

# North Yorkshire Council

## Audit Committee 23 October 2023

### Annual Report on Partnership Governance 2022/2023

#### 1.0 Purpose of report

- 1.1 To report on the governance of partnerships involving the former North Yorkshire County Council only, during the financial year 2022/23.

#### 2.0 Background

- 2.1 The aim of the annual report is to enable the Audit Committee to review the effectiveness of partnership governance arrangements.
- 2.2 The process of preparing the annual report also provides a regular opportunity for Management Board and Executive Members to ensure that partnerships and the resulting commitments are reviewed regularly and that the Council is only involved with those partnerships that add value to the work of the Council.
- 2.3 Approval is required in line with the Council's Constitution, Financial Procedure Rules and Partnership Governance Guidance before any commitment is made to a partnership arrangement involving the Council.
- 2.4 Partnerships are within the scope of the annual report if they are characterised by one or more of the following conditions:
- strategic, in the sense that they will have a significant impact on the direction of services provided at the level of Council or Directorate themes and priorities;
  - involve elected Members on the governing board;
  - involve a financial input from the Council of £50k a year or more;
  - involve the Council as accountable body for external grant funding to the partnership; or
  - have a high or medium overall risk ranking from the partnership governance risk assessment.
- 2.5 The annual report does not cover other arrangements such as outside organisations to which the Council appoints members, contracts with suppliers, companies in which the Council is the sole or majority shareholder, and joint committees with other local authorities.

- 2.6 The key principles for partnership working locally were agreed in 2010 by Local Government North Yorkshire and York (LGNYY):
- the minimum number and simplest of partnership structures, consistent with delivering the required outcomes and statutory requirements;
  - a North Yorkshire and York approach to county / sub-regional partnership structures as far as possible, recognising that a degree of pragmatism will be required given the different local authority structures in North Yorkshire and York;
  - local partnerships, including shared community engagement arrangements, at the most appropriate local level; and
  - the use of task and finish groups to deal with particular issues, rather than standing thematic partnerships or sub-groups.
- 2.7 LGNYY also agreed that rationalisation of partnership structures is not about stopping partners working together - partnership working should be encouraged, but partnership structures should only exist where they add value and are efficient.

### **3.0 Partnerships in 2022/2023**

- 3.1 Appendix 1 lists the partnerships that were within the scope of the annual report as at 31 March 2023. The number and nature of partnerships changes from time to time and, as with all annual reports, the data within the appendix is a snapshot on one date.
- 3.2 Appendix 1 also summarises information on the governance and reporting arrangements for each partnership as at 31 March 2023, together with their key achievements for 2022/23 and key issues and priorities for 2023/24.
- 3.3 One Partnership (North Yorkshire Cleveland Coastal Forum) is currently inactive.
- 3.6 No partnerships were identified as having a high overall risk rating.
- 3.7 No partnerships reported a governance failure during 2022/23.
- 3.9 In addition, Executive Members in conjunction with officers of each Directorate give regular consideration to the governance and monitoring arrangements of partnerships relating to the Directorate.

### **4.0 Arrangements in place to monitor partnerships**

- 4.1 The wide range of partnerships, and their differing roles, means a 'one size fits all' approach to reporting is neither practical nor appropriate. In this context, reporting arrangements cover:

- key issues, including service issues;
- any specific issues relating to the management of the partnerships; and
- routine reporting on financial or other performance, highlighting variances to budgets or performance plans.

4.2 All reporting arrangements need to be appropriate and commensurate to the role of the partnership and what it seeks to achieve. The term ‘partnership’ covers a wide range of different approaches. Many partnerships are a coming together of partners with separate budgets to jointly plan and align their organisations’ activity. Some partnerships are a delivery mechanism for joint budgets and joint decisions, for which the Council is the accountable body.

4.3 Data from partnership working is included in a range of more general updates, including those submitted to the Executive as part of the Quarterly Performance Monitoring reports. There are some examples of formalised reporting from particular partnerships to the Executive. More often however, the data from partnerships is not readily separated from the more general level of reporting and, in many cases, to do so would result in duplication.

4.4 It is essential to ensure that partnership arrangements reflect appropriately the significance of the issues arising in the partnership within the overall framework of the monitoring arrangements involving Members. There is a need to avoid the risk of providing an unnecessarily detailed analysis for relatively small partnership working areas.

4.5 The governance arrangements of all partnerships with a high or medium overall risk rating are reviewed by officers from Legal and Democratic Services to ensure that robust arrangements are in place to protect the interests of the partnership and, in particular, of the Council. A review is normally be undertaken within twelve months of a partnership being first rated as having a medium or high overall risk rating, and then repeated every three years for partnerships that continue to have a high overall risk rating and every five years for partnerships that continue to have a medium overall risk rating. The review considers the written governance documents of the partnership to check that they are fit for purpose. Partnerships with a low overall risk rating are not reviewed unless there are any exceptional reasons for doing so. If any concerns are identified, officers from Legal and Democratic Services liaise with the lead officer for the partnership concerned to offer advice and support and ensure that appropriate corrective action is taken to rectify the concerns.

## **5.0 Future Partnership Governance and reporting**

5.1 Due to Local Government Reorganisation as of the 1<sup>st</sup> April 2023, this will be the final Partnership Governance Annual Report for the former North Yorkshire County Council. Future reporting will need to cover the new North

Yorkshire Council with a revision of partnership memberships for all directorates, giving consideration to the governance monitoring arrangements of relevant partnerships.

## **6.0 Recommendations**

6.1 It is recommended that the Audit Committee:

- (a) Receives the annual report on partnership governance;
- (b) Notes the arrangements in place to ensure good governance and reporting of partnership activity; and
- (c) Notes the contents of the schedule of partnerships that were within the scope of this report as at 31 March 2023 (Appendix 1)

Rachel Joyce  
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18<sup>th</sup> September 2023

Appendix 1 - Partnerships that were within the scope of this report as at 31 March 2023 (will be circulated separately to the Committee via e-mail))