

Report of	Meeting	Date
Assistant Chief Executive (Business Transformation) (Introduced by the Executive Member (Resources))	Executive Cabinet	25 June 2009

2008/09 YEAR END PROGRESS REPORT ON THE PERFORMANCE OF KEY PARTNERSHIPS

PURPOSE OF REPORT

1. To provide Members with a corporate update on the performance of the Council's key partnership arrangements during 2008/09.

RECOMMENDATION(S)

2. That the report be noted.
3. That the Corporate Director (People) in conjunction with Financial Services continues to closely monitor and manage the risks arising from the trading position of CLS.
4. That Financial Services identify and evaluate alternative solutions to monitor and reassess financial strength of key partners using recent, relevant information as opposed to last published financial accounts.

EXECUTIVE SUMMARY OF REPORT

5. This Key Partnerships Performance Report is produced in accordance with the requirements of the Council's Framework for Partnership Working. It informs Members of:
 - a) The performance of the Council's Key Partnerships against targets set for the current year;
 - b) An assessment of Key Partners financial strength and stability;
 - c) The outcome of the first round of Equality monitoring as part of the key partnerships contract management process.
 - d) An update to the Framework to more clearly capture the requirement regarding partner's business continuity arrangements
6. The following performance or risk issues have been identified and are drawn to Members' attention:
 - The focus on the transfer of Cotswold House back to the council has delayed progress on the review and implementation of effective contract monitoring systems and governance arrangements and this target has now slipped to 2009/10. Additionally, the Overview and Scrutiny Task Group published their report on the delivery of the "service promises" under this partnership in November 2008. The report includes 13 recommendations.

- The current arrangement with Anchor Staying Put – South Lancashire was due to expire March 2009. This arrangement has now been extended to February 2010 in order to allow for effective options appraisal with LCC Supporting People.
- The Bolton Health & Safety partnership expired 31.3.09. This has now been replaced with a new partnership with Preston CC.
- Concerns about the development of the Northgate Front Office CRM product have led to a decision to opt out of the use of this product and procure an alternative, whilst remaining committed to the principles of the Lancashire Contact Centre Partnership. An exit strategy is also being considered from the Macfarlane ACD system.
- The Glendale partnership has delayed the construction of the beginners golf course to Autumn 09 in order to minimise user complaints.
- The previous waste contract expired 31.3.09 and a new improved waste service with the same provider (Veolia) commenced 1.4.09.
- The Parkwise Partnership term is due to expire 5.9.09. Team Lancashire and LCC have both invited tenders for new arrangements available to the Council. The various options and tenders received will be evaluated in time for new arrangements to commence in September 09 on expiry of the current arrangements.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

7. To keep Members informed of the performance of Key Partnerships and to ensure effective management of the Council's partnership arrangements.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

8. None

CORPORATE PRIORITIES

9. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region	✓	Develop local solutions to climate change.	✓
Improving equality of opportunity and life chances	✓	Develop the Character and feel of Chorley as a good place to live	✓
Involving people in their communities	✓	Ensure Chorley Borough Council is a performing organization	✓

BACKGROUND

10. The Council's Framework for Partnership Working sets out a range of controls and measures to ensure the success of partnership arrangements and the achievement of the Council's strategic objectives. Regular reporting on the performance of Key Partnerships is a requirement of this framework.

11. The Framework was updated earlier this year to more clearly incorporate the need for contract managers to ensure that effective, relevant business continuity arrangements are maintained throughout the life of the partnership and to note the change from Bolton to Preston CC for the health & safety partnership.
12. This year-end Partnership report brings together and summarises the performance to date of the Council's Partnerships against the key targets and tasks required to be achieved for the financial year 2008/09.

KEY PARTNERSHIPS PERFORMANCE

13. A summary of the Council's key partnership arrangements including their value, organisations involved, main objectives and progress achieved to date against targets for 2008/2009 financial year is included at Appendix 1. A brief overview and summary of each partnership's performance is detailed below:

14. CCH (Chorley Community Housing)

The Chorley Community Housing (CCH) partnership includes a number of key promises which were agreed as part of the stock transfer. Delivery of these 'tenants promises', which fall under the 6 themes listed below, is tracked by CCH and reported to the CCH Board quarterly. The monitoring report provided at year end (See Appendix 3) reported all 6 themes as being on target.

Theme 1: Delivery of Home re-improvements

Theme 2: Service Improvement

Theme 3: Affordable Rents

Theme 4: Tenant Involvement in Decision Making

Theme 5: Regeneration

Theme 6: Delivering Sustainable Communities

15. The CCH partnership was subject to a scrutiny review late 2008 to investigate and evidence that the service promises made by Chorley Council and provided under contract by Chorley Community Housing are being effectively delivered to tenants. The review focussed on the delivery of home improvements, service improvement, tenant involvement in decision making and regeneration.
16. The Overview and Scrutiny Task Group published their report in November 2008. The report made 13 recommendations including a requirement for CCH to provide updates on the business plan, the provision of an updated staffing plan from CCH to the Council, collection of tenant satisfaction surveys and to support the Council's Neighbourhood Working arrangements. The Corporate Director (Business) has considered the report and will submit a response accordingly.
17. A key task for the CCH partnership in 2008/09 was to develop and implement effective contract monitoring and governance systems. Progress on this area has slipped and the target moved to 2009/10 due to the heavy focus on the transfer of Cotswold House back to the Council.
18. Cotswold House officially transferred back to the Council on 1st June 2009. The new service will be staffed by a full new team to include a full time manager, two full time support workers and two part time support workers. The service will operate 24 hours a day and include a new night time concierge service. Plans are currently underway for a new £1.3million refurbishment of the facility and immediate plans include full redecoration to every residents room with new furniture and carpets, new industrial laundry equipment, new cots and highchairs, new payphone, new reception area and life skills employment and

education service. Additionally every resident will be allocated a named key worker who will meet with them at least once a week to address any support needs.

Anchor Staying Put – South Lancashire

19. This agency delivers a range of functions related to the health and well being of people, including area improvement, small repair grants, disabled facilities grants, home energy efficiency grants and other initiatives such as crime prevention.
20. LCC Supporting People took the lead on the initial procurement of this contract on behalf of the partners involved and, with the agreement of those partners, have now extended the current arrangements with Anchor Staying Put until February 2010, in order to allow for effective options appraisal prior to expiry of the contract.
21. The Anchor scheme is now being advertised through Chorley to promote the scheme and achieve maximum awareness. There is a small underspend for the partnership in 2009/10 but this is due to a delay in completion and payment of commissioned works rather than a demand issue.
22. The existing arrangements do not meet all of the requirements contained within the Framework for Partnership Working. The new arrangements will however, be reviewed alongside the Framework to ensure appropriate controls are put in place.

Bolton MBC Health & Safety Partnership (Preston CC from 1.4.09)

23. The responsibility for this partnership transferred from the Finance Directorate to HR & OD in November 2008. The partnership with Bolton MBC achieved the 90% target for delivery of the annual inspection programme and no significant issues of under performance have been highlighted.
24. The Bolton MBC Health & Safety Partnership expired 31.3.09 and a new arrangement commenced with Preston CC with effect from 1.4.09. The new arrangement is working well and provides for additional support and deliverables, with Preston CC currently providing a minimum of two half days per week on site at Chorley.

Lancashire Contact Centre Partnership

25. There were some major changes to this partnership during 2008-09 as a result of Chorley pursuing an exit strategy in respect of the CRM aspect of the Partnership. An alternative product was procured and went live 1st April 2009. The decision to opt out of the Northgate front office CRM solution was reported in the mid term Key partnerships monitoring report in December 08 due to concerns over the development of this product. The Council still however, maintains a commitment to the other areas of joint working and shared service delivery within this partnership including access to shared information and the face-to-face channel.
26. There are operational issues with the Macfarlane ACD system including the reporting functionality and the procedure for logging calls and we are now considering an exit strategy from this system.
27. We are currently in negotiation with LCC regarding payment of the annual inter authority contribution and hope to reach agreement on this issue in 2009/10

Community Leisure Services (CLS)

28. This partnership successfully delivered the £0.55m refurbishment works to Clayton Green Sports Centre and Brinscall swimming pool on time and to budget.
29. The free swimming initiative has been introduced for over 60's and under 16's within budget, and has proved very popular.
30. External funding to the value of approximately £100,000 has been secured to start up a number of projects/initiatives including Saturday Night Alive activities for teenagers, free swimming lessons for adults, activities for teenagers at Coppull and Clayton, outdoor, environmental garden at All Seasons Leisure Centre and a combined heat and power unit at All Seasons Leisure Centre.

Glendale

31. The construction of the beginners golf course originally planned to commence Spring 09 has been delayed in order to minimise complaints by users of the course. Golfers have already gone through a period of disruption due to the building of the new clubhouse, and it was felt that further works should be left until the winter months. Plans are now underway to start this work late Autumn, and, in the meantime, a small course has been laid out on the practice area for beginners use. A new golf professional has recently been appointed and is working with the Sports Development and Active Generative Officers to encourage more children, young people, women and elderly to take up golf. No other budget or performance issues have been identified with this partnership.

Chorley Local Strategic partnership (LSP)

32. The LSP works on a multi agency basis with public, private and voluntary sector partners, under the banner of the "Chorley Partnership" in co-ordinating a local approach to improving outcomes for local people, and, in particular, in delivering Chorley's Community Strategy and Local Area Agreement.
33. Eleven new projects were selected for 2008/09 at the LSP Executive Meeting in April 2008 and all are now completed or on track to be completed soon.
34. The two-year vulnerable households project, which runs in conjunction with the South Ribble LSP, has now been re-branded the "Families First" project. This is progressing well, with a Lead Co-ordinator from NCH now in place to manage the project. Families are being referred to this family intervention project through the Common Assessment Framework, and undertaking a 'Strengthening Families' programme and other targeted interventions to help families with compound problems.
35. In the last year the LSP has led on a number of strategies, including climate change and health inequalities action plans. These are significant pieces of work which will continue to be delivered into 2009/10.

Veolia – Refuse Collection and Recycling

36. This partnership was delivered to budget and achieved a recycling rate of over 47% against a target of 47%, with a reduction in missed collections to below 75 per 100,000 collections. This contract expired 31.3.09, but as Veolia were successful in the procurement process for the new waste partnership, this provided a seamless transfer to the new arrangements.

37. The new service, commencing 1.4.09 is supported by a new partnership agreement and underpinned by contractual arrangements. The service has been improved with the introduction of a third wheeled bin to collect co mingled cans plastics and glass and incorporating a pod to collect paper for recycling. In addition the partnership agreed a robust communications plan to roll out the new service which has been very well received. The new service message was communicated in a number of ways including press coverage, web messages and videos posted on 'You Tube'. Veolia have been set challenging targets for service delivery and we are aiming to exceed 50% recycling this year.

Parkwise

38. As a result of the new accounting arrangements reported in the December 2008 report this partnership generated a surplus in 08/09.
39. The Parkwise partnership term is due to expire 5.9.09. LCC have obtained proposals for the new service via a formal tender process and should release these shortly. Additionally Team Lancashire have been considering the various options available for the procurement and delivery of this service and have also invited mini tenders through two established framework routes for comparison purposes. The various options and tenders received will be considered at an evaluation meeting in June and a decision on the way forward made in time for a September 09 start.

Lancashire Waste Partnership

40. The Lancashire Waste Strategy has been subject to a widely consulted review and is currently being ratified by member authorities. The review has resulted in the strategy being extended beyond 2020 with challenging recycling and waste reduction targets to be met. Several partners including Chorley have been piloting kitchen food waste collections and these are currently ongoing and will be evaluated in 2010. The Waste Technology Park programme is on track and the Leyland facility will be commissioned mid 2010, at which point Chorley's entire household waste will be handled and processed through that facility.

Supaclean- Cleaning of Public Conveniences

41. This partnership arrangement for the cleaning of public conveniences continues to meet standards specified. The contract is on budget and no issues of under performance have been identified. Some minor variations have been made to the Specification to take account of the Astley Park development.

FINANCIAL ASSESSMENT

42. Where our key partners are companies, they are assessed for financial stability and strength as and when new company accounts are filed, using independent appraisal reports from N2check Limited, part of the Dun and Bradstreet Group. N2check prepare a Risk Score for each company, which is based on the Bank of England's econometric model of corporate failure and involves 400 separate calculations. N2check claim that their appraisals are 50% more powerful in predicting corporate failure than methods used by other appraisal companies. However, if companies do not file their accounts at Companies House promptly at the end of their financial year, appraisal reports may not reflect changes in the company's financial strength, which may have moved on, since the accounts were produced. Consequently, although this assessment provides some comfort, we need to be mindful that it may not indicate the potential effect of the current economic climate on our partners, and problems could be revealed in the longer run.

43. To mitigate the above and provide more reassurance in the current uncertain economic climate, the financial services department are considering alternative solutions to monitor and reassess financial strength of key partners using recent, relevant information and will trial these over the next few months.
44. A full copy of the financial assessment carried out for this mid-term report is attached at Appendix 2.
45. The financial review in the December 2008 report identified a trading deficit for CLS for the previous two years based on accounts covering the period up to 31 March 2007. Accounts have now been published up to 31 March 2008 which indicate that CLS appear to be slowly making progress in turning this around with a 14% increase in turnover and a small profit in the year ending March 2008. The CLS partnership is now shown to have a low risk score but still has a very low credit rating and the Corporate Director (People) in conjunction with Financial Services should therefore continue to keep a watchful eye and closely monitor this situation.
46. The financial assessment has not revealed any further areas of immediate concern, although it is noted that in the case of Veolia and Glendale, the latest filed accounts, at the time of writing this report, are for periods up to 31 December 2007. These companies will be reassessed as soon as new accounts are published later this year.

EQUALITY MONITORING

47. The Framework includes a requirement to consider Equality and Diversity principles in the Council's partnership arrangements, including regular monitoring throughout the partnership term. The first round of key partnerships equality monitoring was completed earlier this year ahead of the level 3 equality assessment and an action plan produced to address any issues. The monitoring identified that CLS did not have a current equality policy in place. The Council has worked with CLS to help them address this issue and CLS are now adopting template policies provided by the Council. Equality will also now be addressed through the CLS joint partnership board to ensure effective monitoring arrangements are put in place and maintained.

IMPLICATIONS OF REPORT

48. All Corporate Directors with responsibility for key partnerships have been consulted in the preparation of this report and have provided the performance information included at Appendix 1.
49. This report has implications in the following areas and the relevant Corporate Directors' comments are included.

Finance		Customer Services	
Human Resources		Equality and Diversity	✓
Legal		No significant implications in this area	

COMMENTS OF THE ASSISTANT CHIEF EXECUTIVE (POLICY AND PERFORMANCE)

50. The Partnership framework requires our key partners to adopt good governance arrangements in relation to equality and diversity and, based on the information contained in the report any issues identified in the first round of equality monitoring have been addressed. Once fully progressed, this will strengthen the Council's overall approach to equality and diversity.

GARY HALL

ASSISTANT CHIEF EXECUTIVE (BUSINESS TRANSFORMATION)

Report Author	Ext	Date	Doc ID
Janet Hinds	5622	28 th May 2009	

Background Papers			
Document	Date	File	Place of Inspection
Framework for Partnership Working	Updated March 2009	Finance Directorate	The Loop, Council website or Union St Offices