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1. Introduction / Synopsis

This is the 5th in a series of linked briefing notes that explore some of the key issues local partnerships are working through in light of the changing context and landscape around them.

The purpose of this briefing note is to raise questions and suggest alternatives to be considered. Given that things are still so fluid and the increasing emphasis on local innovation and approaches rather than national prescription, this briefing note does not provide a ‘route map’ to get from A to B. Rather, it is intended to set out the issues which councils and their partners are currently considering or will need to consider, the sort of questions they should be asking and some of the alternative arrangements which are open to them.

This note is about ‘**delivering outcomes in partnership**’ which, up until now, we’ve tended to refer to as ‘performance management’. We’ve chosen to use a broader term to signal a shift in emphasis away from formerly ‘top down’,

prescriptive (and more restrictive) models. Nevertheless, the original definition and underlying principles do still apply.

It is essentially about taking action in response to performance to make outcomes better than they would otherwise have been.

It is about “**knowing where you are, where you’re going, how you’re going to get there**” and then monitoring your progress and revising plans and actions accordingly in order to improve your chances of success. Critically, it can’t be seen as a separate task or function – it has to be regarded as an integral part of improvement.

This is not as straightforward as it sounds, not least because partnership arrangements (both in terms of future focus and form) are in the process of being revised, as places adapt to the changing economic and policy environment. Performance management, too, is being rethought to learn the lessons of recent years.

This briefing note is based on a short piece of research undertaken in February and March 2011. It included individual discussions with partnerships, responses to an exploratory questionnaire sent to a limited number of places and the output from a roundtable discussion with a small number of practitioners from leading areas.

This document is being developed alongside a wiki on Managing Local Performance [<http://ideamp.wetpaint.com>] **which brings together advice on performance management for councils and partnerships.**

2. National Context

In the same way as Local Strategic Partnerships (LSPs) were introduced in 2000, to provide a framework for strategic decision-making, Local Area Agreements (LAAs) were introduced a few years later to provide a clearer, more robust, measurable and indeed tangible focus for that strategic decision-making.¹ Whereas Sustainable Community Strategies (SCSs), had for a number of years, provided a vision – a set of longer-term aspirations for a place; LAAs provided the ‘shorter-term delivery mechanism’ for realising that vision.²

However, as part of the move towards Localism, the coalition government has dismantled much of the previous national performance framework, including Public Service Agreements (PSAs), Comprehensive Area Assessments (CAAs) and LAAs. This represents a shift in emphasis towards greater local

¹ See Gash, T. Hallsworth, M. Ismail, S. Paun, A. (2008) Performance Art – enabling better management of public services, London: Institute for Government, online at: <http://www.instituteforgovernment.org.uk/performance/>

² See HM Government (2008), Creating Strong, Safe and Prosperous Communities, London HMSO: online at: <http://www.communities.gov.uk/documents/localgovernment/pdf/885397.pdf>

accountability, with more reporting and accountability 'outwards' to citizens rather than 'upwards' to Whitehall.

The Local Government Group's (LG Group's) proposals on sector-led self-regulation and improvement support this approach with the promotion of approaches for self-improvement such as self-assessment and peer challenge. See '**Taking the Lead**': <http://www.local.gov.uk/lgv2/aio/1233499>

However, despite the stated Coalition commitment to reduce bureaucracy, there remain concerns as to the extent to which the 'reins' will really be loosened in practice. While the National Indicator Set that had to be reported to government has gone, there is still the 'single data list' of reporting requirements and there is also some concern that Whitehall's Departmental Business Plans will place further burdens in terms of reporting on councils (and indeed their partners).³

There is also a concern that with the end of LAAs, a silo approach may again come to dominate, losing the gains previously made. This applies at local level but is often driven by fragmentation within Whitehall.

There is therefore a need to maintain the momentum towards a more joined up and unified approach to improving outcomes across a place.

The 'how' to do this though raises a number of questions about accountability and ownership. One of the key questions most places have been grappling with for the past six months or so has been whether there is still a need for an overarching 'core' partnership for a place – an LSP or its equivalent. Places have also been deliberating about whether or not to retain/refresh/develop an overarching delivery plan for their SCS (a successor 'of sorts' to the LAA).

Of course, decisions about whether or not to retain a 'core' partnership and some kind of overarching delivery plan for a 'place' directly influence decisions about performance management. Some places would argue that the dismantling of the national performance framework and a widespread move to more streamlined and flexible partnership working arrangements, means that a single, overarching delivery plan and local Performance Management Framework (PMF) may not be such a practicable proposition.

"The partnership landscape has moved to specific collective measures rather than the traditional LSP model of partnership governance and shared performance management. **The outcomes are a little different and the means of showing success or failure are different. It is probably not going to manifest itself in a single partnership performance framework...**" Locality Support Manager, Improvement and Efficiency West Midlands

³ See <http://www.lga.gov.uk/lga/core/page.do?pagelid=16004209> and <http://www.lga.gov.uk/lga/core/page.do?pagelid=16878883>

However, other places argue that retaining some sort of overarching plan and delivery framework, (albeit one that is streamlined and with considerably fewer priorities in the future), is helpful in terms of providing a clear, robust, measurable and tangible focus for delivering outcomes in partnership. It can also help to provide some clarity around issues such as ownership and accountability.

These issues are discussed further in **section 5** (Governance / Structure).

2.1 The spatial dimension

Of course when we say 'place' – we increasingly need to think about how we are defining it given the range of different spatial levels local partnerships now operate across.

Interestingly, one of the trends identified in the research we carried out in the autumn vis-à-vis how partnerships are responding to the changing context, (covered in the 1st briefing note we produced), was that councils and their partners were increasingly looking to devolve more control over decisions, (and indeed services), down to lower spatial levels, (neighbourhoods, wards etc), which is why, within the last few months, we've seen the emergence of an increasing number of neighbourhood/locality boards and forums.

In light of this trend and the fact that it is the Coalition Government's stated intention to devolve more power and responsibility directly down to local people and communities (their localism and decentralisation agenda), **should we be increasingly thinking about what mechanisms and structures we might need to support a more joined up approach to delivering outcomes across much smaller geographical areas?**

For instance, it is worth noting that DCLG is supporting 4 areas (Bristol, Birmingham, Stoke-on-Trent and Newcastle-upon-Tyne) to develop **Small Area Budgets**, (which are essentially community budgets operating at the very local level), by assisting them to work out which services and budgets might best be managed in a small area, and which need to be managed over larger areas (and why). Key issues being explored include local governance and accountability, securing better services for less through more integrated services, and ensuring that communities play a major role in developing and managing these budgets.

The spatial dimension in partnership working is further complicated with the introduction of various thematically focused partnerships at different levels - Local Enterprise Partnerships (LEPs) for instance which cover a diverse range of sub-regional spatial areas and Health and Wellbeing Boards (H&W Boards) which, while covering the same administrative area as all first tier councils, may or may not be coterminous with GPs' consortia. **This suggests that the concept of the LSP as the 'partnership of partnerships', is more difficult to sustain in the new context, leaving accountability for a 'place' more vulnerable to becoming increasingly fragmented and potentially diluted.**

This may well, at least partially, account for the trend we are just beginning to see emerge in a number of places, of councils looking to strengthen the democratic element of local partnership arrangements (Kent and Essex for example).

The question about what role elected members (both executive and non-executive) should play in future partnership working arrangements is a very important one for practitioners to consider, **not least because elected members will increasingly play a key role (alongside others in the partnership) in bringing together the work of thematic, and other, partnerships across a range of spatial levels.** For instance at the sub-regional level, elected leaders sitting on LEPs will need to balance “strategic thinking with place-based priorities” and ensure that the “decisions made at sub-regional level are actually delivered locally...”⁴ At the more local level, the role of non-executive elected members is also being recast, and indeed some would say enhanced, as more control over the way services are shaped and delivered is increasingly being devolved down to lower spatial levels.

Increasingly, local elected leaders will need to “**manage the politics of geography**”⁵.

2.2 New models of service delivery

The ability of partners to ‘manage’ the delivery of outcomes will also be affected by the Coalition’s intention to open up the market for delivery to a wider range of independent providers – social enterprises, mutuals etc. It is reported that the much delayed public services reform white paper, now described as **Open Public Services**, will not now be published until after the May elections (and possibly not until the autumn).

Although we don’t yet have the detail, we have a pretty good steer as to the likely content from a number of different sources - the initial ‘call for evidence’ for instance alongside public statements made by the Prime Minister and Deputy Prime Minister.

“It really is a complete change in the way our public services are run. **From top-down bureaucracy to bottom-up innovation. From closed markets to open systems.** From big government to big society.” David Cameron, ‘Modern Public Services’, January 2011⁶

The call for evidence in December 2010 asked whether “setting proportions of services to be provided independently” would support increased diversity of

⁴ Leadership and Governance: a discussion note, LGID, p.5. Available online at: <http://www.communities.idea.gov.uk/c/4993164/doclib/document-display.do?backlink=ref&id=9973999&themeld=9000911>

⁵ Ibid

⁶ <http://www.number10.gov.uk/news/speeches-and-transcripts/2011/01/prime-ministers-speech-on-modern-public-service-58858>

public service provision.⁷ Writing in the Telegraph in February, David Cameron talked about their vision being one of ‘open public services’ – that providers from the private and voluntary and community sector would be given an ‘open playing field’ to compete with any public body. He also talked about creating a ‘new presumption’ that services should be delivered at the lowest possible spatial level.⁸

This direction of travel for public services raises lots of questions about accountability and the role of elected members in commissioning and/or delivery of services. They will, arguably, need to play an even more central and visible role, **as the number and diversity of providers increases, their local democratic leadership will increasingly be vital in bringing public, private and community interests together.**

2.3 A new generation of ‘place-based’ initiatives

So, given the contextual backdrop – are Coalition plans strengthening or weakening the focus on ‘place’ and what impact is this likely to have on the way we deliver outcomes in partnership in the future?

Those who would argue that the focus is being strengthened would perhaps point to emerging ‘place-based’ initiatives such as **Community Budgets and Local Integrated Services**⁹ as evidence.

Although, at least in the first instance, Community Budgets are thematically focused and may be a more distant rather than close relative of the kind of ‘whole systems’, place-based budgets the sector lobbied for back in the summer – they do have the potential to take collaboration to the next level. The intention is that they provide the focus for a more equal dialogue between places and Whitehall, and place greater emphasis on local democratic accountability.

The idea is, (in theory), that they will provide a mechanism to:

- pool funding centrally and locally;
- simplify accountability; and,
- encourage local flexibility and innovation

Coming back to the earlier question about whether or not we still need an overarching partnership for place, **if Community Budgets are to be a**

⁷ http://www.hm-treasury.gov.uk/consult_publicservice_reform.htm

⁸ <http://www.telegraph.co.uk/comment/8337239/How-we-will-release-the-grip-of-state-control.html>

⁹ Local Integrated Services: a Cabinet Office-led initiative which focuses on mobilising ‘Big Society’ (which is all about building capacity and resilience within communities) – co-designing services and developing solutions to particular problems from the citizen’s perspective. The areas testing this approach are: Calderdale, Sheffield, Leeds, Barnsley, Kingston-upon-Thames, Blackburn with Darwen, Cheshire West & Chester, Tameside and Warrington.

success then they will need to be underpinned by clear partnership governance and accountability arrangements.

It's worth noting that of the 16 Community Budget 'pioneers' the majority have submitted governance proposals that include some kind of overarching 'core' partnership for the 'place' – many of which appear to have, at least for now, retained their LSP in some form or another.

Community budgets potentially provide the opportunity for combined, simplified performance management arrangements.

2.4 Immediate impact of the cuts in public funding

Finally, partnerships are of course faced with the additional pressure of managing a significant reduction in resources – both in terms of support staff and also the money available for joint activities (performance-related grants etc) – at a time when, if anything, even greater effort needs to be put in to keep partners 'at the table'. Budget pressures, organisational change and conflicting priorities means there is a risk of individual partners slipping into a 'bunker mentality' which is why it's very important that partnerships have a practical focus on where joint endeavours can add most local value. Partners are much more likely to 'stay at the table' and be prepared to commit both time and resources to joint endeavours **if the 'collaborative advantage' is clearly evident (i.e. concrete evidence of achievements "that could not have been attained by any of the organisations acting alone".¹⁰)**

3. Why Partnerships are different

There is already a fair amount of guidance on performance management in general¹¹, so this briefing focuses on what is different for partnerships.

3.1 Practical problems of partnership

"The public arena is rife with both rhetoric about the potential of collaborative governance and complaints about the difficulty of achieving in practice..."¹²

There are a variety of practical problems in working in partnership, which are well known, and which impact on managing performance. They include:

- **having to work through trust and influence**

¹⁰ See Huxham C (2003), Theorizing Collaborative Practice, Public Management Review, Vol. 5, No. 3, pp.403

¹¹ For example: www.idea.gov.uk/performance and the associated wiki, <http://ideamlp.wetpaint.com>

¹² Huxham C Vangen, S. and Eden, C. (2000), *The Challenge of Collaborative Governance*, Public Management, Vol. 2, no. 3, p.338

- partners being driven by different imperatives and reporting to different ‘parent departments’ across Whitehall
- varying levels of commitment and ‘buy-in’
- a reliance on strong local leadership
- differences in geographical boundaries
- compatibility of different systems, cultures and languages
- problems with data sharing

A number of these are exacerbated by policy changes emanating from within Whitehall – more particularly when they are not coherent or joined-up.

Concern has been expressed, for instance, by the first 16 Community Budget areas that there is limited devolution of resources from Whitehall, or instruction to local partners to pool resources, and little evidence of behavioural change across some of the Government Departments to date. However, some positive signs are perhaps just beginning to emerge. As an example, DWP recently wrote out to all of the Job Centre Plus District Managers detailing certain measures they were taking to give local managers greater freedom to more actively support development of the Community Budgets.¹³

3.2 Complexity and systems approaches to tackling ‘wicked issues’

Many of the issues being addressed by partnerships concern the **delivery of outcomes in conditions of complexity and uncertainty, when it is difficult to predict the result of actions**. These are sometimes called ‘wicked’ or complex issues. As well as the difficulties of predicting the consequences of action on particular issues, like obesity, teenage pregnancies or NEETS, there will be interrelationships between the different areas.

When there is so much to do and so much to think about, a natural response is to break it down into manageable chunks (such as partnership theme areas and individual services). However, since everything is connected, this doesn’t help understand the whole. There are a number of tools to help with this, including approaches identified by respondents to the questionnaire used in this research.

They include:

- Using existing expertise as embodied in academic and other research or accessed through professionals, Government Departments etc.
- Better use of data and evidence – **strategic intelligence and analysis**. Blackburn with Darwen, for instance, use a process called ‘**accelerated delivery planning**’ where they bring a range of stakeholders together and systematically review the available evidence. There are other examples

¹³ For instance, they are putting a ‘flexible fund’ in place from April 2011 which will enable district managers to be more responsive to local and individual needs. This fund will potentially be suitable for aligning or pooling as part of Community Budgets.

where better use is being made of the available data, often through data observatories.

- Better use of **customer profiling and customer insight**
- Bringing stakeholders together, often in large, '**whole systems events**'. (This has been done as a way of identifying priorities in developing SCSs for instance)
- Small, targeted, time limited issue-focused ('task and finish') groups
- Placed-based intervention workshops tapping into frontline creativity
- **Outcomes Based Accountability**¹⁴ which distinguishes between outcome, (or population), indicators - which cannot be achieved by agencies working alone, and 'performance measures' which show how well a service or agency is performing. The approach brings stakeholders together to understand the issue and identify what will help 'turn the curve', or produce maximum impact. This approach has been taken up by a number of councils, particularly in Children's Services. Some places, such as Newcastle and Cardiff are now using it across the whole partnership.
- Setting out the underlying thinking of how it is intended that interventions will impact on outcomes, through the use of **outcome logic models and theories of change**

Another approach, but one for which we did not find explicit examples, (though it may have underlain the approach in many areas), is **systems thinking**. This involves looking at the system as a whole and the interconnection between different elements which can produce 'emergent properties' that cannot be identified when looking at individual elements (such as interrelationships which produce 'social capital' which affects engagement, cohesion etc.) Systems thinking, (much broader than Lean which has latterly appropriated the name), has a long history and a variety of different approaches – for example, systems dynamics, viable systems and soft systems methodology.

A common approach in systems thinking is to use diagrams to illustrate and model the key elements and interrelationships and how feedback loops can be reinforcing (vicious or virtuous circles). Approaches such as Soft Systems Methodology also explicitly recognise that it is in practice impossible to have a totally comprehensive and definitive understanding of the situation, and you therefore have to work with different people's perspectives. **This means that it is not about finding 'the solution' to 'a problem', but a way forward that advances things and which the various stakeholders can live with.** This will clearly find resonance with those working in partnerships.

3.3 Accountability

While accountability is still important in partnerships, it is, as the previous section began to explore, more complicated - arguably now more so than ever. While an individual agency can be responsible and held accountable for

¹⁴ See <http://ideamp.wetpaint.com/page/Outcomes+Based+Accountability> for more information

its outputs, accountability is not such a useful concept in relation to partnerships delivering complex outcomes.

This is because of the practical and conceptual difficulty of knowing what difference the contributions each of the partners made to the final outcome, and the fact that most issues, (such as health, crime, environment etc.), are also the responsibility of non-public sector bodies and the general public themselves. Holding a partnership to account for non-delivery of complex outcomes is not, therefore, very meaningful.

“How can we hold the Head of Children’s Services responsible for teenage pregnancies ... you realise how ridiculous it is when you stop to think about it”
(participant at North West Partnerships Network meeting)

This does not mean that outcomes are unimportant: on the contrary, there should be a strong focus on outcomes. What is needed though is **a greater sense of ownership, involvement and responsibility from all relevant partner bodies and the public**. All too often under the previous arrangements, partner agencies were passive participants and the general public passive recipients. Instead, all have to take responsibility for their part in delivering outcomes.

LSPs, (or their equivalent), have “weaker power of agency than single agencies”, and will remain ‘inert’, “unable to command or deploy resources” unless all partners exercise some degree of leadership to ensure that the decisions taken collectively, (at the partnership table), direct, or at least influence, relevant decisions taken back in each of their own respective organisations.¹⁵

Equally, the public need to be prepared to take more responsibility for themselves and each other (in the words of the ‘One Swindon’ strategic partnership approach it is about **an invitation to contribute rather than intervention after something becomes a problem**; a shift to “participants *in* rather than consumers *of*”¹⁶).

This requires a new relationship between citizens and public service providers, **one built on personalisation, co-design and co-production rather than just delivery and receipt**.

4. Broad approaches to delivering outcomes in partnership

We need to revise the way we think about performance management and return to first principles, perhaps moving away from the term ‘performance

¹⁵ See Goss in Leadership Centre for Local Government (LCLG), (2010), Total Place: a practitioner’s guide to doing things differently, London: LCLG, p.80 (online at: <http://www.localleadership.gov.uk/totalplace/wpcontent/uploads/2010/03/Total-Place-a-practitioners-guide-to-doing-thingsdifferently.pdf>)

¹⁶ Draft ‘One Swindon’ strategy, Council Meeting 13 January 2011, <http://ww5.swindon.gov.uk/moderngov/mgConvert2PDF.aspx?ID=4882&T=10&J=1>

management' altogether. It's about deciding what you want to do, agreeing a plan and then making sure it's done.

Although the practicalities of real life may not allow it, the ideal is to work out what it is you want and are able to do, then the mechanisms and structures to achieve it.

- 1) **Plan** a way forward
 - a. identify what you want to achieve, with a shared understanding of why and agreement over the questions to be addressed
 - b. decide on the most appropriate spatial level and what will work in different circumstances and areas
 - c. decide on who should contribute (including possibly the public)
 - d. develop a plan
- 2) Get on and **Do** it
- 3) **Review**, perhaps with an overall light touch monitoring of the various programmes
- 4) **Revise** objectives or methods accordingly, sharing what works within agencies, across the partnership and more widely
- 5) **Giving an account** of the achievements and outcomes to stakeholders, including the public

4.1 Planning a Way Forward

The nature of the plan depends on the objectives, who is involved and other circumstances. Planning enables you to prepare, to co-ordinate activities and to motivate. The more unpredictable the outcomes the harder it will be to specify in detail the path to achieving them and targets to be achieved. But that doesn't mean there can't be preparation and an approach agreed.

There is a series of things which need to be done to decide the way forward: **decide what you want to achieve in partnership with a range of stakeholders; decide the most appropriate spatial level at which to undertake the activity and how different solutions may be necessary in different areas; and put together plans with the appropriate level of detail and timescales.**

The first step is to be clear about what you want to achieve, where 'you' could, of course, be any combination of a range of stakeholders from within councils, partner agencies and the community, each with different perspectives and interests. To enable this to happen, collection and/or collation and analysis of intelligence will be needed so that priorities can be set on the basis of best possible evidence. Crucially, while the aim is to mobilise around shared priorities, there will never be a single, unambiguous 'community view'. There will be different interests amongst different agencies and individuals but also people's preferences will change depending on the information available to them and how aware they are of underlying issues. Account also needs to be taken of future generations.

All of this means that **identifying objectives is not some process of revealing an essential truth but is about discussion, debate, negotiation and compromise**. Deliberative consultation, when people are not just surveyed, but invited to discuss and find out more, is therefore particularly important. Elected members have an important role not just in representing the community but in facilitating dialogue with different sections and helping balance the competing interests: providing democratic leadership.

Cardiff's Proud Capital Partnership used **Results (=Outcomes) Based Accountability** to work with a large group of stakeholders to produce high-level outcomes for Cardiff. Mark Friedman (who devised RBA) delivered a workshop in Wales a few years ago and the idea of 'turning the curve' appealed to a lot of people who were tired of "*reporting against an endless array of performance indicators*".

RBA "created a buzz". This was the "first time genuine outcomes had been developed in partnership". "Colleagues said that it helped to move them away from the 'target culture' and "*got people to think in different ways*" and that, critically, "*people who don't like performance management like RBA!*"

In practice, it has generally been easier for councils to work with other partner agencies, (particularly public sector ones), than the public directly. However, only working with community groups as a proxy for the general public, misses out significant constituencies of people. **A key challenge, therefore, is how to fully engage relevant members of the community in understanding and contributing to achieving progress in meeting the objectives and involving elected members in this.**

Newcastle has involved the public directly in **Outcomes Based Accountability** sessions to determine prioritised outcomes. "*It provides a tool to help grapple with complex issues*". However, colleagues warn, it does come with its own technical language which needs to be translated.

Having agreed a set of priorities, the next question is - what is the most appropriate spatial level at which they should be addressed? There will not be a single, simple answer as different spatial levels may be appropriate for different issues. Nevertheless, **understanding how different issues can best be dealt with at different levels and in different places influences all the subsequent stages.**

The next stage is to develop a plan (or plans). As prescription is reduced, there is more choice over the nature of plans and the periods they should cover. A mix of timescales will normally be necessary to take account of different factors. SCS's typically look 10 or 20 years ahead to capture long term social and environmental change. However, shorter-term 'delivery' plans are necessary to fit in with political, financial and management cycles. Three years is generally too short for the delivery of big, complex outcomes, many of which will be slow to change.

This means that the two need to be integrated, maintaining a focus on the long term goal while keeping up momentum for immediate action. A rolling three or five year plan can therefore be helpful in maintaining a medium-term perspective.

Plans of course need to be based on robust evidence about the nature of the problem and how to approach solutions. Discussions with partnerships as part of this research found an increasing appetite for **bringing together evidence and intelligence across the partnership and jointly analysing it**. This brings together intelligence and insight from the public, private and voluntary and community sectors.

Cardiff's Proud Capital Partnership is integrating their statutory partnerships (Community Strategy, Children and Young People's Plan,

In planning a way forward, you need the rationale for the action proposed. This could be a formal 'theory of change' or 'logic model'¹⁷, but at least should bring together the relevant evidence on whether the proposed way forward will work and if so how.

4.2 Getting on and Doing it

A key question is **to what extent action should be taken by partner bodies jointly, and how far it should be separate but aligned**. Increasingly partnerships are being more rigorous about only adopting joint activity where there is clear value added through collaboration.

¹⁷ The Government Offices' 'Places Handbook', although designed for the previous regime, has some useful general information on these and other approaches - <http://www.gos.gov.uk/placeshandbook/planning/corequestions.asp> . For a local authority example of a logic model, in children's services, see Reading Children's Trust, Children and Young People's plan, p.41, <http://www.gos.gov.uk/placeshandbook/planning/corequestions.asp>

Of course, the direction of travel for public services (**see 2.3**) means a great deal more thought needs to be given to new commissioning approaches (and how to co-ordinate them). The starting point is to decide the right delivery model – the best way of meeting local people’s needs. If that requires some sort of procurement of service, there will be a need for more robust contract and performance management arrangements. **Places are starting to join commissioning across services and across the place** (e.g. between county and district councils for instance).

*“We’re working on the assumption that whatever’s left of local authorities in the future will be a commissioning type body. **So we need to start thinking about performance management, improvement management in that respect, and what intelligence would that commissioning body need to make the decisions to commission the services.** ... It’s about councils using influence now to get other agencies to buy into that if they weren’t already - to say ‘we’re not going to be delivering on that in the future, that’s going to be somebody else’s job’, but unless you’ve got a common vision it’s very hard to get anybody else to buy into that.”* (Participant at North West Partnerships meeting)

4.3 Reviewing and revising

The end of the National Indicator Set **provides an opportunity to use more relevant, local indicators as measures of success**. While there remains a concern that the new single data list will simply replicate the previous prescription, this should be resisted. There will always be a need to provide data for national statistical and policy purposes, but this should not drive local arrangements where data and indicators should be selected or developed which support local delivery.

While indicators need to be tailored to specific local needs and circumstances, developing indicators from scratch is time consuming and far from simple. There are benefits in using indicators which have been in use for some time, where the definitions are clear and robust, as this offers the opportunity to compare performance with others.

The LG Group is working with the sector to design a new set of tools for sharing and comparing performance information. **‘Inform’ will allow officers and members to access existing performance and contextual data, including national sources, upload and share data, provide PI definitions, share good practice and deal with transparency and open data requirements.** Further information is available at:
www.local.gov.uk/inform.

‘Objective’ measures of performance, such as measures of cleanliness according to a benchmark, are important for comparability over time and between places. However, if this doesn’t make a real difference to people’s lives or change citizens’ views of the situation, the point has been missed, which is why satisfaction measures are also important. However, satisfaction can of course be affected by many factors, (some extraneous), and is also

subject to ‘habituation’ (i.e. you get used to the higher level of service) which is why, ultimately, it’s good to have a mix of measures.

Buckinghamshire’s partnership, for instance, is planning to use a basket of indicators which includes satisfaction, impact and value for money indicators.

The mix of measures are likely to be owned and managed in different places. Partnerships will typically concentrate on priority outcomes, with outputs managed by individual agencies.

Blackburn with Darwen has remodelled its performance management framework to operate at three levels.

- At the strategic level are ten strategic outcomes which are cross cutting and demand cross cutting partnership intervention to deliver
- At the managerial level, departmental plans allow services to manage their own performance
- The third, operational level, includes processes for delivery including good management, workforce delivery etc.

The secret is described as being ruthless about what is done at each level, and not trying to micromanage services at the operational level.

As well as ‘pure’ outcome indicators, proxies and intermediate indicators are also needed to capture progress towards goals which may not be achieved for many years, (e.g. carbon reduction as progress towards reducing climate change), or are difficult to measure through one indicator alone. In addition, in the research for this briefing, partnerships said there was an **increasing emphasis on the use of qualitative and anecdotal information alongside their ‘basket’ of indicators, to provide a more rounded picture.** There is increasing use of approaches such as ‘story-telling’, case review, public value, social return on investment and cost-benefit analysis.

Colleagues also said that they are using quantitative information more effectively, to provide intelligence and insight, (such as analysing the index of multiple deprivation to show changes over time and between wards). It was also reported that there is more use of data observatories and intelligence partnerships, with several places reporting more of an appetite for this than they’ve seen before.

All of this provides a reminder for what has long been known, but is sometimes ignored in practice, that **data can play different roles in different circumstances.** For instance, the number of unemployed may be regarded as a performance indicator for the relevant theme group or contextual information for those working on, say, health inequalities. Often data will show progress towards broad objectives, without the change being attributable to any single agency, so it does not operate as an indicator of ‘performance’.

This therefore requires a more subtle and differentiated approach than the era when every indicator was a PI, every PI had to have a target, and every target had to have someone accountable for its achievement.

There also continue to be very practical problems of being able to obtain data - in sharing it and getting it into compatible formats and specifications.

A number of areas report that **data sharing continues to be a problem**. There are issues about willingness to release data, often because of concerns over data protection, but also the more practical problems of accessibility (such as issues with format). For more on data sharing and data quality, see: <http://ideamlp.wetpaint.com/page/Data+%26+Data+Quality>.

As already mentioned, there was felt to be **a need for a much bigger role for analysis to understand what is going on**. Many complex issues change more slowly requiring less frequent feedback. But on the other hand, the unpredictability of such change means more in-depth investigation and analysis is necessary to really understand what is happening.

Being able to review progress at different spatial levels is also important. One of the key shortcomings with the National Indicator Set was that only a very small number of the indicators could be effectively disaggregated down to lower spatial levels – not even to districts let alone neighbourhoods or wards. This means of course that interventions have not always been targeted as effectively as they could be.

Finally, of critical importance is to revise the approach in the light of information monitored. That could be revising objectives, but more helpfully, it is finding new and better ways to achieve them. This may involve the difficult issue of engaging with partners on poor performance, often relying on relationships, critical challenge and support as the only tools.

“I go to meetings to explain performance, but I don’t know why it’s red or green because I don’t deliver it. It’s about linking performance to delivery plans, then you can say – ‘how can you contribute to this?’ - and you’ve got them accountable for something. It’s about bringing it down to actions rather than just the end products.”
(Participant at North West Partnerships Network meeting)

4.4 Giving an Account

As part of good governance, there should be regular reporting, or ‘giving an account’, to the general public, as well as stakeholders, on partnership activity – both outputs and more particularly changes in outcomes.

The LG Group’s proposals on self-regulation and improvement, **‘Taking the Lead’**, encourage regular reporting of performance to local people¹⁸.

¹⁸ See <http://www.local.gov.uk/lgv2/aio/1233499> and <http://ideamlp.wetpaint.com/page/Self-assessment+for+improvement+and+Accountability>

Reviewing activities and changes in order to improve progress towards achieving objectives is different from giving an account to the public and other stakeholders, but the two do need to be integrated to avoid unnecessary duplication. The two forms of reporting will of course be different in terms of the information used and the presentation. Different information is needed to diagnose issues and prescribe improvements, from reporting back on overall progress.

In terms of presentation, **reporting for accountability (transparency) needs to be accessible to the public - and in a form and depth that is meaningful** (i.e. with greater emphasis on the narrative and context and less on technical detail). One way of doing this is to involve the public in devising any measures to be used.

Of course, giving an account shouldn't simply be done for its own sake: it has to be seen as part of an ongoing process of dialogue. The general public need to have ways of doing something with the information, **influencing the partnership through consultation, participation and democratic involvement, and being shown how their influence has made a difference**. This includes feeding back into setting future priorities.

5. Governance / Structure

Ideally, the decision on partnership and performance governance and structure should follow the previous considerations. First decide what you are going to do, who is going to do it and at what spatial level, and only then determine the best structure and mechanisms to achieve it. However, practicalities may not allow for this and there is a 'chicken and egg' situation that a structure will have a part to play in identifying the issues and prioritising accordingly.

"It's a case of form following function really isn't it? You've got to work out what the function is then formulate the performance management framework around it. I'm quite interested in looking at it more as an intelligence driven motivation for doing this rather than frankly a stick to beat people with, which is what performance management was..."
(Participant at North West Partnerships Network meeting)

5.1 What are the options?

Many places are revising the established model of LSP and thematic partnerships. It's important to bear in mind however, that even within the 'traditional model', places do not always mean the same thing by the terms used – Strategic Partnership, Public Sector Board, Public Services Group, Chief Officers' Group etc.

There are a number of variables and choices to be made, such as:

- **Size of each body** (trading-off effective functioning and wider representation)
- **Range of organisations involved** (just public sector or others too)
- **Role** (advisory or executive, operational or strategic)
- **Democratic legitimacy and member involvement**
- **Organisational form** (unincorporated partnership; company; charity; social enterprise etc)

5.2 Overall structure

There are a wide variety of approaches being adopted, but broadly we have found two alternatives being followed for 'core' partnerships for a place as a whole.

- The first is **to retain an overall LSP-type partnership often with an overarching delivery plan**. In almost all cases the structures and processes are however being streamlined, with fewer partnerships, meetings and in many cases reduced membership. (This could be a problem as bodies previously on the LSP may see themselves as being 'demoted' or disenfranchised).
- The second is to disband/decommission the LSP. However, **even in these cases there is usually some sort of Public Service Board, or at least a meeting of public sector chief executives**. These core partnerships tend increasingly to be focussed on efficiency-related priorities or specific local issues rather than overarching outcomes of the LAA kind. In some cases, the intention is to work much more through statutory partnerships such as the Health and Wellbeing Boards and LEPs, depending on how their roles develop in practice (which particularly in the case of LEPs will be different in different places).

In **Tameside**, the LSP (Tameside Strategic Partnership – TSP) is to continue. The TSP Board will meet less frequently but will be supported by the Local Public Service Executive, which will have oversight of key projects and the Tameside Area Agreement (which is a scorecard against the SCS and is a successor to the LAA). Delivery will be supported by a number of Delivery Board and ‘task and finish’ delivery groups. The focus will be on those projects which add most value across the partnership – such as high demand households and rationalising the number of home visits.

The new Tameside Area Agreement is to be organised across two levels. Level 1 is the headline quality of life indicators such as life expectancy, crime, skills and employment. Level 2 is more focussed within organisations and consists of those indicators that are functions or drivers of Level 1 measures, such as premature mortality from cancer or cardiovascular diseases and the number of people quitting smoking. These are all underpinned by two things - economic success is seen as primary as it underpins so many other objectives and alongside that is a focus on inequality, disadvantage and supporting vulnerable people.

They are aiming for a simplified presentation of performance information, without getting bogged down with data issues and overly complex targets.

Buckinghamshire is retaining its LSP but discussing how arrangements will change following the end of the LAA. It will be streamlined, with fewer meetings and fewer thematic partnerships. There is also a public sector forum which is starting to be the focus for work on efficiency and the public estate.

They have a family of SCS’s across the county and four district LSPs, with the same themes, and same objectives, but playing out across the different areas, which helps bind them together, providing a common language.

A small work programme has been agreed, covering areas where the partnership can add value, such as broadband, integrated offender management and families with complex needs. Work on the big society is also being funnelled through the LSP and co-ordinated through the voluntary sector.

The ‘Knowing Bucks’ workstream is helping bring together a common evidence base. This involves sharing information in a way that’s corralled around the work programme.

Colleagues in Bucks are also working on customer insight and social media and are looking to develop economic and social ‘value added’ measures, to test the value of preventative work.

Partners in **Somerset** decided to suspend their LSP in October 2010 while the way forward was decided in the light of national changes. The final decision was taken in March 2011 to dismantle the LSP including the forum and executive bodies beneath it. Instead, there will be a meeting of public sector chief executives (“more a ‘coming together’ than a public service board”). This will focus on specific issues, such as trying to secure Government funding to improve access to significantly faster broadband for businesses and communities in the county; and the social, environmental and economic issues associated with a new power station.

Whilst it was felt that the full structure of the LSP couldn't be supported in the current financial environment, there is still a commitment to partnership working.

The future of the sub-thematic groups of the Strategic Partnership have each been reviewed and some will continue, at least temporarily, if there is a clear need, and depending on statutory requirements. The Children's Trust is to continue for instance.

The county council is looking to move towards more of a commissioning approach which will require high quality customer insight and various direct and indirect forms of feedback to ensure accountability.

As a result of the changes, there will not be any overarching performance management arrangements, but the public sector chief executives' group and other partnerships will still require information and intelligence to plan their activities and monitor progress towards various shared objectives.

Places are having to balance a range of factors in deciding the most appropriate way forward. Having an overarching strategy can take account of the big picture and the linkages between different objectives and delivery mechanisms. That includes underlying factors which cut across theme areas like climate or demographic change. Others see this approach as too complex and too expensive in the new context.

Having a minimal number of partnerships and focusing on very clear, immediate and practical issues which you know you can affect is argued to be more practicable. However, it **raises the question of how the SCS and the longer-term aspirations for a place will be delivered.** It also risks potentially important issues 'falling between the cracks' of the remaining partnerships.

It also leaves the question of **whether, and how, the democratic 'leadership of place' will be exercised.** One approach to this is having members from the different tiers playing a leadership role at neighbourhood level as places like Kent, Essex and St Albans are doing.

Many practitioners argue that the only way to deal with high budget cuts and increasingly difficult social issues is through core partnerships focussed on 'place':

“You can’t take the amount of funding out of the business that we’re having to at the moment on your own. You’ve got to find joint solutions to these issues.”
(Jonathan Tew, Head of Policy and Performance, Blackburn with Darwen Council)

5.3 Other factors in determining structures

There are various questions and issues to take into account when revising governance arrangements:

- Whether through an overarching LSP-type partnership or in some other way, how will thematic partnerships (for health, crime, economy, environment etc) be joined up and the interrelationships between them taken into account?
- How will the new statutory partnerships (such as Health and Wellbeing Boards and Local Enterprise Partnerships), Children’s Trusts (and their potential relationship with H&WBs), and the proposed elected Police and Crime Commissioners be integrated into the arrangements?
- What are the best ways of joining up across two-tier areas? How do you join up SCSs across a county? (Buckinghamshire, for instance, have a ‘family of strategies’).
- Is there a trade-off between smaller, more efficient decision making (e.g. local Public Service Board) and larger, harder to manage but more inclusive arrangements?
- What should the approach be at a time of localism? Is it easier to join up at neighbourhood level? How, then, do you join up between the levels? If thematic groups commission through geographies larger than districts there will be a real tension between localism and commissioning structures.
- How do you develop a ‘community budgets’ approach to pool resources and refocus on preventative services?

All of this means that there is no single solution and each area will need to work out what’s best for their locality, drawing on the experience of other areas.

6. Arrangements for delivering place-based outcomes

As we have seen, approaches to partnership working, and therefore performance management, are changing. In many cases the approach to performance management in the new partnership arrangements is at an early stage of development. Some signs of the way forward are emerging, but many questions remain.

The task for those areas taking a minimal approach to partnerships is more about ensuring progress of particular tasks, in many cases adopting a project and programme management approach to deliver against specific issues.

However, even those who are taking an overarching, LSP/LAA-type approach are sometimes also seeing it as about managing particular programmes or initiatives (one practitioner described it as “**less of a performance framework and more of an innovation programme**”).

‘Performance management’ in this environment is not about presenting a large table of figures as the last item on an agenda, but making use of evidence and intelligence as an integral part of tackling cross cutting issues. **Information from different sources is brought together, manipulated, analysed and interpreted to provide a better understanding on which informed strategic decisions can be made.**

A clearer distinction is being made between the broad community outcomes that can only be delivered at partnership level and more operational delivery which individual agencies and services can be left to manage themselves.

While there appears to be much less use of targets, this does not mean the end of indicators. Rather **they are selected to be relevant locally, they provide only one part of a broader picture and there is more sophisticated analysis of them** (e.g. looking at trends rather than spot figures, disaggregating them geographically and demographically and combining them with other data).

Most places are seeing a large reduction in performance staff and their roles are of necessity changing. This is likely to include a greater emphasis on analysis and helping others manage performance at the appropriate level.

Theme groups need to be responsible for managing their performance and be able to give an account to partners, members, communities and other stakeholders. An implication of this is that less detail than in the past will need to be reported to any overarching partnership bodies.

In **Cornwall**, where they have developed a ‘joint framework for action’ which integrates the key contributions of individual public services in Cornwall into a single document reflecting their shared priorities for the next five years, it is intended that only very high-level reports (exception reports) will go to their Public Sector Group as accountability will reside with each of the partner organisations or relevant themed partnerships as appropriate. The primary function of the Public Sector Group will be to “*unblock’ where ‘unblocking’ is needed*”

All of this means that while the panoply of upward reporting of indicators is streamlined, albeit certainly not avoided altogether, **using evidence and intelligence to deliver outcomes for places through partnership, very much remains.** We are starting to get an idea what this may look like, but there is much further to go in tying this down and for places to determine what works best for them.