
**Manchester City Council
Report for Information**

Report to: Audit Committee – 17 July 2014

Subject: Governance Improvement Progress for Partnerships with Medium or High Risk Assessment ratings

Report of: City Treasurer
Assistant Chief Executive (Finance and Performance)

Summary

The report provides an update on progress made to strengthen governance arrangements in the seven partnerships which recorded a medium or high Partnership Governance Risk Assessment in the 2013 Register of Significant Partnerships as requested by the committee in January.

Recommendations

Audit Committee is requested to comment on and note the progress made to improve governance arrangements in the partnerships detailed in the report.

Wards Affected:

All

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Report to Audit Committee 23 January 2014 – Significant Partnerships Register

1. Introduction

- 1.1 In recognition of the need to ensure that all the Council's partnerships continue to perform well, delivering value for money and supporting the Council's strategic objectives, a Partnership Governance Framework is in place. This framework defines and standardises the Council's approach to managing its partnerships, in order to help strengthen accountability, manage risk and rationalise working arrangements.
- 1.2 In support of its application of the Partnership Governance Framework, the Council maintains a Register of Significant Partnerships, which has been in place since 2008. It lists all partnership arrangements that are considered to be of the highest significance to the financial position and reputation of the Council and to achieving its objectives. There are a variety of partnership arrangements involving the Council in place, ranging from joint venture partnerships, statutory groups and Private Finance Initiatives (PFIs). Governance structures in place across partnerships differ depending on their legal status.
- 1.3 The Register is refreshed annually, and the latest version of the Register was taken to Audit Committee on 23 January 2014. In the updated version of the Register, six partnerships had a Risk Assessment rating of "medium", indicating that while there is a system of governance in place in these partnerships, areas for improvement have been identified. One partnership had a rating of "high", meaning that control arrangements in this partnership were generally weak, and that the partnership's and Council's objectives were unlikely to be met.
- 1.4 To gain assurance that plans are in place to strengthen governance arrangements in these partnerships, Audit Committee requested that a report is produced which details progress made to strengthen governance arrangements in those seven partnerships with a medium or high risk rating. In the following section, an explanation is given for each of the partnership's ratings, and progress made to improve governance arrangements.

2. Progress made to strengthen partnership governance arrangements

Partnerships with a "high" Partnership Governance Risk Assessment

Manchester Mental Health and Social Care Trust

- 2.1 The 'high' rating assigned to this partnership reflected issues raised by scrutiny of the partnership in relation to safeguarding activity; take up of social care referrals and bed capacity in the trust. Actions plans were put in place to monitor progress in respect of these issues.
- 2.2 An accelerated programme of improvement activity has been taking place and the partnership will be subject to a further audit where terms of reference will be sent out at the end of July, and audit fieldwork will take place in August. A separate report will be presented by senior management to Audit Committee

in October focusing on actions being taken to respond to recommendations made through the audit, including the approach to delivering governance improvement.

Partnerships with a “medium” Partnership Governance Risk Assessment

Manchester Equipment and Adaptations

- 2.3 The ‘medium’ rating assigned to this partnership reflected the fact that the partnership was in transition, with redesign of the service being implemented by March 2014. Over the following 12 months a new board was to be established with agreed terms of reference, performance indicators and financial reporting procedures.
- 2.4 Since the self assessment of Manchester Equipment and Adaptations Partnership (MEAP), a number of changes have taken place. The service has implemented its service redesign which predominantly focused on internal structuring. The new arrangements have refocused the service into three distinct areas of specialism with an assessment, delivery and adaptations function. Colleagues from Health and the Council have developed a detailed final draft Service Level Agreement (SLA). This detailed SLA largely mirrors current arrangements, and sets out the agreement that MEAP will provide health care equipment, through its community equipment store, on behalf of the three Manchester Clinical Commissioning Groups.
- 2.5 As work to draft the SLA was completed, it was confirmed that an external consultant would be appointed to review the proposed operating models for equipment and adaptations provision in the city. The options under consideration include remaining as is, or undertaking partial or whole transfer of MEAP to a registered provider or other alternative provision models e.g. an expanded role of home improvement agencies. The outcome of the review therefore could fundamentally change the partnership, and for this reason all parties have agreed that it would be beneficial to defer the signing of the SLA until the outcome of the review is known. Initial findings from the review are due in July 2014, and there will be a period of consultation and decision-making after this.
- 2.6 In the meantime the plans to establish a Partnership Board have continued, and representatives from Health and the Council met as a board for the first time in June 2014. This meeting operated as per the draft Service Level Agreement.
- 2.7 Governance arrangements have been improved by putting in place clear operational processes which ensure that arrangements meet the needs of customers, including;
- Quarterly Health Operational Group meetings – where operational managers from both parties meet to review performance and resolve any key issues;
 - Performance Reporting – target in place for delivery of 97% of equipment within 7 days, this was exceeded in 2013/14, with 99.4% of health

equipment being delivered within 7 days. Additional targets have been set as part of the SLA, and these are being monitored and reported on.

- Financial reporting and payment processes – in place and operating effectively, with invoices being processed and paid on a quarterly basis. Health pay for all health equipment issued, and fund 50% of the community equipment store running costs.

Health and Wellbeing Board

- 2.8 The ‘medium’ rating reflected the fact that the board had yet to complete a full year as a statutory committee of the Council and its annual reporting process was not complete until April 2014. Although a robust reporting framework was in place and had been adopted by the board, it was still to report on performance outcomes relating to its eight strategic priorities.
- 2.9 The [Annual Report](#) for the Health and Wellbeing Board (HWB) has now been produced, which explains the purpose and governance arrangements of the Board, explains the lines of accountability for delivering the eight strategic priorities, and details what progress has been made against these priorities. The report provides transparency about the work of the board, indicates where successes are being achieved, and is open about what the challenges are.
- 2.10 Areas of success include *priority 1 - “Getting the youngest people in our communities off to the best start”*. Work is well progressed to bring together key elements of reform at a local level to provide an effective universal and targeted service for children 0-5 and their families with full implementation by April 2015. This work focuses on a move to a model based around the 39 designated Sure Start Children’s Centres; with centres focussing on families in need of support ensuring that they are identified early and that there are agreed links with midwifery services, with GPs, with Health Visitors as well as with Job Centre Plus and the Troubled Families Programme. The Early Years New Delivery Model will ensure earlier recognition of need, supported by intervention and support; and have a clear focus on supporting adults into, or back into, employment. The availability of quality pre-school education for an increasing number of children and the full implementation of the Sure Start Core Purpose will also support improved outcomes.
- 2.11 In some areas, whilst there is progress, it is also acknowledged that there are challenges present in delivering objectives, for example *priority 2 – “Educating, informing and involving the community in improving their own health and wellbeing.”* A number of services have been coordinated by Public Health Manchester, including partners from the voluntary and community sector, GPs and other primary care staff, social care and neighbourhood deliver teams. Successes include supporting over 5,000 people to quit smoking, and helping 6,000 people to be more physically active through over 170 different physical activity sessions using 60 different community venues. Consultation on the proposals for a new wellbeing service, bringing together multiple support services, was undertaken during January – March 2014. Integrated services are expected to be in place by April 2015. Challenges affecting delivery of this objective include people’s social and economic circumstances which have a significant impact on their ability to make healthy

choices. Consequently the effect of the economic downturn and climate of austerity continues to pose challenges to achieving this priority.

Manchester Safeguarding Children's Board (MSCB)

- 2.12 The 'medium' rating reflected that there were areas for improvement identified in the self assessment in the partnership's annual report and highlighted by the Local Government Association Peer review, which classed the partnership as effective, but with areas for improvement. Points noted included ensuring there is effective contribution and challenge from all partners, and ensuring that the voice of the child is more systematically taken into account.
- 2.13 Since the original report to Audit Committee, Board membership of MSCB has been broadened by securing representation from high schools, via a head teacher, and also from the Director of Education and Skills. The role profile of membership for MSCB was reviewed and amended in April 2014, to reinforce the requirement for a high rate of attendance, appropriate deputising arrangements, responsibilities and organisational commitment to all meetings, task and finish groups and work streams.
- 2.14 Following the creation of a single Children and Families directorate, the Chief Executive commissioned an independent review of safeguarding arrangements, the recommendations from which were approved at Personnel Committee on 15 January 2014. Changes being implemented as a result of the recommendations will result in enhanced governance arrangements. Improvements include the development of a Charter or Constitution for MSCB and reinforcement of core objectives, statutory functions and responsibilities of the membership.
- 2.15 Strengthening the effectiveness of partnership working was a key consideration during the safeguarding review process. This is demonstrated by the development of a Multi-Agency Safeguarding Hub (MASH) by the Head of Care in partnership with GMP and Health. Partnership staff will be located together in a central referral unit, with representation from Council children's and adults' practitioners, GMP and Health partners, and will work closely with Troubled Families teams. This will enable improved information and intelligence sharing relating to safeguarding referrals, and support the delivery of preventative and early help interventions.
- 2.16 To provide clarity for partners and within the Council on the roles and accountability in relation to safeguarding, the current matrix management arrangements are being replaced with a clear separation of senior management responsibility for safeguarding delivery (the Head of Care) and quality assurance (the Senior Strategic Lead (Safeguarding)). This separation in responsibilities will enable the Strategic Director to have a clear line of sight on safeguarding delivery, and an independent view on safeguarding performance.
- 2.17 To strengthen the voice of the child systematically influencing the business of MSCB, the Board has recently received authority from the Corporate Resource Panel to recruit a 'Youth Engagement Officer'. The role has been

advertised in sixth form colleges, and schools with sixth forms, with applications due to be received by 18 July. The role holder will link into other 'youth forums' operating in the city and will reach out to other 'youth communities' with a view to the voice of children and young people improving professional practice across the city.

Manchester Creative and Media Academy (Boys and Girls)

- 2.18 The 'medium' rating reflected that the governance of the academy was in transition. The latest Ofsted judgments had stated the Girls Academy "requires improvement", and that the Boys Academy was "inadequate". In addition to this, a new sponsorship arrangement was being explored.
- 2.19 It is now planned that Bright Futures Education Trust (BFET) will take over the sole sponsorship of Manchester Creative and Media Academy (MCMA) on 1st September 2014 dependant on all due processes being completed to the satisfaction of all parties concerned. BFET are working along side the current partnership to ensure that the transition is as smooth as possible. Responsibility for governance will remain with The Manchester College and Microsoft as lead and co sponsor respectively along with the Council up to 31st August 2014 when sponsorship will transfer to BFET. Certainty over the sponsorship arrangements should, in turn, bring stability to the governance arrangements.

One Education

- 2.20 The 'medium' rating assigned to One Education reflected minor improvements required to the creditors and debtors process.
- 2.21 The Council's relationship with One Education continues as described previously, with two Council-appointed directors in place for this wholly-owned company and a continuing contractual relationship covering a number of services. The level of debtors and creditors is kept under review by the Board with particular reference to cash flow.

3. Next Steps

- 3.1 The next annual partnership self assessments will commence in October 2014, as part of the process of producing the 2014 Register of Significant Partnerships. Once completed, the new register will be submitted to Audit Committee in January 2015. This will provide an opportunity to review the new Risk Assessment ratings of the partnerships in this report to confirm whether governance arrangements have continued to improve.