

## Appendix 2

# Partnership Governance Toolkit

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# Contents

	<b>Page No</b>
<b>1 Introduction and Context</b>	
1.1 Introduction	3
1.2 Purpose of the Partnership Toolkit	3
1.3 Partnership Governance Toolkit Flowchart	4
<b>2 Creating and Joining New Partnerships</b>	
2.1 When is a Partnership Appropriate?	5
2.2 Defining and Assessing Partnership Significance	5
2.2.1 Defining Partnerships	5
2.2.2 Assessing Partnership Significance	6
2.3 Procedures for Creating or Joining New Partnerships	6
2.4 Roles Supporting the Implementation of the Toolkit	7
2.5 Partnership Agreements	8
<b>3 Performance Management</b>	
3.1 Performance Measurement	9
3.2 Partnership Assessment including “Annual Health Check”	10
3.3 Risk Management	11
3.4 Resource Management	12
3.4.1 Accountable Bodies Status	12
3.4.2 Making provision for tax payment and VAT	13
3.4.3. Pooled Budgets	13
3.4.4 Grant Funding	14
3.4.5 Retention of Grant Funding Records	15
3.4.6 Apportionment of Losses	15
3.4.7 Indirect Costs	15
3.4.8 Partners Contribution to the Partnership	15
3.4.9 Strategic Human Resources and Service Level Agreements	16
3.4.10 Sustainability	16
3.4.11 Audit Arrangements	16
3.4.12 Contracting	16
3.5 Decision Making, Conflict of Interest and Dispute Resolution	16
3.5.1 Decision Making	16
3.5.2 Dealing with Conflicts of Interest	17
3.5.3 Dispute Resolution	18
3.5.4 Business Continuity	19
3.6 Ending and Exiting Partnerships	19
<b>4 Safeguarding, Information Sharing and Communication</b>	
4.1. Safeguarding in the Community	21

4.2	Information Sharing and Communication	21
4.2.1	What to consider when developing an information sharing agreement?	22
4.2.2	Communication Plans	22
4.2.3	Freedom of Information Requests	22
4.2.4	Welsh Language Scheme and Welsh Language Guide	22
<b>5</b>	<b>Partnership Complaints</b>	<b>23</b>
<b>6</b>	<b>Partnerships in Denbighshire</b>	<b>24</b>
<b>7</b>	<b>Feedback and Comments</b>	<b>25</b>
<b>8</b>	<b>Appendices</b>	
Appendix 1	Partnership significance assessment score card	27
Appendix 2	Partnership business case checklist	28
Plus:	Additional Information – Toolkit Guidance Notes and Templates ( <b>separate document</b> )	

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# 1. Introduction

## 1.1 Background

Organisations in Denbighshire have a long history of developing partnerships both within and outside the County. Partnerships can bring significant benefits and can respond to complex problems that face communities, which cannot be tackled effectively by any individual organisation working alone. They can provide flexibility, innovation, additional financial and human resource to help solve problems and deliver shared outcomes.

Nonetheless, partnership working is not easy and can carry great risks. Working across organisational and geographic boundaries can bring complexity and ambiguity that can generate confusion and weaken accountability.

The key to successful partnership working involves the establishment of good governance; the introduction of clear and consistent partnership arrangements can reduce the complexity of working in partnerships, which are becoming increasingly important in the delivery of public services.

The toolkit has been developed by the Partnership and Communities Team within Denbighshire, agreed by the Corporate Governance Committee. It has been created to guide members and officers in identifying principles of good governance and good practice in achieving internal and external accountability within partnerships. This allows partners to see key principles and quality standards that we are committing to, and how we are putting partnership and co-operation at the heart of the County Council.

This document does not relate to collaborations that the council is involved in; there is separate and definitive information available for collaboration work for the council.

## 1.2 Purpose of the Partnership Governance Toolkit and accompanying Guidance Notes and Templates Documentation

It is important to review and assess partnerships regularly to make sure they offer value for money and intended outcomes are achieved. The purpose of the Toolkit, including accompanying Guidance Notes and Templates documentation, is to help us with our partners to identify all the partnerships we are involved with and to have good governance arrangements. Guidance includes tools and templates that can be used at each stage in the life of a partnership, from considering the introduction of new partnerships, reviewing existing partnership arrangements, to exiting partnerships. The documentation will assist in identifying any potential problems. To ensure the toolkit remains relevant, it will be reviewed and updated where necessary.

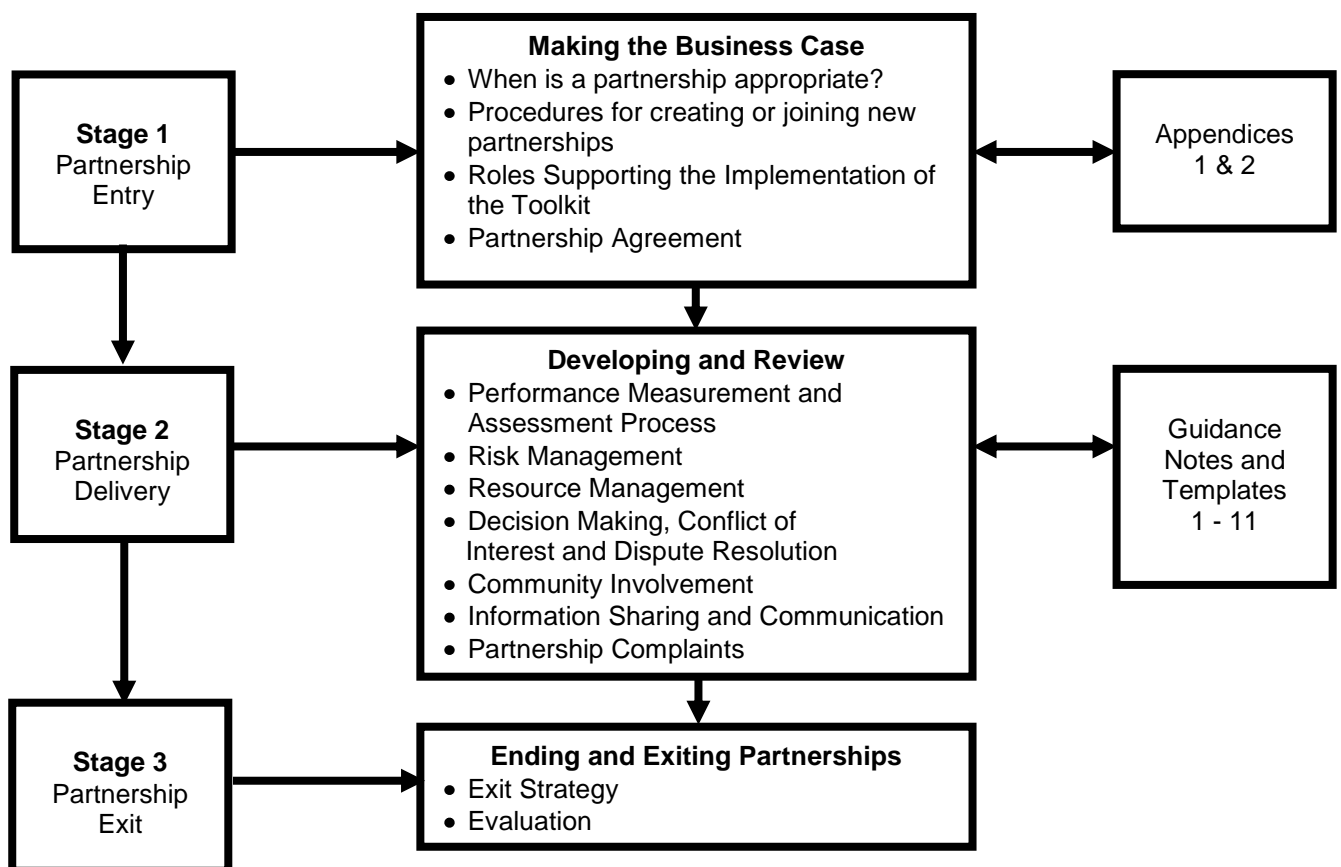
It is essential for the Toolkit to be applied to partnerships that are assessed using the **Partnership Significance Scorecard (Appendix 1)** as being of “major” or “moderate” significance. It should be used as appropriate for “minor” partnerships. Excellent performance flows from good governance and all members of a partnership should

conform to codes for the overall good of those involved. The toolkit ensures that for each partnership we can:

- Be clear about the partnerships' purpose, duties and expected outcomes when entering into partnerships.
- Clarify that partners own agreed objectives and priorities are being met.
- Be clear about accountability and responsibility for outcomes.
- Generate reliable financial, performance and risk assessments to inform decision making.
- Review and evaluate success and further challenge progress and improved governance.
- Ensure partnerships maintain a relevance to their agreed purpose over time and have in place an effective exit strategy.
- Demonstrate they are achieving added value and value for money.
- Ensure community involvement influences the way services are designed and delivered.
- Take hard decisions to scale down involvement in partnerships if the cost outweighs the benefits, or if the added risk cannot be managed properly.

### 1.3 Partnership Governance Toolkit Flowchart

Purpose: To present a pictorial overview of the main elements and stages of the toolkit.



## 2. Creating and Joining New Partnerships

### 2.1 When is a Partnership Appropriate?

Officers and elected members of the County Council have access to the toolkit; it is also shared with partners and prospective parties to make sure that guidance and procedures are understood and the need for them is accepted. It is important to ensure when considering the formation or joining of an existing partnership arrangement that it is the best approach. Partnerships can be costly and time consuming and are not the answer to solve every problem. Other ways of working must be assessed to determine if a partnership arrangement is the most appropriate one; for example, the establishment of a formal joint working protocol between individual organisations; time-limited task and finish groups; joint ventures; joint commissioning arrangements and so on.

Decisions on entering a partnership should be based on a sound understanding of the risk and challenges, as well as the anticipated benefits. Some partnerships are statutory. Partnership arrangements are appropriate when they have the potential to deliver:

- Co-ordinated packages of services to individuals.
- To bid for or gain access to new resources – in cases where large funds are not available to single organisations.
- To meet statutory requirements.
- To reduce the impact of organisational fragmentation and reduce duplication.
- Added value – achieving something more than an organisation could do by working alone.
- Value for money – when available resources are used economically, efficiently and effectively.

### 2.2 Defining and Assessing Partnerships Significance

**2.2.1 Defining Partnerships** - The word *partnership* is used with increasing frequency in the public, private and voluntary sectors and can mean different things to different people. The council's definition has been adapted from definitions used by the Audit Commission.

In the context of this toolkit, a partnership is a joint working arrangement, which is not governed by the Partnership Act – and where the partners:

- Are otherwise independent bodies.
- Agree to co-operate to achieve common goals and outcomes for the community.
- Create a new organisational structure with agreed processes and procedures to achieve goals and outcomes, separate from their own organisation.
- Plan and implement a jointly agreed programme, often with joint staff and resources.
- Share accountability, information, risks and rewards.

Partnerships are now forming a larger part of the way in which Denbighshire County Council seeks to procure and deliver services. The nature of these partnerships and the manner in which partners are selected is diverse; however they will each have similar characteristics. Some partnerships are more significant than others – in terms of the outcomes they seek to deliver, their profile / reputation and the resources that are put into them. The council is not always the accountable body for its significant partnerships.

“Partnering” describes the creation of sustainable, collaborative relationships with suppliers in the public, private, social enterprise and voluntary sectors to deliver services, carry out projects or acquire supplies and equipment. The benefits of the partnering approach include better designed solutions, integration of services for customers, access to new and scarce skills, economies of scale and scope, investment and community benefits including jobs and local economic effects.

A directory of current partnerships is maintained by the Partnership and Communities Team, and is available on the council’s Working Document Store.

### **2.2.2 Assessing Partnerships Significance**

Some partnerships are more significant than others, in terms of the outcomes they want to deliver, their profile, reputation and the resources invested. The definition of a significant partnership can be assessed through the **Partnership Significance Assessment Scorecard (Appendix 1)**.

Whilst partnerships can vary in size and scope and are described in many ways, it is critical to understand the partnerships importance to partners operations and the legal, financial and reputation risks that they present. The significance scorecard uses a number of key characteristics to facilitate this assessment.

The level of significance attributed to a partnership will determine the level of formality required in its governance structure.

Using a tiered approach to partnerships will enable senior management involvement and scrutiny to be proportionate to the significance and the risks of the partnership.

### **2.3 Procedures for Joining or Creating New Partnerships**

To establish a new or enter an existing partnership arrangement, those exercising power on behalf of their organisations will need to produce a report to demonstrate the business case for the partnership.

The sponsoring partner’s lead officers will produce a report that incorporates the completed Partnership Significance Scorecard at **Appendix 1** and the responses to the key set of questions included within the Partnership Business Case Checklist

**(Appendix 2).** The business case for partnerships of “Major” and “Moderate” significance will need to be submitted to the:

- 1) Business Planning and Performance Service for their use in collating a relevant and up-to-date Partnership Register.
- 2) Executive group / team of each partner organisation to provide their strategic overview of the partnership proposal and their organisation’s approval to commit to the partnership in accordance with the appropriate internal decision making process.

As part of this process it is advised that before any partnership is entered into, the report must be submitted to the organisation’s professional leads for Insurance, Financial Services, Legal Services, Audit and Procurement Services for comments.

The report may need to be submitted to Denbighshire County Council’s Business, Planning and Performance Service for their approval i.e. instances where the authority is acting as an “Accountable Body” on behalf of the partnership or where the partnership may be undertaking collective decisions, pooling resources.

Any elected member who is approached or wishes to become involved in a partnership should discuss the matter and the extent of their involvement with their group leader. The group leader may wish to discuss the partnership and aspects of work with the Head of Business Planning and Performance. The elected member should only accept or become involved after receiving approval. Cabinet or full Council may need to approve nominations for elected members.

## **2.4 Roles Supporting the Implementation of the Toolkit**

If the business case for the partnership is supported, an appropriate manager will be nominated as the **“Partnership Co-ordinator”** whose roles will be to:

- Oversee the development of the partnership governance arrangements, ensuring that the guidance, tools and templates included within the partnership toolkit are applied. This will culminate in the production of a Partnership Agreement. See **Guidance Notes and Templates document: GNT 1** for a Template Partnership Agreement.
- Oversee partnership assessments.
- Review partnership assessment findings and make formal recommendations, which should be summaries within a report and submitted to the organisation’s Board.
- Action any recommendations arising from partnership assessments.
- Action any points arising from decisions taken by the organisation’s Board.
- Maintain and update the partnerships action plan. See **Guidance Notes and Templates document: GNT 3** for template partnership action plan.
- Review performance against agreed procedures and targets and produce regular highlight reports to be submitted to the partnership Board. See **Guidance Notes and Templates document GNT 4** for template highlight report.



- Be responsible for maintaining a central partnership risk register on behalf of the partnership. See **Guidance Notes and Templates document GNT 2** for partnership risk management good practice guide, risk identification checklist and template risk register.
- Identify any learning and development requirements.
- Ensure organisations benefit from learning and development.

The Conwy and Denbighshire Joint Local Service Board, Head of Business Planning and Performance and the Partnership Scrutiny Committee all play a role in the implementation of the toolkit:

- The Joint Conwy and Denbighshire Local Service Board's (JLSB) role is to strengthen collaborative leadership at the local level, take responsibility for a number of change projects and ensure the local partnership framework is delivering effectively. As part of its role the JLSB will support partnerships to problem solve key issues.
- The Head of Business Planning and Performance will be responsible for supporting the Conwy and Denbighshire Joint Local Service Board, promoting and co-ordinating effective partnership working in Denbighshire and ensuring partnerships contribute towards the successful delivery of the BIG Plan. The Head of Service may ensure that good practice within the Partnership Governance Toolkit for Denbighshire is applied, and will promote and support partnerships to put appropriate governance arrangements in place.

## 2.5 Partnership Agreements

For new and existing partnerships their governance arrangements will need to be incorporated within a suitable form of Partnership Agreement, which makes clear:

- The aims, principles and outcomes that the partnership is responsible for achieving.
- Roles and accountabilities of each of the partners represented on the partnership.
- Procedures under which the partnership will operate.

The responses to the partnership business case checklist (**Appendix 2**) can be used to develop new or reviewing existing partnerships agreements.

The specific elements that need to be included in the agreement are highlighted in the template at **Guidance Notes and Templates document: GNT1**, which can be changed to suit any circumstance, but **no sections should be omitted**.

The formality and complexity of the agreement will be dependant of the significance of the partnership. For all significant partnerships legal advice should be sought to clarify if there should be a legally binding agreement in place.

It is advised that the **Section 151 Officer for Denbighshire** is contacted in the development stages of a partnership to assist in the establishment of an appropriate partnership agreement.

The Head of Legal and Financial Services of **each partner** must advise on the Partnership Agreement before they are formally agreed.

### 3. Performance Management

Partnership members must agree how they will manage performance. Performance Management is a continuous cycle, which will enable partnerships to measure and manage performance in order to inform decisions, learn and drive improvement.

In particular, through measuring performance, managing risks and resources, partnerships can take informed decisions in response to actual performance and make the outcomes for the people who use our services and the community, better than they would otherwise be.

Performance Management helps to:

- Prioritise what actions need to get done and ensure there are sufficient resources to do it.
- Tell us if the actions undertaken meet the objectives set.
- Motivate and manage staff.
- Identify and rectify poor performance at an early stage.
- Learn from past performance and improve future performance.
- Increase user and community satisfaction.
- Provide value for money.

#### 3.1 Performance Measurement

Measuring partnership performance is increasingly important and challenging. It involves partnerships identifying meaningful and measurable objectives and outcomes, monitoring and reviewing progress and identifying opportunities for improvement.

The framework for measuring performance is as follows:

- 1) Establish partnership priority themes and their links to organisational corporate plans, the BIG Plan and the Community Engagement Strategy.
- 2) Select appropriate objectives and outcomes, which are **Specific, Measurable Achievable Realistic and Time based**
- 3) Develop an action plan to deliver partnership objectives – **Guidance Notes and Templates GNT 3** provides a template Partnership Action Plan.
- 4) Regularly monitor and review progress and consider alternative actions if necessary. It is important to set regular dates for these reviews and to ensure that the information is collected and acted upon. **Guidance Notes and Templates**

**GNT 4** provides a highlight report template to monitor progress.

The Partnership may wish to consider the following questions:

- What are the partnerships outcomes?
- How have things changed as a result of the partnership?
- What has been done differently as a result?
- What working practices have changed?
- Has the partnership and its members developed and agreed joint performance and outcome measures?

### **3.2 Partnership Assessment: “An Annual Health Check”**

Understanding the many complex issues and relationships between partners is critical to ascertain how well the partnership develops and moves forward. It is crucial that partnerships undertake an assessment (on a minimum annual basis) of their partnership working to:

- Help newly formed partnerships establish a healthy partnership.
- Enable established partnerships to take stock of the **effectiveness** of the process of partnership working.
- For partnerships which are experiencing difficulties to identify areas for improvement.

**Guidance Notes and Templates GNT 11** provides a link to a simple and effective developmental tool which partnerships could use to undertake partnership assessments. The tool is based on six partnership principles, which form the building blocks of successful partnerships<sup>1</sup>.

The purpose of the tool is to ascertain from partners how they feel that these building blocks are in place. It can highlight areas of consensus and conflict to be explored, allowing partners to discuss the meaning and relative importance of their responses.

It is the responsibility of the nominated “Partnership Co-ordinator”, supported by the partnership members to undertake a self-assessment on a minimum annual basis. The partnership should consider whether peer assessment could be undertaken as an alternative to self-assessment.

Additionally an annual check will be required to assess the **safeguarding practice** that is in place within the Partnership. The assessment should include what steps are taken to quality assure safe employment practice and safe service delivery. **Completion of an annual self-assessment of safeguarding arrangements is essential. See Section 4.1.**

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<sup>1</sup> Office of the Deputy Prime Minister, *Assessing Strategic Partnerships - The Partnership Assessment Tool*, 2003.

### 3.3 Risk Management

Good risk management is a key tool in delivering successful partnerships. Partnerships should achieve a common understanding of the potential risk associated with achieving partnership objectives, their relative seriousness and how they can be managed. Partnership working is often about accepting higher risks and sharing risks as part of developing new ways of working. This needs to be balanced against the organisations acceptable levels of risk.

Partnership Boards should ensure that effective risk assessments are undertaken in all key decision making processes, and where necessary, the partnership implements risk management plans to alleviate these identified risks, setting clear deadlines and allocating responsible individuals for particular tasks. Partners should be satisfied that decisions taken in relation to risks are acceptable.

To ensure risk management is embedded within partnership arrangements, the toolkit requires the following proposals to be addressed:

1. The process of risk identification should include a joint exercise with partners or prospective partners to identify partnership risks. The risks identified initially should be included in the business case for new partnerships and should be transferred to a risk register. Consideration for the joint exercise should include:
  - How the interests of the authority are protected. What are perceived risks?  
**Significant risks must be identified for the authority and must form part of the appropriate Service or Corporate Risk Register dependent upon the significance of the risk.**
  - What potential conflicts of interest have been identified? What are perceived risks? Again these must be highlighted and if necessary, must form part of the appropriate Service or Corporate Risk Register.
  - How is the partnership viable? What are perceived risks?
  - What procedures are in place? What are perceived risks?
  - What details of corporate governance are in place? What are perceived risks?
  - How are the risks managed? What are perceived risks?
  - What financial management arrangements are in place? What are perceived risks?
  - What are the details of the exit strategy? What are perceived risks?
2. The Partnership Co-ordinator should be responsible for maintaining a central partnership risk register on behalf of the partnership detailing the points above and identifying “owners” of any risk. **Guidance Notes and Templates GNT 2** provides a good practice guide, risk identification checklist and template partnership risk register.
3. Action plans should be developed for all “high” risks identified above the partnerships threshold. A named person(s) should be nominated to act as the lead for each identified risk and co-ordinate the response to the various actions identified. A risk should be managed by the person / group best able to manage and influence the risk.

4. The partnership should identify when, and in which format, the shared risk assessment and risk register will be monitored and reviewed, and by whom. This is to ensure it can be completed and reviewed in a timely manner by relevant agencies and partners.

It is important to note that as part of risk management, insurance is one way of transferring the level of risk. **Guidance Notes and Templates GNT 5** details a number of areas where insurance decisions may need to be taken by the partnership.

Further information and guidance on risk management and insurance should be obtained by the partner organisations risk management and insurance officers. Alternatively Denbighshire's Corporate Improvement Team is responsible for ensuring that an appropriate risk management framework is in place for the council, fit for purpose and is implemented consistently across the council. This team is responsible for the ongoing development and co-ordination of this risk management framework and for the consolidation of risk management information and may be contacted for advice regarding partnership risks.

### **3.4 Resource Management**

Increasingly, partners are redirecting mainstream resources and activity to meet partnership objectives. Effective stewardship of public resources is as important in partnerships as in corporate organisations, where numerous controls and constraints promote accountability and prevent fraud and mismanagement.

The principal partnership priorities in resource management are:

- Establishing adequate systems for financial control and monitoring within and between partnerships.
- Setting strategic direction based on community needs, ensuring availability of resources doesn't drive the agenda. (Short-term, complex government funding regimes, with tight decision-making timescales and pressure to spend grants quickly, can hamper strategic, long-term approaches to funding)
- Ensuring that there are sufficient financial, human and physical resources to enable the partnership to operate effectively.

To ensure financial management is embedded within partnership arrangements the following should be addressed:

#### **3.4.1 Accountable Bodies Status**

In instances whereby a partnership is accessing external funding, a partner may be nominated as an Accountable Body, with responsibility for acting as the banker / financial manager of the funding and main contact with the funding body.

The Accountable Body's role is to act on the partnership's decisions. For example, it will secure and sign contracts or service level agreements and funds. The role involves:

- Administering and taking responsibility for the funding (e.g. ensuring structured financing procedures are in place).
- Providing resources (e.g. staff, facilities) to carry out the financial obligations of the partnership.
- Ensuring that the grant allocated is spent according to the agreed plan.
- Establish and maintain effective systems for auditing and monitoring expenditure.

To safeguard the position of the organisation and to minimise the risk inherent in Accountable Body status, the organisation will carry out an evaluation of systems and procedures to ensure that the partnership is meeting the requirements as laid down by the funding body and the organisation.

The financial responsibilities of the partnership should be executed in accordance with the guidance of the funding body and within the host organisation's financial requirements, for example Contracts and Standing Orders or Financial Regulations. Regular reports detailing expenditure and income should be provided to the relevant partnership board.

In cases where the council has the Accountable Bodies status, it will be the responsibility of the Section 151 Officer to authorise interim and financial grant claims on behalf of partnerships. It is an obligation that all members of the partnership act in accordance with the guidance of the grant giving body.

### **3.4.2 Making provision for tax payments and VAT**

VAT is a very complicated area and advice must be sought prior to the partners entering into any contracts, agreements or other obligations to enable the partnership to be structured in a tax efficient manner. Where partnerships involve organisations other than Local Authorities, it is possible that it may be unable to recover some or all of the VAT on its expenditure.

The VAT liability of any transactions between partners must also be considered. Without proper adherence to VAT legislation the partnership may find that its funding is less than expected and if VAT rules are not followed, interest and other penalties may have to be paid.

### **3.4.3 Pooled Budgets**

Pooled budgets are the clearest example of integration between separate organisations and most clearly illustrate the balance between risks and benefits in partnerships. They have the potential to bring significant benefits, in terms of greater clarity of purpose, increased resources and better services. However, working in partnership can carry risks. These risks require careful management to realise the anticipated benefits and this is achieved through the pooled fund arrangements.

A pooled budget is a mechanism by which the parties to the agreement each contribute to the delivery of the outcomes required by creating a discrete fund.

The host to the pooled budget arrangement will need to prepare a schedule of accounts, which shows the pattern of the budget's income and expenditure, and sends it to each of the partners for inclusion in their own statements of accounts. The role of the host does not confer any additional risks to an organisation; participating organisations share these risks. Agreeing the pooled budget schedule is important precisely because accountability remains with organisations that are not in charge of the day-to-day management of the budget. The identification of resources that each partner will contribute to the pool is a key element in establishing a pooled fund arrangement and finance leads should agree the framework for financial contributions. Further information on pooled budgets for the council may be obtained from the County Council's Constitution (made under the Local Government Act 2000 (last amended October 2011)).

The Welsh Assembly Government have produced a series of advice notes which describe how to set up and manage pooling arrangements to support cross sector partnerships that may be established. The advice note provides guidance on how to utilise the flexibilities provided for in National Health Service (Wales) Act 2006 and can be found using the following link:

[Link to National Health Service \(Wales\) Act 2006.](#)

### **3.4.4 Grant Funding**

Grants often form the main funding for partnerships. The terms and conditions of those grants, including document retention, must be clear. All funding should be identified, responsibilities allocated and conditions of grant established. Partnerships need to establish the following and consider the implications:

- If the grant is not spent in time-scale, do the funds have to be returned?
- If the grant is of a capital nature, are there any ongoing revenue liabilities for the partners?
- If a service needs to continue beyond the grant funding period, does it need to be mainstreamed? (in such cases, there is the possibility that partners should be consulted in advance).
- The partnership agreement should reflect the requirement that partners provide information required to comply with the grant terms and conditions.
- An exit strategy should be developed if grant funding ceases and options for mainstreaming of the service is not possible.

### 3.4.5 Retention of grant funding records

It is important to note that the period of retention for grant funding records may be affected not only by the rules of the Accountable Body, but also by the funding body; the requirement needs to be built into the partnership agreement. **Guidance Notes and Templates GNT 6** provides a template file index of the type of information that should be retained in relation to any grant funding received by the partnership.

### 3.4.6 Apportionment of losses

Whilst losses are not anticipated, they may occur, especially in the early start up period of a new venture. To avoid any disputes the basis of sharing losses should be agreed in advance. The same principle will also apply to growth pressures.

### 3.4.7 Indirect costs

Whilst recovery of direct or incremental costs associated with the partnership is rarely controversial (provided funding and reimbursement principles are agreed in advance) the situation regarding indirect costs is not always clear. These can be considered as a share of pre-existing costs such as accommodation or supervision or central support costs such as finance or personnel. Should the partnership wish to reimburse such costs there are a number of ways that these can be recovered and the partnership agreement should define what is acceptable.

### 3.4.8 Partners Contribution to the Partnership

Each Partner organisation will agree a level of contribution through discussions for the fulfilment of the aims of the partnership arrangement.

Partner organisations must resource the new arrangement in a way that will provide stability and the ability to plan for the medium-term, so that the partnership has a proper chance to succeed and continue to produce outcomes.

The following terms will be agreed before commencement and only adjusted each year as necessary:

- How much each partner will contribute each year?
- How much variation from year to year will be acceptable to the partners?
- How much variation in a year is acceptable?
- How the partners will require the budget to be managed?
- How developments would be funded?
- How under and overspends will be dealt with?
- How inflation will be managed?
- Monitoring arrangements in terms of the nature, timing and recipients of the service



- Details of the agreements that the partner organisations enter into for the delivery of services.
- Resources such as accommodation, information systems, goods and services will need to be agreed between the partner organisations and appropriate recharges negotiated.

### **3.4.9 Strategic Human Resources and Service Level Agreements**

When employing staff in partnerships, there are many issues that need to be considered. It is therefore essential that Human Resource specialists (within Denbighshire, Strategic HR officers) are consulted from the outset. It is particularly important to have clarity over the recruitment and induction process, employment contracts and line management responsibilities.

Should support services be provided by one of the partners, it is important that the scope and cost of such support is clearly defined at the outset. The introduction of a Service Level Agreement may be the best way of achieving such clarity.

### **3.4.10 Sustainability**

The partnership agreement should consider what happens if funding ceases partially or in its entirety and the rules governing any redundancy in the event operations are down sized or terminated.

### **3.4.11 Audit arrangements**

The partnership agreement should set out what is to be audited, when this is to be done, and who will undertake the task.

### **3.4.12 Contracting**

The adherence to partner / organisations rules governing procurement, including contracts procedures and requirements for tendering must be recognised in the partnership agreement in some way.

## **3.5 Decision Making, Conflict of Interest and Dispute Resolution**

### **3.5.1 Decision Making**

Partnerships either take executive decisions themselves, or make decisions that will effect

executive decisions in another arena. Clear lines of accountability and transparent decision making processes are required, particularly for the decisions on committing and allocating partnership resources.

The partnership agreement should state the voting process required in order to make decisions / seek agreement. Votes could be cast through the chair and any matter could be decided by a simple majority so long as a quorum<sup>2</sup> is present. It is good practice to ensure that all relevant information has been circulated at least a week prior to the meeting.

It is essential that partnership members have the delegated authority of their organisation to make a decision on behalf of the organisation. However, no partnership member should sign any contracts or legally binding documentation on behalf of the partnership without due process.

It is important for the partnership to agree and record how decisions are made. The partnership agreement should address:

- Who are the members of the partnership?
- How does the partnership make decisions e.g. simple majority vote? Casting vote by chair? What is a quorum for the decisions of your group?
- Who communicates decisions to people not present?
- How are the actions put into operation?
- What level of delegated authority does each member have?
- If a decision is of major significance (beyond the remit of delegated authority) what due process is required to gain each organisation's authorisation?
- How often will meetings be held? Where?
- Can there be extra meetings? (called / arranged by whom?)
- Is there a standard agenda?
- Chaired by whom? How is the Chair decided? How long will the Chair be in post? And other positions need to be determined in the same way – secretary, treasurer, etc.
- Who takes note of agreements/decisions made/actions to be undertaken?
- Action notes can sometimes be used where either you don't want the formality of minutes or where you want to emphasise an action-orientated focus. Decisions will still need to be recorded if action notes are undertaken.

### 3.5.2 Dealing with Conflicts of Interest

Procedures are required to resolve conflicts of interest to ensure decisions are open and transparent to all stakeholders. A conflict of interest can arise where two different interests overlap. In the public sector, there is a conflict of interest where:

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<sup>2</sup> **Quorum** - The minimum number of voting members required to be present at any meeting for the decisions taken at the meeting to be considered as legitimate decisions of the body.

**A partnership member's duties or responsibilities to a partnership could be affected by some other interest or duty that the member or official may have.**

The other interest or duty might exist because of:

- The partnership member's own financial affairs.
- A relationship or other role that the member has.
- Something the member has said or done.

The Partnership needs to consider whether there is a reasonable risk that the situation could undermine public trust and confidence in the member or the partnership. A conflict of interest that is hidden, or that is poorly managed, creates a risk of allegations or perceptions of misconduct, or of other adverse consequences such as litigation.

There are several aspects to managing conflicts of interest effectively:

- Partnership members need to understand what a "conflict of interest" is, and be aware of the different ways in which it can arise.
- Expectations and the types of other interests that can give rise to a conflict of interest.
- The partnerships should establish procedures as part of their overall partnership agreement for helping their members to identify and deal with conflicts of interest.
- Members should identify and disclose a conflict of interest as soon as it arises.
- In each case, the partnership (or, sometimes, the member or official concerned) needs to consider what action (if any) is necessary to best avoid or mitigate any effects of the conflict of interest.
- Partnership members should also consider their organisations codes of conduct in relation to conflicts of interest.

**Guidance Notes and Templates GNT 7** provides guidance on producing procedures for managing conflicts of interest.

### **3.5.3 Dispute Resolution**

To avoid bad feeling and potential litigation between partners the partnership agreement must set out the rules to be followed to resolve disputes. Ideally, disputes between partners should be settled in good faith and wherever possible, by internal discussion and negotiation within the partnership. The partnership agreement should include an escalation procedure in the event partners disagree amongst themselves.

A first step to resolve a dispute may be to get an agreed set of facts on the position. Confidentiality should be maintained as long as possible to reduce the chance of miss-reporting through the media. Adherence to contractual dispute procedures is important.

Disputes may occur at three levels:

### **1) Between Individuals**

Where a dispute occurs between individuals, the party experiencing the grievance should seek to resolve their concerns using the complaints procedure of the organisation employing the offending party.

### **2) Over Decisions taken in Partnership Meetings**

Where dispute occurs within a partnership meeting concerning decision making, the issue should be escalated to the next executive partnership level.

### **3) Between Partnership organisations**

Where the dispute occurs between organisations a meeting of senior executives should be called to address the dispute.

In some cases it may be necessary to consider negotiation, mediation and adjudication procedures or in the case of technical matters, expert dispute resolution. It would be necessary to consider whether procedures should produce a binding result or whether the parties want the ability to go the courts in the event of an unresolved dispute. Litigation should always be regarded as a last resort.

Partnerships should establish procedures as part of their overall partnership agreement to help members deal with disputes.

## **3.5.4 Business Continuity**

Business Continuity plans outline the action that will be taken in the event of a serious disruption to business, and identifies the priorities for recovery in order to keep the organisation running as normally as possible at all times – even in an emergency. If delivery of services and / or the partnership project will impact on the County Council's Service Area's Business Continuity Plan, details of the measures that will be taken to address this impact should be considered. The Civil Contingencies Act 2004 requires the council to maintain plans to ensure that it can continue to provide services in the event of an emergency so far as is reasonably practicable. Business continuity management assesses the risks that might affect an organisation's ability to deliver a service and considers how services can be maintained.

## **3.6 Ending and Exiting Partnerships**

At some point, partnership arrangements, or the organisation's involvement in a partnership, will come to an end. This could be for several reasons:

- The partnership achieves all that it set out to do.
- The priorities of an organisation/partnership change.

- On review, the partnership is not delivering the outputs and outcomes it was set up to do and a new approach needs to be explored.
- The partnership is replaced by another partnership or working arrangement.
- External funding sources / resources cease.
- On review, an adverse level of risk of continuing the partnership is identified.
- The legal framework upon which the partnership was founded changes.
- A partner organisation is restructured.

When drawing up the partnerships agreement a firm exit strategy should be identified. A clear exit strategy should address how to deal with on-going commitments and liabilities. In particular it should cover:

- Termination of the entire partnership.
- Staffing issues that arise.
- Continuity of service.
- Notice period.
- Asset allocation.
- Responsibility for debts.
- Withdrawal of any one of the partner organisations.
- Timescales required for changing the arrangement, or bringing it to an end.
- Informing insurers and issues regarding liability and indemnity.
- How partner contributions will be distributed.
- Outstanding contractual liabilities.
- IT issues (e.g. system and data transfers).
- Informing all stakeholders, customers, residence clients, staff etc.
- Reviewing the risk register.
- Providing appropriate final reports.

The partnership agreement should clarify the management of continuing financial liability, the ownership of assets and arrangements for disposal to avoid the future risk of disputes, or the accountable body becoming liable by default.

Partnership agreements should identify how individual organisations can exit a partnership e.g. length of notice, formal notification letter, issues of liability and indemnity. If a partnership member decides to leave the partnership, the partnership should consider the benefits of undertaking an evaluation. If it is agreed that the partnership continues the partnership agreement may need to be revised and renewed.

Each organisation's executive group has the authority to determine if their involvement in a partnership should cease. This does not necessarily mean that the partnership itself will cease. Termination reviews should be conducted for all significant partnerships that have been terminated. Cabinet decisions or full Council may be required where there are constitutional implications.

## 4 Safeguarding the Community, Information Sharing and Communication

### 4.1 Safeguarding the Community

The Partnership will be required to describe its safeguarding practice, and what steps are taken to quality assure safe employment practice and safe service delivery – for example, safeguarding courses, involvement in Joint Assessment Frameworks (JAFs) and case conferences, CRB monitoring procedures and so forth. It is hoped that safeguarding arrangements would be undertaken on an annual self-assessment basis, as part of a regular monitoring process. There is a Safeguarding Officer within Denbighshire who may advise upon this issue – the safety of children and young people is paramount.

### 4.2 Information Sharing and Communication

One of the most common benefits that result from partnerships is that newly available information can enable partners to target their services more effectively. Whilst there are aspects such as data protection to be considered, there is considerable scope for information to be held in different places to be combined to good effect.

The sharing of information is not something to be afraid of and it is fundamental to the success of any partnership initiatives. Partners need to share information within the limits of the law.

Protocols developed for information sharing initiatives do **not** have any legal standing, but they are a helpful way to ensure good practice in information sharing between all agencies that may be involved in partnership working.

Briefly, the legal framework for information sharing is a combination of the common law duty of confidentiality, the Caldicott principles on the use of personal information, Human Rights Act and Data Protection Act and principles of the Wales Accord on the Sharing of Personal Information. **Guidance Notes and Templates GNT 8** provides the link information to the Wales Accord on Sharing Personal Information (WASPI) for organisations involved in the protection, safety, health, education and social welfare of the people in Wales. Information is a valuable asset and when partnerships are sharing information, the partnership should develop an Information Sharing Agreement.

There is a checklist against which an organisation can assess its level of readiness to meet the WASPI framework. It is not intended to be a full checklist or replace nationally recognised standards and guides, but it will help each organisation identify gaps that may need to be filled in order to fulfil its commitments. **Guidance Notes and Templates GNT 9** (link) provides a Self-Assessment Checklist for organisations to assess their level of readiness. Denbighshire County Council is fully committed to WASPI and adopted its principles in November 2011.

#### 4.2.1 What to Consider when Developing an Information Sharing Agreement

- Describe **what** information is to be shared and for **what** purpose.
- Describe in detail, **how** information is to be shared (map using flowcharts).
- Identify **Who** is responsible for the information at each stage including access and disclosure.
- Identify **Who** will be responsible for reviewing and monitoring information sharing procedures.

The main point is to be aware of is the need to be open and fair. You may or may not require consent to share information, but in most circumstances you **must** tell people, **who** is responsible for their personal information, **why** you need it and **who** you may need to share it with.

It is important to record your disclosure decisions. It is a matter of good practice and could be very important if you have to rely on your records to explain your actions one day. Sometimes you may need to disclose information without the individual knowing. You will be able to do this by using the relevant exemptions.

The information officer of each partner must advise on any information sharing agreement developed or alternatively contact the Information Commissioners Office (ICO). The ICO has published a “Good Practice Framework Code of Practice for Sharing Personal Information”, which can be accessed by using the following link:

[Link to Good Practice Framework for ICO.](#)

#### 4.3.2 Communications Plan

A communications plan is vital because it ensures the partnership’s main messages are communicated with one voice, and misinformation is kept to a minimum. A complex strategy document is not necessary; the partnership agreement might just cover key messages, key audiences, and channels of communication.

#### 4.3.3 Freedom of Information Requests

If the partnership receives a Freedom of Information request or any request for information that cannot be dealt with easily, contact should be made with the Information Officers in the partner organisation. Denbighshire County Council has its own Freedom of Information Officer who may be available to provide advice.

#### 4.3.4 Welsh Language Scheme and Welsh Language Guide

The council works in partnership with public bodies, organisations from the voluntary sector and other agencies; it works on many levels when working with others and accepts it has responsibility to bring linguistic considerations to the attention of all partners. When

forming partnerships the council will ensure the issue of how the partnership will operate with regard to the Welsh language is discussed and agreed as part of the Terms of Reference and / or constitution of the partnership.

When the council is the strategic and financial leader within a partnership it will ensure that the public service provision is compliant with the Welsh Language Scheme. When the council joins a partnership in which another body is leading, the council's input to the partnership will comply with the Welsh Language Scheme and the council will encourage other parties to comply giving priority to services provided to the general public.

When the council is a partner in a consortium, it will encourage the consortium to adopt a bilingual policy. When acting publicly in the name of the consortium, the council will act in accordance with its Welsh Language Scheme. Should the council join or form a partnership, it will ask prospective partners about their Welsh Language Schemes, language policies or the means by which they will operate bilingually. With any partnership the council will offer advice and support to other partner organisations.

## **5. Partnership Complaints**

Individuals can encounter difficulties when seeking redress for grievances concerning services delivered through partnerships. These problems can be overcome by adopting an effective complaints protocol.

Whilst each partner will remain responsible for their performance of their statutory functions, public sector partners cannot absolve themselves of their existing responsibilities to the service user by virtue of the fact that they are operating in partnership. Examples include:

- Neglect or delay
- Not delivering a service
- Providing misleading information
- Inefficient or poor professional conduct

Due to the complexity of agreeing a separate partnership complaints process, it is recommended that partners follow their own procedure. However, the partnership need to agree and include within their partnership agreement a description of how the ownership of the complaint will be decided, and therefore who's procedures it will follow. This normally follows the process of the organisation against whom the complaint was made, even though a partnership approach and investigation may be taken (subject to data protection).

It is recommended that the organisations within the partnership share information regarding complaints received, which can be collated and shared within the partnership at regular intervals.

Service users have the right to make a complaint to the Ombudsman in relation to services provided by National Health Service and Local Government organisations if they are



dissatisfied with the outcome of the relevant bodies' complaints procedure. The partnership agreement should state:

- The partnership and support teams responsibilities and process for handling complaints from the public.
- That all partners shall be obliged to co-operate with any Ombudsman's investigations.
- Provide clear information on how to register a complaint.

**Guidance Notes and Templates GNT 10** provides a summary of best practice developed for drawing up a complaints protocol within a partnership.

## 6. Partnerships in Denbighshire

A key priority is to ensure that there is a coherent partnership framework in Denbighshire. As an element of developing the partnership toolkit, partnership activities have been mapped to:

- Ensure the county has a register on all the significant partnerships those utilising the greatest resources, having the largest impact and greatest risk for partners.
- Provide clarity regarding which partnerships we are involved in and why, who is leading and how progress is being reported. (This will ensure those involved can be targeted for advice and guidance).
- Provide a mechanism for reviewing partnership involvement .
- All partnership arrangements conform to WASPI (see **Guidance Notes and Templates GNT 8 and 9**).

It is essential that a partnership register is kept of current partnerships in order to maximise the benefits of partnership working, allow members, officers and the public to be directed to partnerships appropriate to their individual needs and to minimise duplication of effort.

The **current** Denbighshire County Council Partnership Register is stored on the Working Document Store for reference.

If you are involved in a partnership, which is not included on the register, please complete the partnership significance scorecard **Appendix 1** and provide the relevant details to the Head of Business Planning and Performance, Denbighshire County Council.

In terms of **Reporting Mechanisms**, there will be an **Annual Summary Report of Partnerships** produced and presented to the Corporate Governance Scrutiny Committee, and the Senior Leadership Team (SLT) within Denbighshire County Council by the Head of Business Planning and Performance.

The Lead Member for Partnerships and the Partnership Scrutiny Committee will be kept informed of progress.

## 7. Comments and Feedback

Please send comments on this toolkit and suggestions on how future editions could be improved to the Head of Business Planning and Performance, Denbighshire County Council.

Contact: Head of Business Planning and Performance

Address: Partnership and Communities Team  
Denbighshire County Council  
Third Floor, County Hall  
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## 8. Appendices

1. Partnership significance assessment score card
2. Partnership business case checklist
3. Toolkit Guidance Notes and Templates (**separate document**)

## APPENDIX 1 PARTNERSHIP SIGNIFICANCE ASSESSMENT SCORECARD – DENBIGHSHIRE

Partnership Name:

Please enter the score in the last column which most closely represents the partnership. Answer all applicable questions, using scores of 1, 2, 3, 4 or 5.

**This table assesses the significance of the partnership / proposed partnership.**

Impact No	Description	Score "1"	Score "2"	Score "3"	Score "4"	Score "5"	Score
1	Partnership costs: Denbighshire County Council directly contributes money to the partnership and / or money is directed through authority accounts (may involve pooling of budgets and sharing of resources i.e. staff, equipment, property)	<£50k per annum	£50k to 250k per annum	£250K to £1m per annum	£1m to £5m per annum	> £5m per annum	
2	Relationship to Corporate Priorities and BIG Plan – to what extent is the partnership's success critical to the achievement of these?	<b>Not linked</b>	<b>Indirect</b> links	<b>Moderate</b> contribution	<b>Significant</b> contribution	<b>Essential</b>	
3	What are the consequences of partnership failure upon the authority (financial / reputational / liability / legal / political)?	<b>Insignificant</b> consequences	<b>Minor</b> consequences	<b>Moderate</b> consequences	<b>Major</b> significance	<b>Highly</b> significant	
4	Does the partnership make decisions on behalf of the authority that may be legally binding upon the authority?	<b>None</b>	<b>Does not</b> take decisions but provides feedback	Does not take decisions but <b>influences</b> recommendations	Does not take decisions but agrees to be <b>bound</b> by its decisions	Has decision making responsibilities <b>directly delegated</b> to it from the authority	
5	Statutory or Regulatory context: Is Denbighshire County Council required to set up the partnership in order to receive additional funding / to meet a requirement of statutory guidance?	<b>Not required</b>	<b>Indirect</b> links to successful achievement of funding	<b>Limited</b> links to successful achievement of funding	<b>Direct</b> links to successful achievement of funding	The authority is required to participate in this partnership <b>by law</b> or to receive specific funding	
6	Risk: does the partnership contribute to the management of risks identified on the authority's corporate or departmental risk registers?	Does <b>not</b> contribute	<b>Indirectly</b> contributes	<b>Limited</b> contribution	<b>Indirectly</b> contributes	<b>Directly</b> contributes	
<b>TOTAL:</b>							<b>0</b>
<b>HIGHEST POSSIBLE SCORE (No. of questions answered x 6)</b>							<b>30</b>
<b>IMPACT SCORE ("Total" divided by "Highest Possible Score" x 100)</b>							<b>0%</b>

The matrix below uses the Significance Score to categorise your partnership:

Level 1: Limited Significance: (0 – 50%)	Level 2: Moderate Significance: (50% - 70%)	Level 3 : Major Significance : (70%+)
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## APPENDIX 2 – Partnership Business Case Checklist

Name of Partnership:

Lead Contact (day to day running):

Name of partnering organisations:

Checklist Completed by:

Date:

Key Questions	Comment	Action
<b>Understanding the need for the Partnership</b>		
<p><b>Have other ways of working been assessed to determine if a partnership arrangement is the most appropriate?</b>                      (For example, the establishment of a formal joint working protocol between individual agencies, time-limited task and finish group, joint ventures, joint Commissioning arrangements etc.)</p>		
<p><b>Is there justification for the establishment of the Partnership?</b>                      (For example, providing co-ordinated packages of services to individuals; to bid for or gain access to new resources – in cases where large funds are not available to single organisations; to meet statutory requirements; to reduce the impact of organisational fragmentation and reduce duplication; added value – achieving something more than the organisation could do by working alone; Value for money – when available resources are used economically, efficiently and effectively)</p>		

<p><b>Has this partnership been the subject of consultation with:</b></p> <ul style="list-style-type: none"> <li>• Other partnerships</li> <li>• Service areas</li> <li>• Staff</li> <li>• Users</li> <li>• Carers</li> <li>• Trade Unions</li> </ul>		
<p><b>What is the partnerships intended lifespan?</b></p>		
<p><b>What other organisations will be represented on the partnership?</b></p> <p><b>Are there any key organisations not in the partnership? If yes, which ones?</b></p>		
<p><b>Who will lead the partnership?</b></p> <p><b>If the partnership requires an accountable body, has this role been allocated?</b></p>		
<p><b>Who would be the organisation/s designated officers for the partnership? Which includes:</b></p> <ul style="list-style-type: none"> <li>• Partnership Co-ordinator</li> </ul> <p><b>(Note:</b> that all partners represented on the partnership should have nominated officers for the above roles)</p>		

<b>Assessment of Fit with the Organisation/s and BIG Plan</b>		
<p><b>How would this Partnership's shared activity contribute to the delivery of the organisation/s corporate priorities and Denbighshire's BIG Plan?</b></p>		
<p><b>What is the expected role and contribution of each of the organisations involved?</b></p>		
<b>Performance Management</b>		
<p><b>What does the partnership intend to achieve?</b> (aims and objectives; and targets and outcomes which are <b>Specific, Measurable Achievable Realistic and Time based</b>).</p> <p><b>Will the partnership contribute to national outcomes and/or the outcomes for Denbighshire's community?</b></p>		
<p><b>What is the structure to deliver the aims, objectives and outcomes?</b></p>		
<p><b>Have the partner's or prospective partner's undertaken a joint exercise to identify partnership risks?</b> If so, what are the risks to the organisation/s; who will manage them and how?</p>		
<p><b>What are the accountability arrangements?</b> (which include monitoring, reporting, review to who and when?)</p>		

<b>Resource Considerations</b>		
<b>What is the identified resource availability?</b>		
<b>How is the organisation/s resourcing its participation?</b>		
<b>Are there other sources of funding not yet applied for available?</b>		
<b>What are the resource implications relating to the following:</b> <ul style="list-style-type: none"> <li>• Finance</li> <li>• Staff / recruitment</li> <li>• Accommodation</li> <li>• Legal</li> <li>• IT / Administration i.e. translation</li> <li>• Training</li> <li>• Insurance</li> <li>• Payroll</li> <li>• Health and Safety</li> <li>• Assets</li> </ul> <p>If applicable, have Human Resources and Trade Unions Representation being involved in discussions regarding the development of the partnership?</p>		
<b>Are there future resource implications?</b>		
<b>Does the partnership exist to get access to funding?</b>		



Legal Considerations		
<p><b>Have legal officers of partners been involved in discussions on the creation of the partnership?</b></p>		
<p><b>Would the partnership decisions be legally binding for the organisation/s?</b></p>		
<p><b>Have insurance officers of partners been involved in discussions regarding the insurance requirements of the organisations/partnership?</b></p>		
<p><b>Will anybody be disadvantaged by the partnership in terms of race, age, gender, sexual orientation, disability or faith?</b></p>		

## **ADDITIONAL INFORMATION:**

### **Partnership Governance Toolkit Guidance Notes and Templates** (**separate document**): referenced as GNT 1 – 11 documentation

- GNT 1 Template Partnership Agreement
  - GNT 2 Risk management good practice guide, risk identification check list and template risk register
  - GNT 3 Template Partnership Action Plan
  - GNT 4 Template Highlight Report
  - GNT 5 Insurance considerations for partnerships
  - GNT 6 Template file index for retaining grant funding information
  - GNT 7 Guidance on managing conflicts of interest
  - GNT 8 Link to Wales Accord on Sharing Personal Information
  - GNT 9 Link to Self Assessment Checklist for Sharing Personal Information
  - GNT 10 Best practice in drawing up complaints protocol in partnerships
  - GNT 11 Development tool for assessing partnership working
-