



SCRUTINY COMMISSION : 16 JANUARY 2002

PARTNERSHIP WORKING : ISSUES FOR FURTHER CONSIDERATION

REPORT OF THE CHIEF EXECUTIVE

Purpose

1. The purpose of this report is to draw to the attention of the Commission the views expressed by the Education and Heritage Scrutiny Committee at its meeting on 5 December relating to partnership working and governance arrangements.

Background

2. At its meeting on 5 December, the Education and Heritage Scrutiny Committee considered a report of the Chief Executive relating to an internal inquiry into the status of the Leicestershire Early Years Development and Child Care Partnership, its ability to make decisions, the management of the Nursery Education Grant and the response of the Cabinet to that internal inquiry.
3. Whilst recognising the importance and value of the work undertaken by the Partnership, the report and the debate at Committee emphasised the importance of clarifying the legal basis for any partnership involving the County Council, the respective roles of partners, the appropriate decision making mechanisms within the authority itself, the lines of communication with relevant Members or Officers of the authority and arrangements for the provision of professional support to partnerships. The overall context and the difficulties arising from the increasing use of partnerships were summed up in the report of the Chief Executive (at paragraph 12) :-

"At the root of the problems which have caused the Inquiry to be held, there lies, in my opinion, the implicit wish of successive Governments to deal with partnerships, rather than deal directly with democratically elected local authorities, particularly when there is bidding for 'special initiative' funding. Partnership is a fine notion but does not always stand up to scrutiny when accountabilities and responsibilities become blurred. Partnership members and the local authority alike can be placed in invidious positions and the rest of the population largely or totally confused. The situation is compounded when Government guidance is unclear or misleading. Procedurally and operationally, accidents are waiting to happen and the spending of the Nursery Education Grant is a case in point. The County Council, involved with many Government-formed or Government-encouraged partnerships, must learn lessons from

this particular experience. Equally, it would be good to think that the Government will learn lessons. Partnership as a form of government, particularly where the partnership is encouraged by Government to distance itself from its accountable body, is not good government. The County Council's view should be reported to the DfES and communicated through the appropriate local government networks".

4. The Committee noted the report, endorsed the Cabinet's response to the Inquiry and made the following recommendation to the Commission:-

"That, given the increasing emphasis on Partnership Working, the Scrutiny Commission should seek to assure itself that existing and proposed Partnerships have in place appropriate governance arrangements which ensure accountability and the proper and effective monitoring of public resources".

The White Paper : "Strong Local Leadership - Quality Public Services"

5. On 11 December, the Government issued the White Paper. This acknowledges the Government's role in encouraging the development of partnerships at national and local levels, gives a renewed commitment to building on successful partnerships and to developing effective Local Strategic Partnerships (LSPs). The White Paper also contains an acknowledgement that proliferation of separate partnerships can lead to fragmentation, duplication and inefficiency and encourages authorities to consider the process of rationalisation. A copy of the relevant extract from the White Paper is appended. It is to be expected that in due course further guidance will be issued, particularly in relation to the development of Local Strategic Partnerships.

What are "Partnerships"?

6. The resolution of the Education and Heritage Scrutiny Committee proposes that existing and proposed partnerships should be examined. There is frequently a lack of clarity as to what is meant by the concept of a "Partnership". Some arrangements are based upon statutory provisions or Government guidance; others have come into existence because of a desire to access funding or as a means of promoting consultation or a mixed economy of service delivery. As a consequence, a partnership arrangement may take one of many forms. Examples are:-
 - (a) Consultative Groups exercising considerable influence upon local authority decision-making organised on the basis of standing bodies or committees, but with limited, or no formal decision-making powers of their own.
 - (b) Arrangements under which public bodies do not give up any powers but agree to act together on issues of common interest. This is perhaps the most common form of partnership, often referred to as a Consortium.
 - (c) Formal arrangements under the Local Government Act 1972 including joint committees and agency arrangements.

- (d) Partnerships formed under particular legislation, such as Health Act 1999, may involve a greater degree of collaboration, including pooling of budgets and agreement that one authority shall operate on behalf of another.
7. There are two other forms of joint working which could be loosely described as partnerships but are really of a fundamentally different nature:-
- Legally independent bodies involving some input from the Authority, e.g companies; and
 - Contractual relationships, often in the form of grant aid subject to service level agreements.
8. There are clearly major problems of definition. It is suggested that those arrangements identified in paragraph 6 are more appropriately described as partnerships. What is important is that the appropriate framework is used to meet the needs of a particular set of circumstances.

Ensuring appropriate Arrangements for Governance and Accountability

9. This issue is under active consideration by officers at a senior level. In particular,
- The County Solicitor has reported to Chief Officers Management Team on some of the difficulties which may arise in formulating partnership arrangements and the need to ensure that legal advice is sought at an early stage.
 - The County Treasurer (through the Audit Manager) is undertaking more detailed work which could form the basis of an advice note to Officers on the action to be taken or issues to be addressed in setting up partnerships.
 - Work is being undertaken, led by the Chief Executive's Department, to identify a range of partnerships and to produce a categorisation in terms of their function and characteristics. This should lead to an assessment of risks and better understanding of the roles of and relationships within partnerships.
 - An Officer Group drawn from a number of departments is considering the implications of partnership working for employment relationships; that Group has sought the views of trade union representatives.
10. The report of the Independent Inquiry proposed and the Cabinet has accepted that there should be discussions with the DfES about the findings of the Inquiry and the nature of the partnership. These discussions may shed more light on the thinking of at least that Government Department on the future development of Partnership Working.

Equal Opportunities

11. None.

Recommendations

12. The Commission is asked to note the work in hand to address the issues relating to partnership working and governance arrangements and agree to receive a further report thereon.

Background Papers

Report of the Chief Executive to the Cabinet on 4 December 2001 - Leicestershire Early Years Development and Child Care Partnership - Nursery Education Grant.

Local Government White Paper - 'Strong Local Leadership - Quality Public Services'.

Officer to Contact

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