

Manchester City Council Report for Information

Report to: Audit Committee – 15 June 2021

Subject: Register of Significant Partnerships 2020

Report of: Deputy Chief Executive and City Treasurer

Summary

This report provides an overview of the Register of Significant Partnerships 2020, outlining the review and assurance process which has taken place as part of the annual review.

The detail contained in the report focuses on a number of key areas:

- Any new partnerships which have been added to the Register
- entries recommended to be removed
- where the governance strength rating has changed following the introduction of the new four level ratings system
- any partnerships now classed as 'Reasonable' or 'Limited' strength following completion of the latest self-assessment.

The complete Register of Significant Partnership is attached at Appendix 1.

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 issues addressed 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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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 10 March 2020: Register of Significant Partnerships 2019.
- Report to Audit Committee 26 November 2020: Register of Significant Partnerships - Governance Improvement Progress for Partnerships with Low or Medium Strength ratings.

1. Introduction

- 1.1 On an annual basis, the Council undertakes a comprehensive assurance process on the Register of Significant Partnerships (RSP). The Council has maintained a Register of Significant Partnerships since 2008 as part of its approach to good governance. The RSP outlines key partnership arrangements that are considered to be of the highest significance to the financial position or reputation of the Council or to the delivery of key corporate and Our Manchester objectives. These arrangements are diverse, with the RSP including Joint Ventures, wholly owned companies, statutory groups, Private Finance Initiatives (PFIs) as well as a variety of other types of arrangements. The partnerships have varied governance structures which are dependent upon their scale, legal status and delivery objectives.
- 1.2 The RSP forms part of the Council's 'Partnership Governance Framework' which was introduced in 2013. The purpose of the Framework is 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 Partnership working is a significantly important way for the Council to meet its strategic objectives. In light of continued financial challenges presented by reducing levels of funding, and more recently the impacts of COVID-19, organisations in the city must work together for mutual benefit and 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.
- 1.4 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 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 also recorded in the Annual Governance Statement (AGS).
- 1.5 A partnership is defined as 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.
- 1.6 To be included on the Council's Register of Significant Partnerships, the partnership relationship should meet one or more of the following criteria:
- 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.
- 1.7 It is to be noted that 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 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. The Commercial Governance service, with support from Reform & Innovation, has recently taken over responsibility for the production of the RSP, with the rationale for this being that Commercial Governance can support partnerships strengthen their governance due to the expertise of the team and being able to act in capacity of critical friend.
- 2.2 The process starts with a self-assessment pro-forma being completed by an appointed partnership link officer. The pro-forma asks questions about aims and objectives, membership, decision making, finance, audit and risk management (including understanding obligations under applicable GDPR legislation), conduct and behaviour, liability and performance. This leads to an overall self-assessment governance strength based on the robustness of the arrangements that the partnership has in place. The approach to the strength rating has been changed for this cycle, with further detail of the new system outlined at 2.4.
- 2.3 Following the self-assessment, the completed pro-forma's, the ratings are moderated by an officer working group made up of a range of service areas from across the Council: Audit, Commercial Governance, Finance, HROD and Reform & Innovation. The officer working group's role is to check and challenge the content of the submission and agree the ratings to be included within the RSP. This process also highlights where there may be any suggested

2.4 With regards to ratings, as agreed by Audit Committee in November 2020, a new system has been introduced for the RSP, shifting from a RAG rated system to four levels of assurance, which brings the RSP in line with a four step system that is utilised for the Annual Governance Statement. This approach has been applied to the latest review and the ratings that have been utilised are outlined below:

- **Substantial:** Demonstrating consistent application of good governance practices, providing a high level of assurance and delivering both the partnership and Council objectives. Any matters noted do not put the overall objectives at risk.
- **Reasonable:** 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. Recommendations will be moderate or a small number of key priorities.
- **Limited:** A governance system has been established but there are a number of significant areas highlighted for improvement, which if not implemented, could result in the non-delivery of partnership and Council objectives. Recommendations will be significant and relate to key risks.
- **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. Critical priority or a number of significant priority actions required.

2.5 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:

- Classification of the Partnership:
 - Public - All partners involved in the partnership are public organisations
 - Public private - Partnership with one or more private sector entities
- 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

2.6 Following the completion of the 2020 review process, of the 49 partnerships on the Register, 36 (74%) are rated as having a 'Substantial' governance strength, 9 (18%) rated as 'Reasonable', 1 (2%) rated as 'Limited' and zero rated as weak, with 3 entries (6%) proposed to be removed from the register.

3. Entries added to the Register in 2020

3.1 For 2020, there are no new entries proposed to be included onto the register.

4. Entries proposed to be removed from the Register

4.1 Following the annual review of the RSP, there are three entries proposed for removal. The rationale for this is that the entities are no longer active or are in the process of being closed.

4.2 *Manchester Place*

4.2.1 The Manchester Place partnership was established in 2014 through a Memorandum of Understanding between the Council and the Homes and Communities Agency (HCA) to provide leadership, coordination and delivery capacity to steer the policy direction with regards to residential growth. The partnership focused energy on assembling and preparing land for development; identifying and appointing major investor partners where required; facilitating effective place-shaping to support essential early investment; and setting new standards for the delivery of housing and place management.

4.2.2 The main activity of the partnership was largely completed following the establishment of the Northern Gateway joint venture in 2017, and the refreshed Residential Growth Strategy. The partnership has remained inactive ever since. The Council's partner to the MoU, the Homes and Communities Agency, also ceased to exist in January 2018 when it was replaced by Homes England. The Manchester Place partnership will be formally closed down and superseded by the Council's positive relationship with Homes England.

4.2.3 Therefore, given the detail outlined above, it is proposed that this entry is now removed from the Register.

4.3 *Northwards*

4.3.1 The Council established Northwards Housing Limited (NHL) in 2005 with the primary objective of securing government funding to deliver the Decent Homes standard. Although the decent homes funding has now ceased, the Council has retained NHL and has continued to commission housing and additional services including the City-wide allocations scheme, Manchester Move and the delivery of the capital investment programme for Council housing.

4.3.2 On 3 June 2020 Executive considered the position of the delivery of the Housing service in the context of the Housing Revenue account (HRA). The current HRA 30-year business plan shows that reserves fall below the c£60m level required to avoid having to pay increased interest charges on debt in 2027/28, and the reserves are forecast to be exhausted by the end of the 30-year business plan leaving a deficit. The investments provision in the current business plan is primarily aimed at maintaining decent homes.

4.3.3 The June report reflected that there is additional pressure and demands on the HRA including enhanced fire safety works, new build schemes and retrofitting to achieve full Zero carbon of existing homes by 2038. Combined, these areas lead to a projected deficit in excess of £400m by the end of the

30-year business plan.

- 4.3.4 Following consideration of the issues and options in reports in June and September Executive agreed to approve consultation on the preferred option (insourcing) identified as part of the HRA review to bring the ALMO back in-house.
- 4.3.5 Tenants and leaseholders have been consulted on the proposal to take direct control of the management of the housing service from 5 July 2021. This was conducted by virtue of an information document and series of questions which tenants and leaseholders could vote on either on the document or online. The independent agency that ran the test of opinion UK Engage Ltd, used a barcoding system to ensure security and to avoid duplicated or multiple voting from one tenancy.
- 4.3.6 The test of opinion commenced on 3 December 2020 and concluded on 4 January 2021. As well as the direct mailing of the documentation, publicity was issued on both Northwards and the Council websites and via social media. The test of opinion closed at 5.00pm on Monday 4 January 2021. A total of 1633 people voted (1572* tenants and 54 leaseholders). This is 12.52% of those able to participate (12.57% tenants 11.87% leaseholders). (*two papers were spoilt).
- 4.3.7 As the “test of opinion” was the final stage of the consideration in bringing the ALMO back into the Council, at Executive in January 2021 ratification was given to bring the management of the housing management services, currently provided by Northwards Housing Limited, under the direct management of the council with effect 5 July 2021.
- 4.3.8 The proposal that is being worked upon and was put to tenants is known as a “lift and shift”. This means that the operational functions will continue and tenants and leaseholders will have continuity of service. This allows the Council to take the service into direct supervision whilst minimising the initial impacts and risks on service and tenants’ experience.
- 4.3.9 Extensive work is now underway to make the necessary preparations for the transition of Northwards into the Council on 5th July. There is a detailed programme of activity and dedicated programme manager who has been appointed to support the Director of Housing & Residential Growth with the assimilation of the ALMO into different service areas of the Council.
- 4.3.10 Given the Executive decision to bring the ALMO back into the Council and the report to Resources & Governance Scrutiny Committee outlining the governance and scrutiny process the insourcing will go through, it is proposed the Northwards is removed from the Register of Significant Partnerships.

4.4 ***National Car Parks Manchester Limited***

- 4.4.1 In 1999, the JV contract with NCP created a wholly owned company, NCP Manchester Ltd, with a 55%/45% shareholding to NCP/MCC respectively, to

manage and maintain those car parks listed in the JV Agreement. The JV agreement was for 20 years and was due to come to an end in June 2019. The decision made on 1st April 2019 saw the arrangement extended for an 18 month period, until 31st December 2020, when the arrangement came to an end.

- 4.4.2 It is to be noted that the closure of the company is subject to a number of dependencies and outstanding issues which will need to be resolved prior to the company being officially wound up. NCP have indicated that the company is potentially insolvent and have engaged Quantuma Advisory Limited to provide advice in relation to the solvency position of NML. A report from Quantama Advisory is expected imminently which will inform how the company is wound up and the associated timescales.
- 4.4.3 Therefore, given that this entity is no longer activity and being prepared for closure, it is recommended that is removed from the Register.

5. Partnerships where governance strength rating has improved

- 5.1 On completion of the latest review, there are no entries which governance strength has improved on since the 2019 assessment update.

6. Partnerships where governance strength rating remains 'Reasonable' or 'Limited' following latest assessment

- 6.1 The section below provides an overview of the Partnerships that have been rated as either 'Limited' or 'Reasonable' through the compilation of the latest register based on the new ratings system.

Reasonable Rated Partnerships

6.2 *Manchester Safeguarding Partnership (entry 16)*

- 6.2.1 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.
- 6.2.2 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.

- 6.2.3 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.
- 6.2.4 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.
- 6.2.5 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 and the purpose of the COVID-19 specific risk register and assurance meeting will be reviewed in April 2021. 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. The partners have assessed that with the progress made in adapting to the impact of CO-VID 19 the need for the COVID-19 specific risk register is not required and will most likely conclude this assurance activity from April 2021, achieving the appropriate level of oversight as part of business as usual.
- 6.2.6 The key assurance documents for the partnership, 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) and 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) have been published in the Annual Report (2019/2020). 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.
- 6.2.7 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.
- 6.2.8 The Annual report 2019/2020 has been presented to the Leadership and Accountability Board in quarter three. The report will go to Scrutiny Committee in May 2021.

- 6.2.9 The MSP Strategic Business plan was approved by the Leadership and Accountability Group in quarter two. This included the MSP budget for 2020/21. The MSP has also undertaken 3 strategic development sessions with key stakeholders in 2020 and the 2021/2022 Strategic Priorities have been agreed.
- 6.2.10 The 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. The new risk register format will be in place by Q1 2021/2022
- 6.2.11 In quarter two 2020, work began on the three-year Strategic Plan. Following 3 successful engagement sessions with key stakeholders' agreement was reached on the strategic priorities for 2012/2022. The 3 statutory partners endorsed the adoption of a 1- year plan as the impact of COVID-19 will significantly influence recovery going forward. It is the intention of the partnership to develop a 3-year strategic plan for the period 2022/2025 in the financial year 2021/20220. The work on developing the partnership effectiveness will focus on review of the governance arrangements, financial sustainability and Information Governance compliance.
- 6.2.12 In January 2021 Leadership and Accountability approved the MSP Quality Assurance framework, and the partnership will focus on the development of a data set aligned to the 2021/2022 strategic priorities.
- 6.2.13 The MSP Children Review Panel and Children Executive concluded all legacy Serious Case Reviews in line with government guidance by 29 September 2020.

6.3 Manchester International Festival (entry 25)

- 6.3.1 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.
- 6.3.2 The MIF Board continues to develop and add new skills, with recent appointees including the Chief Executive of Co-op Food. A Commercial Committee is helping guide the company towards new opportunities and operating models. The appointment of MIF's Executive Director has also increased the company's skills-base in terms of commercial operations.
- 6.3.3 A new iteration of The MIF Business Plan was drafted with a review process undertaken involving an independent consultant appointed via Arts Council

England. Work has continued to refine the business plan following the feedback provided. Linked to this a number of key legal documents between MIF and the Council are in the process of being finalised in order to have all contractual arrangements in place between the parties prior to practical completion of The Factory.

- 6.3.4 The creative programme for MIF 2021, which is scheduled to take place from 1st to the 18th July 2021, has recently been released. It is anticipated that 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.

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

- 6.4.1 A single integrated NHS contract was signed with GMMH in 2017, covering all Health, Social Care and Public Health mental health and wellbeing services. This was a two-year contract (with the option to extend for a further two years). Work is underway to review the section 75 between GMMH and MCC (as part of the overarching contract) and there will be further work over the next 12 months on the structure and parties to the contract following the outcomes of the national Integrated Care Systems (ICS) consultation which will mean changes to Clinical Commissioning Groups nationally. Strengthening of the contractual arrangements will support increased level of assurance.
- 6.4.2 At an operational level, work continues across GMMH and ASC to strengthen performance reporting, decision making and professional social work leadership within community mental health teams following the outcomes of the Mental Health casework audit. This work is led through the monthly social care partnership meeting.
- 6.4.3 There has been a continued sustained programme of partnership work between the Council and GMMH to ensure a sustained level of improvement and confidence in arrangements, particular in response to audit recommendations. This has focused on underlying risks around recording and reporting of compliance that were the focus of the audit.
- 6.4.4 Assurance over the level of compliance with recording standards is based on each division having been given its own safeguarding plan which is held by the senior leadership team in GMMH and on which regular reporting and interrogation is in place. Practice quality and consistency has been supported by an update of the safeguarding policy and a comprehensive programme of training. Compliance for mandatory training for safeguarding is currently at 85% and is being delivered virtually. In addition to the mandatory training, relevant practitioners have completed additional modules that have recently been developed regarding safeguarding and decision making, section 42 enquiries and mental capacity.

6.4.5 The divisions now also have a system in place to monitor the safeguarding referrals and the completion of section 42 enquiries and can track compliance. A system for reviews is now led by the divisional leads and safeguarding is a mandatory agenda item of everyone's supervision. Three social care leads have also been appointed, one for each locality for a trial 6-month period for them

6.4.6 The key actions to be taken over the next 6 months are summarised above and include:

- Review of the section 75 agreement and development work to support the stronger focus on performance reporting, and partnership arrangements.
- Ongoing work at operational level to continue to embed strengthened practice and the role of the social care leads, working alongside MCC ASC.

6.5 Avro Hollows (entry 34) and SHOUT (entry 35)

6.5.1 The Avro Hollows Tenant Management Organisation (TMO) was set up in 2008 and manage 312 properties in Newton Heath. This includes 4 tower blocks and 28 low-rise flats. Avro Hollows manage allocations and lettings along with lower level antisocial behaviour. They also procure their own repairs and maintenance contractor to manage repairs and re-let works. The TMO employs a full-time manager and administrative support along with 3 caretakers and a handyman.

6.5.2 Shout TMO manage 92 low-rise homes in Harpurhey and employ a part-time officer. Shout manage allocations and lettings along with lower level antisocial behaviour. Northwards Housing manage the repairs and maintenance service, re-let works, rent collection and arrears recovery, all "major" works including servicing. Northwards Housing also review all serious antisocial behaviour cases referred to them and consider whether any further action, including legal action, is required and procure this on behalf of the TMO.

6.5.3 It is to be noted that there is a Modular Management Agreement which sets out the standard terms and condition and defines the relationship between the Council and the TMO.

6.5.4 Both TMOs in Manchester are within the geographical area of homes managed by Northwards Housing and the ALMO provides some services to the TMO. Until around 5 years ago the management of the TMOs was left entirely to Northwards Housing. Following a review of the Avro Hollows TMO it became clear that the Council needed to undertake a more direct involvement in the management of the TMO's. A Tripartite agreement was developed which describes the various roles of the Council, Northwards Housing and the TMO.

6.5.5 In a recent report to Resources & Governance Scrutiny Committee it was acknowledged that the Council does not, currently, spend sufficient time monitoring the practices, procedures and performance of its TMOs, primarily

due to staff resources and prioritisation. However, a number of extra posts have been agreed, in acknowledgment of the resourcing issue, and there will be a much greater emphasis on managing the TMOs.

- 6.5.6 A new post is being created specifically to deal with the new regulatory regime which is being introduced in the government's White Paper and this will work alongside another postholder with responsibility for Fire Safety issues. The Council will identify specific resources to ensure that regular monitoring meetings are held with both the TMO and the housing management staff delivering services to tenants in the TMO area. MCC will also schedule a series of audits throughout the year to satisfy the Council that quality services are delivered to TMO tenants. Performance reports will be produced for local Ward Members and will also be presented to the Housing Board.

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

- 6.6.1 The Government has recently announced NHS reforms that, from April 2022, will abolish Clinical Commissioning Groups (CCGs) and create Integrated Care Systems (ICS), to drive the next phase of health and social care integration. This will lead to the abolition of MHCC.
- 6.6.2 MHCC was established as a partnership between the City Council and NHS Manchester Clinical Commissioning Group in 2017 in relation to the commissioning of health, public health and social care services and activity.
- 6.6.3 During that time, 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. Staff have been employed by the Council or CCG and therefore are covered by their host organisations' policies and procedures.
- 6.6.4 A Section 75 partnership agreement was agreed, which formalised the arrangement described above and set out the rules for how integrated financial decision making would occur via a Financial Framework.
- 6.6.5 Health and social care partners have agreed that a new Manchester Partnership Board (MPB) of system leaders, chaired by the Leader of the Council, is established to drive delivery of health and social care integration in the city. This will include the 'supercharging' of Manchester Local Care Organisation as the integrated delivery vehicle for improving health and well being outcomes and reducing health inequalities in the city.
- 6.6.6 In terms of MHCC, a phased programme of work is under way to plan for an effective transition to the new arrangements. This includes the various functions of MHCC and associated capacity being transferred to:
- The Greater Manchester Integrated Care System

- Manchester Local Care Organisation. Including transfer of the commissioning of social care and health services. A Section 75 agreement is being developed by MCC and MFT to underpin this new arrangement.
- The Manchester Partnership Board.

6.6.7 During the 2021/22 financial year, the existing MHCC governance will continue to operate and MCC officers will still be represented on key decision making bodies and Committees.

6.7 Manchester Local Care Organisation (MLCO) (entry 41)

6.7.1 The Our Healthier Manchester Locality Plan sets the ambitions for the city to significantly improve health outcomes, tackle health inequalities and develop a financially and clinically sustainable system.

6.7.2 Health and social care partners have established a new Manchester Partnership Board (MPB) comprising key system leaders and chaired by the Leader of the Council. It has been created to drive delivery of health and social care integration in the city and replaces Transformation and Accountability Board.

6.7.3 Its immediate priorities include the ‘supercharging’ of Manchester Local Care Organisation as the integrated delivery vehicle for improving health and well being outcomes and reducing health inequalities in the city building on the strong progress made since its inception in 2018.

6.7.4 A fundamental part of these arrangements are the development and implementation of a Section 75 agreement, which will be in place by June 2021. This is being created to govern the partnership arrangements and decision making between MCC and Manchester Foundation Trust (MFT). This will enable MLCO to deliver an enhanced range of functions and include the transfer of commissioning functions for social care. As part of a broader exercise it is anticipated that responsibility for commissioning certain health services will transfer from Manchester Health and Care Commissioning to MLCO.

6.7.5 To support this a new MLCO Accountability Board has been established to provide a single point of assurance for all key partners, including MCC. MCC will be represented by the Executive Member for Health and Well Being (co-chairing with MFT), the Chief Executive, the Deputy Chief Executive and City Treasurer, and the Strategic Director of Adult Social Care.

6.7.6 To ensure that the Accountability Board referred to above is effective MLCO will be reviewing its internal governance arrangements to ensure they provide effective and robust oversight off all activity that falls within its purview. This will include significantly improving the oversight of adult social care in line with the section 75 agreement referred to above. As part of this MLCO will strengthen its assurance arrangements back into MCC.

6.7.7 To underpin the arrangements referred to above MLCO (with its partners including MCC) will develop and implement a single assurance framework that encompasses the breadth of its organisation responsibilities across core domains including performance, people, finance, and quality. To support an enhancement in its risk management arrangement MLCO will align its risk those arrangements across health and social, adopting best practice in doing so.

6.8 One Education (entry 44)

6.8.1 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.

6.8.2 One Education's service to schools and its financial position has held up reasonably well during the COVID-19 Pandemic and has responded well in terms of adapting the ways in which services are provided to change to meet client needs.

6.8.3 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. Work is currently underway to explore opportunities to embed an enhanced approach to governance and decision making.

6.9 Brunswick PFI (entry 49)

6.9.1 This partnership is a contractual agreement between Manchester City Council and S4B, which is a consortium made up of four organisations: Equitix, Vistry Partnerships, Mears and Onward Homes. 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.

6.9.2 Whilst the majority of the governance arrangements are robust, there are still concerns around the contractor's capability to ensure recovery programmes are met around newbuild homes for sale and the infrastructure programme. MCC is also in a number of ongoing legal disputes with S4B for significant financial sums. MCC has attempted to reach an agreement around a number of contract disputes at Board level but this has not proven possible. MCC is preparing to appoint an external legal advisor to consider further and provide

advice to allow MCC to make an informed decision on how best to proceed. This may be to follow the Dispute Resolution mechanism in the contract.

Limited

6.10 Manchester Working Ltd (entry 4)

6.10.1 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.

6.10.2 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.

6.10.3 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.

6.10.4 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.

6.10.5 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.

7. Partnerships where governance strength rating has reduced from 'Significant' to 'Reasonable' or 'Limited' since the last assessment

7.1 There are no partnerships where ratings have reduced from significant following the latest refresh of the Register to either 'Reasonable' or 'Limited'

8. Next Steps

8.1 The production of this year's Register of Significant Partnerships was the first time in which the Commercial Governance service were involved in the production of the report. Through the process, there have been some areas which have been highlighted for further strengthen to ensure continual improvement:

- Link Officers: A comprehensive review of link officers is required to take place as the appropriateness of some officers to provide the level of information required has been highlighted as an area improvement given the delays in receiving some of the information required and some officers having a

sufficient level of insight into the partnership activity to provide a thorough response and accurate partnership rating;

- Self-Assessment Pro-Forma: Whilst there have been a number of amendments made to the pro-forma over time, it's felt that there needs to be a further review of the questions asked. The rationale for this is to try to make the form as streamlined as possible but still ensure that there is sufficient, robust information provided to complete the assessment;
- Partnership Governance Framework: As highlighted to Audit Committee previously, it is proposed that this is reviewed given the document has not been updated for some time;
- Officer Working Group: A review of the membership of the Officer Working Group is to take place as well as the introduction of a refreshed Terms of Reference to ensure that the group membership is fully aware of their important role in relation to the assurance of the partnership;
- Rankings and scoring thresholds: A further refinement of the scoring thresholds to generate the ratings is also required. This is particularly in relation to the scoring differentials between the partnerships being ranked as 'reasonable' or 'limited'. There are no concerns for the process that has just been gone through but will still be revisited.