

AUDIT COMMITTEE – 30th November 2018

Title of paper:	Partnership Governance Annual Health Checks of Nottingham City Council's Significant Partnerships	
Director(s)/ Corporate Director(s):	Colin Monckton, Director of Strategy and Policy James Rhodes, Head of Analysis and Insight	Wards affected: All
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Other colleagues who have provided input:	Steve Hales, Internal Audit	
Recommendation(s):		
1	To note the key findings from the Partnership Governance Health Checks and Register of Significant Partnerships.	
2	To note the findings and recommendations following verification of governance documentation of four of the partnerships.	

1 REASONS FOR RECOMMENDATIONS

- 1.1 It is recommended that Audit Committee note Sections 2.6 and 2.7 detailing the key findings of the annual partnership governance Health Checks. The vast majority of partnerships scored 'good/excellent' in all areas. Two of these Health Checks, and the governance documents referenced in them, have been verified by colleagues from Corporate Policy and Performance and Internal Audit. There are only two partnerships being verified this year as one of the partnerships due to be verified has ceased to operate. The findings of all verifications can be found in Appendix 4.
- 1.2 Audit Committee is asked to note the removal of N2 Skills and Employment Board (N2 SEB) from the Register of Significant Partnerships as this partnership has ceased to operate. It should be noted that last year Audit Committee accepted the recommendation that the partnership's self-assessment score for 'Partnership Risk Management' should be changed from 2 'good', to 3 'some key areas for improvement', as no funding had been identified for the partnership to continue after March 2018. An updated register is included in Appendix 1.

2 BACKGROUND

- 2.1 The Council has a long and successful history of working in partnership across the public, private, voluntary and third sectors. The benefits and opportunities of working in partnership are well understood but risks can arise from collaborative working and the Council must ensure that its involvement in partnerships does not expose it to an unacceptable level of risk.
- 2.2 The Partnership Governance Framework includes an annual 'Health Check' of each partnership which is significant to the City Council in terms of strategic, reputational or financial importance. This Health Check is designed to identify any risks to the Council from its involvement in any of the partnerships. The results of these Health Checks are reported to Audit Committee along with remedial actions that are needed to protect the Council from an unacceptable level of risk.

- 2.3 The partnerships that are deemed significant to the Council in terms of their strategic, reputational or financial importance are listed in the Register of Significant Partnerships. Any changes to the register are reported to Audit Committee annually.
- 2.4 **Health Checks**
Each partnership on the Register of Significant Partnerships is asked to complete an annual self-assessment of the 'health' of the partnership's governance, giving a score as to how well they meet the criteria. The scores from the Health Checks undertaken in 2018 are provided in Appendix 2.
- 2.5 As requested last year by the former Chair of Audit Committee, a new section was added to the Health Check questionnaire following the introduction of the General Data Protection Regulation (GDPR) which was introduced on 25th May 2018. The scores for this are included in the table in Appendix 2.
- 2.6 As Appendix 2 shows, the majority of partnerships scored themselves 'Excellent' or 'Good' (1 or 2) in all areas. We reviewed the supporting information and agreed with the majority of scores. Where any scores were disputed for partnerships subject to verification this year, an explanation is detailed in Appendix 4. For partnerships which were not verified this year, an explanation of any disputed scores is below.
- 2.7 This report draws Audit Committee's attention to partnerships with a rating of 3 (some key areas for improvement) or 4 (many key weaknesses) in one or more areas. In 2018 the following partnerships scored themselves 3 or 4:
- 2.7.i The Nottingham City Safeguarding Children Board (NCSCB) scored itself 3 (some key areas for improvement) for 'Finance' stating that there continues to be a "significant pressure" on the proposed budget for the Safeguarding Boards for 2018/19, and that there will be again for 2019/20. The NCSCB expressed the same concerns in 2017. The majority of partnerships, alongside local authorities themselves, will be affected by pressure on budgets; this fact could therefore result in a similar score across the majority of the Council's partnerships. We are reassured that the NCSCB confirms again this year that its partners have set a budget that "enabled the Board to deliver on its Business Plan". Last year we recommended the score be amended to 2, however following publication of Working Together to Safeguard Children in 2018 the NCSCB will cease and will be replaced by a Strategic Management Board from 1st April 2019. Due to changes in working practice, including sharing of safeguarding responsibilities between a tri-partite of the local authority, the Clinical Commissioning Group (CCG) and the Police, we recommend accepting a score of 3 during the period of transition with further review in 2019 once the changes have been implemented.
- 2.8 This report draws Audit Committee's attention to partnerships where we did not have sufficient evidence to support the scores they had awarded themselves:
- 2.8.i The Green Nottingham Partnership scored itself 2 for all sections in the health check except for 'decision making and accountability', 'finance' and 'GDPR', for which it entered no scores. The lack of score for 'finance' is accepted as it receives no funding, however we would expect to see a score recorded for 'decision making and accountability' and 'GDPR'. Additionally several of the documents they referenced in their health check, including a new sustainability plan and the risk register, are still in development. Whilst there are no specific concerns about the partnership's practices, due to the documents being incomplete it is difficult to accept the assessment that

practice is 'good' as the documents have not been finalised, agreed by the board or implemented. The Green Nottingham Partnership is scheduled for re-verification in 2019, which Audit Committee accepted as a recommendation last year; we would recommend this re-verification goes ahead as planned based on the responses and lack of scores given in their health check for this year. This will also afford us the option of examining the documents which are currently being developed.

2.10 As above, comments on the self-assessment scores of those partnerships whose documents were verified this year can be found in Appendix 4.

2.11 **Verification of governance documents**

Usually the Health Checks of three of the partnerships are verified each year on a rolling programme. Officers from Corporate Policy and Performance and Internal Audit evaluate the partnerships' governance documents and other documentation noted in their Health Check. As stated in point 1.2, due to the N2 Skills and Employment Board no longer operating there are only two partnerships being verified in 2018. This is due to us not being notified about the partnership's end until this process was in progress, leaving us too little time to ask another partnership to source and collate the documents needed. The recommendations from the verification process can be found in Appendix 4. This year the partnerships which were verified were:

2.11.i Crime and Drugs Partnership (CDP)

2.11.ii Midlands Engine

2.12 Following verification and subsequent re-verification of governance documents relating to the Green Nottingham Partnership for three consecutive cycles from 2015 – 2017, Audit Committee noted improvements. The Committee agreed not to re-verify the Green Nottingham Partnership's documents in 2018 to allow further time for improvements to be embedded. The Green Nottingham Partnership will be verified again in 2019.

2.13 The previous schedule for verifying partnerships has been amended this year due to the removal of the N2 Skills and Employment Board. A new schedule for verification is included in Appendix 5.

2.14 **Register of Significant Partnerships**

No partnerships have been added to the Register of Significant Partnerships in 2018. The N2 Skills and Employment Board has been removed from the register. An updated register is included in Appendix 1.

2.15 **Additions for next year**

We have no recommendations for partnerships which should be added to the register for next year. If a partnership is found to meet the criteria for addition to the register before the process begins next year, a request will be sent to the Chair of Audit Committee.

2.16 **Looking Ahead**

With the potential changes which may occur as a result of changes to ward boundaries and parliamentary constituencies along with the UK's exit from the European Union, combined with the funding challenges facing local authorities, it is likely the partnership landscape will change significantly over the next few years. 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 on an annual basis.

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.