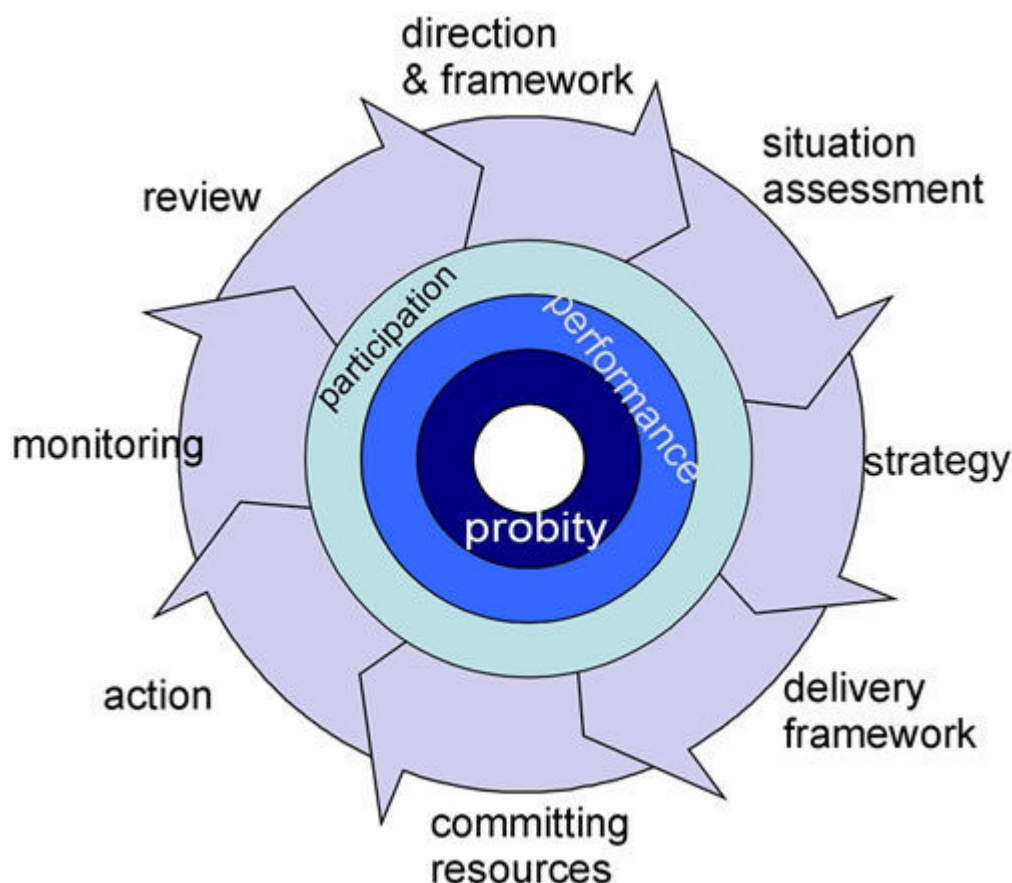


Partnership Effectiveness - Process & Methodology

The Audit Commission developed the wheel set out below. It has been used in a wide variety of settings and is based on the performance management wheel. The paragraphs following the wheel provide guidance from both the Audit Commission and others that gives more detail regarding each of the stages. The final section looks at other issues that require attention throughout the life of the partnership.

The Partnership Wheel



The three aspects of partnership working set out in the centre of the diagram are:

- participation – openness and full involvement of community partners
- performance – clarity of purpose and efficient delivery, and
- probity – underpinning systems to ensure propriety in the use of resources. For example, financial management should be in accordance with the Council's standing orders and financial regulations.

These aspects are covered in detail elsewhere in the guidelines. The sections below cover each of the stages in more detail.

Direction and Framework

Outcome focus

The work of the Council should have a positive impact on the local population. Any partnership work should, therefore, also be focused on positive outcomes for local service users and people. These outcomes should be clearly defined and there should be clear links from the activities and resources provided by the Council through to the desired outcomes of the partnership.

The partnership should ensure that it has a clear and shared understanding of what the desired outcomes are.

In addition, the Council should be clear on how the outcomes of the partnership fit with its own priorities and objectives.

Questions Relating to Outcomes

1. What are the desired outcomes of the partnership?
2. What work has been done to ensure that the partnership has a shared understanding of the outcomes that it expects to achieve, both in the short and longer term?
3. How do these outcomes fit with the priorities and objectives of the Council and its partners?

Leadership

In effective partnerships, the partners have ambition and drive, and can use opportunities provided by shared expertise and energy. Real leadership qualities are required to ensure such collective power is harnessed and makes a difference.

Strong leadership will also help to develop the commitment of partners. This aspect is likely to be time consuming, and should be recognised at the start of the partnership. To a large extent it will be down to the individuals involved to maintain enthusiasm and vision. It is important because, unless all partners believe they are meaningfully involved in the partnership's work, some will become disengaged and the potential benefits of the partnership will be more difficult to achieve.

Questions Relating to Leadership

4. Who is providing the leadership for the partnership, both overall and from within the Council?
5. What is being done to strengthen the commitment of different partners to the partnership?

Clarity of purpose

Any partnership developed should be supported by good relationships and sound structures. A clear direction requires clarity of purpose; often this will fall into one of four categories:

- developing a vision for the community and monitoring progress towards it;
- formulating strategic objectives to turn shared vision into reality;
- planning actions necessary to meet agreed strategic objectives;
- carrying out joint operations (for example, major capital projects, new services, or new approaches to existing services).

Partnerships usually focus on one function, but over a period of time they may develop and look at one, or even all, functions. When this happens, the partnership will need to change to reflect its developing role. Whatever functions the partnership is fulfilling it should always have a clear statement of its purpose.

Question Relating to Function and Purpose

6. What is the function and purpose of the partnership?

Management of Risk

At all stages of a partnership the risks should be openly understood and evaluated; in addition there should be clear plans in place to minimise these risks. At the outset this should include a risk assessment, involving the corporate risk manager where the partnership is a strategic one. The risk assessment should include an evaluation of risks both of the Council becoming involved in the partnership as well as the risks of the Council not becoming involved. Risks identified may be operational or strategic and could have political, legal, financial, environmental or structural aspects. A checklist for managing partnership risk is available from the Council's Risk & Business Development Consultant and there is also a best practice guide provided by the HM Treasury.

Questions Relating to Management of Risk

7. What are the potential risks associated with the Council's involvement or non-involvement in the partnership?
8. What work has been done to ensure the arrangements for identification and evaluation of the risks is effective?

Situation Assessment

A sound assessment of the situation requires shared information between partners and consultation with end-users. This should include:

- a review of the current levels of service provision – covering input of resources, activity levels, outputs and outcomes
- assessment of the level of needs – through consultation, pooling and analysing information about client groups, environment etc
- a gap analysis leading to identification of further services required or further work to clarify levels of need

Question Relating to Evidence of Need

9. What is the evidence of need arising from the situation assessment?

Strategy

The partnership needs to demonstrate added value. This is dependent on developing shared objectives, coupled with clear roles and responsibilities and an openness and willingness to engage. Project management techniques should be used to ensure:

- aims and objectives for the partnership which are achievable and aligned to the agreed outcomes
- a clear plan and timescale for achievement of the objectives
- jointly agreed targets with clearly allocated responsibilities

A partnership will often seek better ways of doing things, but whatever solutions it comes up with will only be effective in the longer term if they become part of partner activities. A key measure of success for a partnership will be the extent to which it brings about changes in partner policies, service delivery arrangements, and decisions for allocating resources.

If there are financial implications of involvement in the partnership then these should be considered at an early stage both in terms of commitment of Council resources and how any performance reward grant will be handled. In either case Financial Services should be involved.

Questions Relating to Strategy

10. Is there a clear project or programme plan in place for the work of the partnership?
11. Does it contain clear aims, objectives and targets that will help to deliver the desired outcomes?
12. Are the actions and targets in the plan embedded into partners' plans and policies?
13. Does the plan include an evaluation of risks, and appropriate actions to minimise such risks?
14. What are the financial implications of involvement in the partnership and how will these be managed?

Delivery Framework

The partnerships with which the Council engages will vary in both size and scope. There is no common model that covers all partnerships. However, in general terms it can be said that there are four main models for partnership working and these are set out below.

- Separate organisation – where partners set up a distinct organisation with a separate legal identity from that of the individual partners.
- Virtual organisation – where partners give the partnership a separate identity, but without creating a distinct legal identity. Generally this

means at a formal level one partner employs the staff and manages resources.

- Co-location of staff from partner organisations – where a group of staff from the partner organisations work together to a common agenda, usually under the direction of a steering group. Generally any staff members continue to be managed separately by the partner who employs them.
- Steering group without dedicated staff resources – where the partnership consists simply of a steering group without staff or budget. Generally outputs must be capable of being implemented through partners' mainstream programmes and staff.

Whatever structure is chosen a clear mechanism for making decisions will be required. This could be a board, a steering group or some other structure. For strategic partnerships this will almost certainly need to involve Councillors. If possible representatives in the decision making group should have a clear mandate and devolved authority from their organisation so that they can take decisions on behalf of the organisation they are representing.

Ensuring the right partners are engaged is also important. Where partnership working is mandatory or a pre-condition to bidding for resources, the choice of core partners may already be determined. But there will still be choices to be made about who else to involve. Leadership of the partnership should also be decided.

It is important to consider which individuals from the partner organisations should be involved. Strong leadership qualities in individuals will be essential for the partnership to get going, but those who champion a partnership in its early stages may not be the most appropriate people to lead the partnership throughout its life. Whoever is involved it is important to ensure that they have sufficient authority to make decisions.

Again consideration of risks is important. These could include things such as the collapse of the partnership, the withdrawal of a partner, or one partner dominating.

Questions Relating to Structure and Partners

15. What model of partnership working has been chosen and for what reasons?
16. What are the decision-making structures for the partnership?
17. Who are the key partners and how have they been selected?
18. Who is leading the partnership, and on what basis?
19. Which individuals (both officers and Councillors) are representing the organisations involved in the partnership?
20. Do the members of the partnership steering group have sufficient authority to commit their organisations to decisions?
21. What are the main risks of the partnership and what actions are being taken to minimise them?

Committing Resources

All organisations involved in a partnership need to ensure that financial planning, information systems and personnel policies are supportive of the partnership. This should include coordination of individual organisations' planning and decision-making processes through:

- linking the partnership's activities with those of its members' organisations
- addressing issues around provision of resources needed to implement decisions

Whichever model is used there may well be implications for the Council in a number of areas. If the Council is incurring costs as a result of the partnership then Financial Services should be involved. Similarly if employees' terms or conditions are being affected then Human Resources and the Unions should be involved. If other resources are being committed to the partnership, e.g. Property, ICT, then the relevant services should be involved in drawing up the agreement.

Indirect commitment of resources should also be considered. Staff time, administration and management, meeting venues, travel and insurance are all areas that need to be considered. The opportunity cost of committing resources to the partnership should form a part of this consideration. In other words, what else could be done with the resources being committed to the partnership and would that be of greater value?

If Council property is to be occupied by partner organisations then there may need to be a lease or licence, and in any case the basis of occupation should be properly documented. Similarly, if Council staff occupy property owned by partner organisations then there should be a formal agreement. In all cases, the Corporate Property Group in Resources should be consulted as early as possible.

Questions Relating to Commitment of Resources

22. What resources (finance, personnel, property, ICT) will partners be committing to the partnership?
23. What are the implications for the Council with regard to control and management of risks arising from commitment of resources?
24. What are the costs (both direct and indirect) of the partnership for the Council?

Action

All partners should have a role in communicating and implementing partnership plans. Good communication of decisions and actions is required for the partnership to succeed. It should also be clear what information is available to whom and when through the life of the partnership.

This will include having an effective means of making decisions and taking action to further the partnership's objectives. Partnerships often find it difficult

to reach decisions, and the best way round the problem is to make sure all members of the board have sufficient authority to commit their organisations to a particular course of action. In addition board members should be briefed in advance of meetings to ensure they are clear on the work of the Council and the potential implications of partnership decisions. Records will need to be maintained and consideration should be given to who takes minutes, and how widely they are shared. Advice from the Freedom of Information Team may be needed with regard to public access and availability of recorded information. Recorded information may be in any format e.g. paper, floppy disk, video and includes both electronic and paper versions of records such as e-mail messages, reports, minutes of meetings and contracts.

Careful management of conflicting priorities or different agendas is crucial. There will be tensions and bringing these out into the open and managing them is vital to the success of the partnership. Hidden agendas may, however, remain. If they do then efforts should be made to understand them, at least privately, and manage them as far as possible.

Effective partnerships are crucially dependent on the development of trust between all partners. There needs to be clarity on the shared agenda, accountabilities, and roles and responsibilities. There needs to be commitment to sharing risks and rewards, and to supporting each other as necessary. Such trust can only be developed over time, but needs to be nurtured in a culture of openness and respect.

Accountability is an important area to consider in partnerships. In legal, political or financial terms, partnerships are often less clearly accountable than their individual members. Any partnership will need to decide how to make sure its activities are accountable to the members of the partnership, to stakeholders outside the partnership (such as funding agencies), to service-users and the public.

The way in which a partnership can be formally held to account for activities or use of resources will depend on its structure. Regulatory regimes that apply to public bodies do not apply in full to all partnerships in which those bodies participate. Every partnership should consider:

- holding some or all of its meetings in public
- regularly publishing information about activities and finances (including annual accounts)
- reviewing its own corporate governance arrangements.

If this is not possible, then the partnership should, at the very least, ensure that service users and interest groups are consulted and informed about the work of the partnership.

Questions Relating to Implementation and Communication

25. What are the information sharing protocols for the partnership?
26. How will members of the board be briefed in advance of meetings?

27. What formal records will be kept of agreements or decisions taken by the partnership and who will they be sent to?
28. What arrangements are in place for dealing with resolution of any conflict between partners?
29. What actions are taken to build and maintain trust between partners?
30. What steps have been taken to make sure that the partnership is accountable to the individual partners, external stakeholders, service users and the public at large?
31. What access will the public have to meetings and reports produced by the partnership?
32. What arrangements are there for consulting and involving users and interest groups in the work of the partnership?

Monitoring

A partnership should be systematically monitoring its achievements. This should make use of existing processes and systems as far as possible to avoid duplication of effort. It should also be focused on progress towards achieving identified outcomes, the efficiency of the partnership's activities, and the health of the partnership itself. It is important that all the partners own the measures.

It can be difficult for a partnership to determine how far any changes are attributable to its work, but robust performance monitoring arrangements can help to retain a focus on the desired outcomes. It should also allow for corrective action to be taken in areas of underperformance. This should include:

- a timetable to ensure regular monitoring and reporting of progress against outcomes and objectives
- systems to ensure action is taken in response to issues as they arise
- robust data to monitor performance coupled with clear data collection and communication processes
- some means of celebrating and publicising the successes of the partnership

If financial expenditure is being incurred by the partnership then this should be taken into account through the monitoring processes. This should be aligned with the performance reporting and should ensure that reports make clear links between finance and performance.

These partnership monitoring arrangements should be supported by clear monitoring arrangements within the Council. This should include a clear indication of how the partnership fits with Council's priorities and objectives.

Questions Relating to Monitoring

33. To what forum(s) will performance reports be provided and how often?
34. What systems will be used to report on performance and what is the justification for any new processes?
35. What arrangements are there for publicising the achievements of the partnership?

36. What arrangements are in place to ensure that action is taken in response to problems as they arise?
37. What are the arrangements for financial monitoring and what work has been done to ensure that they align with performance reporting?

Review

There should be both internal and external review processes that encompass partnership activity. The key test of any partnership is whether the extra benefits that come from working in partnership are greater than the costs involved in doing so. Most partnerships will have both direct and opportunity costs (of which the main one will be time). Few partnerships monitor the costs of their activities systematically, and thus may find it difficult to weigh costs against achievements. Best practice suggests that early in the life of any partnership, a system needs to be put in place for tracking both the value of the resources used and the costs of administering them. This will help to ensure that the partnership is providing value for money; i.e. that the benefits offered by the partnership are not outweighed by the inputs of the partners.

In addition an annual review of the partnership's performance and purpose should be carried out within the Council. This review should be undertaken with involvement of people from outside the partnership. Such work will help to ensure that partnerships retain focus on the desired outcomes. It should also ensure that the partnership continues to fit with the Council's priorities and that it offers value for money.

Apart from anything else, this will help to justify the continued existence of the partnership – and will also help to identify when the right time has come to close it. Indeed an exit strategy should be included in the initial considerations of the partnership and should be refreshed during the annual review.

Questions Relating to Review

38. What arrangements have been put in place to ensure there is an annual review of the purpose, focus, value for money and governance of the partnership?
39. What is the exit strategy for the partnership as a whole and for the Council independently?