



## Report of the Interim Director of Corporate Services

Governance & Audit Committee - 8 March 2023

### The Governance and Assurance Arrangements of Swansea Council's Strategic Partnerships

<b>Purpose:</b>	To provide information on governance and assurance arrangements of the council's strategic partnerships
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#### 1. Background

- 1.1 One of the Governance and Audit Committee's responsibilities is to review Council's corporate governance arrangements against the good governance framework. This includes reviewing the arrangements for the key partnerships of which the Council is a member.
- 1.2 The partnership landscape is crowded and complex due to the different statutory and policy drivers which determine individual partnerships' function, form, and governance. The geographical footprint and funding arrangements also vary. In July 2022, the committee received a report which outlined the governance and assurance arrangements of the following key strategic partnerships:
  - South West Wales Corporate Joint Committee (CJC)
  - Swansea Public Service Board (PSB)
  - West Glamorgan Regional Health and Social Care Partnership
  - Swansea Bay City Deal (SBCD); and
  - Partneriaeth (school improvement partnership)
- 1.3 This report provides further information on how the governance of these partnerships relates to the following principles contained in the Council's Local Code of Corporate Governance:

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement.
- Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Developing the entity's capacity, including the capability of its leadership and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting and audit to deliver effective accountability

## **2. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.**

- 2.1 Three of the five partnerships are established under legislation, while Partneriaeth (and its predecessor ERW) and the Swansea City Deal partnership were established voluntarily, in the context of national policy direction.
- 2.2 Many aspects of the partnerships' governance and assurance arrangements have been modelled / draw on arrangements governing the Council contained in the constitution. The South West Wales Corporate Joint Committee has its own separate constitution and Partneriaeth has a legal agreement with their respective partners.
- 2.3 Although the West Glamorgan Regional Partnership Board and Swansea's Public Services Board are not separate legal entities or formal decision-making bodies with executive powers, actions are agreed by consensus amongst members, who then take the issues recommended by their Board through their own local policy and decision-making for ratification as required.
- 2.4 All of the partnerships draw on the Statutory Officers within their respective Local Authorities. The Council employs a number of dedicated Statutory Officers including a Monitoring Officer and a Section 151 and Chief Finance Officer. Officers within the respective Local Authorities perform a similar role and functions for the South West Wales Joint Committee and similar arrangements are in place for the Swansea Bay City Deal, the West Glamorgan Regional Partnership and Partneriaeth.
- 2.5 The Partnerships also draw on their respective Local Authorities in relation to other aspects of governance and assurance. Neath Port Talbot County Borough Council Standards Committee acts as the Standards Committee of the South West Wales Corporate Joint Committee. The West Glamorgan RPB and the Swansea Bay City Deal

(Joint Committee) submits to the Overview and Scrutiny committees of their respective Local Authorities, whereas Partneriaeth have established joint scrutiny arrangements which includes the Education Chairs and Vice Chairs from each of the respective Local Authorities. Swansea Public Services Board submits to the Council's Scrutiny Programme committee twice a year.

- 2.6 All of the partnerships have published descriptions of their governance and assurance arrangements. They have also developed procedures and policies to ensure members of the partnership behave with integrity and a strong commitment to ethical values. For example, some partnerships have developed codes of conduct, procedures for declaring interests, the resolution of disputes, the acceptance of gifts and hospitality, protocols for contact with AMs and MPs and policies on information governance and data protection.

### **3. Ensuring openness and comprehensive stakeholder engagement**

- 3.1 All of the of partnerships operate in ways which aim to ensure openness and engage their stakeholders. They do this by either drawing on the resources within their respective Local Authorities or have secured dedicated resources.
- 3.2 The ways in which partnerships try to ensure openness and engage with their stakeholders is to some extent determined by their purpose and/or statutory requirements. For example, the Public Services Board is required to engage with a range of stakeholders including the public during the development of their Assessment of Local Well-being and during the development of their Local Well-being plan. Similarly, the West Glamorgan Regional Partnership is required to engage with a range of stakeholders, including the public during the development of their Population Needs Assessment and subsequently during the development of their regional plan.
- 3.3 Both the Public Service Board and the West Glamorgan Regional Partnership have used an extensive range of consultation and engagement mechanisms including the use of on-line questionnaires, workshops, drop in sessions and linking with events such as Children's Rights Days, a Well-Being Fayre and GP Cluster event. Consultation materials and plans have been produced in variety of formats including; Easy Read Plain English/Welsh, screen reader versions, video, social media and a variety of different minority languages. The West Glamorgan Regional Partnership have also recently developed a Regional Co-production Framework.
- 3.4 Communication and social media activity about the PSB and key developments is undertaken by resources within the Local Authority, whereas there is a dedicated resource within the West Glamorgan Regional Partnership in addition to using resources within the respective Local Authorities to carry out these activities.

- 3.5 The South West Wales Corporate Joint Committee has recently consulted on the development of their corporate plan and although they have developed a Media protocol, all engagement and communication activity is resourced within the respective Local Authorities.
- 3.6 Communication is embedded in the Partneriaeth Business Plan for 2022-23 and is 1 of the 6 priorities. Partneriaeth has also recently established a Stakeholder Group.
- 3.7 The Swansea Bay City Deal (SBCD) has a dedicated Communications and Marketing Officer and a Business Engagement Manager, who works with the Project/Programme teams to oversee the Portfolio Communications and Marketing Plan, which includes activity associated with media, social media, web content, internal communications, marketing, and events. The Portfolio Communications and Marketing Plan communicates across all the SBCD governance groups, partners organisations and wider audiences to communicate key information, schedules, protocols tools and activity.
- 3.8 All of the Partnerships publish details relating to the schedule of Board meetings including forward work plans, agendas, minutes and supporting papers. Members of the public have the opportunity to attend meetings of Swansea's Public Service Board (Joint Committee) and ask questions and/or view the proceedings on its website. The work of the partnerships is also promoted and communicated through the host organisations of the partnerships in order to publicise activities.

#### **4. Defining outcomes in terms of sustainable economic, social and environmental benefits**

- 4.1 The work of the partnerships is defined through the production of a range of plans, performance management arrangements and monitoring and evaluation activities. The South West Wales Joint Committee has recently developed a Draft Corporate Plan which is currently out for consultation. The Draft Plan identifies 3 well-being objectives and defines the action/steps, timescales and measures it will use to assess the impact.
- 4.2 The West Glamorgan Regional Partnership produces an Annual Report which outlines the progress made in relation to four key areas with associated projects and work streams being delivered in the context of the Social Services and Wellbeing (Wales) Act 2014. These areas include; stabilisation and reconstruction, remodelling acute and community health services, transforming complex care and transforming mental health services.
- 4.3 The Public Services Board defines its outcomes through its Assessment of Local Well-Being and the publication of a Local Well-

being plan which sets out local objectives and the steps it proposes to take to meet them. They also publish an Annual Report that sets out the Board's progress in meeting the local objectives.

4.4 Partneriaeth have recently published a Business Plan for 2022-23 which outlines its 6 priorities; curriculum and assessment, developing a high-quality education profession, leadership, strong and inclusive schools committed to excellence, equity and well-being, supporting a self-improving system and ensuring that Partneriaeth has strong governance and effective business and operational support that provides value for money.

4.5 Swansea Bay City Deal defines outcomes through its Portfolio Annual Report and outlines the progress made in relation to the three themes of economic acceleration, energy and smart manufacturing, and life science and well-being. The SBCD Portfolio Annual Report for 2021 highlights the process made by the 9 key programmes and projects including; the Skills and Talent project, the Digital Infrastructure programme, Yr Egin, Swansea City and Waterfront Digital District programme, the Homes as Power Stations project, the Pembroke Dock Marine programme, the Life Science, Well-being and Sports Campuses programme, Pentre Awel and the Supporting Innovation and Low Carbon Growth project.

## **5. Determining the interventions necessary to optimise the achievement of the intended outcomes**

5.1 All of the partnerships determine the interventions to optimise the achievement of the intended outcomes through the provision of written reports with options appraisals when relevant. The South West Wales Corporate Joint Committee has developed an Integrated Impact Assessment (IIA) Tool to support its work based on the Integrated Impact Assessment Tool used by Neath Port Talbot County Borough Council. All written reports on the operation or work undertaken by the Partnerships are assessed using the IIA processes of the respective Local Authority, before reports are published.

5.2 The partnerships work towards optimising the achievement of intended outcomes in a variety of different ways including; seeking to incorporate the outcome and response to consultations into reports, the use of quarterly and annual risk and performance management reports, quarterly and annual budget monitoring reports, monthly performance and financial monitoring meetings and through scrutiny arrangements where appropriate.

## **6. Developing the entity's capacity, including the capability of its leadership and the individuals within it**

6.1 The ways in which the partnerships develop their capacity including leadership varies according to need. Board Members from the

respective Local Authorities and other Partners can draw from their training within their respective organisations. For example, Board Members who are Councillors have undertaken an induction programme when they were elected to the Council and participate in a rolling Councillor training programme which covers roles, responsibilities and other aspects of good governance and assurance which can also be employed within a partnership context.

- 6.2 The Public Services Board have also instigated a leadership development opportunity for partners “Walking in Our Shoes” which provided Board Members with the opportunity to shadow other Board Members in their day to day work within their host organisation in order to better understand the context on which they work, the challenges and opportunities. Training and development opportunities have also been provided by Welsh Government.
- 6.3 The leadership of the partnerships in terms of both its capacity and capability is also informed by independent and external advisors and observers. For example, the Swansea Bay City Deal established an Economic Strategy Board (ESB) which is chaired by a representative from the private sector and is tasked with providing advice on matters relating to the City Deal, particularly in relation to investment. Leadership of the Swansea City Bay Deal also benefits from advice and support of representative from both the UK and Welsh Governments.
- 6.4 Other partnerships such as Partneriaeth’s Joint Committee and Scrutiny Councillor Group also make use of external observers and advisers such as Estyn, Welsh Government and Audit Wales to support both the capability and capacity of its leadership. The South West Wales Joint Committee have also agreed to draw on external advisors using similar arrangements to those established by the Swansea Bay City Deal.

## **7. Managing risks and performance through robust internal control and strong public financial management.**

- 7.1 The ways in which the partnerships manage risk and performance and finance varies according to the nature of the partnership, its purpose, scope, role and functions and the amount of funding it receives.
- 7.2 The Swansea Bay City Deal represents a £1.3 billion investment in the regional economy and perhaps unsurprisingly has some of the most robust and complex processes in place to manage risk, performance and finances. A joint UK Government and Welsh Government Board – the Welsh Cities and Growth Implementation Board - was established to oversee the Swansea Bay City Deal. This Board is responsible for providing assurance and advice to the Joint Chairs regarding operational issues, the release of funding to the Portfolio, the oversight and monitoring of projects, and effective governance and assurance.

The Joint Committee holds the Programme (Portfolio) Board and Portfolio Management Office to account and has overall responsibility for scrutiny and approvals. The Joint Committee receives advice and support from the Economic Strategy Group and scrutiny from the Joint Scrutiny Committee. The Programme (Portfolio) Board is responsible for overseeing the operations of the City Deal, Programme (Portfolio) Board, reviewing any changes to business cases and developments to the portfolio as it progresses.

- 7.3 The Swansea Bay City Deal adopted a new SBCD Portfolio Risk Management Strategy in 2020 aligned to the HMT Green Book supplementary guidance: The Orange Book. They also established a Portfolio Risk Register and Issues Log, and regularly report on prioritised risks through the governance structures. Risk management is an integral part of the SBCD routine decision-making and is incorporated within and operational planning processes at all levels. Key risks are captured in a SBCD Portfolio Risk Register. The Portfolio Office regularly reviews and monitors the risk management process. In order to further support the management of risks and potential associated issues, the Portfolio Management office developed a change control in February 2021.
- 7.4 The SBCD Portfolio and projects are subject to Office of Government Commerce Gateway Reviews, facilitated by the Welsh Government Integrated Assurance Hub, to assure successful progression and overall delivery of the portfolio and associated projects and programmes. The SBCD has undertaken two portfolio and eight project/programme Gateway reviews since November 2019. The 2021 Gateway assurance review for the Portfolio returned an Amber/Green rating with 4 recommendations. The 2021 Internal Audit provided the Portfolio with a Substantial rating, meaning the Portfolio has a substantial chance of overall success.
- 7.5 Although both the South West Wales Joint Committee and Partneriaeth are relatively newly established partnerships and work is still underway in terms of developing all governance and assurance arrangements, both have undertaken work to ensure there will be robust risk and performance management arrangements are in place. The South West Wales Joint Committee have updated their terms of reference of their Governance and Audit Sub Committee in relation to CIPFA's recently published Position Statement on Audit Committees in Local Authorities and Police 2022. The specific responsibilities of the South West Wales Joint Committee's Governance and Audit Committee are to; to maintain governance, risk and control arrangements, ensure that financial and governance arrangements are satisfactory and to establish appropriate and effective arrangements for audit and assurance.
- 7.6 Within the West Glamorgan Regional Partnership, Partnership Bodies have the statutory responsibility to ensure that their functions are

carried out in relation to any Pooled Funding. For each Pooled Fund a partnership agreement is drawn up between the partners to cover the governance arrangements, which address accountability, decision making and how the budget is to work. Comprehensive monitoring arrangements are in place that assures partners that their shared aims are being fulfilled. The West Glamorgan Regional Partnership Board is also responsible for agreeing and managing the overall direction and ensuring effective governance of the use of the Integrated Care Fund and other grants and funding.

## **8. Implementing good practices in transparency, reporting and audit to deliver effective accountability.**

8.1 All of the partnerships aim to implement good practice in transparency, reporting and audit in a variety of different ways which are appropriate and proportionate to the scale, scope, and purpose of the respective partnerships. Standard reports, templates and protocols are used and are signed off by Statutory Officers when required and subject to Integrated Impact Assessments when it is appropriate. Many of them publish Forward Work plans and actively promote opportunities for public question at meetings.

8.2 All of the partnerships publish information about their operation, the work they do and seek to engage with stakeholders in an open and transparent way, which again is determined to a large extent by the nature of the respective partnership. All of the Partnerships seek to publish reports on the progress they have made in terms of delivering outcomes through annual and quarterly performance reports and reviews and are subject to different levels of Internal and External audit scrutiny. Some of the Partnerships actively work to ensure that they communicate outcomes in a variety of different formats to ensure that information about outcomes is accessible to a wide range of stakeholders.

## **9. Integrated Assessment Implications**

9.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language



- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

9.1.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

9.1.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

9.1.4 An IIA screening report was carried out for this report (Appendix 2). A full IIA is not required for this report, as it is for information only.

## **10. Legal Implications**

10.1 There are no legal implications.

## **11. Financial Implications**

11.1 There are no financial implications arising from this information report.

**Background papers:** Overview of the Governance and Assurance arrangements of Partnerships and Collaborations, Governance & Audit Committee, 13 July 2022

### **Appendices:**

Appendix 1: Swansea's strategic partnerships – frequency of meetings, scrutiny, consultation, plans and strategies

Appendix 2: IIA screening report