



Audit Committee

Date: Tuesday, 10 March 2020

Time: 10.00 am

Venue: Council Antechamber, Level 2, Town Hall Extension,
Manchester

Everyone is welcome to attend this committee meeting.

There will be a private meeting for Members only at 9.30am in Committee Room 6 (Room 2006), 2nd Floor of Town Hall Extension. A Town Hall pass is needed to reach this room.

Access to the Council Antechamber

Public access to the Council Antechamber is on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension. That lobby can also be reached from the St. Peter's Square entrance and from Library Walk. **There is no public access from the Lloyd Street entrances of the Extension.**

Filming and broadcast of the meeting

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Membership of the Audit Committee

Councillors - Ahmed Ali (Chair), Clay, Lanchbury, Russell, Stanton, Watson, Barker and Downs

Independent Co-opted Members – Dr S Downs and Dr D Barker

Agenda

- 1. Urgent Business**
To consider any items which the Chair has agreed to have submitted as urgent.
- 2. Appeals**
To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.
- 3. Interests**
To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.
- 4. Minutes** 5 - 10
To approve as a correct record the minutes of the meeting held on 11 February 2020.
- 5. Register of Significant Partnerships** 11 - 40
Report of the Deputy Chief Executive and City Treasurer attached.
- 6. Accounting Concepts and Policies, Critical Accounting Judgements and Key Sources of Estimation Uncertainty - To follow**
- 7. Annual Internal Audit Plan - To follow**
- 8. Risk Management Strategy and Risk Register - To follow**
- 9. Committee Work Programme** 41 - 48
A copy of the Committee Work Programme and Recommendations Monitor is enclosed.

Information about the Committee

The Committee is responsible for approving the Council's statement of accounts; considering the Audit Commission's Annual Audit and Inspection Letter and monitoring the Council's response to individual issues of concern identified in it. The Committee also considers the Council's annual review of the effectiveness of its systems of internal control and assurance over the Council's corporate governance and risk management arrangements, and engages with the external auditor and external inspection agencies to ensure that there are effective relationships between external and internal audit.

The Council is concerned to ensure that its meetings are as open as possible and confidential business is kept to the strict minimum. When confidential items are involved these are considered at the end of the meeting at which point members of the public are asked to leave.

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Smoking is not allowed in Council buildings.

Joanne Roney OBE
Chief Executive
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Further Information

For help, advice and information about this meeting please contact the Committee Officer:

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This agenda was issued on **Monday, 2 March 2020** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Lloyd Street Elevation), Manchester M60 2LA.

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Audit Committee

Minutes of the meeting held on 11 February 2020

Present:

Councillor Ahmed Ali - In the Chair

Councillors Clay, Lanchbury, Stanton and Watson

Independent Co-opted members: Dr S Downs and Dr D Barker

Also Present:

Councillor Ollerhead, Executive Member Finance and Human Resources

Karen Murray, Mazars

Stephen Nixon, Mazars

Apologies: Councillor Russell

AC/20/01 Minutes

Decision

To approve the minutes of the meeting held on 10 December 2019 as a correct record.

AC/20/02 Internal Audit Assurance Report

The Committee considered the report of the Deputy Chief Executive and City Treasurer and the Head of Internal Audit and Risk Management that provided a summary of the audit work undertaken and opinions issued in the period April to December 2019.

The Head of Internal Audit and Risk Management introduced the key themes as set out within the report. The Chair then invited questions from the Committee.

A Member sought further information regarding the current vacancies within the Audit Department. The Head of Internal Audit and Risk Management stated that two temporary staff had been appointed to cover imminent vacancies and the intention was to have implemented a full review and restructure by the end of June 2020, following the appropriate consultations. He described that this programme of work was being delivered in conjunction with Bolton Council and he envisaged that this approach, in addition to reviewing the progression opportunities for staff would make Manchester an attractive and interesting place to work that would also help assist with the recruitment and retention of staff.

A Member enquired if staff with audit responsibilities across the schools' estate were appropriately trained and competent to discharge their responsibilities. The Head of Internal Audit and Risk Management commented that appropriate oversight and support for this function was promoted across all schools for this critical role and advice and guidance, including lessons learnt was provided to Head Teachers. A

Member commented that a service level agreement should be introduced regarding training for school business managers to assist them and support them in the areas of activity and themes that emerged from the audit work. The Head of Internal Audit and Risk Management stated that he would raise this with colleagues in the Education Department and the Schools Group with a view to progressing this, noting that issues seemed to arise when schools deviated from agreed purchase protocols and systems.

A Member sought clarification as to who was responsible for recommendations identified for schools and if any remained outstanding, where were these reported to and monitored. The Head of Internal Audit and Risk Management clarified that there existed a separate schools' recommendations tracker and that they were monitored, and if areas of concern were identified these would be reported to the Executive Member for Children and Schools and if appropriate to the Audit Committee. He further stated that clarification would be sought as to whether any outstanding recommendations relating to schools needed to be included in the regular Outstanding Audit Recommendations report that was considered by the Committee.

The Head of Internal Audit and Risk commented that there was significant work required to improve Data Protection Impact Assessments (DPIA) and said that work had been undertaken to reiterate the importance for officers to complete these in a timely manner and a programme of actions had been agreed, in consultation with the City Solicitor to improve this area of activity. A Member noted the importance of this as failure to carry out a DPIA when required or to consult the Information Commissioner's Office (ICO) when necessary, could lead to the Council facing enforcement action with the maximum financial penalty of 10 million euros. A Member commented that any information and guidance issued to staff in relation to DPIA's should also be circulated to all Members.

In response to comments made regarding Section 106 money, the Head of Internal Audit and Risk Management stated that the audit of this activity had taken place during a period of change to this system. He stated that the planned improvements and identified key actions should significantly enhance the arrangements in place to monitor s106 agreements. A Member commented upon the importance of the development of a database that would enable records and information to be consolidated and supported the inclusion of this as an identified key action and recommended that this activity was reported back to the Committee, in particular the reported delays in the spending and movement of monies and the indications that there may have been a number of unspent historical balances remaining on SAP. The Head of Internal Audit and Risk Management stated that a progress report would be submitted to the Committee at an appropriate time.

In response to a question from the Committee regarding her opinion on the completion of DPIAs by officers of the Council, the City Solicitor stated that as an organisation the Council was still learning about Key Decisions and DPIAs and she was of the opinion that they were not purposefully not completed. She stated that the importance of this was recognised corporately and a programme of staff training, including the development of a template for staff to use and communications was ongoing to officers across the organisation. She further reiterated the importance of retaining the right data and information for the right amount of time. She stated that to

support this the process required for staff completing DPIAs was appropriate and not too onerous for staff required to complete them and a user friendly guide had been produced and that this was continually reviewed, recognising the importance of the Group of officers who meet regularly to review and monitor this activity.

Decisions

The Committee;

1. Note the Internal Audit Assurance Progress Report to 31 December 2019.
2. Confirm and approve the proposed changes to the Internal Audit Plan 2019/20.

AC/20/03 Outstanding Audit Recommendations

The Committee considered the report of the Deputy Chief Executive and City Treasurer and the Head of Internal Audit and Risk Management that provided a summary of the current implementation position and arrangements for monitoring and reporting internal and external audit recommendations.

The Head of Internal Audit and Risk Management introduced the key themes as set out within the report. The Chair then invited questions from the Committee.

Members sought an opinion as to whether those recommendations that were reported as being over nine months would be completed or whether the relevant Executive Member and Strategic Lead would be required to attend a future meeting of the Audit Committee to explain why they remained outstanding. A Member enquired if the Head of Internal Audit and Risk Management was satisfied that the system for monitoring Outstanding Audit Recommendations was working efficiently. The Head of Internal Audit and Risk Management commented that the Committee had heard from the relevant officers and Executive Members in regard to the outstanding recommendations over nine months and further commented that this approach had assisted in keeping a focus and accountability on this area of work, noting that this approach had been supportive and helpful to the Audit Team.

A Member commented that whilst he welcomed the list of outstanding recommendations listed by length of time they remained outstanding, what was being done to recognise, and where appropriate prioritise new entries. The Head of Internal Audit and Risk Management acknowledged the comment and stated that consideration would be given to the format of the reporting and the allocation of a critical score against each entry to assist with the prioritisation of each individual recommendation.

The Deputy Chief Executive and City Treasurer informed the Committee that both herself and other Senior Management Team members did assess the critical levels of each recommendation when the reports from Audit were received. She further added that whilst the ambition was always to reduce the number of outstanding recommendations, the number of these was relatively low when compared to the number of recommendations made.

A Member sought an update on the recommendations that remained outstanding in relation to the Disability Supported Accommodation Services and Transition to Adult Services. The Head of Internal Audit and Risk Management stated that an audit opinion on Disability Supported Accommodation Services would be provided at both the March and April 2020 meetings of the Committee and this would further update Members on the implementation of these. He further commented that the report would be updated and any revised target dates for the Transition to Adult Services recommendations would be included when this information was next reported to the Committee.

The Head of Internal Audit and Risk Management responded to a question asked by a Member in regard to the implementation date of the Supervisions Google Form by advising that this would be checked and updated in the report for when it was next submitted to the Committee.

In response to a question asked by a Member in relation to the outstanding recommendations reported for Social Value and the associated KPIs (key performance indicators), the Head of Internal Audit and Risk Management commented that a considered and robust response was received to the recommendations and he advised the Committee that a significant amount of work had been done in respect to the issues identified and he was confident that a number of the actions had been completed.

The Executive Member Finance and Human Resources addressed the Committee and stated that there were a number of measures implemented to monitor Social Value and KPIs. He described that an annual social value event was delivered each year by CLES (Centre for Local Economic Strategies) that benchmarked the authority against a range of metrics. He further described that consideration was being given to understanding and recording the wider benefits and societal outcomes of social value, including real stories and not to simply measure this activity in terms of a monetary value. He described that Manchester was pioneering the approach to social value and it was important to capture and describe the real stories and impact this approach had on the lives of residents and communities across the city. Members agreed that whilst important, social value should not simply be measured in the number of jobs and apprenticeships delivered and recognised the wider impact this approach had. The Deputy Chief Executive and City Treasurer stated that consideration continued to be given to the governance arrangements to promote, challenge and deliver social value via the Council's procurement arrangements.

Decision

To note the report.

AC/20/04 Audit Strategy Memorandum

The Committee considered the report of the Council's external auditors Mazars that summarised their audit approach, highlighted significant audit risks and areas of key judgements and provide the Committee with the details of their audit team.

Karen Murray, Mazars introduced the key themes as set out within the report. The Chair then invited questions from the Committee.

A member of the Committee enquired if the reporting deadline of 31 July was achievable. Karen Murray described that last year there had been a challenge nationally to adhere to the deadline and it was anticipated that this would be repeated this year. She described that discussions were currently ongoing with the appropriate government minister to understand if this deadline could be extended, however Mazars continued to work to the 31 July deadline, pending any ministerial decision. She said that she would continue to liaise with the City Treasurer as these discussions progressed to ensure the correct opinion was delivered.

In response to a question regarding the IFRS 16 Leases accounting standard, Karen Murray described that work was ongoing to understand the impact of this reporting requirement. She stated that to date they as the external auditor were satisfied with the approach that was being taken by Manchester City Council to comply with this requirement to disclose this information and regular meetings with the finance team would continue to monitor this significant piece of work to comply with the relevant accounting standard.

The Chair supported a comment from a Member who described that the addition of another layer of reporting made it difficult for the lay reader to fully understand the Council's accounts and noted the additional work this represented for officers. The Deputy Chief Executive and City Treasurer stated that the requirements to comply with the accounting were very challenging and she paid tribute to the staff who worked within the Finance Team. She described that consideration had been given to streamlining the reporting of the accounts, however to comply with the legislation and reporting standards this was very challenging and she commented that a summary of the accounts was always provided.

Decision

To note the report.

AC/20/05 The Committee's Work Programme

The Members considered the Committee's work programme. A Member requested that the meeting dates for the 2020/21 municipal year be circulated.

Decisions

The Committee;

1. Note the Work Programme.
2. Recommend that the Governance Officer circulate the meeting dates for the 2020/21 municipal year.

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Manchester City Council Report for Information

Report to: Audit Committee – 10 March 2020

Subject: Register of Significant Partnerships 2019

Report of: Deputy Chief Executive and City Treasurer

Summary

This report contains the Register of Significant Partnerships 2019. The format, and the review and assurance process associated with the register, is outlined in this report. The report focuses on partnerships which have been added to the Register during 2019 and those where the governance strength rating has changed, or where the rating remains '**Medium**' or '**Low**' strength following completion of the latest self-assessment. The full draft Register is included as an appendix to this report.

Recommendations

Audit Committee is requested to note and comment on the latest update of the Council's Register of Significant Partnerships.

Wards Affected: All

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city
This report is for information in relation to the governance strength ratings of partnerships, and does not directly propose decisions affecting the achievement of the zero-carbon target.

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1. Introduction and Context

- 1.1. This report sets out why the Council produces a Register of Significant Partnerships, the review process and the areas of change during 2019. It sets out a summary of the rationale for any additions or deletions to the Register and for any changes to the governance strength ratings. The full Register is included as an appendix.
- 1.2. A Partnership Governance Framework is in place to ensure that the Council's partnerships perform well, deliver value for money, and support the delivery of the Council's strategic objectives. This defines and standardises the Council's approach to managing its partnerships, in order to help strengthen accountability, manage risk and ensure consistent working arrangements.
- 1.3. The Council has maintained a Register of Significant Partnerships since 2008 as an important part of its approach to good governance. It lists all key partnership arrangements that are considered to be of the highest significance to the financial position or reputation of the Council or to its objectives. These arrangements are diverse: they include joint venture partnerships, statutory groups, Private Finance Initiatives (PFIs) as well as other types of arrangements. They reflect different governance structures depending on their legal status.
- 1.4. The Register is reviewed annually as part of the Council's processes for obtaining assurance over the robustness of its governance arrangements, and ensuring that any challenges that may need to be addressed are highlighted so that improvements can be made where required.
- 1.5. Partnership working is an increasingly important way for the Council to meet its strategic objectives. In light of the financial challenges which continue to be presented by reducing levels of funding, organisations in the city must work together for mutual benefit to make best use of their combined resources. The principles of ensuring the lawful conduct of its business, and that public money is safeguarded, accounted for and spent economically, efficiently and effectively apply equally to the Council's work with its partners. Therefore it is vital that the Council gains assurance that there are clearly defined and effective governance arrangements in place for all partnership arrangements. This is becoming increasingly relevant to the Council as more services are delivered in partnership with other local services, aligned to the Our Manchester approach.
- 1.6. CIPFA guidance on delivering good governance in local government was refreshed in April 2016. The guidance emphasises that Councils *"must ensure that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met"*. The Council's updated Code of Corporate Governance (the Code) sets out the expectations for governance standards across the organisation, which align with the principles in the CIPFA guidance. The Register of Significant Partnerships process is one of the key assurance mechanisms used to assess compliance with the Code, and identify governance challenges. The

appropriate evidence of assurance, and any substantial corporate level governance challenges which relate to partnerships, are recorded in the Annual Governance Statement (AGS).

Definition of Significant Partnership

- 1.7. A partnership is a formal agreement between the Council and one or more other organisations to work collectively to achieve an objective. Partnerships may:
 - Agree to cooperate to achieve a common goal or shared objectives.
 - Create a new organisational structure or process to achieve goals or objectives.
 - Plan and implement a jointly agreed programme (often with jointly provided staff or resources).
 - Provide joint investment and share the risks and rewards.
 - 1.8. To be included on the Council's Register of Significant Partnerships, the partnership relationship should be one or more of the following:
 - Of strategic importance to the Council, critical to the delivery of the Council's key objectives or statutory obligations, and/or to the delivery of the Our Manchester Strategy.
 - Critical to the reputation of the Council – failure of the partnership to deliver could damage the reputation of the Council.
 - Responsible for spending significant public investment.
 - 1.9. Arrangements where the Council agrees a contract with another organisation to deliver services on its behalf will not be considered as a partnership and instead will be subject to appropriate procurement processes in accordance with the Council's Constitution.
- 2. The process of producing the Register of Significant Partnerships**
- 2.1. The annual review process starts with a self-assessment proforma being completed by the appointed partnership link officer. The proforma asks questions about aims and objectives, membership, decision making, finance, audit and risk management (including understanding obligations under applicable data protection legislation), conduct and behaviour, liability and performance. This leads to an overall self-assessment governance strength rating of high, medium or low based on the robustness of the governance arrangements that the partnership has in place. A governance strength rating of 'High' indicates there is a high level of assurance.
 - 2.2. To arrive at the overall governance strength rating the link officer will provide 'Red', 'Amber' and 'Green' ratings based on the following elements of governance, risk and assurance; Decision Making, Finance Reporting, Performance Outcomes, External Audit Assurance, Internal Audit Assurance, and Risk Management. 'Green' ratings will lead to a '**High**' overall governance strength rating, 'Amber' will lead to '**Medium**' strength, and 'Red' ratings will

lead to an overall '**Low**' governance strength rating. A broad explanation of what the governance strength ratings mean is set out in the table below;

High: There is a sound system of governance designed to achieve the partnership's and the Council's objectives
Medium: While there is a basically sound system of governance, there are areas for improvement, hence some of the partnership's and the Council's objectives may be at risk.
Low: Controls are generally weak leaving the partnership's system open to significant error or abuse. It is expected that the partnership's and the Council's objectives will not be met.

- 2.3. To provide an additional level of assurance to the process, a panel of officers from Commercial Governance, Legal, Audit and Risk, Finance, HROD (Human Resources and Organisational Development), PRI (Performance, Research and Intelligence), and Reform and Innovation carry out an independent review of the completed assessments. The group assesses whether sufficient evidence has been provided to support the proposed governance strength rating, and if not additional information and assurance is sought from the link officer. Where this assurance can be provided the rating is confirmed; where this is not the case it is challenged. The outcome of this is a moderated governance strength rating, which is recorded on the Register for each partnership.
- 2.4. Once all the self-assessments have been received and reviewed, the updated ratings are compiled to produce the refreshed draft Register. The Register contains a summary of information about each partnership, including:
- Class of Partnership:
 - Public public - All partners involved in the partnership are public organisations
 - Public private - Partnership with one or more private sector companies
 - LSP - Partnership is part of the Local Strategic Partnership family
 - Significance Rating – This indicates a partnership's relative significance, and reflects aspects such as its contribution to corporate priorities and the level of associated financial, political and reputational risk. A high score signifies major significance.
 - Governance Strength Rating – The overarching rating for the partnership
- 2.5. For 2019, of the 49 partnerships on the Register, 37 (76%) are rated as having 'High' governance strength, 12 (24%) rated as 'Medium' and none rated as 'Low'. As a comparison, the ratings in 2013 were as follows: of the 47 partnerships, 40 (85%) were rated 'High', 6 (13%) rated as 'Medium' and 1 (2%) rated as 'Low'.

Changes to partnership details on the Register, and those registered as 'Medium' or 'Low' Governance Strength rating

3. Partnerships added to the Register in 2019

Manchester Creative Digital Assets (entry 44)

- 3.1 The Manchester Creative Digital Assets (MCDA) Company was created in 2017 as a wholly owned company of the Council, to manage and operate the Council's digital assets. This includes The Sharp Project, Space Studios Manchester and Arbeta (an office space in North Manchester aimed at digital, tech, creative, and media businesses). MCDA was tasked with identifying gaps in provision and bringing forward strategies to provide support to digital businesses. Its key aims are:
- To help fuel Manchester's ambition to be a city of digital enterprise with enviable skills and businesses.
 - To enable such growth by creating innovative production and digital workspaces that combine technology with commerce to create a successful, modern city.
 - To nurture and invest in local entrepreneurial talent, developing the required skills to drive and support sustainable economic growth.
- 3.2 The initiative is being supported by Council officers within Strategic Development, Finance and Legal Services. The company is governed through the MCDA Board and the company Articles of Association, and the Council is a 100% shareholder of the company. The board meets on a quarterly basis, and plans are currently being made to appoint a new Chair.
- 3.3 The Commercial Director is responsible for identifying and reporting financial risk, and holds monthly meetings with the Council's finance team. Additionally, there is a quarterly Finance Board which is attended by the City Treasurer and the Executive Member for Finance. The Commercial Director is the registered 'controller' with the Information Commissioner's Office (ICO). Regular advice is obtained from the company's solicitors and outsourced HR function.
- 3.4 The Operations Director is responsible for identifying and reporting operational risk in conjunction with Bruntwood, who provide Facilities Management for MCDA.
- 3.5 The relationship between the company and the Council, in terms of reporting requirements and the relevant roles and responsibilities for both parties and key personnel, are captured and monitored through the Service Level Agreement.
- 3.6 It is proposed that the partnership is rated as '**High**' strength in terms of its governance.

4. Partnerships where governance strength rating has improved from 'Medium' to 'High' strength following latest assessment

NOMA (entry 13)

- 4.1 The partnership is in place to provide strategic oversight and guide regeneration and development within the NOMA estate which is at the northern part of the city centre. Hermes are now the sole owner of the development, with the Co-op having sold its interest (although the Co-op still occupies its Head Office site at 1 Angel Square). Hermes is taking forward the delivery of the masterplan, together with a development manager partner, MEPC. The masterplan has recently been reviewed in consultation with the Council.
- 4.2 Following intervention by officers, the strategic partnership arrangements with Hermes have strengthened significantly over the last year. Regular Board meetings have now been re-established, good relationships are in place with individual officers and Hermes staff, and additional officer meetings on specific issues also take place. Hermes has also welcomed the Council's support at launch and other events.
- 4.3 Progress on delivering the masterplan has been demonstrated by the recent completion of the Dantzie building (a 45,000 sq ft office development), together with the submission of the next phase of planning applications, covering new commercial, residential, and leisure development.
- 4.4 In view of the above, NOMA has been revised from 'Medium' to '**High**' governance strength for the 2019 update of the Register. The translation of the latest round of planning applications through to delivery will be kept under review by the Partnership Board.

Northern Gateway (entry 15)

- 4.5 The Northern Gateway Joint Venture (JV) between the Council and its selected investment and delivery partner, Far East Consortium (FEC), was formally established in April 2017. OpCo, which is the Joint Venture Vehicle, will have strategic input into, and oversight of, the development of the Northern Gateway. This will be primarily through the approval of an overarching strategic business plan, and business plans for each Development Area and through monitoring delivery against them. The Council is to approve planning applications as land owner (separate to its role as local planning authority).
- 4.6 Day to day management of OpCo is vested in the OpCo Board and each shareholder is entitled to appoint up to three directors. The Council directors and InvestCo directors each have a collectivised vote and all decisions to be passed must be voted on by both sets of directors. There are a number of strategic matters which must be voted on by both sets of directors. The decisions will be taken in accordance with the Council's constitution. The OpCo Board meets on a quarterly basis and minutes of each meeting are recorded by an appointed secretary.

- 4.7 Since the establishment of OpCo the board, and the respective shareholders, have approved the Northern Gateway Strategic Regeneration Framework and the Northern Gateway Strategic Business Plan. Risks relating to the overall delivery of the Northern Gateway are monitored and addressed by the Operational Delivery Group comprising officers from the Residential Growth Team and from FEC. Meetings are held on a weekly basis, where risks are reported to the OpCo Board as appropriate.
- 4.8 In view of the robust governance in place, for 2019 it is proposed that the partnership is re-rated from 'Medium' to '**High**' governance strength.

Children's Board Strategic Partnership (entry 19)

- 4.9 The Children's Board provides overall leadership for shaping and delivering the vision for children, young people and their families; which is 'Our Manchester – building a safe, happy, healthy and successful future for children and young people'. Over the past 12 months the Board has continued to develop and it is now in a position where it can, with confidence, provide leadership and strategic oversight to ensure the ambitious and broad vision of the partnership can be attained. The Annual Report has highlighted some of the significant accomplishments that have been achieved and moving forward the key is for this momentum to not only be maintained but accelerated.
- 4.10 To achieve this the Board will need to ensure that a number of key priorities - Children & Young People's Plan 2020 - 2024, review of the outcomes framework, and review and consolidate membership of the Board - are prioritised and specific work streams are set up to ensure that the priorities are delivered. In addition the Board will continue to model the 'Our Manchester' behaviours with a specific focus on ensuring that this vision is embedded not only at a strategic level but across the whole of the partnership's workforce.
- 4.11 By adopting the above approach there is confidence that the governance arrangements of the Board will continue to be strong, and to showcase a good example of successful partnership working at a senior strategic level. In view of the significant improvements that have been made, it is proposed that the governance strength rating for the Children's Board is improved to '**High**' strength.

MCRactive (entry 43)

- 4.12 The arrangements for Manchester Active Ltd (MCRactive) became fully operational on 1 April 2019, following the 'Transfer of Undertakings (Protection of Employment) regulations' (TUPE) transfer of the Council's Sport and Leisure Team. MCRactive is a non-profit organisation established under a 'teckal' exemption. This exemption allows the contracting authority to establish a separate vehicle (ordinarily a company) to provide services back to it, and provided the requirements of that exemption are met then a procurement exercise will not be required. Manchester Professional Services Limited act in the capacity of Company Secretary, ensuring that all decision making is

recorded accurately and that all requirements of Companies House are fulfilled.

- 4.13 MCRactive is the single governance model for sport and leisure and it oversees the delivery of Manchester's ten-year Strategy for Sport and Physical Activity, which was launched in spring 2019. MCRactive is contracted to provide leadership and a common narrative for sport and physical activity in Manchester. It manages the performance of the various facility arrangements on the Council's behalf, and develops commissioning arrangements to build capacity amongst the voluntary sector. It also works to provide, protect and activate all sport and leisure provision across the city, and to widen access to this provision for Manchester residents in every neighbourhood. The new approach also sees Health organisations in Manchester working much more closely and co-investing with Sport England and the Council, with a key remit of tackling inactivity and increasing sport and physical activity participation.
- 4.14 A number of controls have been established with MCRactive to ensure that it delivers on the Council's ambition, these include:
- Establishment of a services contract and specification between the Council and MCRactive, which sets out the detailed delivery arrangements.
 - Establishment of regular reporting and monitoring arrangements, which are tracked as part of the Council's Corporate Plan.
- 4.15 The Board is chaired by the Council with the Council appointing participating Directors in agreement with Sport England.
- 4.16 The company is held to account by Communities and Equalities Scrutiny Committee, and Executive meetings – Key Decisions relating to the adoption of plans, pricing, programming, building modifications and resourcing will continue to be made by the Council.
- 4.17 The Council has deployed Officers such as the Service Head for Parks, Leisure, Youth and Events who will provide day to day senior leadership to the company, whilst retaining current responsibilities and duties in the Council and the Director for Neighbourhoods who also provides Leadership at Board level.
- 4.18 A review of the organisation's Articles of Association has been completed and the revised version is due to be approved by the Board and submitted to Companies House by 31 March 2020. At the same point, the new Directors will be formally implemented; the Board will consist of directors from Manchester Health and Care Commissioning (MHCC), Sport England, and from the Council there will be the Director of Neighbourhoods, and the Executive Member for Skills, Culture and Leisure.
- 4.19 Given the work completed to date, the governance arrangements established and the robust measures and controls that have been put in place as outlined above, it is now felt that MCRactive meets the criteria to achieve the '**High**' strength governance rating.

5. Partnerships where governance strength rating remains ‘Medium’ or ‘Low’ following latest assessment

Manchester Working Ltd (MWL) (entry 4)

- 5.1 Manchester Working Ltd (MWL) was established as a joint venture company in 2006 for the provision of building maintenance services for the Council and Northwards Housing.
- 5.2 The contract between the Council, Northwards Housing and MWL has expired. A re-procurement tender exercise was undertaken in accordance with the EU public procurement rules and a new contract for Repairs and Maintenance Services to Northwards Housing Managed Stock and new adaptations across all Manchester City Council housing was subsequently awarded to Mears Limited. This contract is not connected to the joint venture company.
- 5.3 The contract for building maintenance services for the Council has also now expired and was subsequently awarded to Engie Ltd.
- 5.4 MWL continues to undertake a small number of Capital projects which will all be completed by 30th June 2020.
- 5.5 The task and finish group established by the Deputy City Treasurer will continue to oversee the finalisation of the accounts and the closure of the joint venture company. Until then, the partnership will continue to be rated as **‘Medium’** governance strength.

Manchester Safeguarding Partnership (entry 16)

- 5.6 The Manchester Safeguarding Partnership (MSP) has now replaced the Manchester Safeguarding Children Board and Manchester Safeguarding Adults Board. The new MSP was established in response to new legislative guidance (Working Together 2018) which required all local areas to publish their new multi-agency safeguarding arrangements for children by 29 June 2019. The legislation and guidance abolished the need for local areas to establish Local Children’s Safeguarding Boards (LSCB) where local authorities had lead responsibility to having partnership arrangements led by three strategic partners, who all have equal responsibility for safeguarding arrangements in their local area. The three strategic partners are the Chief Officers of the Local Authority, the Clinical Commissioning Group (CCG) and Greater Manchester Police.
- 5.7 Manchester responded to the requirement to change our partnership approach to safeguarding children as an opportunity to align our partnership arrangements for safeguarding children and adults. The published arrangements are therefore also in line with the Care Act 2014 requirements for Safeguarding Adults Board (SAB). In the new MSP arrangements, the Adult Safeguarding Executive Group will fulfil the function of Safeguarding Adult Board detailed in the Care Act 2014.

- 5.8 Manchester's Multi-Agency Safeguarding arrangements document was published in June 2019. A Project Implementation Group was established, consisting of senior officers from the key partner agencies to progress the arrangements and implementation. This has included an amended governance structure to support the safeguarding partnership arrangements in Manchester.
- 5.9 A range of workshops and activities have informed the detail of the new arrangements to ensure we build upon the already strong foundation whilst building confidence in our safeguarding partnership arrangements as part of our journey of continuous improvement.
- 5.10 The purpose of the new arrangements is to support partnership working whereby:
- Children and adults at risk of abuse and harm are safeguarded and their welfare promoted.
 - Partner organisations and agencies collaborate, share and co-own the vision for how to achieve improved outcomes for vulnerable people in our city.
 - Organisations and agencies challenge appropriately and hold each other to account.
 - There is early identification and analysis of new safeguarding issues and emerging threats.
 - Learning is promoted and embedded in a way that local services for children and adults at risk of harm or abuse can be more reflective and improve practice.
- 5.11 An update on the MSP's arrangements was published in October 2019. In summary the new arrangements aim to ensure:
- A timely and proportionate response to safeguarding learning reviews.
 - Focus on learning and improvement activities to ensure we listen, understand and respond to learning from reviews for children and adults at risk of harm or abuse.
 - An increase in our focus on learning and its positive impact on practice and outcomes for children and adults at risk of abuse or harm.
 - The voice of children, adults and their families are central to our work.
 - Acknowledge the involvement and support of the education sector.
 - A consistent and joined up approach to safeguarding for children and adults at risk of harm or abuse.
 - Clear and accessible arrangements for information sharing.
 - Clear and transparent arrangements for dispute resolution.
- 5.12 The newly established Accountabilities and Leadership Board led by Strategic Partners had its first meeting in November 2019. This Board will provide strategic leadership to the partnership, take decisions and make commitments on policy, resources and practice matters, holding respective agencies to

account on how effectively they participate in and implement local arrangements.

- 5.13 A new Independent Chair role will act as a critical friend offering independent scrutiny and challenge to the partnership. This position has recently been recruited to.
- 5.14 Separate Children's and Adults Executive Safeguarding Groups will performance manage and hold to account partners regarding the safeguarding systems for children and adults at risk of harm and abuse and their families. The Executive Groups will embed the new safeguarding arrangements, seek assurance regarding child death arrangements and the wider safeguarding arrangements for children and adults.
- 5.15 Separate Child and Adult Safeguarding Practice Review Panels will oversee the process for undertaking reviews where a child or adult has suffered significant harm or death and there is multi-agency learning. Work has been undertaken to review the processes to ensure we have appropriate thresholds and take a strategic approach to identifying where it is appropriate to undertake a review. Additional capacity has been identified to ensure that the current outstanding reviews (for children and adults) are completed promptly. New learning reviews for adults will be commissioned more robustly to ensure partnership learning is identified and acted upon more promptly, are more cost and resource efficient with contracts for independent reviewers clearly outlining expectations.
- 5.16 There will be four sub-groups responsible for progressing Quality Assurance, Complex Safeguarding, and Learning and Improvement to support the MSP in fulfilling its core business and functions. Each sub-group will have a work plan to progress their area of responsibility.
- 5.17 Child and Adult Practice Fora within localities will build upon existing positive work and embed learning. The children's fora are already established and linked to the partnership safeguarding work. Adult fora are being developed.
- 5.18 By April 2020 it is envisaged the new structure and arrangements will be embedded. The strategic chief officers of the lead agencies will continue to report to their organisations for scrutiny and challenge. The Inter Board Protocol will ensure effective and clear reporting and working across strategic boards continues.
- 5.19 In view of the transition to new safeguarding arrangements, the 2019 strength of governance rating for the Manchester Safeguarding Partnership will remain as '**Medium**'.

Manchester's Service for Independent Living (MSIL) (entry 24)

- 5.20 The current agreement is for the provision of a Community Equipment Service to children, young people, adults and older people across Manchester. This

includes stock and store management of equipment and provision of delivery, collection, recycling, decontamination and maintenance services.

- 5.21 The Service Level Agreement (SLA), which sets out the responsibilities and priorities of the Council and the CCG, was signed by all relevant senior managers on 6 February 2019. The SLA is working well and no issues have been reported by any of the parties, with good governance arrangements in place through both Manchester Local Care Organisation (MLCO) and MHCC where necessary. The SLA is an agenda item at the quarterly Health Operational Group.
- 5.22 Further discussions are ongoing with regard to the purchasing of Continuing Healthcare (CHC) equipment with senior managers in the CCG and MLCO, with the possibility of a further separate SLA being developed to cover this element of equipment provision which is not currently covered by the existing SLA.
- 5.23 A strength of governance rating of '**Medium**' is proposed for the 2019 Register, which was the same rating given in 2018.

Manchester International Festival (MIF) (entry 25)

- 5.24 MIF has a grant agreement to deliver the biennial festival. Future funding and legal structures are being considered to support the continuation of the festival and its role in the development and operation of the city's new arts venue, The Factory.
- 5.25 Taking on the role of operator for The Factory has required MIF to undergo significant organisational change to grow and adapt as an organisation. The organisational re-design and transitional planning has partly concluded. This work is owned and driven by the MIF Board, Chief Executive Officer and the Executive Team.
- 5.26 The renewal and expansion of the MIF Board was the first step in this process, with 14 members and the City Treasurer and Arts Council England (ACE) as observers. A new Executive Structure was implemented. A Business Plan has been approved by ACE, the Council, and the Department for Culture, Media and Sport and is updated and resubmitted once every six months. This plan is a live document, and over the next 12 months the artistic programme will be further developed.
- 5.27 The development of MIF as an organisation and the artistic planning will take place alongside the construction of Factory, which is a major capital project managed by the Council sitting within the St John's neighbourhood of the city centre. Governance arrangements are in place to manage the Factory project with the Deputy Chief Executive and City Treasurer as the Senior Responsible Officer and chair of both the Project Boards. The Director of Capital Programmes is the lead for the construction of Factory, while the Head of City Centre Growth and Regeneration is the lead for client relationships and MIF. A Strategic Board has been established chaired by the Leader of the Council

and attended by the Deputy Leader, Executive Member for Finance and Human Resources, Executive Member for Schools, Culture and Leisure, Chief Executive, Deputy Chief Executive and City Treasurer, Head of Capital Programmes, Head of City Centre Growth and Regeneration and MIF Chief Executive Officer, Chairman of MIF Board, and the Finance Director of ACE is an observer. The Council's Chief Executive chairs the Factory Executive Meeting, which is a Council group which is in place to keep track of delivery progress.

- 5.28 A detailed risk register is reviewed at the Project Board meetings.
- 5.29 In view of the significant changes and the preparations in progress for MIF taking on operation of Factory, it is proposed that MIF continues to be rated as **'Medium'** governance strength.

Greater Manchester Mental Health NHS Foundation Trust (GMMH) (entry 26)

- 5.30 The partnership is based on a legal contract with GMMH for the delivery of the Council's statutory duties under a Section 75 (Mental Health Act) Agreement. This works to deliver Care Coordination and assessment and Approved Mental Health Professional (AMHP) functions within an integrated health and social care organisation. The section 75 also includes specifications for support and inclusion services. The Section 75 Agreement forms part of a wider single integrated health and social care (NHS standard) contract held by GMMH and commissioned by the Council and CCG. A new Deputy Director of Adults Services is now in post and will support the future commissioning arrangements, and the review of the Section 75 agreement. Statutory compliance and operational practice is supported by the Quality and Performance Manager who sits in Adult Social Care (ASC) but provides regular support to GMMH with regard to its delegated statutory responsibilities and assurance back to the Director of Adult Social services through the line Management of the Assistant Director (Complex Needs). This support has been strengthened over the past twelve months.
- 5.31 The Mental Health Casework Compliance audit was finalised in April 2019, and reported limited assurance over the Greater Manchester Mental Health Foundation Trust's delivery of delegated statutory social care functions, specifically safeguarding and annual reviews, in line with relevant policies and procedures. There were nine recommendations, three have been totally implemented, two partially implemented and four not implemented. This target date is December 2020 as they involve significant training for all staff to have maximum impact on practice. GMMH has also created an internal assurance process that monitors locality performance on a two weekly basis. This will be reported into the monthly partnership meeting.
- 5.32 In order to address this, and other challenges relating to Adult Social Care the Adult Social Care Improvement Programme was established. Progress with delivery of this was reported to the Audit Committee in October 2019. Internal Audit continues to monitor individual agreed actions. Progress with actions is also reviewed by GMMH and ASC in their monthly partnership meetings.

- 5.33 From a wider perspective there is also a monthly Service Development Meeting (SDG) meeting chaired by MHCC. This meeting monitors the overall contract with GMMH and is attended by senior Managers across MHCC, MCC and GMMH. A monthly performance report is prepared for this meeting by the Adult Social care lead who sits within GMMH.
- 5.34 The above governance processes will be reviewed in 2020 to ensure that there are maximum benefits from the overall GMMH footprint, whilst ensuring there is clarity at a local Manchester level. Adult Social Care performance and finance will be involved in this review to assure information flows appropriately and in a timely manner.
- 5.35 In light of the actions which remain to be addressed as part of the Improvement Programme, the partnership retains its governance strength rating of **'Medium'**.

Avro Hollows Tenant Management Organisation (entry 34)

- 5.36 The Avro Hollows Tenant Management Organisation (TMO) was set up in 2008 to manage a relatively small area of housing stock (312 properties) in Newton Heath on behalf of the Council.
- 5.37 In response to the Grenfell Tragedy in 2017, Northwards commissioned Savills to develop a programme of improvement works to the four Avro Hollows blocks. This included Fire Risk Assessment recommendations, the retrofitting of sprinkler systems and the refurbishment of individual flats which were not included in the Decent Homes Programme. Staff worked hard to ensure all actions in the recommendations were completed ahead of schedule in 2019. Additionally, staff have received fire safety training and improvements to procedures and processes were also made following the advice from Savills.
- 5.38 The TMO has had two AGMs this year, both of which were well attended. Additional Board Members were elected at the January 2019 AGM.
- 5.39 The procurement of Avro's own repairs and maintenance contractor has meant that tenants receive a more cost effective and efficient service. Tenants have been asked for feedback on the service and all comments have been very positive.
- 5.40 A risk management process is in place, and there is a facility via the Estate Office whereby tenants, residents and visitors can report any identified risks on the estate. A risk log has been created as a continually evolving document which is reviewed at Board Meetings, and covers strategic or high level operational risks. Low to mid-level operational risks are raised at specific sub groups of the Board, such as Finance and Works. The whole risk register is reviewed at Board Meetings.

- 5.41 The Council's professional relationship with Avro Hollows is constant due to the joint working with partners to resolve several issues. With the major capital works programme commencing on site in January 2020, arrangements will be managed through the Northwards capital programme team.
- 5.42 The working relationship with AVRO continues to require careful attention as they work more independently than the Council's other partners. Additionally, there is a challenge of not having a dedicated resource at the Council to liaise between the main partners, which would encourage a better, more focused relationship between Northwards and AVRO. A formal quarterly meeting between agencies is well established, but this does not have a significant impact on the day to day working relationship. Housing officers plan to meet with AVRO in the near future to explore how the stakeholder relationship challenges can be addressed. For this reason, the governance strength rating will remain as '**Medium**', with the Council working hard to sustain a more formal working relationship with the board and its management team.

SHOUT Tenant Management Organisation (entry 35)

- 5.43 The SHOUT TMO ensures effective monitoring, governance and support in the provision of a voluntary service managing a relatively small area of housing stock (100 properties).
- 5.44 The Housing management staff have now been in place for over two years and continue to gain more situational experience building relationships with tenants and residents.
- 5.45 The TMO relationship with the Council and Northwards Housing remains strong and communication lines are open through regular liaison and single subject meetings. Board member time spent at the TMO has increased to the point that sub committees are being set up to address issues such as Housing Management and Human Resources. Plans are also being made to set up additional specialist committees, for example capital works and communications and engagement, although these are resource dependent.
- 5.46 A training needs analysis has been undertaken for the active Board members. Several learning interventions have been identified and are currently being costed before commissioning.
- 5.47 In terms of processes implemented due to the issues identified in the repairs process, the staff at the TMO have set up six weekly meetings with the repairs contractor to highlight, discuss and resolve any issues with the repairs. This has resulted in a much improved process of early identification and resolution of issues.
- 5.48 SHOUT continually monitor expenditure on services, and example of which resulted in changes to the communications provider realising savings on the organisation's voice and data bills. The direct link into Northwards network is established and working well. This ensures that the TMO staff have full access

to the functionality of Northwards QL Housing Management system, and are able to retrieve live information and update case files directly.

- 5.49 The 2019 AGM was not quorate. This was due to a change in location of the meeting to the edge of the estate, and poor weather meant residents were put off attending the meeting. The rescheduled AGM is due to take place in February 2020 with alternative strategies being discussed to increase engagement and attendance.
- 5.50 Early indications on SHOUT's financial position show a potential decrease in spend on responsive repairs. This is as a result of the TMO staff gaining more experience in managing the contractor, and having tighter controls on financial reconciliation of invoices from the contractor.
- 5.51 The consultants who were supporting SHOUT have now withdrawn and issued their end of project report. An action plan has been formulated on the tasks highlighted in the report and actions will be tracked to completion. Overall the relationships between the TMO and the Council are good and continuing to improve through more communication and partnership working.
- 5.52 In terms of governance, the TMO has good requisition, financial and decision making governance arrangements in place. Board decisions are recorded and circulated, financial processes are in place including an independent accountant to verify record keeping.
- 5.53 Whilst the TMO continues to implement a new suite of policies and processes, with Council officers providing further support to the Board and its management team, SHOUT will retain its rating of '**Medium**' governance strength.

Manchester Health and Care Commissioning (MHCC) (entry 40)

- 5.54 MHCC was established in 2017 to enable joined up decision making, based on the needs of the local population, between the Council and CCG in relation to the commissioning of health, public health and social care services and activity.
- 5.55 The two organisations have been working positively and collaboratively within shared governance arrangements but without a fully integrated budget. Decision making has been enabled through the Council's delegation to the Executive Director of Adult Social Services and the Director of Public Health.
- 5.56 Staff remain employed by the Council or CCG and therefore are covered by their host organisations' policies and procedures.
- 5.57 A new partnership agreement was agreed, which formalised the arrangement described above and set out the rules for how financial pooling would occur via a Financial Framework. The Council has audited MHCC's governance arrangements and are monitoring the delivery of the recommendations. MHCC shall continue to be rated as '**Medium**' governance strength in the 2019

Register, and the formalising of arrangements and due diligence continues. A review of action taken since the audit is taking place during early 2020.

Manchester Local Care Organisation (entry 41)

- 5.58 Manchester Local Care Organisation (MLCO) has been a provider of out of hospital services since April 2018. MLCO is responsible for the delivery of a range of services including community health services, and adult social care.
- 5.59 The establishment of MLCO is a key part of the Our Healthier Manchester Locality Plan. The MLCO vision is to create an integrated out of hospital provider which can provide proactive, integrated care delivered on a neighbourhood footprint.
- 5.60 The partnership has robust controls in place in relation to governance, for example through its financial and performance reporting and internal governance processes. However, it is a relatively new and evolving partnership, and there is significant risk attached – for example, because the MLCO still has to report to different partners for decisions. In view of this, in 2019 the MLCO retained its rating of 'Medium' governance strength. Following a recent report by Internal Audit, actions are now being taken to improve the effectiveness of Adult Social Care governance in the context of MLCO governance.
- 5.61 MLCO has five priorities for 2019/20 that were agreed by the Partnership Board (comprised of the core partners to MLCO). These are:
- Population health delivery to implement a number of targeted local programmes to systematically improve the health outcomes for people living in Manchester
 - Achieving integrated working in neighbourhood teams to ensure more people are treated in their communities and to increase targeted health offers for people who have complex needs
 - Building strong relationships with Primary Care to create integrated offers for people in practices and place which support them to stay well in the community
 - Delivering better system resilience to most effectively use out of hospital resources, increase the number of people cared for in the community or their own home and reduce the number of people being admitted non-electively to hospital
 - Achieving Phase 2 for MLCO to enable service redesign and sub-contracting to become part of the integrated offer in Manchester
- 5.62 To meet the MLCO's ambitions for service delivery which include delivering safe and effective care, the internal governance for the organisation was built upon appropriate design principles. The governance created has been designed to ensure it is able to have effective oversight of in excess of £600m worth of services per annum from 2019/20 onwards. The governance that has been mobilised to support the delivery of the MLCO, will continue to iterate as the organisation develops particularly in regards to governance that will be

developed to support Integrated Neighbourhood Teams. As part of ensuring that the governance is able to effectively support neighbourhood working MLCO will mobilise a number of additional committees including a Risk and Audit Committee.

- 5.63 The aim remains for MLCO to be a single contract holder for the health provision it is responsible for, alongside an appropriate form of agreement for social care. The timescale for the procurement process for Phase 2 is currently under review.
- 5.64 It is proposed that for 2019 MCLO will retain its rating of **'Medium'** governance strength.

One Education (entry 42)

- 5.65 One Education provides a range of Pupil and Business Support services to schools and academies, primarily in Manchester but also some other Greater Manchester areas and West Yorkshire. It is commissioned by the Council to respond to the Education Act 2011 in a positive way, both in terms of the interface with schools and in providing challenge as champions of children in the City. It has its own Board of Directors which includes Council officers, and reports to the Council.
- 5.66 One Education is in a financially better position than last year, having returned a surplus at the end of March 2019 and projected to do the same this year. However, the company carries significant pension liability which is one of the issues under consideration through the external review process which the Council has commissioned and is being carried out by PwC. In view of this, for the 2019 Register it is proposed that the partnership retains a rating of **'Medium'** strength of governance.

Brunswick PFI (entry 49)

- 5.67 This partnership is a contractual agreement between the Council and S4B, which is a consortium made up of four organisations: Equitix, Vistry Partnerships, Mears and Onward Homes.
- 5.68 Signed in 2013, the PFI contract involves the remodelling of the Brunswick neighbourhood. This will see over 650 homes refurbished; 296 properties demolished; 124 homes to have their orientation reversed to align with the new street layout; 302 new build homes for sale; 200 new build Housing Revenue Account homes (including a 60 apartment extra care scheme) and the creation of new parks, a retail hub and neighbourhood office. A significant amount of this work has now been completed.
- 5.69 Whilst the majority of the governance arrangements are robust, the partnership is rated as **'Medium'** governance strength due to there still being concerns around the contractor's capability to ensure recovery programmes are met around newbuild homes for sale and the infrastructure programme. The Council is also in a number of ongoing legal disputes with S4B for

significant financial sums. Officers are closely involved in the development of the on-site extra care scheme which is due to be completed in October 2020.

6. Partnerships where governance strength rating has reduced from 'High' to 'Medium' since the last assessment

Northwards Housing

- 6.1 Northwards Housing is an Arms Length Management Organisation (ALMO) which manages and maintains c13,500 Council properties across estates in North Manchester.
- 6.2 An ALMO and Housing Revenue Account (HRA) review was commissioned by the Strategic Director (Development) in discussion with the Executive Member for Housing and the Leader of the Council.
- 6.3 The objectives set for the review are:
 - Review of the future of the Northwards ALMO within three months of the Interim Director commencing in their role (i.e. by the end of January 2020).
 - Set out an initial options appraisal along with the specified risks, costs, outcomes, deliverables associated with all identified options.
 - Engage with the organisational and political leadership of the Council on the review of the future of the Northwards ALMO, via organisational governance arrangements.
 - Provide clarity on HRA future investment capacity for decent homes, zero carbon, fire safety, repairs and maintenance.
- 6.4 The review will report in the Spring of 2020. A clear set of actions for the Council, in terms of how it manages the ALMO, and for the ALMO itself, in terms of the service expectations, will be developed and launched. Northwards have commissioned a governance review that is being provided by an external consultancy (Campbell Tickell) and this is likely to add requirements to the action plan.
- 6.5 The governance strength rating has been altered from 'High' to '**Medium**' as the Director of Housing is of the opinion that the ALMO's performance, and governance of that performance is not currently adequate.

7. Partnerships to be removed from the Register

Hulme High Street

- 7.1 Hulme High Street Ltd is a joint venture limited company incorporated in 1996 between the Council (as landlord) and Amec (as developer) formed to develop the Hulme High Street area brought about following the Hulme City Challenge regeneration project initiated in the early 1990s. The site comprised of the High Street area including the 'Asda' retail park along with the surrounding high street, market and residential development sites. Amec's interest is now held by Muse Developments. The principal objective for the formation of this

partnership arrangement was to develop the Hulme High Street area of the City. All but one of the sites has now been developed. The Council does not have involvement in the day to day running of the Company and is effectively dormant.

- 7.2 The Council has now acquired all shareholding interests in Hulme High Street Limited from Amec / Muse and is therefore now a wholly owned Council entity. HHSL will remain a live company for the coming months as there is still one landholding associated with the entity but then it is proposed that it will be dissolved. In the interim, until dissolved, the Council will ensure that all the necessary returns and accounts are prepared and submitted to Companies House. Therefore, Hulme High Street Limited has now been removed from the Register as it no longer meets the criteria to be listed.

8. Next Steps

- 8.1 Responsibility for management of the process of coordinating the production of the Register of Significant Partnerships was previously carried out by Performance, Research and Intelligence (PRI), including compilation of the 2019 Register. The Partnership Register process will be led by the Commercial Governance Service from 1st April 2020 and supported by Reform and Innovation, with both service areas collaborating in order to strengthen the process and reporting.
- 8.2 The annual refresh of the Register is part of the Council's processes used to gain assurance over the robustness of its governance arrangements, and will be used to inform the production of the Annual Governance Statement (AGS) 2019/20. A draft of the AGS will be taken to Audit Committee in April 2020.
- 8.3 Partnerships will undertake reassessment of their governance arrangements in September 2020. This will include any new significant partnerships that have been formed in 2020. Following this, a Register with revised governance strength ratings will be submitted to Audit Committee in winter 2020 (specific schedule to be confirmed).

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2019 Register of Significant Partnerships

Key to Governance Strength Ratings	High: There is a sound system of governance designed to achieve the partnership's and the Council's objectives
	Medium: While there is a basically sound system of governance, there are areas for improvement, hence some of the partnership's and the Council's objectives may be at risk.
	Low: Controls are generally weak leaving the partnership's system open to significant error or abuse. It is expected that the partnership's and the Council's objectives will not be met.

					2019 Ratings		
No	Partnership Name	Short Description of Partnership	SMT Lead	Class	Significance Rating	Governance Strength Rating	Governance Strength Trend
INCORPORATED BODIES (separate and distinct legal entities)							
1	Manchester Central Convention	Manchester Central Convention Complex Ltd, wholly owned by the City Council. Owns the Convention Complex (formerly G-Mex). Reports to Manchester Central Board.	Carol Culley	Public Public	Medium	High	↔
2	Manchester Science Partnership Ltd	Manages the Science Park and attracts science and technology investment into Manchester. Partners: University of Manchester, Salford CC, MMU and private sector. Reports to company board.	Joanne Roney	Public Private	Medium	High	↔
Page 33	Manchester Airport Holdings Ltd	Company with shareholding held by the Council, Investors and the other Greater Manchester local authorities.	Eddie Smith	Public Private	High	High	↔
	Manchester Working Ltd	Repairs and maintenance Joint Venture with Mears. Reports to Manchester Working Board.	Carol Culley	Public Private	Medium	Medium	↔
5	National Car Parks Manchester Limited	Manages off street car parking facilities and CCTV under joint venture agreement between MCC and National Car Parks. Reports to company board.	Fiona Worrall	Public Private	Medium	High	↔
6	Spinningfields	Oversees and facilitates the redevelopment and regeneration of the Spinningfields area. Partners: Allied London Properties. Reports to company board. Also to SMT and Executive when appropriate.	Eddie Smith	Public Private	Medium	High	↔
7	Oxford Road Corridor Manchester	Delivery vehicle for a strategic development framework within the Oxford Road Corridor area, oversees an area of the City running south from St Peter's Square to Whitworth Park. Partners: University of Manchester, Manchester Metropolitan University, Central Manchester Foundation Trust, Bruntwood. Reports to Corridor MCR Board.	Eddie Smith	Public Private	Medium	High	↔
8	Mayfield	This is a partnership between the Council, Transport for Greater Manchester and London & Continental Railways, to facilitate the regeneration of the Mayfield area of Manchester, as a high quality mixed used scheme. Reports to Partnership Board.	Eddie Smith	Public Private	Medium	High	↔
9	Manchester Life	Joint Venture established between Abu Dhabi United Group and the City Council, to deliver predominantly housing development. The first phase of the partnership will focus on the development of 6 sites within the Ancoats and New Islington neighbourhoods of the city which are in the ownership of the Council.	Eddie Smith	Public Private	High	High	↔

2019 Register of Significant Partnerships

Key to Governance Strength Ratings	High: There is a sound system of governance designed to achieve the partnership's and the Council's objectives
	Medium: While there is a basically sound system of governance, there are areas for improvement, hence some of the partnership's and the Council's objectives may be at risk.
	Low: Controls are generally weak leaving the partnership's system open to significant error or abuse. It is expected that the partnership's and the Council's objectives will not be met.

					2019 Ratings		
No	Partnership Name	Short Description of Partnership	SMT Lead	Class	Significance Rating	Governance Strength Rating	Governance Strength Trend
10	Matrix Homes	Joint Venture arrangement between the Council and the Greater Manchester Pension Fund (GMPF) building new homes for sale and market rent across five sites in the city.	Eddie Smith	Public Public	High	High	↔
11	Eastlands Strategic Development Company Ltd	The Eastlands Strategic Development Company, provides an overview and direction for the Eastlands Development Company to carry out the development of Eastlands Regeneration Area. The partnership between MCC and MCFC acts as a facilitator to drive growth in the east of the city and looks to best utilise the land surrounding the stadium to encourage economic growth.	Eddie Smith	Public Private	High	High	↔
Page 34 12	Eastlands Development Company Ltd	The company is a vehicle for investment into East Manchester and provides a formal partnership arrangement for MCC and MCFC to leverage funding and investment in the area in line with the East Manchester Regeneration Framework.	Eddie Smith	Public Private	High	High	↔
13	NOMA	Partnership to oversee and guide regeneration and development within the area between Victoria and Shudehill. Hermes are taking forward the delivery of the masterplan in partnership with the Council and MEPC.	Eddie Smith	Public Private	High	High	↑
14	First Street	Partnership to oversee and guide regeneration and development within the First Street area. Partners are Southside Regeneration and HOME / GMAC. Report to the Project Board.	Eddie Smith	Public Private	High	High	↔
15	Northern Gateway	Joint venture with Far East Consortium to regenerate Northern Gateway area for high quality housing and ancillary development to create a vibrant, attractive and sustainable neighbourhood. This also includes the submission of c£51m funding from Homes England Marginal Viability Fund to support infrastructure works.	Eddie Smith	Public Private	High	High	↑

2019 Register of Significant Partnerships

Key to Governance Strength Ratings	High: There is a sound system of governance designed to achieve the partnership's and the Council's objectives
	Medium: While there is a basically sound system of governance, there are areas for improvement, hence some of the partnership's and the Council's objectives may be at risk.
	Low: Controls are generally weak leaving the partnership's system open to significant error or abuse. It is expected that the partnership's and the Council's objectives will not be met.

					2019 Ratings		
No	Partnership Name	Short Description of Partnership	SMT Lead	Class	Significance Rating	Governance Strength Rating	Governance Strength Trend
STATUTORY PARTNERSHIPS							
16	Manchester Safeguarding Partnership	Statutory body to ensure the multi-agency arrangements for children and adults at risk of, or experiencing, harm are effective in safeguarding individuals and promoting their welfare (replaces MSCB and MSAB). Led by three safeguarding partners of MCC, GMP and CCG, all of which have equal responsibility for the arrangements. Reports to partnership Accountability and Leadership Board.	Paul Marshall / Bernadette Enright	Public Public	High	Medium	↔
17	Health and Well Being Board	Thematic partnership providing collaborative approach to improve the health and wellbeing of residents and reduce health inequalities. Reports to Manchester Partnership	David Regan	Public Public	High	High	↔
18	Manchester Community Safety Partnership	Statutory thematic partnership providing strategic direction for challenging and resolving crime and antisocial behaviour. Partners: GMP, Offender Management Services, GM Fire and Rescue Service, Public Health Manchester, the Universities, Housing Providers, and voluntary and community organisations. Reports to Manchester Investment Board.	Fiona Worrall	LSP	High	High	↔

NON-STATUTORY PARTNERSHIPS

19	Children's Board	Thematic partnership providing strategic leadership on the design and delivery of services for children, young people and families in Manchester. Partners: MHCC, GMP and schools. Reports to the Health and Wellbeing Board.	Paul Marshall	LSP	High	High	↑
20	CityCo (Manchester) Ltd	Aims to improve, develop and regenerate all aspects of the city centre as a trading environment. Incorporates Piccadilly Partnership. Partners include Bruntwood and Manchester Arndale. Reports to CityCo Board.	Fiona Worrall	Public Private	Medium	High	↔
21	GM Multi Agency Public Protection Arrangements	Enables Police, Probation and Prison services to work together to protect the public against dangerous and sexual offenders. Partners include Probation Service, GMP, Northwards Housing, Her Majesty's Prison Service and CCGs. Reports to Police Authorities.	Eddie Smith	Public Public	Medium	High	↔

2019 Register of Significant Partnerships

Key to Governance Strength Ratings	High: There is a sound system of governance designed to achieve the partnership's and the Council's objectives
	Medium: While there is a basically sound system of governance, there are areas for improvement, hence some of the partnership's and the Council's objectives may be at risk.
	Low: Controls are generally weak leaving the partnership's system open to significant error or abuse. It is expected that the partnership's and the Council's objectives will not be met.

					2019 Ratings		
No	Partnership Name	Short Description of Partnership	SMT Lead	Class	Significance Rating	Governance Strength Rating	Governance Strength Trend
22	Manchester Concert Hall Ltd.	Manages Bridgewater Hall. Partners: Partners: SMG (the operator of the Hall) and MCC. Reports to Company Board	Fiona Worrall	Public Private	High	High	↔
23	Manchester Credit Union (MCU)	A not-for-profit financial co-operative serving people who live or work in Manchester. Partners: DWP, Northwards Housing and City South Housing (both provide accommodation). Reports to Union Board.	Carol Culley	Public Private	Medium	High	↔
24	Manchester Services for Independent Living (MSIL)	Operates under a SLA between MCC and Manchester CCG to provide Community Equipment Service to residents. SLA under review to incorporate changes to Community Health MCR. Reports to Partnership Board.	Bernadette Enright	Public Public	Medium	Medium	↔
25	Manchester International Festival	Delivers a biennial International Festival. MIF will take on role of operator of The Factory once completed in 2021. Partners include Arts Council of England and GMCA. Reports to the Festival Board. An independent review and evaluation, commissioned at the end of each Festival, is reported to Executive.	Fiona Worrall	Public Private	Medium	Medium	↔
26	Greater Manchester Mental Health NHS Foundation Trust (GMMH)	Based on a legal contract for the delivery of the Councils statutory duties under a Section 75 Agreement (Mental Health Act) commissioned by the Council and CCG. This works to deliver care management and assessment and Approved Mental Health Professional (AMHP) functions within an integrated health and social care organisation. Reports to various boards within MHCC, GMCA and the Council.	Bernadette Enright	Public Public	High	Medium	↔
27	Millennium Quarter Trust	Manages, operates and maintains amenities and facilities in the Manchester Millennium Quarter area (now known as Medieval Quarter). Partners include Manchester Cathedral, Selfridges, the Corn Exchange and Chetham's School of Music.	Fiona Worrall	Public Private	Medium	High	↔
28	Northwards Housing	ALMO managing and maintaining housing stock totalling c13,000 properties on behalf of the Council. Partners: Northwards Housing.	Eddie Smith	Public Private	Medium	Medium	↓
29	St John's (Quay Street)	Manchester Quays Limited (MQL) is a Joint Venture between the Council and Allied London Properties Ltd set up to re-develop the former ITV site at Quay Street and Water Street. Reports to the Project Board.	Eddie Smith	Public Private	High	High	↔

2019 Register of Significant Partnerships

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					2019 Ratings		
No	Partnership Name	Short Description of Partnership	SMT Lead	Class	Significance Rating	Governance Strength Rating	Governance Strength Trend
30	North West Regional Strategic Migration Partnership	Supports the development of a regional strategy and co-ordinates support and services for migrants living and/or working in the North West. Partners: range of organisations representing, public, private and third sector. Reports to UK Border Agency via partnership's Executive Committee.	Paul Marshall	Public Public	Medium	High	↔
31	Wythenshawe Forum Trust	To manage and operate the Wythenshawe Forum site, including the contract management of Everyone Active (SLM). Partners include NHS, GMP, Manchester Airport, Wythenshawe Housing Group and Manchester Enterprise Academy. Reports to the partnership's Board.	Fiona Worrall	Public Public	Medium	High	↔
32	Work and Skills Board	Thematic partnership responsible for economic growth, employment and skills. Partners include LTE Group, GMCC, MHCC, Manchester College, Manchester Adult Education Service, Manchester Solutions and VCS. Reports to Our Manchester Investment Board.	Eddie Smith	LSP	High	High	↔
33	Manchester Place	Collaborative partnership between MCC and the Homes & Communities Agency to harness the land resources and market intelligence assets of both organisations, to support the delivery of the Residential Growth Prospectus.	Eddie Smith	Public Public	High	High	↔
34	AVRO Hollows	Tenant Management Organisation (established under the Government's Right to Manage legislation) contracted to manage c300+ Council owned homes in Newton Heath.	Eddie Smith	Public Private	Medium	Medium	↔
35	SHOUT	Tenant Management Organisation contracted to manage c100 Council owned homes in Harpurhey.	Eddie Smith	Public Private	Low	Medium	↔
36	Strategic Education Partnership	The partnership brings together the Council, schools and partners such as MMU and UoM to agree and connect key educational, skills and employment priorities for Manchester.	Amanda Corcoran	Public Private	High	High	↔

2019 Register of Significant Partnerships

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					2019 Ratings		
No	Partnership Name	Short Description of Partnership	SMT Lead	Class	Significance Rating	Governance Strength Rating	Governance Strength Trend
37	HOME	The partnership between the Council and Greater Manchester Arts Centre (trading name of HOME) to secure the funding, development and operation of HOME and ensure it achieves our vision and contributes to the City's economy, cultural ecology and delivering social impact for residents, visitors and workers in Manchester and beyond.	Fiona Worrall	Public Private	High	High	↔
38	Our Manchester Forum	The Our Manchester Forum brings together leaders from the public, private and voluntary sector to develop the Our Manchester Strategy 2016-2025 and oversee progress towards delivering it.	Joanne Roney	Public Private	High	High	↔
39	Our Manchester Investment Board	The partnership drives delivery of the Our Manchester approach across the city and Bringing Services Together for People in Places, which is Manchester's approach to place-based integration of public service reform across the city.	Joanne Roney	Public Public	Medium	High	↔
40	Manchester Health and Care Commissioning (MHCC)	Partnership between the Council and CCG to create a single health, social care and public health commissioning function for Manchester.	David Regan	Public Public	High	Medium	↔
41	Manchester Local Care Organisation (MLCO)	To provide integrated, out-of-hospital, community based care for Manchester residents, bringing together Primary Care, Mental Health, Social Care and Community Health services in an integrated approach. Contributes to improvements in the health of the population, reduce demand and spend on acute health and care services, and improve the care available for patients. Embed new models of care based on the Our Manchester approach, and connect effectively with wider services and assets in communities. Reports to partnership's Board.	Bernadette Enright	Public Public	High	Medium	↔
42	MCRactive	Established as a non-profit organisation formalised by the Council, MCRactive came into effect on 1 Dec 2018: to provide leadership through collaboration with the whole sport and physical activity sector to implement the Sport and Physical Activity Strategy and manage the leisure facilities contract. Reports to partnership's Board.	Fiona Worrall	Public Public	Medium	High	↑
43	Manchester Creative Digital Assets	Created to manage and operate the council's digital assets (The Sharp Project, Space Studios Manchester and Arbata), to identify gaps in provision and bring forward strategies to provide support to digital businesses.	Eddie Smith	Public Public	Medium	High	NEW ENTRY

2019 Register of Significant Partnerships

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					2019 Ratings		
No	Partnership Name	Short Description of Partnership	SMT Lead	Class	Significance Rating	Governance Strength Rating	Governance Strength Trend
SCHOOL LEADERSHIP							
44	One Education	Fully Council owned limited company providing a range of pupil and business support services to schools and academies in Manchester, Greater Manchester and beyond. One Education has a Board of Directors which includes officers of the Council.	Janice Gotts	Public Public	High	Medium	↔

PRIVATE FINANCE INITIATIVES (PFI)

Page 39	Grove Village PFI	Delivers estate regeneration in Ardwick neighbourhood by creating a mixed tenure community, improving the environment, delivering new retail opportunities and offering work, training and other community development activities. Reports to Grove Village Monitoring Board.	Eddie Smith	Public Private	Medium	High	↔
46	Renaissance (Miles Platting Neighbourhood PFI)	Contractual agreement to manage housing estates in the Miles Platting neighbourhood. Reports to Strategic Housing DMT and PFI Stock Transfer Board. Reports to Miles Platting PFI Joint Board PFI Contract Board.	Eddie Smith	Public Private	Medium	High	↔
47	Schools PFI - Temple Community Primary	Contractual agreement to design, build and manage facilities at Temple Primary School. Reports to School Organisation and Strategy Board.	Amanda Corcoran	Public Private	Medium	High	↔
48	Schools PFI - Wright Robinson	Contractual agreement to design, build and manage facilities at Wright Robinson High School. Reports to School Organisation and Strategy Board.	Amanda Corcoran	Public Private	Medium	High	↔
49	Brunswick PFI	Contractual agreement to remodel the Brunswick neighbourhood which will see over 650 homes refurbished; 296 properties demolished, 124 homes reversed; 309 new build homes for sale; 200 new build HRA homes (including a 60 place extra care unit) and the creation of new parks, a retail hub and neighbourhood office. Reports to Brunswick PFI Joint Board and Housing Board.	Eddie Smith	Public Private	Medium	Medium	↔

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Manchester City Council Audit Committee Work Programme 2019/20 and Recommendations Monitor

Meeting Date 10 March 2020, 10am (Report deadline 28 February)				
Register of Significant Partnerships	James Binks Vicky Clark	Director of Policy, Performance and Reform Head of Performance, Research & Intelligence	Annual review of the register of significant partnerships. <i>To consider and comment</i>	4.10 4.12
Accounting Concepts and Policies, Critical Accounting Judgements and Key Sources of Estimation Uncertainty	Carol Culley Janice Gotts Karen Gilfoy	Deputy Chief Executive and City Treasurer Deputy City Treasurer Chief Accountant	To explain the accounting concepts and policies, critical accounting judgements and key sources of estimation uncertainty that will be used in preparing the accounts. <i>To consider and comment</i>	1 4.9
Annual Internal Audit Plan	Tom Powell Richard Thomas Kathryn Fyfe	Head of Audit and Risk Deputy Head of Audit and Risk Audit Manager	To provide the Internal Audit Strategy and annual internal audit work plan for Audit Committee consideration in line with Public Sector Internal Audit Standards. <i>To review and approve</i>	4.2 4.3
Risk Management Strategy and Risk Register	Tom Powell Richard Thomas John Gill	Head of Audit and Risk Deputy Head of Audit and Risk Risk and Resilience Manager	Update on the Council's risk management strategy and governance arrangements. To include the corporate risk profile as articulated in the latest refresh of the corporate risk register. <i>To consider and comment</i>	4.1
Work Programme and Recommendations Monitor	Andrew Woods	Governance Team Leader		

Meeting Date for April TBC (proposed 7 April 2020), 10am (Report deadline 27 March)				
Draft Annual Governance Statement (AGS)	James Binks	Performance Manager	To advise the processes followed to produce the AGS and obtain Audit Committee input to the draft statement. <i>To consider and comment</i>	1
	Vicky Clark	Head of Performance, Research & Intelligence		3 4.10 4.12
Head of Audit and Risk Management Annual Opinion	Tom Powell	Head of Audit and Risk	Head of Internal Audit and Risk Management Annual Opinion on the Council's systems of governance, risk management and internal control as well as a summary of audit work undertaken in the year. <i>To consider and comment</i>	4.6
Review of Internal Audit and Quality Assurance Improvement Programme (QAIP)	Carol Culley	Deputy Chief Executive and City Treasurer	To consider organisational arrangements for the delivery of internal audit in line with legislation and Public Sector Internal Audit Standards. To include review of the Internal Audit Charter. <i>To consider and comment</i>	3
Annual Review of Audit Committee Terms of Reference	Andrew Woods	Governance Team Leader	To review the Committee terms of reference and operation of the Committee. To propose changes (where required) for consideration at Council. <i>To consider and comment</i>	
Risk Review Item	Tom Powell	Head of Audit and Risk	Update reports from officers on areas of focus to be agreed by Committee arising from limited/no assurance Internal Audit reports, outstanding audit recommendations or management of risk. <i>To consider and comment</i>	4.1

Work Programme and Recommendations Monitor	Andrew Woods	Governance Team Leader		
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Recommendations Monitor

Date	Item	Recommendation	Response	Contact Officer
12 November 2019	AC/19/52 Outstanding Audit Recommendations	That a report on the overdue recommendations in relation to Disability Supported Accommodation Services be submitted for consideration at an appropriate time, and all relevant Strategic Leads and Executive Members be in attendance.		Executive Director, Adult Social Services
11 February 2020	AC/20/05 Work Programme	Recommend that the Governance Officer circulate the meeting dates for the 2020/21 municipal year.	This information was circulated via email – 18 February 2020.	Governance and Scrutiny Support Officer

Audit Committee Terms of Reference: as per Constitution (Agreed by Council on 2 October 2019)

Purpose

1. The main purpose of the Committee is to obtain assurance over the Council's corporate governance and risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements.

Governance

2. Review the Council's corporate governance arrangements including consideration of the Code of Corporate Governance.
 - Review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.
 - Review the governance and assurance arrangements for significant partnerships or collaborations, including the Register of Significant Partnerships.
 - To consider the effectiveness of the Council's risk management arrangements including reviewing the Risk Management Strategy and Policy; and the Corporate Risk Register.
 - Review the assessment of fraud risks and potential harm to the Council from fraud and corruption including oversight of key anti-fraud policies and monitoring of the counter-fraud strategy.
 - To make recommendations to the Chief Finance Officer and Monitoring Officer in respect of Part 5 of the Council's Constitution (Financial Regulations).

Financial Reporting

3. Review and approval of the annual Statement of Accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
 - Consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts and monitor the Council's response to individual issues of concern identified.
 - Approve the Council's Statement of Accounts and associated governance and accounting policy documents in accordance with the Accounts and Audit Regulations 2015.

External Audit

4. Support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by Public Sector Audit Appointments (PSAA).
 - Consider the external auditor's annual audit plan, annual audit letter, relevant reports and the report to those charged with governance.
 - Advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

Internal Audit

5. Oversee and provide assurance to the Council on the provision of an effective internal audit service and the main issues arising from Internal Audit work. In particular, undertake the duties of the Board as set out in Public Sector Internal Audit Standards (PSIAS) as follows:
 - Approve the Internal Audit Charter

- Review and approve the risk-based internal audit plan, including internal audit's resource requirements, including any significant changes, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- Receive confirmation from the Head of Audit and Risk Management with regard to the organisational independence of the internal audit activity and make appropriate enquiries of management and the Head of Audit and Risk Management to determine whether there are inappropriate scope or resource limitations.
- Provide free and unfettered access to the Audit Committee Chair for the Head of Audit and Risk Management, including the opportunity for a private meeting with the Committee.
- Consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Head of Audit and Risk Management. To approve and periodically review safeguards to limit such impairments.
- Receive the results of the Quality Assurance and Improvement Plan annually and the external quality assessment of internal audit that takes place at least once every five years.
- Receive communications from the Head of Audit and Risk Management on the internal audit activity's purpose, authority, responsibility and performance relative to its plan. To include significant risk exposures and control issues, including fraud risks, governance issues and other matters needed or requested by senior management and the Committee.
- Consider the Head of Audit and Risk Management's annual opinion and report.
- Seek assurance on the adequacy of management response to internal audit advice, findings and recommendations in the form of implementation of agreed action plans.
- To monitor the implementation and outcomes of the Council's internal audit programme and where required, to review summary and individual audit reports with significant implications for financial management and internal control.

Treasury Management

6. To monitor the performance of the Treasury Management function including:
- approval of / amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
 - budget consideration and approval;
 - approval of the division of responsibilities;
 - receiving and reviewing regular monitoring reports and acting on recommendations; and
 - approving the selection of external service providers and agreeing terms of appointment.

Additional role of Audit Committee

7. To overview the Council's whistleblowing policy.

Delegation: In exercising the above powers and responsibilities, the Committee shall have delegated power to make decisions and act on behalf of the Council.

Note: The Committee may itself determine not to exercise its delegated powers and instead make recommendations to the Council.

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