

# Key Contracts and Partnerships Framework

2024



WORKING TOGETHER

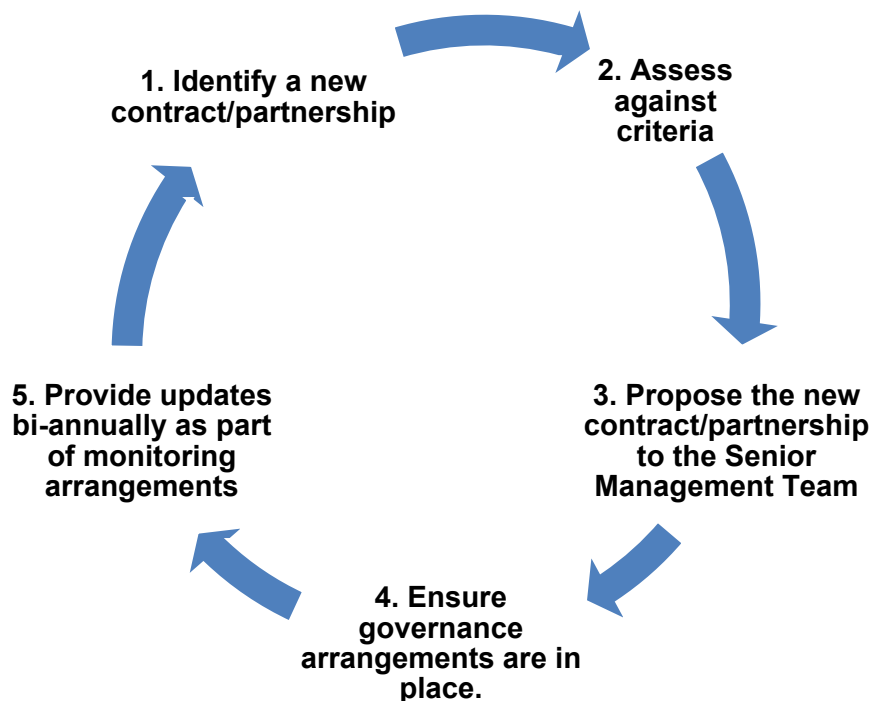
## Aim of the framework

At Chorley Council and South Ribble Borough Council, we work in partnership with key contractors to supply services on our behalf and with key partners to deliver high quality services to our residents. The two local authorities share a Senior Management Team, and an increasing number of contracts are either shared or managed by shared services officers. The shared Key Contracts and Partnerships Framework reflects this arrangement by aligning existing monitoring processes across the two local authorities.

The aim of the framework is to provide a fit for purpose, robust and streamlined mechanism to monitor the performance of key contracts and partnerships, ensuring these are effective, efficient, and providing value for money for the Councils. The framework details the criteria used to identify key contracts and partnerships, the monitoring arrangements used to ensure strong governance and delivery, and the responsibility of the relevant officers to enable this feedback process.

## Key stages

To ensure that we are effectively identifying key partnerships or contracts, and are monitoring them sufficiently, we have defined the key stages for applying the framework.



## Step 1. Identifying a new contract or partnership

It is important to define what we mean by a key contract or partnership:

- Contractual arrangements with organisations, both to provide services on behalf of the Council and to supply the Council with products and services to support the running of Council services.
- Organisations from various sectors that the Council brings together to improve outcomes for local people by working together.

The Councils are involved in many contracts and partnerships. It is important to outline the reasons why some contracts or partnerships warrant additional governance and monitoring than others. We define this below, with a key contract or partnership to meet three or more of the following criteria:

- **Financial** – the contract costs the council £100k or more per annum.
- **Corporate Priorities** – the contract or partnership will significantly impact the delivery of one or more of the Council's corporate priorities.
- **Risk** – there is a high amount of risk associated with the contract or partnership.
- **Length** – the contract or partnership is for five or more years.
- **Resource** – there will be a large reliance on the proposed partner/contractor for service delivery.

## Step 2. Assessing against criteria

The criteria set out above determines whether a contract or partnership should be considered key, and therefore subject to monitoring as outlined in this framework. Determining whether a contract or partnership is key will be down to the Responsible Officer by carrying out an assessment against the set criteria. A matrix tool to carry out the assessment is available at Appendix A.

## Step 3. Adding new contracts and partnerships

New contracts and partnerships that fall under the remit of this framework should be presented to SMT to consider whether they are 'key' and should be included on the framework. This will take place alongside the bi-annual Key Contracts and Partnership monitoring update that is collated by the Transformation and Partnerships team and presented to the Senior Management Team. This can be facilitated by submitting the completed matrix from appendix A to the Transformation and Partnerships team.

## Step 4. Governance

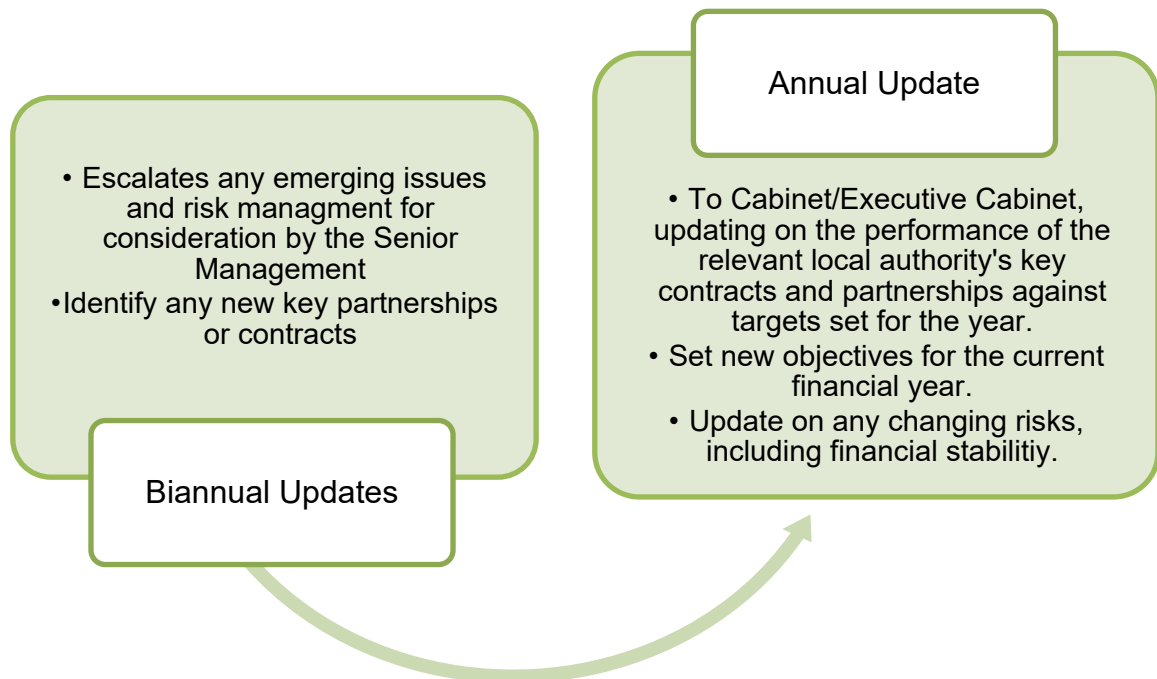
Following the decision to enter into a new key contract or partnership, control measures and governance arrangements should be set out in an agreement or contract.

At the point of entering into a key contract or partnership, the responsible officer should ensure there are governance arrangements in place taking into consideration the areas outlined below. A governance self-assessment is available in appendix A to support officers with this.

- **Aims and objectives**; there should be a common vision and agreed objectives that are aligned with the Council's strategic objectives.

- **Roles and responsibilities;** there needs to be clear roles and responsibilities of the Council and the key partners which should be supported by clear reporting lines and a decision-making framework.
- **Decision making procedures;** there needs to be some alignment between the Council's decision-making processes and timetables with the partners. This enables decisions with significant policy or financial implications to be planned carefully and executed effectively. Key contract or partnership representatives should have sufficient authority to commit their organisations to a particular course of action.
- **Risk management:** good risk management is key to delivering successful outcomes and this should be captured in a joint risk register.
- **Equality and diversity monitoring (includes Integrated Impact Assessment);** the Council will work with partner organisations to promote equality and diversity in line with the Council's procedures. The agreement should include a statement on how the partnership will operate on the basis of principles that actively value the benefits of diversity and ensure fair treatment and equality of opportunity.
- **Anti-Fraud and corruption;** partners of the Council and all companies with whom it is contracted, will be fully informed of the procedures the Council has in place to combat fraud.
- **Data quality:** it is critical that any information or data supplied to the Council to monitor performance, make decisions or allocate resources is robust with relevant data sharing and data quality protocols should be in place.
- **Whistleblowing policy:** the Council should take active steps to ensure that key contractors providing services on behalf of the Council either have their own whistle blowing arrangements in place or adopt the Council's.
- **Safeguarding vulnerable adults and children;** the Council is committed to safeguarding and promoting the welfare of children and vulnerable adults and to delivering services for children and vulnerable adults that promote best practice. It expects representatives, colleagues and partners to share this commitment. Partners should refer to the Council's safeguarding policies which set out the Council's guidance on protection procedures and specifies the roles and responsibilities of the Council's representatives.
- **Business continuity arrangement:** there should be effective, relevant business continuity arrangements that are maintained throughout the life of the partnership or contract.
- **Dispute prevention and resolution controls;** the partnership agreement should also contain agreement variation and dispute resolution mechanisms so that if problems arise they are resolved quickly and amicably.
- **Exit strategies;** develop a clear exit strategy for all of its key contracts and partnerships in order to mitigate the financial, reputational and other risks that could materialise. Notice periods and exceptions to notice periods should also be included.

## Step 5. Monitoring



To ensure that key contracts and partnerships are monitored proportionately to their significance, the framework sets out a range of controls and measures. These safeguard the success of the contracts and partnerships and ensure that they achieve the priorities and goals outlined in the Corporate Strategy of the relevant Council.

Formal monitoring will take place through a biannual update to SMT and an annual update to the Cabinet/ Executive Cabinet of each Council.

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.

### Role of the Responsible Officer

The Responsible Officer is the person responsible for one or more key contracts and/or partnerships. They should have strategic and operational insight and be one of the key contacts for that contract or partnership.

The Responsible Officer is expected to adhere to this framework and support the reporting mechanism by engaging in the monitoring cycle.

### Additional oversight arrangements

Oversight of key contracts and partnerships will also be the responsibility of:

- **Senior Management Team:** Provides oversight of the framework and risk management.

- **Transformation and Partnerships:** responsible for maintaining the framework, compiling the scheduled updates, providing relevant training to responsible officers, as well as support with the five stages outlined within this framework.

Date of next scheduled review: January 2027

## Appendix A – Criteria

The below table shows the five different categories of significance used to define whether a contract or partnership is key.

Criteria	Yes/No
<b>Financial</b> – The contract costs the council £100k or more per annum.	
<b>Corporate Priorities</b> – The contract will significantly impact the delivery of one or more of the Council's corporate priorities	
<b>Risk</b> – There is a high amount of risk associated with the contract (e.g. disruption to core services, £100k+ financial impact not manageable within existing funds, systems unavailable for multiple days)	
<b>Length</b> – The contract is for 5 or more years	
<b>Resource</b> – There will be a large reliance on the proposed partner/contractor for service delivery	

For a contract or partnership to be included as part of the framework, they should meet at least three of the above criteria.

### Governance Self-Assessment:

Governance Area	Yes/No – where these are not in place what plans are in place to implement them?
<b>Aims and objectives:</b> there should be a common vision or agreed objectives in place.	
<b>Roles and responsibilities:</b> roles and responsibilities of the Council and the key partner/contractor have been agreed and are clear.	
<b>Decision making procedures:</b> any decisions required by the partnership aligns with the Councils decision-making processes and timetables with the partners.	
<b>Risk Management:</b> a joint risk register has been created, and is on GRACE for regular updates	
<b>Business continuity arrangements:</b> effective arrangements are in place and are maintained.	
<b>Data Sharing Agreement:</b> for contracts/partnerships that require data sharing. A robust DSA has been drafted and signed by all relevant partners.	
<b>For partnerships:</b> Memorandum of Understanding has been drafted and signed by all relevant parties	