

**Manchester City Council  
Report for Information**

**Report to:** Audit Committee – 28 November 2023

**Subject:** Register of Significant Partnerships 2022: Partnerships with Reasonable or Limited Assurance Ratings

**Report of:** Deputy Chief Executive and City Treasurer

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**Summary**

The report provides an update on the partnerships where a ‘Reasonable’ or ‘Limited’ rating was recorded, following the 2022 annual assessment, and presented to the Audit Committee in June 2023.

**Recommendations**

Audit Committee is requested to note and comment on position statements on the partnerships detailed within the report.

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**Wards Affected:** All

<b>Environmental Impact Assessment</b> - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
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This report is for information in relation to the assurance ratings of significant partnerships and does not directly propose decisions affecting the achievement of the zero-carbon target.
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<b>Equality, Diversity and Inclusion</b> - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments
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Consideration of equality, diversity and inclusion issues for Manchester residents and businesses have been taken into account in the development and delivery of the significant partnerships covered in the report.
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<b>Manchester Strategy outcomes</b>	<b>Summary of how this report aligns to the OMS/Contribution to the Strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Through some of the significant partnerships jobs have been created and will continue to create employment opportunities across a wide range of sectors
A highly skilled city: world class and home-grown talent sustaining the city's economic success	A number of the partnerships act as a catalyst for investment through supporting infrastructure, innovation and people, providing a significant boost to the future economic growth for the local area.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The partnerships which the Council is a party to, primarily through Joint Venture arrangements, act as a regeneration catalyst delivering positive socio-economic changes for communities.
A liveable and low carbon city: a destination of choice to live, visit, work	A number of the partnerships act as a catalyst for regeneration.
A connected city: world class infrastructure and connectivity to drive growth	Infrastructure improvements are an integral part of significant partnerships of the Council and ensure that opportunities are accessible to all.

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

### **Financial Consequences – Revenue**

There are no direct capital consequences arising specifically from this report.

### **Financial Consequences – Capital**

There are no direct capital consequences arising specifically from this report.

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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:

- Audit Committee 13<sup>th</sup> June 2023 - Register of Significant Partnerships 2022

# 1 Introduction

- 1.1 In June each year, the Audit Committee is presented with the outcome of the annual assurance process called the Register of Significant Partnerships (RSP). The RSP is a compilation of a range of entities / partnerships that are considered to be of high significance to the financial position or reputation of the Council, as well as having a responsibility to deliver key corporate objectives, statutory obligations and Our Manchester priorities.
- 1.2 To be included on the Council's Register of Significant Partnerships, the partnership should meet one or more of the following criteria:
- I. 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;
  - II. Critical to the reputation of the Council: failure of the partnership to deliver could damage the reputation of the Council;
  - III. Responsible for spending significant public monies, delivering investment activities or whereby the Council has significant exposure.
- 1.3 Given that partnership working is a significantly important way for the Council to meet its strategic objectives, the principles of ensuring the lawful conduct of business, that public money is safeguarded, accounted for and spent efficiently and effectively, apply equally to both the Council and its partners. Therefore, it is vital that the Council has assurance that these partnership arrangements are clearly defined with effective governance arrangements in place for all such arrangements.
- 1.4 The purpose of the RSP is to assess whether or not the partnership arrangements that the Council is a party to are fit for purpose, performing well, delivering value for money and realising the benefits and outcomes that they were established to achieve. The RSP process standardises the Council's approach to the overview of its partnerships, helping strengthen accountability and assurance, manage risk and ensure consistent working arrangements.
- 1.5 During the annual review of the RSP all partnerships are rated with an overall level of assurance. There are four levels of assurance. These are as follows:
- **Substantial:** Demonstrating consistent application of good governance practices, providing a high level of assurance and delivering both the partnership and Council objectives, with any matters noted not putting the overall delivery 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 several 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 potential of significant error, resulting in a high probability that partnership and Council objectives will not be met unless action is taken. Critical priority or several significant priority actions required.

- 1.6 As part of the annual RSP process and subsequent ongoing monitoring of the partnership arrangements, any partnership which does not receive a substantial rating is required to provide a six-month update to Audit Committee to outline progress to further strengthen the level of assurance.
- 1.7 Following the completion of the 2022 review process, reported to Audit Committee in June 2023, of the 47 partnerships on the Register, 41 (87.2%) were rated as having a 'Substantial' assurance rating, 1 (2.1%) rated as 'Reasonable', 3 (6.4%) rated as 'Limited', zero rated as 'Weak' and 2 entries (4.3%) were agreed to be removed from the register.

## **2 Update on partnership governance arrangements for those with a Reasonable or Limited Governance Strength Rating**

- 2.1 Following the last assessment process and the annual update on the Register of Significant Partnerships that was presented to Audit Committee in June 2023, the section below provides an update on the entities that were rated either as Reasonable or Limited.

### **Reasonable Rating**

#### **2.2 Manchester Safeguarding Partnership (entry 16)**

- 2.2.1 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). The legislation and guidance abolished the need for local areas to establish Local Children's Safeguarding Boards (LSCB) where Local Authorities had lead responsibility for partnership arrangements undertaken by three strategic partners, who all now have equal responsibility for safeguarding arrangements in their local area. The three strategic partners are the Chief Officers of the Local Authority, the GM Integrated Care (GMIC) and Greater Manchester Police.
- 2.2.2 Manchester responded to the requirement to change the partnership approach to safeguarding children as an opportunity to align 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.
- 2.2.3 In 2021, MSP commissioned an independent effectiveness review of the partnership. A report on the findings and recommendations were presented to Accountability and Leadership in January 2022. All the recommendations from

the review were accepted in full and a development plan was created. The Development Plan is near completion and changes made include the appointment of a new MSP manager, the establishment of a business unit to implement the work of the MSP, appointment of a new scrutineer, and creation of a new strategic plan.

- 2.2.4 The new Strategic Plan was developed and launched in April 2023 it is monitored at the Executive Meetings and work is being undertaken by the subgroups in line with the plan to meet its objectives.
- 2.2.5 A Steering Group made up of representatives from the statutory partners supports the MSP and ensures that it is working effectively by monitoring the budget and overseeing the work plan and risk register. The group can raise agenda items for the Executive and the Leadership and Accountability meetings to ensure that the aims and objectives of the MSP are being met.
- 2.2.6 The Risk Register for the partnership is owned by the Executive and any partner agency or subgroup can raise concerns that they feel are a safeguarding issue that would affect the citizens of Manchester. Action is then taken by partner agencies to either unblock, support and/or address the issue raised. The register is reviewed on a quarterly basis by the Steering Group and on a quarterly basis at the Executive Group.

### **Limited Rating**

## **2.3 GM Mental Health NHS Foundation Trust (GMMH) (entry 16)**

- 2.3.1 The partnership is based on a legal contract with GMMH for the delivery of the Council's statutory duties which are articulated under a Section 75 partnership agreement. The purpose is to deliver Social Worker Assessment and care management, approved mental health provision, community inclusion services and resettlement functions within an integrated health and social care organisation. The Section 75 Agreement forms part of a wider single integrated health and social care (NHS standard) contract held by GMMH and GM Integrated Care System.
- 2.3.2 Regulatory improvement action has been taken by the Care Quality Commission (CQC) against GMMH as a result of a whistle blowing event within a medium secure in-patient facility. A Care Quality Commission Section 29a Improvement Notice was issued to GMMH in April 2022 with reference to citizen risk because of unallocated mental health referrals and compromised case load capacity within Community Mental Health Teams which deliver amongst other duties the Councils delegated Care Act functions.
- 2.3.3 The Joint Assurance Partnership meeting chaired by MCC Executive DASS provides oversight to the delegated Care Act functions and duties contained within the Section 75 Partnership Agreement between MCC and GMMH. The contractual governance for these services is contained within the NHS contract, alongside health provision and is held by GM ICB which follows a monthly contract performance schedule.

- 2.3.4 GMMH, as a Trust, falls under the Care Quality Commission regulatory framework and continues to receive recovery support from NHS England set out within the NHS Oversight Framework - Segment 4 Mandated Intensive Support. CQC via their inspection regime and NHS England determine progress improvement and the subsequent stepping down through the segments of oversight framework. MCC Health Scrutiny Committee also continues to receive presentations from GMMH regarding progress around their Recovery plan.
- 2.3.5 At the same time, Adult Social Care and GMMH have agreed to implement several social care improvement workstreams via the Section 75 covering: Workforce, Safeguarding, Performance Reporting, Interoperability, Market Development and system flow. These multiyear workstreams are in various stages of scoping and mobilisation. While they will take some time to embed initial improvement work is focused on:
- I. Workforce and providing additional resources around statutory review duties
  - II. Strategic review of safeguarding workflow
  - III. Streamlining referrals processes between our organisations
  - IV. Review and legal execution of the S75 Agreement between both parties.
- 2.3.6 While agreement has been reached around the future focus of improvement workstreams, Adult Social Care continues to report limited assurance at this time and in conjunction with the overarching position of the NHS Oversight framework.

## **2.4 AVRO Hollows Tenant Management Organisation (TMO) (entry 32)**

- 2.4.1 The AVRO Hollows Tenant Management Organisation (TMO) was set up in 2008 and manage 312 properties in Newton Heath under the right to manage regulations. This includes four tower blocks and 28 low-rise flats. AVRO Hollows manage allocations and lettings along with incidents of lower-level antisocial behaviour. They also procure their own repairs and maintenance contractor to manage repairs and relets work.
- 2.4.2 A management agreement is in place, which sets out the standard terms and conditions and defines the relationship between the TMO and the Council. The TMO is monitored on a regular basis by Strategic Housing.
- 2.4.3 Staffing and staff turnover within Avro Hollows remains an issue and the inability of the TMO to establish and sustain arrangements in this respect is a major barrier to improvement.
- 2.4.4 Despite two formal meetings being held between the Head of Strategic Housing, the Head of Internal Audit and Risk Management and the AHTMO Board on 24th August and 24th October to address serious concerns, there has been little improvement in governance arrangements. A further meeting has been scheduled to take place on 5th December.

- 2.4.5 Despite Audit recommendations which included the requirement of the TMO to produce regular performance information including levels of tenant satisfaction this is still not happening. However, as a result of numerous requests around specific areas including void management and disrepair cases, we have now been given some limited information which demonstrates poor performance. Clear advice has been given on the steps the Board need to take to address this. In addition to this they have been given clear guidance on how they are required to operate as a board.
- 2.4.6 The Board have been asked to make the necessary arrangement to hold their AGM which is now overdue.
- 2.4.7 A significant number of Council officers continue to work with both the staff and the Board on a broad range of issues from forthcoming capital works, actions resulting from fire risk assessments and day-to-day housing management issues, including the management of anti-social behaviour issues.
- 2.4.9 As a consequence of the lack of progress in governance and performance arrangements, consideration is being given to the serving of a Supervision Notice which will allow the Council to carry out a Special Review. Provisions are made for this under the Modular Management Agreement. This would need to be carried out by an Independent Person whose role would be to provide external scrutiny and to work with the Council to provide additional support to Avro Hollows to improve their arrangements. This will be a slow and time consuming process but is a required next step in the process.

## **2.5 SHOUT Tenant Management Organisation (TMO) (entry 33)**

- 2.5.1 Shout TMO manage 101 low-rise properties in Harpurhey on behalf of the City Council via the Right to Manage Regulations. Shout employs two part-time members of staff, a Housing Manager and an Admin Assistant. The officers manage allocations and lettings along with lower-level antisocial behaviour. The Council's Housing Services review all serious antisocial behaviour cases and consider whether any further action, including legal action, is required and procure this on behalf of the TMO. Housing Services also manage the repairs and maintenance service, re-let works, rent collection, and arrears recovery, all "major" works including servicing.
- 2.5.2 The previous Housing Manager left Shout TMO at the end of August 2023, and a new manager has been appointed, they commenced in the role in late September and are currently going through training. Shout have increased their office opening hours to 9am till 4pm on Monday, Wednesday, Thursday, and Friday.
- 2.5.3 Although there appears to be regular Board meetings, Board Member attendance remains poor meaning the Board has been unable to make any decisions as meetings are not quorate.



- 2.5.4 The Secretary of the TMO left their role in June 2023 and a new secretary was co-opted at the June board meeting, however they have not been present for the last two meetings and it was agreed that the Board will look to appoint a new Secretary.
- 2.5.5 Shout have been offered training for new board members and specific requirements are awaited. Representatives from Strategic Housing will continue to attend Board meetings and provide support and guidance as required.
- 2.5.6 As per the management contract a ballot needs to take place every five years with tenants and leaseholders on whether the TMO should continue to manage the properties. Shout TMO have completed a recent ballot and the results were counted and verified by the 'Harpurhey Neighbourhood Project'. The results confirmed the tenants and leaseholders wish the TMO to continue to manage the properties.
- 2.5.7 The costs of repairs have increased significantly, and the current management allowance fee has been reviewed in light of the increased costs with the repairs contract with an offer to be submitted to Shout Board for their consideration. An offer has also been made to remove the repairs element from Shout's management agreement with the City Council taking over the responsibility. The offer needs to be formalised so it can be considered by the Board.
- 2.4.8 To continue to address further improvements that are required, the TMO has been provided with a copy of the guidance on the code of governance for TMO's. As part of the assurance and compliance with the Modular Management Agreement, Strategic Housing has arranged quarterly meetings to discuss quarterly performance information and will request additional information required in line with the management agreement. The next meeting has been scheduled for 19 December 2023.

### **3 Next Steps**

- 3.1 As part of the annual assessment process a lessons learnt exercise is carried out to ensure continual improvement is made to enhance the process to ensure that it's working to its optimum. Following the last review it was identified that there needed to be some minor changes made to the on-line self-assessment form to ensure that it captures all relevant information and that a review of the Working Officers group take place to ensure the appropriate officers are involved and that their assessments of the partnerships are conducted in the most effective way possible.
- 3.2 Work has been carried out to verify whether the current partnerships on the RSP are still relevant and whether any further partnerships need to be added. At this time, there are no new additions highlighted but this will be continued to be monitored.