

CHESHIRE EAST COUNCIL

Cabinet

Date of meeting: 4th November 2008
Report of: Portfolio Holder Health and Wellbeing
Title: Partnership In Service Delivery

1.0 Purpose of Report

- 1.1 All the authorities that form the constituent parts of the new Cheshire East Council currently 'partner', in different ways, with a wide range of organisations to deliver services to our respective communities. These can be through either a formal agreement (SLA) with funds specifically allocated to a service area or through more general grant funds that communities can bid into.

There are significant benefits to this way of working including:

- Provision of additional capacity
- Specialist expertise.
- Access to additional/alternative funding.
- Community ownership of service delivery.
- Links to National work programmes.

- 1.2 A significant number of these various partnerships are formalised through service level agreements (SLA's) or an equivalent, and financial and in kind contributions are factored into existing (08/09) budgets. The Cabinet has already considered a report on Third Sector partnerships generally and this paper refers specifically to those associated with the Health and Wellbeing Service.
- 1.3 A number of these partner organisations are starting to prepare their 09/10 work programmes and associated budgets and have asked for clarification as to Cheshire East's likely contributions in order that they can plan for the coming year.
- 1.4 The range and value of services provided vary considerably between authorities; for example the provision of "contracted out" Museum Service provision in Macclesfield is included as a partnership service. The Silk Museum Trust delivers to a sub-regional/regional audience, acts as a tourism draw for Macclesfield and costs the local authorities £144,000. At the other level, the support to a voluntary run Museum such as that in Congleton delivers a very local service at a considerable lower cost. The value may be equal. Other partnerships include those with Cheshire Dance and Sport Cheshire.

- 1.5 The purpose of this report is to seek members confirmation that, at least for the coming year, 2009/2010, support to partner organisations will be at a level equivalent to the current (2008/2009) year or at a level previously agreed with the current grant-giving Authority.

2.0 Decision Required

- 2.1 That East Cheshire Council consider and agree that the level of financial support to existing external service delivery partners be maintained for 2009/2010 at current levels (without an inflationary increase), subject to the demands of the overall budget scenario.
- 2.2 That it is agreed that all partnership arrangements be subject to more detailed review in year one to assess cost/outcomes of all individual agreements.

3.0 Financial Implications for Transition Costs

- 3.1 Within the Culture & Leisure Services of existing Authorities the cash value of grant and partnership arrangements per annum is in the region of (note the base-lining exercise is not yet complete):

Cheshire	£146,532
Macclesfield	£113,340
(NB an additional £20,000 was given to the Silk Museum Trust 2008-2009 but this was from reserves and was not from the revenue budget)	
Crewe & Nantwich	£16,000
Congleton	£12,000
TOTAL	£287,872

This includes contributions ranging from small grant funds to more strategic partnership service delivery. This resource is accounted for in current budgets (08/09). Consequently there are no additional financial implications for transition.

4.0 Financial Implications 2009/10 and beyond

- 4.1 Subject to members preferred option, the financial implications beyond transition will vary. The recommendation that all partnership contributions be reviewed within year one could result in a range of cost options beyond 09/10 from no cost (all contributions ended) to increased costs (cost uplift of existing partnerships) and all points between.

4.2 All subsequent reviews should take into account:

- Correlation of Partner Objectives to those of the new Council
- Affordability
- Specific and agreed outcomes
- External finance leverage
- Overall value for money and 'Quality' assessment

All reviews should be undertaken within an agreed and consistent methodology.

5.0 Legal Implications

5.1 A decision is required to enable existing partners to plan for 2009-2010. A failure to inform them of the new Authority's intention in good time could jeopardise some of those organisation's sustainability and could expose the Council to the risk of a legal challenge if adequate notice of any intention to withdraw funding had not been given.

6.0 Risk Assessment

6.1 The risks associated with this report are:

Risk	Mitigation	Comment
Failure to clarify Councils contribution to external partners resulting in: a) Reduced Service delivery b) Negative impact on partner organisations viability c) Loss of external funding leverage d) Negative press coverage and reputational impact	Early consideration of Cheshire East's position in respect to external partner funding will allow either certainty of funding for 09/10 or time to plan for reduced 09/10 service delivery.	Partners are already seeking information regarding the Council's intentions.

7.0 Background and Options

7.1 Increasingly local authorities are working more with partners in service delivery rather than direct provision. This approach (enabling) has benefits in producing more focused service delivery with greater opportunity for external funding. The range of services and

organisations partnered with is considerable across all existing authorities and would include examples in the sports, arts, countryside and heritage sectors.

7.2. Partner organisations are now developing their 09/10 work progress and are seeking financial support to underpin those programmes.

7.3 Options that members might wish to consider include:

	Options	Officer Comment
1.	Review all external partnerships prior to confirming 09-10 funding.	Not thought practical given the number of agreements to review and time available.
2.	Maintain existing arrangements (taking into account any previously agreed changes for 2009-2010) for the year only prior to review in 09/10.	This arrangement gives certainty of Service Delivery for 09/10. Given the number of arrangements in place potential need to prioritise review areas for 09/10.
3.	Maintain existing arrangements and review based on risk assessment/value over term 1.	A more sustainable approach to service provision/review.
4.	End all existing arrangements and consider all applications/proposals in 09/10.	Considerable service delivery impact for 09/10 and external funds put at risk. Adverse reputational comment.

8.0 Overview of Day One, Year One and Term One Issues

8.1 Agreeing to continue funding arrangements for 2009-2010 will allow service delivery to continue through day one without interruption. During Year One a full review of partnership arrangements can be initiated with the outcomes informed by the Council's new strategic priorities. This will then ensure that for the remainder of Term One all partner organisations are contributing to the Council's required outcomes and their performance is measured to determine the value of that contribution.

9.0 Reasons for Recommendation

9.1 Existing authorities have a significant number of partnerships that they invest into in order to deliver and add value to services for the local community.

9.2 External parties are seeking the new Council's view for funding arrangements at least for 09/10 and preferably beyond.

9.3 A decision is required to clarify arrangements for 2009-2010.

For further information:

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Background Documents: *Not applicable*