received.
 - Partnership Risk Management – This directly relates to the financing of the partnership, highlighted above, putting the partnership's existence and effectiveness at risk. We considered that the question had been misunderstood, as we were asking for evidence that risk is monitored, not a rating of the risk itself. As a risk has been identified it implies the partnership is able to identify risk and therefore a score higher than 4 may have been more appropriate.
- 2.4 iii **N2 Skills and Employment Board** scored themselves 2 for each category. The scores given were deemed satisfactory and no recommendations were made relating to reconsideration of the scores themselves.

2.5 Evidence review and recommendations

All partnerships provided documentary evidence and each had a Terms of Reference. Not all partnerships' objectives were SMART, although objectives were evident for each.

2.5 i Children's Partnership Board (CPB)

- CPB identified an issue with lack of continuity of attendees and attendance as a whole due to changes within individual organisations. It is recommended that attendance requirements and expectations could be communicated more clearly. There was no evidence of a requirement for each board member to have a named representative or substitute who can attend in their place; if named substitutes are identified this may assist consistency in attendance and continuity, ensuring organisations do not send multiple representatives to different meetings.
- The Health Check stated that compliments and complaints are handled by the two Chairs; it may be useful to note this in the Terms of Reference or other governance

documentation. It is recommended a procedure is put in place by which any compliments and complaints can be formally recorded.

- There was no evidence of risk analysis or dispute resolution policies; if none exist it is recommended the partnership adopts Nottingham City Council documents and policies for these areas where they exist.
- The Health Check states that delivery contracts are managed by individual organisations' commissioning teams; it is not confirmed that any contracts which help meet the partnership's objectives comply with Nottingham City Council's own contract protocols and requirements. It is recommended this is explored if it is not being done already and recorded for clarity.
- The Health Check included various comments from one of the partners who identified themselves as 'a relatively new member'; the comments were not always helpful and did not add value to the Health Check. It is recommended that comments such as these are included only where they add value, as the comments given on occasion served only to qualify what had already been said and agreed by the Board's Chairs.

2.5 ii **Green Nottingham Partnership** (also known as Green Theme Partnership)

- Several documents for the Green Nottingham Partnership were not provided; this was in part due to a change of administrative support. It is recommended that the partnership has a central location for all relevant documents going forward to ensure any decisions or actions can be referred back to.
- The Terms of Reference for the partnership were written in 2012 and no review date is included. It is recommended that the Terms of Reference should be redrafted, which would be expected if the partnership is reconfigured, and that a review date is included. The Terms of Reference could also include conflict and dispute resolution guidance if these are not already in place.
- The web page for the partnership, linked to One Nottingham's website, was last updated in August 2014; it is recommended the Green Partnership should keep the information up-to-date to ensure stakeholders and members of the public are kept informed of the partnership's work, or the website should be taken down.
- A prioritised Action Plan is being developed, although this is not yet complete; it is recommended that this is quickly completed to determine priority actions.
- The partnership identified its future is at risk due to not receiving any funding and its reliance on the good will of partners. To ensure the partnership's future it may wish to consider sponsorship opportunities or to explore funding possibilities elsewhere.
- The partnership scored itself 1, 'excellent' for membership and structure; this score was not agreed with due to the out of date terms of reference and lack of other up-to-date governance documents. Recommendations above indicate ways to ensure a score of 1 can be met in future.
- The new Head of Energy and Sustainability, with support from the Chair, plans to reconfigure this partnership. Due to the partnership being reconfigured it is recommended that the Green Nottingham Partnership's Health Check should be verified again in the 2016 round to check progress has begun; the schedule in Appendix One has been amended from the version submitted to the last Audit Committee to reflect this recommendation. It is also recommended that the partnership is subject to further verification in two years' time to track progress.

2.5 iii **N2 Skills and Employment Board**

- The Terms of Reference for the Board were very comprehensive but it is recommended that these should include the date on which they were agreed and a review date on which they will next be considered.
- The partnership's website is informative and easy to navigate, but there was no documentation about how compliments and complaints are dealt with or how disputes might be resolved. It is recommended that if no policies exist for complaints or disputes those of Nottingham City Council should be adopted where available.
- A conflict of interest policy is being developed which will strengthen governance of the partnership. It is recommended that this policy is completed and formalised quickly, especially due to the partnership's large representation from private companies whose priorities may differ from those of Nottingham City Council.
- The Health Check referenced that strategy monitoring will assess risk and take necessary action, but no evidence was provided as to how this would happen and any process through which risks would be assessed or communicated. It is recommended that plans are formalised for assessing risk and how this will be documented and reported to partners.

2.6 When Health Check templates are circulated in autumn 2016 for completion, they will be accompanied by a recommended 'checklist' of documents which partnerships should have and might wish to consider having in place to ensure good governance. The list of documents will be taken from the Partnership Governance Framework, the Health Check questions and previous good examples of evidence provided from partnerships.

2.7 **Looking Ahead**

The recommendations have been communicated to the partnerships; if agreed by Audit Committee the Green Theme Partnership will be told it will be verified again at the end of 2016. In the report to Audit Committee in autumn 2016 we will confirm that any recommendations have been implemented and where any additional evidence has been supplied to confirm requirements are already being met.

2.8 With the potential changes ongoing public sector reform would bring, combined with the funding challenges facing local authorities and other agencies it is likely the partnership landscape will change significantly over the next few years. As this year, any new and emerging partnerships will be considered for inclusion on the register of significant partnerships and the validity of partnerships currently on the register will be evaluated. The verification timetable in Appendix One will be amended should any new partnerships be added to the Register of Significant Partnerships to ensure their Health Check and relevant documents are thoroughly checked within two or three years of them being added.

3 BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING EXEMPT OR CONFIDENTIAL INFORMATION

3.1 None.

4 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

4.1 Partnership Governance Framework, approved by the Executive Board Commissioning Sub Committee on 13 May 2009.

**Appendix One
Schedule for Verifying Health Checks to 2020**

No.	Name of Partnership	2013	2014	2015 (May 2016 Audit C'ttee)	2016	2017	2018	2019	2020
1	One Nottingham	Completed				Scheduled			Scheduled
2	Children's Partnership Board			Scheduled				Scheduled	
3	Derby, Derbyshire, Nottingham, Nottinghamshire Local Enterprise Partnership (D2N2 LEP)				Scheduled			Scheduled	
4	Greater Nottingham Transport Partnership		Completed			Scheduled			
5	Green Nottingham Partnership			Scheduled	Re-verification		Scheduled		
6	Health and Wellbeing Board		Completed				Scheduled		
7	N2 Skills and Employment Board			Scheduled				Scheduled	
8	Nottingham Crime and Drugs Partnership		Completed				Scheduled		
9	Education Improvement Board				Scheduled				Scheduled
10	Safeguarding Children Board				Scheduled				Scheduled
11	Safeguarding Adults Board					Scheduled			

Appendix Two
Health check scores autumn 2015

	Partnerships	Aims and objectives	Membership and structure	Decision making and accountability	Performance management	Evaluation and review	Equalities	Finance	Partnership Risk Management
1.	One Nottingham	1	1	2	1	2	1	2	2
2.	Children's Partnership Board	1-2	1-2	1-2	N/A	1	1	N/A	1
3.	D2N2 Local Enterprise Partnership	1	1	1	2	2	2	1	3
4.	Greater Nottingham Transport Partnership	1	2	1	1	2	1	2	2
5.	Green Nottingham Partnership	2	1	2	2	2	1	4	4
6.	Health & Wellbeing Board	2	2	2	2	2	2	2	2
7.	N2 Skills and Employment Board	2	2	2	2	2	2	2	2
8.	Crime and Drugs Partnership	2	1	2	1	2	1	1	1
9.	Education Improvement Board	2	2	2	3	3	2	2	2
10.	Safeguarding Children Board	2	2	2	2	2	2	2	3
11.	Safeguarding Adults Board	2	2	2	2	2	2	2	3