

**Manchester City Council
Report for Information**

Report to: Audit Committee – 26 November 2020

Subject: Register of Significant Partnerships: Governance Improvement Progress for Partnerships with Low or Medium Strength ratings

Report of: Deputy Chief Executive and City Treasurer

Summary

The report provides an update on progress made to strengthen governance arrangements in the twelve partnerships where a **'Medium'** Partnership Governance Strength Rating was recorded in the 2019 Register of Significant Partnerships, as requested by the committee in March 2020.

Recommendations

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

Wards Affected: All

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents

are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above:
Report to Audit Committee 30 March 2020 – Register of Significant Partnerships 2019.

1. Introduction

- 1.1 In recognition of the need to ensure that all the Council's partnerships continue to perform well, delivering value for money and support the delivery of the Council's strategic objectives, a Partnership Governance Framework (2013) is in place. This framework defines and standardises the Council's approach to managing its partnerships, in order to help strengthen accountability and manage risk and rationalise working arrangements.
- 1.2 In support of the application of this framework, the Council maintains a Register of Significant Partnerships, which was established in 2008. It lists a number of key partnership arrangements that are considered to be of high significance to the financial and reputational risk of the Council and to achieving the Council's objectives. These arrangements are not uniform, ranging from joint venture partnerships, statutory groups and PFIs. They reflect different governance structures depending on their legal status.
- 1.3 The Register is refreshed annually, and the latest 2019 version of the Register was taken to Audit Committee on 30 March 2020. Of the 49 partnerships on the Register, 37 (76%) were rated as having '**High**' governance strength, 12 (24%) rated as '**Medium**' and none rated as '**Low**'.
- 1.4 A Governance Strength Rating of '**Medium**', indicates that while there is a generally sound system of governance in place in these partnerships but areas for improvement have been identified. To gain assurance that plans are in place to strengthen governance arrangements for these '**Medium**' Governance Strength partnerships, Audit Committee requested that a report is produced on a six monthly basis which details progress made.

2. Progress made to strengthen partnership governance arrangements in partnerships with a "Medium" Governance Strength Rating.

Manchester Working Ltd (entry 4)

- 2.1 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.
- 2.2 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.
- 2.3 The contract for building maintenance services for the Council expired in May 2020, the new contract was awarded to Engie Ltd and staff transferred to Engie as part of the TUPE arrangements.

- 2.4 MWL currently has a small number of capital projects undertaking property renewals within the Northwards area. These contracts were initially expected to be completed in June 2020, but due to a combination of COVID-19 and accessibility issues the contracts are now expected to be completed in 2021.
- 2.5 There are two Council representatives on the MWL Board. Given that MWL are no longer bidding for new contracts, discussions have commenced around the future of the Company and the potential winding up of the Company.

Manchester Safeguarding Partnership (entry 16)

- 2.6 The Manchester Safeguarding Partnership (MSP) replaced the Manchester Safeguarding Children Board and Manchester Safeguarding Adults Board. The MSP was established in response to 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.
- 2.7 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 fulfils the function of Safeguarding Adult Board detailed in the Care Act 2014.
- 2.8 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 included an amended governance structure to support the safeguarding partnership arrangements in Manchester.
- 2.9 The Manchester Safeguarding Partnership arrangements remain largely unchanged. However, the Independent Chair and partners have been working on a number of areas since April 2020, as set out below.
- 2.10 A COVID-19 specific risk register is supported by weekly assurance meetings, chaired by an Independent Chair.. These were stepped down to fortnightly in July 2020. The risk register has provided a useful vehicle to keep track of trends and issues that may presents risks to MSP, it has also offered assurance that services are responding appropriately to Safeguarding concerns.

- 2.11 COVID-19 has delayed the reporting of key assurance documents such as the S11 Children's Assurance report (Section 11 of the Children Act 2004 places a statutory duty on key organisations to make arrangements to ensure that in discharging their functions they have regard to the need to safeguard and promote the welfare of children, the audit is an opportunity for each agency to demonstrate compliance with this statutory guidance). Also effected is the Adult Assurance document (The Care Act 2014 requires partners to assure that care providers have effective systems and processes to help keep children and adults safe from abuse and neglect), however preliminary findings were shared with the Leadership and Accountability Board meeting in quarter one, and the reports will be finalised in quarter three. The outturn on both is positive, with areas for improvement identified in the action plans developed in response to the audit findings of each partner agency.
- 2.12 The Independent Chair prepares an assurance statement for the Leadership and Accountability (L&A) group each quarter. This scrutiny provides the group with clear sight on key issues where improvement is required, and the opportunity to offer solutions and resources to mitigate associated risks.
- 2.13 The Annual report is in draft form, and will be presented to the Leadership and Accountability Board for approval in quarter three.
- 2.14 The MSP Strategic Business plan was approved by the Leadership and Accountability Group in quarter two. This included the MSP budget for 2020/21.
- 2.15 A MSP Strategic Risk Register was developed in quarter one, accompanied by a MSP risk framework guidance document and was approved in quarter two by the L&A group. Reflecting on the format and content, the group concluded that they would like the content to be revised as there is too much detail, and it would be beneficial if there was more focus on strategic risks.
- 2.16 In quarter two work began on the three-year Strategic Plan, with a development session with key partners in September 2020. The intention is that this preparation work will be concluded by December 2020, with agreement for the strategic priorities going forward and a review of the governance arrangements, particularly in relation to decision making and financial contribution.
- 2.17 Quarter two also saw the preparation and first draft of the MSP Quality Assurance framework, and this will be completed by December 2020.
- 2.18 The MSP Children Review Panel and Children Executive concluded all legacy Serious Case Reviews in line with government guidance by 29 September 2020.

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

- 2.19 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.

- 2.20 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.
- 2.21 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. Further meetings took place with Health Partners in September 2020, and agreement was reached that there are two strands to this work: 1) Assessment & Review for CHC equipment and 2) Ordering, Delivery, Servicing & Maintenance plus Recycling of CHC equipment. Assessment and review processes will be reviewed by Health partners, whilst the second strand - Ordering, Delivery etc - will be a joint piece of work. Two workshops have been set up in October 2020 to discuss the process and costs associated with ordering, delivering, CHC equipment, and the outcome of this will form the basis of a separate SLA.

Manchester International Festival (MIF) (entry 25)

- 2.22 The past year has seen an intensification of preparation by MIF for the operation of The Factory. A full transformation project is underway within the organisation, with detailed plans now developed around Facilities Management, Operations, The Launch Programme, HR, Food and Beverage, Finance Systems, and IT. Staff are being brought on board as needed to manage these new work streams. The organisation's recruitment processes have been comprehensively re-imagined, resulting in a far more diverse workforce.
- 2.23 The 2019 Festival was the most successful to date, with over 300,000 people attending events, wide-reaching press coverage and over £50million in economic impact. Since the festival, there has been an emphasis on maintaining contact with new audiences and participants and involving Manchester's communities in decisions around the artistic programme. The, two forums of community members – The People's Forum and The Young People's Forum now have representatives on MIF's board.
- 2.24 The company's response to COVID-19 was comprehensive both internally and in terms of a public facing programme. External focus has been on support for Manchester's creative community, and provision of a unique range of online events. These ranged from Together in One Voice – a Manchester Doorstep Singalong produced in collaboration with the Council, GMCA, and the Co-Op to The Virtual Factory – the first major project by a cultural

organisation in Fortnite – the world’s most popular online gaming platform. This initiative reached over 1.5million visitors in its first month, with 52% of these under the age of 34. Other artists featured in the online offer included Riz Ahmed, New Order and FKA Twigs.

- 2.25 MIF’s Community Engagement programmes continue to grow throughout the city with 2,500 people reached since October 2019. Pre-COVID-19 events included initiatives with communities in Wythenshawe, Levenshulme and Harpurhey. Since lockdown, MIF has particularly focussed on support for the most vulnerable communities it works with, including the Manchester Street Poem project with people who have experienced homelessness. A range of programmes have brought both financial and mentoring support to Manchester artists, with a particular focus on artists who are from diverse backgrounds, or who have few economic resources.
- 2.26 The MIF Board continues to develop and add new skills, with recent appointees including the Chief Executive of Co-op Food. A newly-formed Commercial Committee is helping guide the company towards new opportunities and operating models. The appointment of MIF’s new Executive Director has also increased the company’s skills-base in terms of commercial operations.
- 2.27 A new iteration of The Factory Business Plan is being developed for December 2020.
- 2.28 MIF has led on the development of the Greater Manchester Cultural Skills and Training Consortium and has supported the appointment of a cohort of apprentices in technical theatre across GM organisations. MIF has ensured the continuation of these apprenticeships through lockdown. An ambitious new programme has now been launched under the title of Factory Futures, which will see 10,000 young people reached over the next five years with support in accessing careers in the creative industries. Opportunities will range from open days to full apprenticeships.
- 2.29 Despite COVID-19, an ambitious creative programme is being developed for MIF 2021 which is scheduled to take place from 1st to the 18th July 2021. While multiple scenarios are being planned for, the festival will have a key role to play in city-centre recovery, in the well-being of Manchester’s residents, and in economic support for freelancers in the creative industries. An exciting programme is already in place for the opening season of The Factory, with some of the world’s most significant artists due to create new work for the venue, while Manchester’s communities will also be deeply involved in both planning and participation. MIF’s international presence also continues to grow. Despite COVID-19, over the past year there have been 12 different MIF-led projects happening internationally, with 219 days of performances in 11 countries to an estimated audience of 157,750.
- 2.30 While the fundraising environment is challenging during COVID-19, MIF continues to have real success, with almost 1 million raised from Trusts and Foundations in the past year to support the company’s work with

communities, and a comprehensive strategy is in place to bring on board new sponsorship post-COVID-19. MIF's relationship with Arts Council England, which provides revenue support both to the festival and for The Factory remains strong. MIF also continues to support the Council in capital fundraising for The Factory.

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

- 2.31 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.
- 2.32 The Deputy Director of Adults Services has responsibility for supporting 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). These arrangements are supported by monthly partnership meetings between ASC and GMMH.
- 2.33 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. The Council is undertaking a review with GMMH of the outstanding audit recommendations in November and December 2020 following focused work to address the issues identified.
- 2.34 This work has included:
- Identifying lead social care posts in the Community Mental Health Teams (CMHTs) to provide strengthened social leadership, with these roles linking to key areas such as transition, social work students and legal literacy and leadership
 - Strengthened leadership in the Approved Mental Health Professional (AMHP) hub
 - Strengthened AMHP process following review
- 2.35 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, the

Council, and GMMH. A monthly performance report is prepared for this meeting by the Adult Social care lead who sits within GMMH.

- 2.36 The above governance processes are being reviewed in 2020 to ensure that there are maximum benefits from the overall GMMH footprint working alongside other local authorities, albeit this has been delayed due to the COVID-19 response. Adult Social Care performance and finance will be involved in this review, to assure information flows appropriately and in a timely manner.

Northwards Housing (entry 28)

- 2.37 Northwards Housing is an Arms-Length Management Organisation (ALMO) which manages and maintains c13,500 Council properties across estates in North Manchester.
- 2.38 The '[Housing Revenue Account Delivery Model - Northwards ALMO Review](#)' report was taken to Executive committee in September 2020 to inform them of the outcome of the recent "due diligence" review of Northwards Housing, undertaken by Campbell Tickell. The report provided a summary of the findings. It proposed developing a service offer to tenants in light of the findings in order to move to a full consultation and "test of opinion" of tenants and leaseholders to the service being brought in-house.
- 2.39 The review concluded:
- Doing nothing is not an option;
 - That there is an opportunity to achieve savings of at least £77m over the 30-year business plan by ending the current arrangements under which the Council's housing stock is managed by Northwards Housing Limited (NHL). Savings can be achieved by the removal of duplicated costs and service improvements. Savings would support the viability of the HRA and allow continued investment in the housing stock, work to include achieving a zero carbon City and new build projects.
- 2.40 Executive were asked to confirm that insourcing the service remains the preferred option and the intention to take over direct management of the Housing Service into the Council from 5 July 2021 subject to a "test of opinion" involving all tenants and leaseholders.
- 2.41 Executive were asked to note the proposals contained within the report about how the new Council controlled service offer will be developed and how, in future, tenants will be involved and empowered in the decision making about services to homes and communities.
- 2.42 Further work is being undertaken looking at the viability of bringing the service back to the Council. A report on this is due to go to Executive in November with the findings.

AVRO Hollows (entry 34)

- 2.43 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.
- 2.44 The capital works program commenced during early 2020. The program includes the installation of sprinklers to individual properties, fire stopping works, and new front doors where needed. Unfortunately, this work had to cease during lockdown, but has over the last six weeks contractors have returned to site and are working hard to catch up for the time lost. Caretakers continue to carry out daily risk assessments within each of the four blocks. Any repairs that are identified through those risk assessments are allocated to our handyman to ensure that the work is carried out quickly.
- 2.45 The AGM for 2020 was held on 30 September. Reports were delivered from the accountant and chair. The accounts had been approved by the external Auditor.
- 2.46 The procurement of Avro's own repairs and maintenance contractor has meant that tenants receive a more cost effective and efficient service. Tenant satisfaction of the repairs service is gathered at the completion of every repair and remains high.
- 2.47 The robust risk management process is still in place. Tenants, residents and visitors can report any identified risks on the estate to any worker which are then assessed and responded to. The risk log is a continually evolving document, which is a standard agenda item at Board Meetings, where strategic and high level risks are assessed and responded to. Mid-level and operational risks are referred to the relevant subcommittee group for a response. The whole risk register is reviewed at Board Meetings.
- 2.48 The Council's professional relationship with Avro Hollows is constant due to the joint working with partners to resolve several issues. This includes the continuing Capital Programme and response to the pandemic. Formal face to face meetings have been suspended due to COVID-19 measures, however communication is open via electronic means. Since lockdown in March, the AVRO office has remained open with one member of staff present at any one time. Caretakers have continued to work following Government guidance throughout and have been provided with training and PPE due to the COVID-19 pandemic. A business continuity plan has been developed, to ensure that any breakdown in service can be quickly dealt with and any necessary actions put in place.
- 2.49 The working relationship with AVRO continues to develop. Closer engagement and communications with all stakeholders has occurred through the Capital Works Programme, and the TMO's response to the COVID-19 measures. Should the decision be taken to bring the ALMO back in house, we will need to review the current tri partite agreement involving Northwards. There is still an opportunity to have a dedicated resource available to liaise with all the main partners which would encourage a strengthened, more focussed relationship between the Council, the ALMO and AVRO Hollows.

SHOUT (entry 35)

- 2.50 The SHOUT TMO ensures effective monitoring, governance and support in the provision of a voluntary service managing a relatively small area of housing stock (102 properties).
- 2.51 The Housing management staff have now been in place for three years and continue to gain more situational experience building relationships with tenants, residents and other stakeholders such as the local school and business owners.
- 2.52 The TMO relationship with the Council and Northwards Housing remains strong, and communication lines are open through digital channels. The TMO office has been closed due to the COVID-19 lockdown, but residents and partners are still able to contact and communicate with the TMO Management and Board Members via the website, phone number and Facebook page. Repairs and other issues are being addressed and completed. The specialist Board subcommittees have been temporarily suspended and will resume post lockdown.
- 2.53 A training needs analysis has been undertaken for the incumbent Board members, with another exercise planned for the new Board members recruited in February 2020. Several learning interventions have been identified and will be commissioned once availability and resources have been identified.
- 2.54 Face to face meetings with the repairs contractor have been temporarily suspended, with all communications and issues being dealt with electronically. In addition, SHOUT TMO are looking at alternative repair service providers, because of the costs associated using the current provider.
- 2.55 SHOUT continually monitor expenditure on services and have recently moved to a fully electronic invoicing and accounting system, where invoices are loaded onto the system by the Management team. These are then approved by the treasurer and paid. The new system enables the TMO to receive live reports and can monitor expenditure in real time. The link to Northwards Housing Management system is live and working well. Staff are still able to retrieve live information and update files accordingly.
- 2.56 The AGM was held in February 2020 and was quorate. Two board members stepped down, and four new members were recruited. Full induction of new Board members will resume once COVID-19 restrictions allow.
- 2.57 Early indications on SHOUT's financial position show operation within budget. 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 despite rising costs. A decision is with the SHOUT TMO board as to whether to change repairs and maintenance contractors due to performance issues and costs.

- 2.58 The Consultant end of project report recommendations are being worked through where possible. Due to COVID-19 restrictions the timeframe for completion has been extended to end of year 2021. Overall the relationships between the TMO and the Council are good, and continuing to improve through more communication and partnership working. Should the decision be taken to bring the ALMO back in house, the Council will need to review the current tri partite agreement involving Northwards, and assess the opportunity to have a dedicated resource available to liaise with all the main partners. This would encourage a strengthened, more focussed relationship between the Council, the ALMO and SHOUT TMO.
- 2.59 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.

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

- 2.60 MHCC was established in 2017 to enable joined up decision making, based on the needs of the local population, between the Council and NHS Manchester Clinical Commissioning Group in relation to the commissioning of health, public health and social care services and activity.
- 2.61 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.
- 2.62 Staff remain employed by the Council or CCG and therefore are covered by their host organisations' policies and procedures.
- 2.63 A Section 75 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, as work continues to formalise the arrangements in the context of wider work to progress health and social care integration in Manchester, alongside ongoing due diligence.

Manchester Local Care Organisation (MLCO) (entry 41)

- 2.64 Manchester Local Care Organisation (MLCO) has been a provider of out of community based health and care services since April 2018, and is responsible for the delivery of a range of services including community health services, and adult social care.
- 2.65 The establishment of MLCO was a key part of the Our Healthier Manchester Locality Plan, and MLCO was created to provide proactive, integrated care

delivered on a neighbourhood footprint across the city and its 12 neighbourhoods.

2.66 MLCO is an organisation built out of Partnership and has robust controls in place in relation to governance, for example through its financial and performance reporting and internal governance processes. However, it is not a legal entity in its own right as such does not have a single linear accountability into one single organisation or place.

2.67 MLCO agreed six key priorities for 2020/21 that were agreed by the Partnership Board (comprised of the core partners to MLCO). These are:

A population health approach

A population health driven approach to service planning and delivery; supporting prevention programmes to improve the health of the people of Manchester.

Developing our neighbourhoods

Consolidating and strengthening our neighbourhood approach; supporting our 12 Integrated Neighbourhood Teams to make an impact on their communities.

Safe, effective & efficient services

Continue to design and deliver safe, effective and efficient services to people in our communities; building on our Care Quality Commission (CQC) good rating for community healthcare.

Working with primary care

Ensuring that GP leadership is at the heart of the MLCO; formalising the governance between primary care and MLCO to ensure joint working with the new Primary Care Networks.

Resilience

Playing a lead role in system resilience; helping people get the right care in the right place with a community and digital first ethos; keeping people at home rather than in hospital.

Building the future for MLCO

Deliver the agreed phased approach to increasing the scope of the MLCO as Manchester's integrated health and care organisation.

2.68 The function of MLCO is currently subject to review with the intention that there is an acceleration of its growth. As part of this and by necessity it is expected that the governance of MLCO will require a fundamental restructure. This is likely to be concluded by the end of 2020/21.

One Education (entry 44)

- 2.69 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.
- 2.70 One Education is in a financially better position than previous years, having returned a surplus at the end of March 2019 and again at the end of March 2020. Responsibility for Ghyll Head transferred from One Education at the end of March 2020. It is to be noted that, the company carries a significant pension liability in its accounts. An external review has been carried out by PWC of One Education to consider its operation and company structure, with consideration being currently given as to how the operational relationship between the Council and One Education Board can be strengthened. One Education's service to schools and its financial position has held up reasonably well during the COVID-19 Pandemic. The return of schools at the beginning of September is expected to generate an increased demand for services.

Brunswick PFI (entry 49)

- 2.71 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.
- 2.72 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.
- 2.73 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 now due to be completed in January 2021.
- 2.74 A report in relation to governance assurance for the partnership is due to be taken to Resources and Governance Scrutiny Committee in December 2020.

3 Next Steps

- 3.1 Officers from Reform & Innovation and Commercial Governance are currently undertaking a comprehensive review of the Register of Significant

Partnerships process in order to both streamline and improvements the approach to the assessment of partnerships. Key overall aims of the review include:

- Seeking to enhance the level of assurance and outlining clear improvement routes to move partnerships up through the rating scales. This will include provision of guidance from Commercial Governance to partnership leads on strengthening governance arrangements;
- Improving the efficiency of the partnership update process, with a review of the template used to capture partnership reporting to ensure that it's meaningful and not just perceived as a data collection exercise;
- The refocussing of the officer working group which reviews the content of the partnership reporting and the proposed ratings of the partnerships;
- Oversight and monitoring of the delivery of any required improvements once they have been identified to ensure lead officers are implementing the appropriate actions;
- Ensuring that for any new partnerships, that officers tasked with establishing the partnerships work closely with Commercial Governance to do so. This will provide assurance that a consistency of approach across the Council is being followed and that good governance principles are embedded from the outset;
- A review of the Partnership Governance Framework (2013) guidance is undertaken to assess whether any changes are required if deemed appropriate.

3.2 In addition, it is proposed that a revised ranking system is put in place. This is in response to feedback previously highlighted by Audit Committee. It is suggested that a four step rating system is implemented which would provide an alignment towards the approach taken for the Annual Governance Statement. The ratings would be as follows:

- **High:** Demonstrating consistent application of good governance practices, providing a high level of assurance and delivering both the partnership and Council objectives;
- **Medium:** An overall sound system of governance has been established but there are some areas for improvement to ensure the delivery of both the objectives of the Council and the partnership;
- **Satisfactory:** A governance system has been established but there are a number of areas highlighted for improvement, which if not implemented, could result in the non-delivery of partnership and Council objectives;
- **Weak:** Controls are generally weak leaving the partnership's system open to the potential of significant error, resulting in a high probability that partnership's and the Council's objectives will not be met unless action is taken.

3.3 If the Audit Committee are supportive of the revised rating system, it is proposed that link officers representing the partnerships will undertake reassessment of their governance arrangements in early 2021 on this basis. Following this, a revised Register of Significant Partnerships with updated governance strength ratings, following the proposed approach outlined at 3.2, for all partnerships on the Register will be submitted to Audit Committee in

March 2021 for review and comment. This will then focus the improvement programme for partnerships which Commercial Governance will provide support to in order for the partnerships to move up the ratings scale.