

Report to	On
Governance Committee	Tuesday, 23 March 2021

Title	Report of
Key Contracts and Partnerships Framework - approach	Deputy Chief Executive

Is this report confidential?	No
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Purpose of the Report

1. To consider the proposed approach for the development of the Key Contracts and Partnerships Framework and to consider the next steps outlined.

Recommendations

2. To approve the approach for the development of the Key Contracts and Partnerships Framework and next steps.

Reasons for recommendations

3. As part of the South Ribble Annual Governance Statement there is an action to develop a Key Contracts and Partnerships Framework. The recommended approach will ensure a fit for purpose, robust and streamlined framework to monitor and performance manage key contracts and partnerships.

Other options considered and rejected

4. The alternative is South Ribble Borough Council does not have a Key Contracts and Partnerships Framework in place however this could create inconsistencies in the approach to contract management and scrutiny, limiting the overall level of assurance and opportunities to ensure strong performance.

Corporate outcomes

5. The report relates to the following corporate priorities: *(tick all those applicable)*:

An exemplary council	x	Thriving communities	
A fair local economy that works for everyone		Good homes, green spaces, healthy places	

Background

6. As part of the South Ribble Annual Governance Statement there was an action to develop a Key Contracts and Partnerships Framework to ensure effective monitoring of key contracts and partnerships to demonstrate and evidence that they are delivering effective, efficient and economic services providing best value for the council.

Proposed approach

7. The council is involved in many contracts and partnerships, with many different partners. The aim of the framework would be to differentiate the level of governance and risk management that needs to be applied based on the following considerations:
 - There is significant impact on the delivery of the council's strategic objectives
 - There is a large reliance on the proposed partner to deliver core services
 - There is significant financial value
 - The scale of human and other resources involved is large
 - The length/timescales of the commitment are significant
 - There is a significant degree of risk

Monitoring

8. To ensure that existing contracts and partnerships are closely monitored, it is proposed that the framework will set out a range of controls and measures. These safeguard the success of the contracts and partnerships and ensure that they achieve the Council's priorities and goals outlined in the Corporate Strategy. Where key partners already have strong governance and reporting arrangements in place then the key partnership reporting should not duplicate these but instead provide greater visibility.
9. It is proposed that a performance update on key partnerships will be taken through Cabinet annually. This will include the following:
 - The performance of the Council's key contracts and partnerships against targets set for the current year;
 - Any emerging issues including whether contracts are on budget;
 - A financial assessment of key partners strength and stability; and
 - An update on the changes to our key partnerships.
10. This formal monitoring should supplement ongoing contract management and monitoring at a service level through operational meetings, board meetings and updates to executive members as general good practice.

Adding new contracts and partnerships

11. During procurement of any new services / contracts and establishing a partnership, it should be considered by the contract manager and director if the contract and / or partnership falls under the remit of a key partnership. They should refer to the Key Partnerships Framework and Transformation and Partnerships for advice at this point.

12. If it is agreed that it does fall under the remit, any proposal to enter into a new key contract or partnership would be brought through with the annual update to Cabinet and should demonstrate the following:

- The partnerships impact on the Council's priorities;
- Consideration of the Council's exposure to risk and the potential liabilities including financial risk
- Any insurable risks and clarify responsibility and ownership;
- Governance and risk management arrangements, including terms of reference for the partnership; and
- Partnerships also need to demonstrate that they are fit for purpose, demonstrate value for money and have added value.

13. Following approval to establish a new key contract or partnership, control measures and governance arrangements should be set out in an agreement or contract. This should cover:

- Aims and objectives
- Roles and responsibilities
- Decision making procedures
- Code of conduct
- Risk management
- Equality and diversity monitoring
- Anti-Fraud and corruption
- Data quality
- Safeguarding adults and children
- Sustainable procurement and local spend
- Business continuity arrangement
- Dispute prevention and resolution controls
- Exit strategies

Proposed key contracts and partnerships

14. The following have been identified as the key contracts and partnerships for South Ribble Borough Council. These have been identified in conjunction with Directors and Service Leads and are based on the criteria set out above.

Proposed contract / partnership	Purpose	Value – per annum	Reasoning
Communities			
Select Move partnership	Choice based lettings partnership and allocations policy – part of this is commissioning CIVICA as the software provider for the housing register and homeless database	£9k	<ul style="list-style-type: none"> • There is significant impact on the delivery of the council's strategic objectives • Delivery of core services
Customer and Digital			
Capita	Key supplier of revenues and benefits software and associated services, including managed system support for the council.	£100k approx.	<ul style="list-style-type: none"> • Delivery of core services • Significant degree of risk • Significant financial value

IDOX	Key supplier, providing the council with support for ICT, Democratic and Licensing services.	£250k approx.	<ul style="list-style-type: none"> • Delivery of core services • Significant degree of risk • Significant financial value
FCC Environment	To deliver the waste contract, providing a waste and recycling collection service.	£1.9m	<ul style="list-style-type: none"> • Delivery of core services • Significant financial value • Scale of human and other resources involved is large • The length/timescales of the commitment are significant • Significant degree of risk
Firmstep	To deliver the CRM, TMS, single sign on technology.	£58k	<ul style="list-style-type: none"> • Delivery of core services • Significant degree of risk
Planning and Development			
Local plan partnership – SRBC CBC and Preston	To develop and deliver the local plan for 2023.	N/A	<ul style="list-style-type: none"> • Scale of human and other resources involved is large • The length/timescales of the commitment are significant • Significant degree of risk
Preston, South Ribble and Lancashire City Deal	To deliver infrastructure investment in Central Lancashire.	N/A	<ul style="list-style-type: none"> • There is significant impact on the delivery of the council's strategic objectives • Significant degree of risk
Policy and Governance			
Civica	Provides a core financials system software licence and maintenance.	£64k	<ul style="list-style-type: none"> • Delivery of core services • Significant degree of risk
Lancashire County Council	Provides the payroll and expenses services.	£23k	<ul style="list-style-type: none"> • Delivery of core services • Significant degree of risk

Next steps

15. The following table outlines the next steps:

Action	Date
Governance Committee approval of key partnerships and approach	23 March 2021
Drafting of framework	April 2021
Governance – approval of Key Partnerships Framework	25 May 2021
Executive Cabinet – approval of Key Partnerships Framework	June TBC

Comments of the Statutory Finance Officer

16. N/A

Comments of the Monitoring Officer

17. N/A

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DEPUTY CHIEF EXECUTIVE

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