

Partnerships update

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1. Issue

- 1.1.1 To provide the Board with an update on the progress of two projects that are intended to help local government to improve the ethical governance of local partnership arrangements.

2. Recommendation

- 2.1.1 The Board is asked to note the progress made on each project:
- developing a partnership protocol with Manchester city Council; and
 - working with the Centre for Public Scrutiny (CfPS) to support standards committees in holding partnerships to account.

3. Consideration

- 3.1.1 These projects link to our strategic objective of being a respected strategic regulator adding value to local governance and, in particular, to our commitment to ensuring there is an effective standards framework across all local governance arrangements.
- 3.2 Progress on developing the standards in partnerships protocol with Manchester City Council**
- 3.2.1 Working with Manchester City Council and some of their partners, Standards for England has developed a partnership behaviour protocol which is intended as a means to strengthen standards and accountability in local partnership working.
- 3.2.2 The intention is to invite those who work in partnership to use our protocol and either adopt it wholly, or adapt it to fit their own circumstances.

3.3 Purpose of the protocol

- 3.3.1 The protocol gives partners a means, where necessary, by which they can challenge each other. Adoption of a behaviour protocol will enable partners to agree what behaviour they can expect from each other, thereby giving them a means by which they can hold each other to account. It puts all members of a partnership on an equal footing in all respects and encourages constructive challenge. It therefore should promote trust amongst partners as it defines their expectations of each other.
- 3.3.2 Once finalised and signed up to by all members of a partnership, the protocol should become a public facing document. The protocol and the behaviours it comprises should be easy to understand and make what are sometimes complex arrangements and accountabilities clear to the general public. Having a clear and transparent behaviour protocol should help promote trust amongst the general public, demonstrating commitment to behaviour of a certain standard.
- 3.3.3 Partners will also be demonstrating leadership by sending a clear signal to the community and other partners by spelling out their own high standards of behaviour.
- 3.3.4 The full technical research report, including the protocol, is attached at **Appendix A**.

3.4 Development

- 3.4.1 The values and behaviours in the protocol have been developed in conjunction with Manchester City Council and some of their partners. Via action learning sets¹, an on-line questionnaire and through attendance at some of Manchester City Council's key partnership and committee meetings, City Council partners have been consulted on what behaviours and values they think should underpin partnership working.
- 3.4.2 To ensure that the protocol complements broader local government governance arrangements, the values and behaviours which emerged from the various consultations have been aligned with the Seven Principles of Public Life and the CIPFA SOLACE Good Governance Framework.
- 3.4.3 The protocol was then introduced at our 2009 Annual Assembly where seminar groups were asked to provide feedback on the concept and the proposed protocol itself.
- 3.4.4 Those partners who participated in the research were subsequently given a further opportunity to comment on the protocol. The current version of the protocol has also been revised to reflect their comments, the feedback received during our 2009 Annual Assembly and the feedback from Sir Howard Bernstein and Sir Richard Leese at Manchester City Council.

3.5 Next steps

- 3.5.1 Based on the technical research report, Standards for England's Guidance and Advice Team will now produce a piece of guidance intended to promote and present the protocol with a view to encouraging authorities to adopt a version of the protocol. We

¹ Action learning is a method of collaborative learning where a small group of people meet regularly to reflect on real world issues. Action learning set members draw on their actual knowledge and experience in order to improve performance. It enables each person to reflect on and review the action they have taken and learning points arising.

are inviting partners to use our protocol and either adopt it wholly or adapt it to fit their local circumstances.

- 3.5.2 Interestingly we already know of one authority which has taken steps to copy our approach and has set up a working group to develop their own protocol following our presentation at the Annual Assembly.
- 3.5.3 Sir Howard Bernstein and Sir Richard Leese have invited us to continue to work with them further to strengthen the practical application of the protocol. It is our intention to continue to work with Manchester City Council on this project and look at ways of more formally implementing the protocol. We are in the process of arranging a further meeting to scope this work with the City Council. It is difficult to estimate how long this additional work might take until that scoping meeting has taken place.

3.6 Progress on partnership work with CfPS

- 3.6.1 Based on a research scoping exercise on partnerships², recommendations were made to the Board at its 7 July 2009 meeting about what future work we should undertake in relation to ensuring high standards in partnerships. The Board approved a proposal for Standards for England and the Centre for Public Scrutiny (CfPS) to undertake a joint project which would aim to help ensure the effective scrutiny of local partnership arrangements.
- 3.6.2 This research project will produce the following outputs which will be combined into one piece of guidance and will be joint badged by Standards for England and the CfPS:
- Part 1: a checklist which standards committees can use to encourage their authority to ensure that resources are marshalled into testing whether partners are 'ethically appropriate' to work with³; and
 - Part 2: a checklist of questions to support standards committees in encouraging the scrutiny of partnership arrangements and partners' adherence to the Seven Principles of Public Life.

3.7 Project Development

- 3.7.1 The development of this project will be based partly on desk research. As well as undertaking a review of good practice reported in the annual returns, we will be drawing on existing work undertaken by CfPS, specifically two reports they have recently produced: How to Win Friends and Influence Partners (March 2009) and Small Print Big Picture, a Guide for Scrutinising Public-Private Partnerships (May 2008).
- 3.7.2 Once these checklists have been developed feedback will be sought from the authorities whom we approach and invite to pilot them. We will then test the application and usefulness of them with volunteer authorities and again ask for feedback. Their feedback will be used to refine the checklists.

² We undertook a literature review and a series of interviews with people involved in partnerships. Thirteen interviews were undertaken involving 19 individuals. The interviewees came from the following organisations: New Local Government Network, Department of Children, Schools and Families, SERCO, IBM, CIPFA, SOLACE, National Audit Office, Manchester City Council, ACCA, Kirklees Council, Blackburn and Darwen Local Strategic Partnership and the Institute of Business Ethics.

³ It is acknowledged that some partners and partnerships arrangements are indeed mandatory.

- 3.7.3 The External Relations Team at Standards for England is currently drafting a press release to highlight our work with the Centre for Public Scrutiny.
- 3.7.4 The Committee on Standards in Public Life have expressed an interest in this work and have requested that we share findings with them.

3.8 Project oversight

- 3.8.1 The role of steering group members will be to act as a sounding board, providing constructive challenge and direction based on their own experience.
- 3.8.2 Invitations to be on the steering group have not yet been made. We intend to invite representatives from the following organisations to comprise the steering group:
- Audit Commission
 - The Centre for Public Scrutiny
 - Local Government Association
 - Standards for England

3.9 Timescales

- 3.9.1 Attached at **Appendix B** is a project plan which details a full project schedule. Work started on the project on 4 January 2010, with a 31 May 2010 end date.

4. Risk and financial considerations

- 4.1.1 The number of partnerships and their impact is growing. They involve public finances and make decisions that impact upon local people. As such, these bodies should adhere to the Seven Principles of Public Life. Failure to do so leaves an accountability gap for which local government is likely to be held responsible.
- 4.1.2 Although our work in this area has not revealed any 'ethical problems' we cannot rule out the possibility of the potential for inappropriate behaviour and its consequences. We know from the experience of local government that unchecked, poor behaviour can lead to poor decisions and ultimately a financial cost to the authority and to the public.
- 4.1.3 Strengthening accountability in partnership governance should help foster public confidence as it sends clear signals to the community that high standards of behaviour are expected and monitored in partnership arrangements.
- 4.1.4 With public sector finances squeezed more and more, partnership working is likely to become more tense as partners become less concerned about accommodating all partners' needs and have to start concentrating on only the objectives that are of concern to themselves. This is likely to make for more challenging relationships between partners.
- 4.1.5 There is a risk that we will be criticised for spending money on projects which are not strictly within our remit. However, feedback we have received from key stakeholders is that this is an important area of work which needs addressing.

5. Appendices and attachments

5.1.1 Appendix A: Partnership Protocol Research Report

5.1.2 Appendix B: Project Plan: Standards for England and the Centre for Public Scrutiny, Ensuring high standards in partnerships