

# Local strategic partnerships

Lessons from New Commitment to Regeneration

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# Glossary

AONB	Area of Outstanding Natural Beauty	LSP	local strategic partnership
BITC	Business in the Community	NCR	New Commitment to Regeneration
CBI	Confederation of British Industry	NDC	New Deal for Communities
CE	chief executive	NHS	National Health Service
CVS	Council for Voluntary Service	NRF	Neighbourhood Renewal Fund
DfES	Department for Education and Skills (formerly the Department of Education and Employment)	ONS	Office for National Statistics
DTLR	Department for Transport, Local Government and the Regions (formerly the Department of the Environment, Transport and the Regions)	PAT	Policy Action Team
DWP	Department for Work and Pensions (formerly the Department of Social Security and parts of the former Department for Education and Employment and the Employment Service)	PI	performance indicator
EAZ	Education Action Zone	PIU	Policy and Innovation Unit
EIUA	European Institute for Urban Affairs	PPP	public–private partnership
EZ	Employment Zone	PSA	Public Service Agreement
FE	further education	RDA	Regional Development Agency
GIS	geographical information systems	RSL	registered social landlord
GO-EM	Government Office for the East Midlands	SEEDA	South East England Development Agency
GOR	Government Office for the Region	SEU	Social Exclusion Unit
GOSE	Government Office for the South East	SLA	service level agreement
HAZ	Health Action Zone	SME	small- and medium-sized enterprises
HE	higher education	SRB	Single Regeneration Budget
HImpP	Health Improvement Programme	TEC	Training and Enterprise Council
ILM	intermediate labour market organisation	UDC	Urban Development Corporation
IMD	Index of Multiple Deprivation	URC	Urban Regeneration Company
LGA	Local Government Association		
LSC	Learning and Skills Council		

# Summary

## Background

This report is based on a research project from April 1999 covering the first two years of the New Commitment to Regeneration (NCR) Phase 1 Pathfinders. NCR was developed by the Local Government Association (LGA) with government support as a new approach to tackling regeneration through partnership at a strategic level. It was distinctive in involving:

- whole local authority areas or combinations of local authorities;
- the mainstream programmes and budgets of all public sector agencies in the area;
- national government as a key partner;
- the exploration of freedoms and flexibilities in implementing national programmes.

The pathfinders piloting NCR were in very diverse urban and rural areas. They tested the approach in relation to the range of different variables that local strategic partnerships (LSPs) will also encounter.

## Key findings

The experience of NCR pathfinders supported the principles of strategic partnership and underlined its potential at the same time as showing the massive challenges it presents to traditional ways of thinking and working.

The timing of the study meant that most of the emerging messages concerned process issues. These are highly relevant as LSPs embark on precisely the same formative and developmental phases.

For pathfinders, NCR:

- raised the profile of regeneration activities;
- gave partnership a clearer focus;
- fostered a more integrated approach;
- provided a catalyst for joint strategies;
- was an impetus to joint working;
- enabled earlier and more responses to policy consultations and developments;
- gave a strategic framework for guiding decision making in individual organisations;
- encouraged greater consistency with sub-regional and regional strategies;
- forced partners to focus on outcome delivery;
- enhanced the prospects of leveraging in competitive funding;
- pushed partners to look more closely at what they can achieve with their mainstream budgets.

## Lessons for LSPs

### *A new order of strategy making*

NCR expanded the concept of regeneration to encompass economic, social and environmental goals, to integrate it with mainstream activity and make sustainability the rationale for managing the area.

LSPs will be working to a similarly wide brief in which they will have to balance different roles and pressures. Factors such as the pattern of local government and institutional boundaries, and their relationship to labour and housing markets and economic development opportunities will affect what can best be done at different spatial levels.

### *Forming strategic partnerships*

It takes time to develop the basis of trust on which to build partnerships especially where their ambitions, role and remit will have such profound implications for partner organisations. The process cannot be rushed if it is to win ownership and confidence.

The breadth of membership must match the partnership's strategic goals without it becoming so cumbersome that it degenerates into a talking shop. Policy-making processes must marry inclusivity and focus.

Partnership structures therefore need to combine capacity for decision making and executive action with extending the reach of the partnership, increasing its linkages with member organisations and giving a range of opportunities for involvement. They must be fit for purpose at different stages of the partnership's evolution.

Although parity of partnership is a goal, leadership is also critical. Given their range of responsibilities and resources and their democratic accountability, local authorities are usually expected to lead, but there is a fine balance between leadership and dominance.

Partnerships need to find ways of very disparate organisations working together while accommodating and exploiting their differences in order to maximise the synergy from their combined perspectives, expertise and agency roles.

### *Executive teams*

A critical factor in the progress of pathfinders was the amount of dedicated staff time given to sustaining their momentum. A team is essential to:

- give the partnership its own identity;
- service the partnership;
- maintain an overview of strategy and progress;
- network across sectoral, organisational and professional boundaries encompassing the roles of broker, mediator, advocate and interpreter.

### *Joined-up delivery*

After two years most, if not all, NCR pathfinders were still in transition from action planning to delivery. The complexity of the policy context made the process more difficult.

Many individual member organisations were in the throes of reorganisation, in response to new policy pressures such as modernising local government. In addition, the increase of new initiatives and multiplicity of area-based and thematic partnerships were a distraction. They competed for staff time and attention and complicated the quest for strategic integration. Nevertheless, pathfinders were starting to institute a range of joint arrangements:

- co-location of staff;
- joint appointments;
- joint staff development/training;
- data exchange;
- joint monitoring/impact assessment;
- community consultation and surveys.

Some pathfinders were also using initiatives such as the New Deal for Communities to road-test new models in order to derive good practice lessons so that they could be rolled out more widely on the basis of what works.

Strategic partnerships themselves cannot deliver everything. Their strategic role also depends on identifying lead players to take responsibility for implementation and meeting targets and milestones.

They must be aware of the dynamics of organisational behaviour and establish procedures, protocols and service-level agreements that will smooth the way to joint working.

### *Mainstreaming partnership*

Pathfinders' experience shows that there are still different types of resistance to bending main programmes and budgets. It is a very complex task. Very often organisations have little discretion or spare resources to move beyond their statutory responsibilities or change the ways they carry them out.

There was a disappointing response from central government to granting freedoms and flexibilities. This, in turn, discouraged local players from exploring areas of change that might already be open to them.

## Key tasks

The experience of NCR pathfinders underlined some key challenges that LSPs will also face and tasks that they will have to undertake.

### *Developing their vision and strategy*

- Analysing needs and opportunities
- Determining appropriate steps towards desired change
- Developing inclusive planning processes
- Creating a strategic framework that ensures a fit of plans across agencies and neighbourhoods, and consistency with sub-regional, regional and national policy targets.

### *Achieving whole systems change*

- Tackling all the dimensions of change to equip organisations for partnership working: shared values, style, structure, systems, strategy, skills and staff.

### *Engaging private sector partners*

- Making the 'business case' for involvement, while also having realistic expectations about the role of the private sector
- Developing a menu of ways for companies and business organisations to participate – strategically, thematically and at different spatial levels.

### *Developing community involvement strategies*

Encompassing:

- Audits of organisations, skills and concerns
- Measures to capacity build individuals, community groups and networks and the public sector organisations that work with them
- Steps towards building voluntary and community sector infrastructure that can provide routes into and voices for the wide range of organisations concerned

- Protocols for community engagement against which partners can measure levels of local engagement
- Monitoring and benchmarking community participation in the partnership.

### *Measuring the partnership's added value*

- Establishing indicators to track progress towards the strategic vision for the area
- Benchmarking the partnership's capacity in terms of its leadership, management, performance, local standing and influence
- Feeding the findings of evaluation into policy.

### *Accountability mechanisms*

- Giving an account of the partnership's activities to stakeholders, including information about outcomes, changes in the area's socioeconomic position and in service delivery performance
- Developing new mechanisms for stakeholders, including the general public, to hold the partnership to account.

### *Central-local partnership*

- Recognising the roles that macro-economic, social and regional policies and public spending play in setting the context for local action
- Achieving better coordination between government departments centrally and regionally
- Halting the proliferation of centrally-driven special initiatives and giving local players more scope to determine how best to implement national policy in the context of local needs and priorities
- Adapting administrative procedures and performance management systems to encourage rather than inhibit partnership.



# Part I: Background

# Introduction

"Critical to the work of the partnership is an approach to integrated working developed by the Local Government Association – called New Commitment to Regeneration."

## New Commitment to Regeneration

New Commitment to Regeneration (NCR) was not so much an initiative as a new approach to tackling regeneration through partnership at a strategic level. The Local Government Association (LGA) developed NCR in partnership with a range of national and local organisations and with government support. Applicable in both urban and rural areas, it was different because it involved:

- whole local authority areas or combinations of local authorities;
- the mainstream programmes and budgets of all the public sector agencies in the area;
- national government as a key partner;
- the exploration and development of freedoms and flexibilities in how national programmes are implemented.

Together these design elements provided the basis for going beyond a 'hot spots' approach to regeneration. Deprived areas cannot be treated in isolation; they need to be seen in the context of their interrelationship with other neighbourhoods as part of the wider economic scene. More poor and excluded people live outside than inside deprived neighbourhoods. Some equity issues need to be tackled through wider interventions, mainstream programmes and a different deployment of resources at a higher spatial level. Too often, there has been an absence of coherent strategy and a confusion of responsibilities between area-based regeneration schemes and core public services (SEU, 2000a).

NCR gave a framework for making regeneration – in the widest sense of sustainability – the driving rationale for managing the city, county or conurbation. Although not precluding the need to

target smaller areas for improvement, it allowed for a more inclusive strategy; it offered the possibility of a more integrated approach to balancing social economic and environmental goals in widely differing areas.

Over 120 areas applied for 'Pathfinder' status. The 22 selected as Phase 1 Pathfinders were the focus of this evaluation. The LGA encouraged another group of over 100 Phase 2 Pathfinders to share in developing the NCR approach. It held a number of networking meetings from 1999-2001, issued newsletters and ran a website, which helped all pathfinders to exchange experience and lessons.

## The evaluation

The national evaluation covered the first two years of the pathfinders, coinciding with their partnership formation or consolidation and action planning processes. Towards the end of the research, some pathfinders were moving towards implementation, while others remained in a transition phase, some awaiting the publication of the Urban and Rural White papers (DETR, 2000a, 2000b) and the Neighbourhood Renewal Strategy (SEU, 1998).

The evaluation's main purpose was to examine the innovative design features of NCR, assess their potential benefits and the pathfinder area's progress towards achieving them. The evaluation combined desk research, surveys and fieldwork to address key questions:

- What makes for effective strategic partnership?
- What are the implications of partnership for the partner organisations?
- How can government facilitate strategic partnerships?

It did not set out to judge or rank individual pathfinders. Rather it sought to explore barriers and success factors, identify good practice and disseminate key policy messages.

## Current relevance

The emphasis of the study was on *strategic* partnership. Many of the process lessons apply generally to partnership working. However, strategic partnerships differ in type as well as degree from more limited area-based ones. Their level of operation raises issues about role and membership. They have to find an appropriate balance between strategic direction and delivery. They have to grapple with the parameters of the partnership agenda and how far it extends to the separate agendas of their partner organisations. They have to combine multi-level interventions. They face choices about how to make the partnership inclusive without becoming unmanageable.

When the LGA designed NCR, it was considerably ahead of the game, although other developments have since caught up and overtaken it. The title, 'New Commitment to Regeneration', is already disappearing in some places, being subsumed by the term 'local strategic partnership' (LSP). LSPs, for which NCR was an influential model, have become the government's chosen vehicle for delivering local strategies. The introduction of LSPs has been led by the perceived *need for* strategic partnerships. However, much remains to be learnt about *how* they will operate and *where* they will sit alongside other structures of governance.

The evaluation has already resulted in two publications: one put NCR in the context of the evolution of regeneration policy over recent decades (Wilks-Heeg, 2000); the other gave some interim conclusions to feed into the policy developments around LSPs (Russell, 2000).

NCR lessons are relevant and timely because the study covered precisely those phases on which many budding LSPs are now embarking. This report draws on the evaluation findings to examine and illustrate issues of wider significance. It refers to two frameworks of thinking and practice:

- looking at the increasing scope of the concept of regeneration;
- focusing on the issues of organisational change management that need to be addressed for effective strategic partnership.

## Report structure

The remainder of this first section sets the context of the study:

- Chapter 2 traces the evolution of regeneration policy and identifies current principles;
- Chapter 3 examines the diversity of the NCR pathfinders as testbeds for the NCR approach.

Part II of the report looks at aspects of strategic partnership in the light of the pathfinders' experience:

- Chapter 4 introduces change management themes;
- Chapter 5 examines the establishment of partnerships, their composition and structures;
- Chapter 6 discusses their strategic planning processes;
- Chapter 7 looks at the transition to joint delivery;
- Chapter 8 focuses on community involvement;
- Chapter 9 looks at the role of central government as partner;
- Chapter 10 discusses how to measure the outcomes of partnership working.

Part III reviews the conclusions and lessons from the study:

- Chapter 11 focuses on LSPs;
- Chapter 12 summarises the study's conclusions and key messages.

# 2

## Regeneration policy: where has it come from and where is it going?

"From the piecemeal, project-based and compartmentalised towards the integrated, strategic and mainstream."

### Lessons from the 1980s and 1990s

Regeneration over recent decades has primarily meant urban regeneration. The history of urban policy over 30 years shows similar questions recurring to which governments have responded in different ways. Policy initiatives and instruments changed as political priorities and views about the nature of urban problems changed. They variously:

- targeted particular social groups;
- identified structural or pathological, socioeconomic or personal causes;
- responded to social need or economic opportunity;
- focused on social support or economic development;
- put different players or sectors in the driving seat.

Policy has generally moved from the piecemeal, project-based and compartmentalised towards the integrated, strategic and mainstream.

### *From welfare to enterprise*

In the late 1960s and early 1970s, inner cities were seen as concentrations of deprived people needing a welfarist solution. The 1977 White Paper's greater understanding of the structural roots of urban decline and its consequences was jettisoned in 1979 when the incoming

Conservative government redefined the problem. It embarked on the enterprise-led approach of the Action for Cities Programme (Robson et al, 1994) in which the private sector had a leading role. But the benefits conspicuously failed to 'trickle down'. It had little effect on the absolute and relative disadvantage of the 57 Urban Priority Areas (Willmott and Hutchison, 1992).

### *A comprehensive approach*

Despite reservations about topslicing the money from existing programmes and allocating funds competitively, City Challenge (Russell et al, 1996), introduced in 1991, was more promising than previous initiatives. Its strengths informed the Single Regeneration Budget (SRB) Challenge Fund in 1994. The interim SRB evaluation (Brennan et al, 1998) reinforced earlier findings about City Challenge. Competitive bidding raised the quality of proposals and encouraged a more strategic approach. Partnership working was becoming more effective, leading to greater synergy across agencies and policy areas, better coordination and less duplication. Governments Offices for the Regions (GORs), administering the fund, played a valuable part in improving partnership working, encouraging more appropriate and effective schemes and promoting better coordination of local and national policy.

But challenges remained to:

- develop successful mechanisms for community engagement;

- integrate neighbourhood renewal and partners' main programmes;
- bend mainstream resources;
- involve central government departments in matching the comprehensive approach at national level.

### *Becoming strategic: City Pride*

City Pride was also introduced in 1994. London, Birmingham and Manchester were each invited to develop a broad-ranging partnership to produce a prospectus for their city's development over 10 years showing how they would make best use of mainstream funding and procure new public and private investment. No special funds were attached. The process was clearly most difficult in London. Although not formally evaluated, in Birmingham and Manchester it gave a framework for the partners to agree priorities for regeneration and led to vehicles for more integrated approaches to improving city competitiveness. Success factors (Williams, 1998) included central government support, scope for regional offices to use policy flexibility to underpin agreed city-wide strategies and capacity for more local policy experimentation in delivering mainstream programmes more effectively to achieve the City Pride goals.

### **The 'joining up' agenda**

Some policy principles survived the change of government in 1997 to characterise new initiatives:

- a strategic, partnership-based approach;
- the inclusion of a wider range of players and policy areas;
- emphasis on full community involvement;
- links to mainstream working.

### *Emphasis on need*

The new government also brought change. It kept the SRB programme but addressed some persistent criticisms that SRB:

- spread resources too thinly;
- was still not sufficiently involving the community;
- remained disconnected from the wider picture.

In response, the government:

- retained competitive bidding but directed that 80% of resources must go to the most deprived areas;
- allocated more resources for capacity building;
- passed SRB administration to the newly formed Regional Development Agencies (RDAs) from April 1999 to allocate the fund in the context of regional strategies.

The focus on deprived areas and creation of the Social Exclusion Unit (SEU) reflected greater emphasis on need. The SEU's remit was to improve government action to reduce social exclusion. It attributed neighbourhood decline not only to economic and social change but also to the failure of public policy to address joined-up problems in a joined-up way (SEU, 1998).

### *Multiple policy strands*

The SEU's work was one strand of the government's pursuit of its core goals of a more competitive economy, greater social cohesion and revitalised governance and citizenship. Others included:

- taxation changes and the introduction of the minimum wage;
- welfare-to-work programmes;
- a multiplicity of initiatives: some directed to *areas*, such as SRB and New Deal for Communities (NDC); others targeting *groups* such as New Start and Sure Start; and others relating to *programmes* such as Employment Zones (EZs), Health Action Zones (HAZs), Education Action Zones (EAZs) (DETR, 2000c; DETR and Regional Coordination Unit, 2000);
- new planning guidance on housing, regional planning and retail development;
- Green Papers on housing and local government finance among other measures changing the way localities are managed.

### *Improving mainstream services*

The government was also determined to improve the quality and responsiveness of local public services. Its modernising approach was intended to ensure that councils:

- are empowered to lead their communities;
- have efficient, transparent and accountable decision-making processes;

- continuously improve their services' efficiency and quality;
- actively engage local people in local decisions; and
- have the necessary powers to promote and improve the well-being of their areas and contribute to sustainable development (DETR, 2001a).

The 1999 and 2000 Local Government Acts provided the statutory underpinning to deliver these goals, for example, strengthening councils' community leadership role and introducing the Best Value regime.

### *Power of well-being*

The new discretionary power of well-being came into force in October 2000 with the purpose of encouraging "innovation and closer joint working between local authorities and their partners to improve communities' quality of life" (DETR, 2001a, p 5). As a 'power of first resort', it can shape action provided it is not primarily intended to raise money nor prohibited or restricted by other legislation. Local authorities are also encouraged to consider the effects of using the power on achieving their community strategy objectives.

In addition, the 1999 Health Act gave health and local authorities powers to work together where there is a clear overlap between the services they commission and provide. Joint working can take the form of pooled budgets, lead commissioning and integrated provision. The well-being provision extends the capacity of local authorities to work in partnership with other bodies as well as the National Health Service.

Similarly the 1998 Crime and Disorder Act gave local authorities more responsibility for community safety. It provided for them to work in partnership with the police, other organisations and the public on crime and disorder strategies. Crime and Disorder Partnerships, which are coterminous with local authorities, have resulted in joint plans and co-funded posts. Home Office emphasis on greater data sharing and developing geographical information systems (GIS) is of wider relevance to strategic partnerships.

### *New Commitment to Neighbourhood Renewal*

The SEU's consultation processes and the work of its Policy Action Teams (PATs) over 30 months culminated in the *National strategy for neighbourhood renewal* action plan (SEU, 2001). This strategy aims to improve people's lives in the 10% (roughly 900) most deprived neighbourhoods and in the rest of the country by raising the standard of public services and coordinating them better. It supports communities by putting them at the heart of the neighbourhood renewal process. The plan includes provision for:

- a national Neighbourhood Renewal Unit;
- a Neighbourhood Renewal Fund to allocate £900,000m over three years to the 88 local authorities with the most deprivation, to help them focus their main programme spending to deliver better outcomes in their most deprived communities;
- a Community Empowerment Fund of over £35m to give communities about £400,000 each to help them participate in LSPs and Community Chests worth about £50m in total to fund small local grant schemes;
- neighbourhood renewal teams in the regions;
- LSPs as a single overarching local coordination framework;
- neighbourhood management;
- an Office for National Statistics (ONS) neighbourhood statistics service.

Initiatives in different policy areas were a mix of ones already in being and others drawn from the PAT recommendations.

In the context of neighbourhood renewal, the LSPs' key task is to prepare a local neighbourhood renewal strategy on the basis of an agreed vision, with agreement and commitment from stakeholders, and setting out a framework for action in relation to neighbourhood needs in the context of the whole area. Key Public Service Agreement (PSA) 'floor' targets will govern central government activity to ensure that departments are committed to tackling inequalities in their service outcomes.

## Urban and Rural White Papers

The Urban and Rural White Papers were published in Autumn 2000 (DETR, 2000a, 2000b). A report accompanying the Urban White Paper (Robson et al, 2000) pointed to changes in Whitehall thinking critically affecting urban policies. For 20 years, policies were dominated by an emphasis on a short-term model of competition with economic behaviour somehow detached from its social context and regeneration essentially seen as rearranging the deckchairs, treating symptoms in the poorest places without building up the country's overall competitiveness. Now, Treasury thinking gives a more positive role to territorial policies at regional, city and neighbourhood level. It stresses developmental processes, seeing a city's capacity to respond to new economic pressures to be as significant as the pressures themselves. The challenge is to establish "a national-to-local framework for enabling the exercise of subsidiarity in a strategic fashion" (Robson et al, 2000, p 5), allowing local policy choices while ensuring the pursuit of wider strategic connections and objectives.

This backcloth to the White Paper suggested the challenges urban policy faced. The White Paper identified five linked issues that shaped its policy aims:

- household growth;
- de-urbanisation;
- poor quality of life and lack of opportunity concentrated in some parts of towns and cities;
- poor economic performance in some urban areas;
- the adverse impacts of towns and cities on the environment.

The Urban Task Force agenda (Urban Task Force, 1999) drove some policy objectives, emphasising brownfield development, physical design and making towns and cities attractive. The SEU's work linked with other issues.

The Rural White Paper was also published in November 2000. This built on the extensive analysis of the rural policy framework in the Performance and Innovation Unit (PIU) study, *Rural economies* (Cabinet Office PIU, 1999), and the *Cross-departmental review of rural and countryside programmes* (HM Treasury, 2000) carried out to inform the Comprehensive Spending Review 2000. It acknowledged the interdependence of town and country and the

necessity of addressing their needs together, but recognised that "there are special problems in rural areas which require a direct response" (DETR, 2000b, p 1). The report identified the challenges for rural communities as:

- over-stretched basic services;
- farming hit hard by change;
- considerable development pressures;
- environmental degradation.

## Challenges today

### LSPs

The Urban White Paper referred to LSPs as "the key to our strategy to deliver better towns and cities" (DETR, 2000a, p 34). They were to bring together local authorities, all service providers, local businesses and the full range of voluntary organisations and community groups to:

- develop a community strategy, taking a fully joined-up approach to economic, social and environmental issues;
- agree priorities for action and monitor local performance against local indicators, taking regional and national targets into account;
- rationalise and coordinate the many existing partnerships at local level.

The escalating number of partnerships – some areas have 80 or more – and the return to a patchwork of initiatives demands rationalisation and a strategic framework. This is the task of LSPs en route to increasing the synergy between policies and programmes. They will face significant challenges in achieving strategic coherence, establishing appropriate structures and processes for partner engagement, and developing accountability mechanisms. NCR was a significant model for strategic partnerships and the pathfinders' experience has many lessons for LSPs.

## Success factors

Effective regeneration strategies:

- cannot be confined to the inner-city areas of large cities: outer estates, small towns and some rural areas have also experienced economic decline, social deprivation and environmental degradation;
- require integration across different policy domains and agencies: the problems affecting individuals, households, groups and neighbourhoods that together amount to deprivation and social exclusion are multifaceted, interrelated and cumulative;
- will acknowledge and accommodate the different circumstances, needs, opportunities and priorities of different areas: this must extend to central government policies giving room for local flexibility;
- require coherent and mutually reinforcing policies at different spatial levels: neighbourhood, district, sub-regional, regional and national and the identification of the most appropriate spatial level for tackling different issues;
- depend on the effective implementation of main programmes and deployment of mainstream resources critical to determining the quality of life: their scale is far greater even in areas receiving regeneration funding; in any case, the regeneration task extends to areas not receiving additional funds and to policy areas outside the remit of defined regeneration initiatives;
- will apply the lessons of regeneration initiatives about working horizontally across traditional professional, programme and organisational boundaries to main programmes that tend to operate vertically;
- depend on effective partnership working, including the community, which extends from the development of visions and strategies into joint working in implementation and delivery.

# The diversity of pathfinder areas

Pathfinders varied in their area characteristics, their history of regeneration and their tradition of partnership

The LGA selected the Phase 1 Pathfinders so that the NCR approach could be tested in very different places and circumstances: across all the English regions, including urban and rural areas, London boroughs, cities, towns, conurbations and counties (see Table 1). Appendix A profiles the case study pathfinders. They varied in terms of their area characteristics, their history of, and approach to, regeneration and their tradition of partnership working. This chapter focuses on their socioeconomic characteristics. Later chapters address issues about partnership.

## Diverse districts

The Index of Multiple Deprivation (IMD) (DETR, 2000d) and the European Institute of Urban Affairs (EIUA) baseline study (Hutchins and Russell, 2000) showed the pathfinders' diverse social and

economic contexts. First, regions varied considerably as their positions relative to the 20% most deprived and least deprived in the IMD show. At the extremes:

- nearly 50% of the wards in the North East, covering 56% of the region's population, are in the most deprived 20%, compared with only 7.5% of the wards in the South East covering about 9% of the residents;
- less than 5% of the wards in the North East and an even smaller proportion of the population are among the 20% least deprived, compared with over 40% in the South East in the least deprived 20%;
- London, the North East and North West contain about 54% of the total wards in the most deprived 20%, but only 13% of the least deprived; nearly 40% of the least deprived wards are in the South East region.

Table 1: Phase 1 Pathfinders

Inner London	Outer London	South East	South West	Eastern
<i>Lewisham</i> <i>Haringey</i>	<i>Brent</i> <i>Croydon</i> <i>Newham</i>	<i>Southampton</i>	<i>Plymouth</i>	<i>Greater Peterborough</i> <i>Luton and Dunstable</i> <i>Suffolk</i>
West Midlands	East Midlands	Yorkshire & Humberside	North West	North East
<i>Coventry</i> <i>Hereford</i> <i>Sandwell</i>	<i>Greater Nottingham</i>	<i>Barnsley</i> <i>Kirklees</i>	<i>East Lancashire</i> <i>Liverpool</i> <i>Salford</i> <i>West Cumbria</i>	<i>Middlesbrough</i> <i>North Tyneside</i>

Note: Case study pathfinders shown in italics.

Second, most pathfinders lagged behind their regions in terms of educational attainment, unemployment, people in receipt of benefits, mean full-time earnings, recorded crime and percentage of house sales below £20,000 (Hutchins and Russell, 2000). The exceptions were Croydon in London, North Tyneside in the North East, Herefordshire in the West Midlands and Kirklees in Yorkshire & Humberside. The position in rural pathfinder areas was more mixed. Fewer people had qualifications and more lived on low incomes because of low earnings as much as unemployment, but crime rates were lower and health scores better.

The IMD provides a clear picture of the regeneration challenge facing some pathfinders:

- In London, **Brent** and **Lewisham** contain severely deprived wards but, on the fringes of London, **Croydon** is much less deprived. **Newham** features in the most deprived 10 districts in England for its ward scores. All but one of its wards are in the 10% most deprived in England. **Haringey**, another former manufacturing district, shows particular concentrations of deprivation.
- Although situated in the most affluent region, **Southampton** contains some of the South East's more deprived wards.
- **Plymouth**, in the South West, has several severely deprived wards.
- In the Eastern region, much of the deprivation is located in coastal areas. In **Suffolk**, therefore, it is especially around Lowestoft in Waveney as well as in some wards in Ipswich. Pockets of deprivation are concentrated in the city of Peterborough within the **Greater Peterborough** partnership area, but this area also includes Fenland where there are some classic symptoms of rural deprivation. In **Luton and Dunstable** – the largest urban area in the region – deprivation is mainly concentrated in Luton itself.
- Within the West Midlands deprivation is particularly concentrated in the large conurbations, for example spreading out from Birmingham to affect **Sandwell** and in and around **Coventry**. The IMD scores across **Herefordshire** are largely clustered between the extremes of greater or less deprivation, but about a quarter of the county has been a rural development area for nearly 20 years and elsewhere the county has Objective 2 status.
- In the East Midlands, deprivation is focused on the larger population areas including Nottingham and to a lesser extent Ashfield in

**Greater Nottingham**, which is also a former coalfield area.

- In Yorkshire & Humberside, high levels of deprivation were found in former coalfield areas such as **Barnsley**, while **Kirklees** manifested deprivation that was less intense but widely spread.
- In the North West, **Liverpool** ranked among the 10 most deprived local authority areas on all measures showing that it had large numbers of deprived people, severe pockets and very high overall average levels of deprivation. It is one of the two conurbations (with Manchester including **Salford**) with more consistently high levels of multiple deprivation than most other areas. In **East Lancashire**, the former textile and industrial areas of Pendle, Hyndburn and Blackburn with Darwen all have several wards with severe deprivation. As a coastal area **West Cumbria** is more deprived than more inland parts of the county.
- **Middlesbrough**, in the North East, ranks as the most deprived district in England on the Local Concentration measure, signifying that it has very severe pockets of deprivation. But it also has a high overall average level with nearly 60% of the population living in one of the 10% most deprived wards in England. **North Tyneside** contains concentrations of widespread deprivation.
- **Liverpool, Newham, Kirklees, Sandwell** and **Nottingham** all feature in the 10 most deprived districts in terms of income deprivation.

**Eligibility for Neighbourhood Renewal Fund: local authorities in the top 50 of any of the six IMD measures**

Allerdale (West Cumbria)	Liverpool
Ashfield (Greater Nottingham)	Middlesbrough
Barnsley	Newham
Brent	North Tyneside
Burnley (East Lancashire)	Nottingham (Greater Nottingham)
Coventry	Pendle (East Lancashire)
Croydon	Plymouth
Haringey	Salford
Kirklees	Sandwell
Lewisham	

**The pathfinders not in this list are:**

Greater Peterborough	Southampton
Herefordshire	Suffolk
Luton and Dunstable	

The pathfinders contained 30 of the most deprived 100 wards on the IMD (DETR, 2000d), including 50% of the worst 10 wards.

- 12 in Liverpool, half of which were in the most deprived 20 wards and three in the worst 10
- Three in Middlesbrough, two of which were in the most deprived 10 wards
- Six in East Lancashire: the highest ranking (39th) in Pendle; the rest in the lower half of the table; three in Blackburn with Darwen; one in Burnley and one in Hyndburn
- Two in Newham ranked 35th and 79th
- One in North Tyneside ranked 74th
- Two in West Cumbria: both in Copeland (84th and 96th)
- One in Greater Nottingham, one in Nottingham City (88th)
- One in Sandwell ranked 92nd
- One in Barnsley ranked 94th
- One in Greater Peterborough ranked 99th.

These wards are deprived on several domains. The IMD underlines the interconnections between different types of deprivation as well as depicting the geography of deprivation.

## Experience of regeneration

Not surprisingly, this diversity was reflected in the pathfinders' access to targeted regeneration funding in the past. Some had experienced almost every initiative from the earliest days of the Urban Programme. All currently had experience of SRB schemes but many were also piloting a high proportion of the initiatives introduced since 1997, such as EZs, EAZs, HAZs, Sure Start, New Start and the NDC (see DETR, 2000c; DETR and Regional Coordination Unit, 2000). While bringing welcome resources, these initiatives complicated the quest for strategic coherence because of their different geographic coverage and timescales and strong central direction in the choice of areas, targets and performance management.

## Strategic areas

“Its geographic boundaries are flexible so that it can be tailored to an area recognised as meaningful locally.”  
(Health authority respondent)<sup>1</sup>

Another variable among the pathfinders was the spatial level of their partnership. Some operated at town, city or borough level, while also pursuing sub-regional policies. For example, Salford remains part of Manchester City Pride, Liverpool belongs to several groupings operating across Greater Merseyside, and Middlesbrough is a member of the Tees Valley Partnership. Similarly, the pathfinders in London maintained involvement in partnerships spanning borough boundaries. In two cases – Suffolk and Herefordshire – the county was seen as the appropriate level of operation. They differed, however, because, whereas Herefordshire is a unitary authority, Suffolk has two-tier local government with the county council plus seven district councils. In other cases, where pathfinders covered multiple local authority areas, this was sometimes because local government boundaries did not coincide with those of the natural conurbation (as in Greater Nottingham and East Lancashire) or did not comprise a coherent area for economic development (as in Luton and Dunstable and West Cumbria).

## The significance of diversity

These different characteristics of the pathfinder areas provide the context for the rest of the report. Diverse patterns of deprivation and different spatial levels of intervention link with other equally important factors such as the pattern of local government and the degree of fit between different organisational boundaries. All of these affect the nature of strategic partnerships and the challenges they face.

<sup>1</sup> Respondents' quotations throughout the report are taken from the EIUA survey.



# Part II: NCR experience of strategic partnership

# 4

## Partnership: overview of the issues

"If local people are to enjoy a sound economy and a better quality of life ... we have to harness the contribution of businesses, public agencies, voluntary organisations and community groups and get them working to a common agenda." (Tony Blair, 1998)

The first section of this report looked at regeneration policy principles and the challenges facing different areas. The focus moves now to partnership processes. An outcome-driven, joining-up agenda has been pushing partnership working for some time. It has now formally shifted to a strategic level of working which makes new demands and necessitates 'raising the game' of partnership.

Strategic partnership extending to mainstream programmes is qualitatively different from that in special initiatives. It calls for a new order of strategy making, involves a wider range of people, demands that organisations move out of their silos and challenges traditional ways of thinking and working. Strategic partnerships, therefore, need to be viewed in the context of change management.

Figure 1: Processes of change management

Stage	Challenge/tasks
Partnership trigger	Identifying opportunities and threats Implications of new policy agenda for organisations individually and collectively
Vision	Identifying needs and priorities Defining direction of desired change Designing strategies Developing appropriate partnership and participation structures
Strategy into action	Action planning Identifying lead players Allocating roles and responsibilities Systemic change in partner organisations to adapt to need demands
Review and evaluation	Identifying added value Reviewing policies and processes Identifying what works Measuring impact Feeding back into policy making Making appropriate changes to programmes, structures and ways of working

Source: adapted from Buchanan and McCalman's (1989) model of perpetual transition management, cited in Paton and McCalman (2000)

## Change management

Managing change requires recognising the likely implications of change and its impact on those organisations and systems most affected. For strategic partnerships, it therefore entails moving towards a shared understanding among those managing the change and those necessarily involved in achieving it both at partnership level and within partner organisations.

Figure 1 looks at different stages in this process. The stages correspond closely with the key phases in a partnership's life, as covered in the next three chapters:

- their formation and development of partnership structures;
- developing their strategies;
- moving from joint planning to joint delivery.

These steps are also mirrored in the four key tasks of LSPs in relation to the components of community strategies (DETR, 2000e):

- a long-term vision focusing on outcomes;

- an action plan identifying short-term priorities and activities;
- a shared commitment to implement the action plan and implementation proposals;
- arrangements for monitoring, review and reporting progress to local communities.

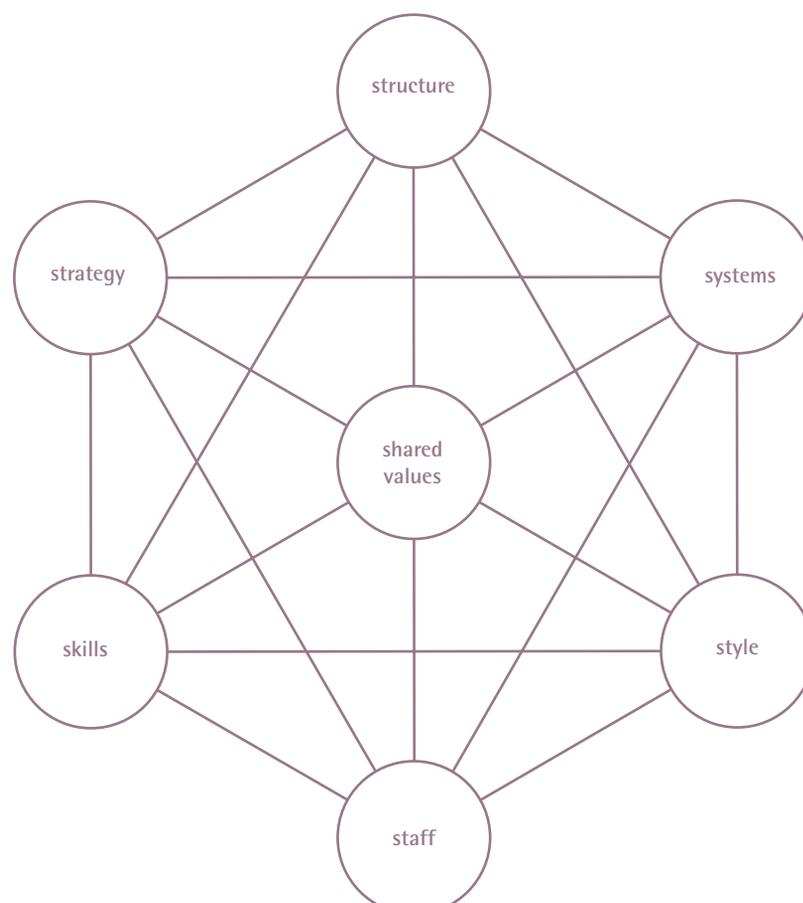
NCR pathfinders found challenges at each stage and in the transition from one to another.

## The elements of change

Another framework for looking at these stages and the challenges they present is McKinsey's seven 'S's, as shown in Figure 2 (Peters and Waterman, 1982). Each element – shared values, strategy, structure, systems, style, staff and skills – is a significant ingredient of change. Together they provide a model for examining the interaction of the different dimensions of partnership.

The context in which this framework is applied will radically affect how easy or difficult it is to

Figure 2: McKinsey's seven 'S' framework



achieve change. For strategic partnerships, the incentives for change come from the urgency of delivering better policy outcomes and government's increasing emphasis on joined-up working. Achieving the step changes required for strategic partnership means developing:

- an inclusive and transparent approach within the partnership and towards its stakeholders;
- the teamwork and innovation that can lead to new ways of working.

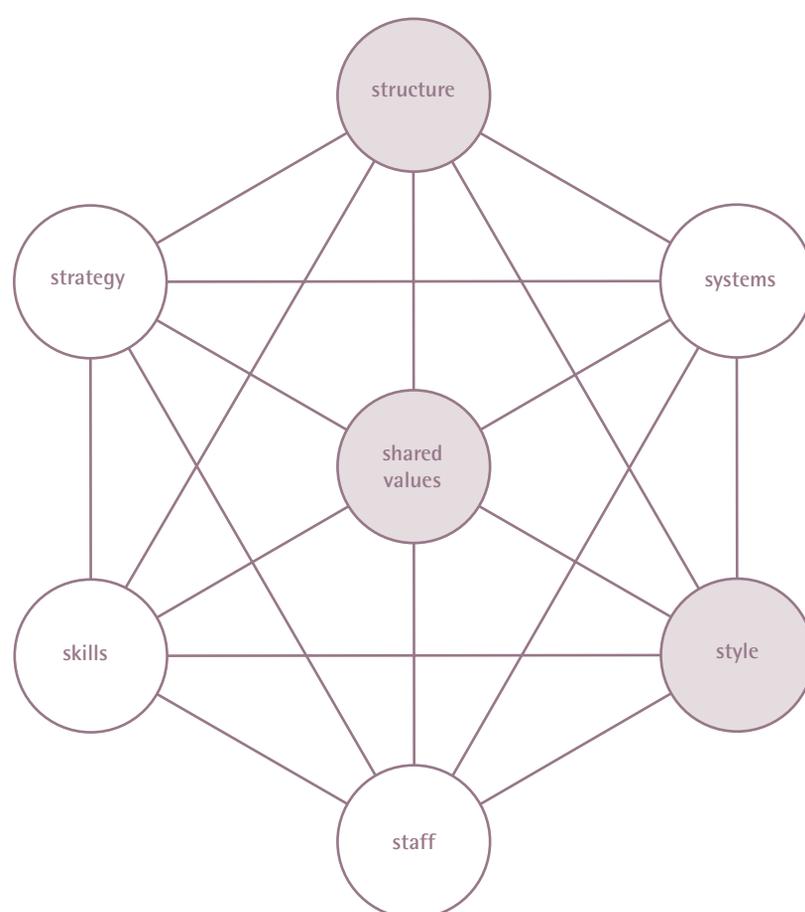
These entail:

- *Cultural and structural changes in partner organisations:* in hierarchical and internally competitive organisations, staff are more likely to interpret their roles rigidly, be overcautious about stepping outside accepted boundaries and reluctant to take responsibility. There is no point in chief executives (CEs) pledging partnership allegiance if their middle managers and other staff still play by different rules.
- *An appropriate policy and performance management environment:* performance measures that encourage organisations to pursue separate agendas, or focus on or compete over outputs to the neglect of outcomes, will undermine collaboration and detract from innovation.

Subsequent chapters will look at all these issues and the way that NCR pathfinders have addressed them.

# Partnership formation

Public, private, community and voluntary organisations all have a part to play in improving quality of life. The more they can work together, with local people, the more they can achieve.... (Government guidance on LSPs, DETR, 2001b, p 4)



## Triggers for partnership

Why should local authorities and others form partnerships? Traditionally, agencies and departments have been organised around problems instead of people. But people's lives cannot be so neatly categorised. The government's mantra of 'joined-up thinking' expresses more widespread recognition that organisations cannot be effective working in isolation. Roles need redefining and boundaries shifting.

Pathfinder areas underlined this challenge. East Lancashire displayed a vicious circle of poor housing–low skills–low wages that quite clearly had to be broken to improve quality of life, the sustainability of neighbourhoods and the economic competitiveness of the area. As soon as agencies faced such challenges together, they deepened their understanding of the interrelationship between their interventions as well as the problems. They began to think 'outside their boxes'.

**East Lancashire's** industrial legacy directly or indirectly resulted in:

- old, high-density housing stock: 20% unfit (99% of which was privately owned); 5.5% empty;
- an economy dominated by low-value-added, low-wage manufacturing industries;
- severe deprivation;
- average earnings 10% below the national average and 31% below national average for minority ethnic communities;
- low educational attainment and skill levels;
- poor health rates and high death rates;
- poor public transport links;
- high levels of derelict land.

### *Origins of the pathfinders*

Many pathfinder partnerships existed prior to NCR, variously established to:

- respond to economic restructuring;
- coordinate regeneration initiatives;
- formalise existing joint working.

**West Cumbria Partnership**, established in the late 1980s when traditional industries were threatened by decline, expanded its scope and breadth of membership when it gained NCR pathfinder status.

**Coventry City Forum** was overseeing the Coventry Community Plan. NCR was seen as a catalyst to do better what they would have done in any case; especially, adding value by developing closer relations with central and regional government.

**Greater Peterborough Partnership Forum** grew out of concern to draw a range of area-wide and local partnerships into a coherent, coordinated framework.

**Suffolk Pathfinder** was about:

- real partnership working at all levels of organisations (including central government) and with local people;
- influencing mainstream budget spend;
- promoting regeneration in its widest sense;
- seeking flexibilities and freedoms to break down barriers to better partnership working.

In **Barnsley**, NCR pathfinder status was a catalyst for responding to various factors requiring changes to the arrangements for managing regeneration activity:

- community planning and the duty of well-being;
- the council's commitment to modernisation;
- the growing South Yorkshire dimension and its Objective 1 status;
- the advent of the RDA and a regional economic strategy;
- the increasing complexity and multiplicity of government initiatives and the need to embrace wider agendas such as lifelong learning.

## Partnership composition

Appropriate composition for strategic partnerships depends on their intended scope.

**Southampton Community Regeneration Alliance** was developed after acquiring pathfinder status. Its criteria for membership, and the process of formulating those criteria, had to take account of its ambition to provide an inclusive, overarching regeneration framework for the city. Consultants investigated the optimum configuration and membership by comparing with other areas and taking into account existing structures and partnerships in the city and the objectives of the Government Office for the South East (GOSE) and South East England Development Agency (SEEDA).

### Spread of membership

Pathfinders needed to connect with different sectors, policy areas and levels of intervention. For those existing prior to NCR, their composition often stemmed from their earlier rationale. It was also apparent that those organisations with a key role in area-based regeneration or thematic initiatives such as welfare-to-work were widely present. At first, the step change in the strategic role of the pathfinders was not necessarily reflected in any revisiting of the breadth of membership though this emerged as an issue later.

**Table 2: Partner organisations in 18 pathfinders**

Local authority	18	TEC	18
Health authority	18	Police authority	16
Voluntary sector	16	FE institutions	15
Employment Service	12	Chamber of Commerce	14
GORs	11	HE institutions	10
Major employers	10	Other private sector	10
Community sector	6	RDA	5
RSLs	5	Health trusts	5
Benefits Agency	4	Primary care groups	4
Housing Corporation	4	Churches	4
Other	4	Public transport	3
Probation service	2	Fire authority	1

Table 2 shows that local, health and police authorities and training and enterprise councils (TECs) formed the early core of pathfinders. Most had voluntary sector representation, usually through an umbrella organisation such as a Council for Voluntary Service (CVS). Only one third had separate community sector involvement. Further education (FE) colleges were well represented as were higher education (HE) institutions where these existed. GORs were represented on two thirds, while, at that time, RDAs were only directly involved in five.

**Newham Partnership Board** exemplified the potential spread:

- elected members as well as local government officers
- other public sector organisations
- different types of private sector organisations and interests
- trades union as well as employer perspectives
- a sectoral partnership – in this case, a housing group

- faith groups, young people and voluntary and community organisations reflecting the diversity of the wider community.

### Choosing Newham Partnership Body

- Leader, deputy leader and one other council member
- Director, Royal Docks
- Benefits Agency
- Youth Parliament
- Large business representatives x 3
- Small business representatives x 3
- London East TEC
- NEWVIC (Sixth Form College)
- Newham Healthcare
- Government Office for London
- Employment Service
- Newham College of FE
- Newham Primary Care Group
- Newham Trades Council
- Stratford Development Partnership
- Faiths representatives x 3
- Voluntary/community sector representatives x 3
- University of East London
- Metropolitan Police
- East Thames Housing Group
- Borough MPs x 3

### The significance of institutional boundaries

Several pathfinders spanned different local authority areas because this made sense in regeneration terms. The downside was potentially disproportionate preoccupation with inter-authority relationships. Smaller councils in Greater Nottingham suspected the city council of metropolitan ambitions. Similarly, in Suffolk, district councils were ambivalent about the county council's role.

More generally, lack of coterminosity among major agencies complicates collaboration. Addressing broad thematic issues and potential changes to main programmes is more feasible in larger metropolitan authorities or a unitary county

such as Herefordshire with coterminous boundaries with major partners.

In rural areas, distance makes the logistics of partnership more difficult and costly in time and resources (Edwards et al, 2000). This has various implications:

- clarifying the distinctive role of the partnership so that it can be appropriately streamlined;
- establishing wider partnership structures that take account of the particular conditions in which they are operating and looking at the opportunities for sectoral/area-based working;
- developing greater capacity for e-networking;
- allowing suitable lead-in times for involving dispersed rural communities.

## Private sector

“More needs to be done to create an environment where local businesses feel compelled to join the partnerships.”  
(Public sector respondent)

### *Barriers to involvement*

Some discussion about private sector involvement is based on confused and unrealistic expectations. Private sector organisations will not fully engage unless they see the partnership as action oriented, its activity having direct relevance to them *and* their presence making a difference. They frequently become frustrated by what they perceive as fragmented structures and cumbersome and overly bureaucratic decision-making processes. As with other partners, formal membership does not necessarily signify real involvement.

Securing and maintaining private sector involvement in area-based regeneration has proved problematic in the past. Even where plans relate to their immediate operational environment, it has often been hard to persuade local businesses to engage in, or take ownership of, the overall initiative. Most NCR pathfinders found questions of who to involve, who would best represent the sector and how to sustain their involvement, just as difficult at a strategic level.

The private sector is as heterogeneous as any other group. Businesses have different, sometimes competing, interests; they bring

different perspectives and have diverse contributions to make. Intelligence about their external environments and markets, their local infrastructure needs, their skill and training requirements can help to inform a competitiveness strategy. But many private sector members struggle to make the connections between their own business interests and practices and wider considerations, either about economic competitiveness or social exclusion.

It is more feasible to find people who can speak *about* the sector than *for* it. Active and committed individuals may have no representative standing. In one or two pathfinders, such as Lewisham and Luton and Dunstable, specific individuals, businesses or organisations played a prominent role. But still this does not necessarily lead to more broad-based involvement. Similarly, where large firms are involved, local managers cannot automatically align multinational or national company policies with local interests. Having a manager from Vauxhall on the Luton and Dunstable Partnership Board did not avert the decision to close the local Vauxhall car manufacturing plant. However, the partnership was able to mobilise more coordinated joint forward planning in response to the projected closure.

Various factors affect the likelihood of engagement: the type or size of business; the constituency of business organisations; whether or not an area has a clear identity, such as Plymouth, or more indeterminate boundaries, such as Sandwell.

Chambers of Commerce are most often the chosen representative bodies, but their main constituency – small- and medium-sized enterprises (SMEs) – may think they have little to gain by engaging at a strategic level. They are more likely to become involved in their own neighbourhood or business catchment area than feed into overarching plans. They may have little or no spare capacity. In many regeneration areas, lack of capacity (lack of enterprise and business growth) is part of the problem. This underlines the importance of bringing in other organisations such as the Confederation of British Industry (CBI) or Business in the Community (BITC), sectoral groups or other local business leaders' groups.

It is sometimes said that the private sector's entrepreneurial culture could usefully infuse the

public sector. While any encounter between different approaches can be stimulating, it is important not to have over-inflated expectations. The private sector seldom brings distinctively transforming qualities and, in any case, entrepreneurialism and innovation equally feature in other sectors.

### *Making the business case for involvement*

As strategic partnerships take on more responsibility for decisions affecting the allocation of mainstream resources, their role will become more significant for all sectors. They must reach a consensual view about why businesses should participate, what they can bring, what they can expect to gain and what strategic role they can play.

Very often, business managers believe their best contribution to the locality is to maintain a thriving business, not be diverted into activities with no obvious business returns. It is important that companies recognise ‘corporate social responsibility’ as a matter of self-interest, not altruism; that “it brings business benefits and improves their competitive position” (SEU, 1999b, p 139). In other words, the business case for involvement needs to be made to:

- assist individuals once they are at the partnership table;
- clarify which parts of the sector will most appropriately represent it and indicate the range of ways in which people can participate;
- indicate the information and support needs of private sector members if they are to make a valid contribution.

### *A breadth of involvement opportunities*

Croydon exemplifies a partnership:

- engaging a wide range of businesses – major companies and SMEs with different sectoral interests;
- ensuring that they have multiple routes to involvement in aspects of the partnership agenda central to their interests.

Over half the 24 members of **Croydon Partnership Board** were from the private sector, including representative bodies such as the Chamber of Commerce, large firms such as Nestlé (UK) Ltd and British Telecom, SMEs, retailers and developers, manufacturing and service sectors. Other ways in which business could be involved were through:

- a marketing company – Croydon Marketing and Development – sponsored by the 28 town-centre businesses and the council;
- an ‘ambassadors’ scheme to promote Croydon to business;
- specialist working groups to strengthen small businesses, secure inward investment and raise awareness about social exclusion.

Such a range of options can lead to other dimensions of corporate social responsibility such as:

- local sourcing;
- involvement in training, community development and other initiatives;
- sponsorship/support to local projects and organisations;
- mentoring new businesses;
- local accountability tools such as social auditing and reporting pioneered by the New Economics Foundation;
- benchmarking good practice through schemes such as Race for Opportunity.

The BITC idea of ‘business brokers’ to mediate between partnerships and SMEs was picked up by the SEU. This recognises the need to capacity build and the problems of developing any representative structure given the reluctance of SMEs to attend meetings. BITC and Chambers of Commerce are seeking government funding support – parallel to the Community Empowerment Fund – for training provision and support for SMEs, particularly for neighbourhood renewal, but also for more strategic engagement.

BITC has been working with Coventry City Council and the Chamber of Commerce to build up a business group and local small business forums for development areas in the city to complement the representation of major businesses on the Coventry Community Forum (CCF). As CCF moves towards LSP status, it is looking for better private sector coverage across the city through a 'business champion' for each area.

### *The role of employers*

Businesses have a major role as employers in relation to recruitment and training policies and issues such as healthy workplaces. But so do other partners. It is important that public sector agencies recognise their role as often the largest employers in the area as well as their service delivery functions.

## Voluntary and community sectors

“We are increasingly moving from a three-legged stool to a four-legged one – seeing the community sector as separate from the voluntary sector.” (Plymouth NCR respondent)

When public–private partnerships (PPPs) first began to embrace the third sector, the voluntary and community sectors were often perceived as synonymous. There is overlap, but also important distinctions. Voluntary sector organisations differ in size, roles and functions. Many have paid staff; some, but not all, use volunteers; they may or may not include service users on their voluntary management committees. Community groups are more characteristically self-help and self-controlling groups, usually wholly reliant on volunteers. While some are well-established groups or networks, they can be more ephemeral. Invariably they are very under-resourced which limits their capacity for wider participation.

What voluntary and community organisations usually share is an advocacy role on behalf of their members or users. Part of their strength lies in their independence from the state that they and others within a partnership need to recognise to avoid them being co-opted to someone else’s agenda. This, along with other issues, is addressed in Chapter 8.

## Partnership arrangements

### *Shared values*

Partnerships operate on the basis of a mix of formal and informal expectations, understandings and arrangements. Formalising everything would be impossible and stifling; however, articulating shared values and expectations is useful symbolically and practically as organisations learn to trust and work with one another.

**Barnsley partners have signed up to shared values:**

- openness and honesty;
- trust;
- respect for the position of others;
- willingness to enter into frank but constructive debate;
- willingness to be open to challenge and change.

### *The corporate role of the partnership*

Partners need a common understanding of their collective role. Pathfinders generally aspired to:

- achieve a consensus about a vision for the future;
- make and review policy;
- ensure its implementation;
- set and monitor measurable targets;
- promote the area: its identity – resident self-esteem and business confidence – and its external image;
- ensure horizontal integration across initiatives within the area and vertical integration with sub-regional, regional and national policies.

### Sandwell Strategic Protocol

1. Work together to continuously develop and **implement action to achieve the Vision**.
2. **Adopt, monitor and develop the Sandwell Plan** as the strategic framework for individual and joint action.
3. Develop the Sandwell '**family of partnerships**' to take responsibility for the development and implementation of the Sandwell Action Plan.
4. Review and monitor **corporate strategies and business plans** to maximise their contribution to achieving the shared Vision and Action Plan.
5. Jointly review the availability and use of **resources** to focus on the Sandwell Plan.
6. Seek and enter into appropriate **joint planning and management** arrangements.
7. Work together to ensure the Sandwell Plan is **accountable to the community** of Sandwell and their aspirations.
8. Work together to **promote the Sandwell Vision** and implementation of the plan with other agencies in the borough and at **sub-regional, regional, national and international levels**.
9. Work with government to develop the '**Sandwell Compact**' to secure alignment of all public resources spent in Sandwell.
10. Work with thematic and area partnerships and ensure each produces an **annual statement** on progress and issues for civic partnership consideration.

### Role of members

As well as agreeing their corporate role, members need to know what is expected of them individually. **Southampton Community Regeneration Alliance** (SCRA) specified that partners:

- subordinate agency/sectional interests to those of the city and the partnership;
- could speak with authority about what their organisation could deliver;
- carry their involvement through into active implementation of the strategy;
- take community engagement seriously.

### Southampton Community Regeneration Alliance role specification for members

- Ability to take an overview of the city as a whole and represent the public interest rather than a single issue or locality
- Ability and authority to represent their own agency or group in strategic matters, including resource decisions where appropriate
- Ability to further the implementation of the strategy through communication within their own agency and organisational support for the executive and local boards
- Ability to communicate with others about the work of the SCRA, while respecting confidential information where disclosure would be detrimental to the public interest
- Providing information to the SCRA as required
- Attending community conferences and listening to the views of those present
- Taking into account the views of the public put forward other than at the community conference.

### Leadership

“A potential weakness of NCR is that it depends too much on local government’s capacity and commitment.” (Higher education respondent)

Paradoxically, partnerships need strong leadership as well as parity among partners. Local authorities are invariably cast in the leadership role. Given their wide range of responsibilities, significant resources and democratic legitimacy, they are expected to lead and shoulder much of the responsibility and outlay for strategy implementation. This can lead to them being, or being perceived to be, over-dominant. Relevant factors in achieving the right balance are:

- the personal and institutional style of leadership;
- the clarity of mutual expectations about roles and responsibilities;
- the extent to which other partners are prepared to invest resources and time in the partnership;
- the pace of development: avoiding pushing partners too quickly but not being held back by the slowest.

### Marks of maturity

Partnership cannot be rushed. Building trust takes time. Even for longstanding pathfinder partnerships, creating a partnership vehicle to fit their strategic ambitions was a lengthy process. Trust and unity will also be tested at each stage of the partnership's transition, especially as it moves into delivery mode. New external pressures, such as national policy developments, provide an impetus to building solidarity just as they may have triggered partnership in the first place.

Adapting to partnership does not mean moving towards sameness. A mark of maturity is how far partnerships are able to accommodate and exploit difference. The goal must be to maximise the synergy from combined perspectives, expertise and agency roles.

A related criterion of maturity is how far the partnership can cope with conflict. Progress requires candour, ascertaining members' reservations about partnership as well as their aspirations, confronting rather than side-stepping conflict. Trust must extend to confidence and mechanisms for resolving differences.

**Suffolk Pathfinder** discussed the possibility of a broad overarching member-led body for the county. Issues about two-tier local government were a sticking point, but it was seen as a good test of the Pathfinder that it could withstand such disagreements.

### Wider partnership structures

Strategic partnerships' breadth of agenda makes their potential membership huge, but too many members around a partnership table can result in a talking shop. Pathfinders extended their range through two-way representation with other partnerships, such as HAZs and Learning and Skills Councils (LSCs), and wider partnership structures provided opportunities for different levels of involvement and more organisations to participate.

### Tiered structures

Tiered decision making can allow breadth of partnership to be combined with executive capacity and marry political and officer-led groups.

- **Kirklees Partnership**, comprising 26 organisations, meets quarterly.
- **Kirklees Partnership Executive**, with 10 member organisations and chaired by the Leader of the Council, meets bimonthly.

- **Liverpool Partnership Group**, chaired by the City Council Chief Executive, comprises CEs or equivalent of the partner organisations. It meets monthly or bimonthly.
- **Liverpool First Board**, comprising board members or equivalents, with their CEs, is chaired by the Leader of the Council and meets quarterly.

### Subgroups

Pathfinders also established thematic or strategy groups: some to do detailed work on specific objectives or sections of the action plan, others for designated tasks such as marketing or setting performance indicators.

**Haringey Regeneration Partnership Group** has six thematic boards, each supported by the Council's CE's service and other agencies. They are:

- neighbourhood renewal group
- raising achievement theme group
- competitiveness and sustainability theme group
- community safety executive board
- employment pact
- health and social care board.

**West Cumbria Partnership** is a partnership of partnerships which works through its member organisations. It has four thematic groups broadly aligned to the four main priorities in the North West Regional Economic Strategy, plus an outer grouping of 12 free-standing partnerships linked to the 12 objectives of the partnership strategy.

These wider structures extend the breadth and depth of partnership. They:

- enable more organisations to participate;
- involve more people from different levels or departments within organisations;
- tap into a wider range of expertise;
- promote more in-depth understanding across disciplinary and agency boundaries;
- encourage new forms of joint working.

Structures should not be set in stone. They need to be fit for their purpose at different stages in the partnership's life cycle.

## Making sense of who does what

The explosion of initiatives and partnership working has made it harder to keep track of roles and responsibilities and the personnel involved.

**West Cumbria** produced a directory of organisations involved in regeneration, and is pioneering the development of an activity map that should enable organisations to identify potential partners.

Kirklees Partnership Mapping Exercise shows the value of mapping for highlighting gaps as well as facilitating links. It shows the interrelationship of initiatives and partnerships and overlapping memberships. It can be interrogated in a number of ways. As an interactive tool, it should be easier to keep up to date.

### Kirklees Partnership Mapping Exercise

The map shows:

- regional and sub-regional thematic partnerships = 12
- district-wide thematic partnerships = 23
- area-based partnerships = 15
- regional and sub-regional strategic partnerships = 4

Thematic partnerships:

- economy = 5
- engagement = 4
- personal development = 12
- community well-being = 4
- environment = 5
- quality of life = 5

The audit already has 600 records, listing partnerships and their individual members. Currently it can be examined by partnership and by individual, but the aim is for greater flexibility so that enquirers will also be able to interrogate it by spatial area and themes. Once ready the database will be put onto the local authority website and there will be an accompanying CD ROM.

This chapter has looked at the ways in which pathfinders have laid the foundations of their partnerships. The next chapter examines their approach to strategic thinking.

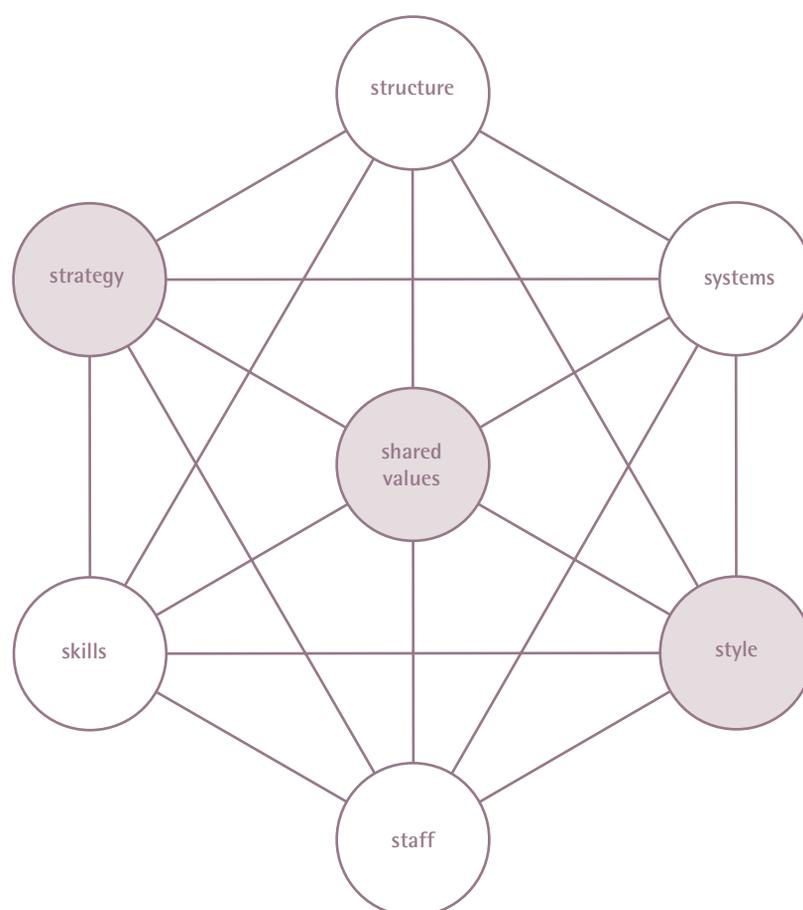
### Key points

- Building trust and partnership takes time
- The breadth of membership must match the partnership's strategic ambitions
- Partners must reach a consensus about their corporate role and mutual expectations
- Strong committed, but not over-dominant leadership is critical
- Maturity in a partnership means being able to accommodate difference and cope with conflict
- Wider partnership structures serve an important purpose in extending the range of the partnership and providing appropriate vehicles through which it can work.

# 6

## Strategic planning

"A strength of NCR is that it can set a wider framework and definition of regeneration. It is not bounded by inflexible delivery plans and performance reporting." (Health authority respondent)



NCR shifted partnership up a gear. LSPs also face the challenge of a new order of strategy making and making partnership integral to agencies' core business.

Successive grant regimes have specified the goals, activities and partners for regeneration. NCR was not driven by funding; pathfinders could adopt their own definition based on their overall needs and opportunities.

### Strategic thinking about regeneration

"NCR allows a borough-wide perspective which enables inclusion of the needs of the slightly less deprived communities not covered by neighbourhood-based regeneration programmes." (Tenants' and residents' association respondent)

Area factors also affected policy emphasis and approach. Pathfinders sometimes saw regeneration primarily in terms of tackling deprivation, that is, one set of activities among many. For others, it signified sustainability in its widest sense, the rationale for managing the area, the glue holding everything together. The possibility of different perspectives meant that

reaching a consensus vision was not necessarily easy.

Within and across pathfinders different degrees of priority were given to:

- an overall vision for the area to which each partner could contribute and within which they could fit local plans;
- prioritising future targeted regeneration, say, by a phased approach to identified areas, focusing particularly on tackling social exclusion;
- economic development, especially trying to link people in high unemployment neighbourhoods to employment opportunities;
- finding different ways of mainstream working including more compatible operational boundaries;
- connecting new forms of policy development and delivery with new forms of community engagement.

**In Kirklees**, NCR brought a strategic approach for the first time. Although partnership working was well established, existing partnerships were either thematic or area-based. NCR's aims to encourage greater partnership, coherence, flexibility and innovation in regenerating communities were building blocks of the Kirklees vision and strategy. Kirklees adopted a definition of regeneration covering social, environmental and economic goals, and a strategy based on a shared partnership vision and common priorities, making better use of existing financial resources and a closer working relationship with central government. Partners recognised the value in working together at a strategic level on a whole range of crosscutting issues to test out better processes for working together using mainstream resources.

**Luton Dunstable Partnership** strategy was a 10-year regeneration plan for the conurbation, reflecting a shared approach to reverse the fortunes of a major sub-regional employment centre, heavily dependent on manufacturing industry that had been in decline for 20-30 years.

**Greater Peterborough Partnership** faced a mix of urban and rural deprivation alongside areas of dynamic growth, which, together with the redesignation of Peterborough City Council as a unitary authority, required a review of objectives and priorities, and strategic ways of delivering them through partnership.

## Translating partnership into strategy

Pathfinders sought an inclusive process of translating partnership intent into joint strategy. Shortcuts were counterproductive. Brent, for example, found that commissioning consultants to produce a strategy was a mistake, not through any fault of the consultants, but because it was an external exercise. Strategy has to take account of wider contextual matters: local politics, organisational perspectives and capacities, and interagency relationships as well as socioeconomic circumstances, problems and opportunities. Producing it externally can serve to focus dissent and generate disillusion so that partners lose their sense of involvement and drift away. Partners themselves may have to go through the ground-clearing and learning processes necessary to 'grow their own' strategy, as Brent subsequently attempted. Although more protracted, the slower pace allows time to work through disagreements and overcome barriers, and is more likely to build relationships, produce greater ownership and generate a more promising strategy.

**Brent Council** produced a Green Paper in July 2000, *Addressing social exclusion through regeneration*, as the first step in the development of a new regeneration strategy. Its purpose was to stimulate widespread debate, especially in forums such as the NCR Partnership and the Inter-Agency Senior Management Group. It began from the premise that solutions had not worked in the past because they treated symptoms not causes; they imposed solutions without first defining the problem properly. The Green Paper therefore sought to ask the questions that would help define the issues.

The maturity of a partnership is also significant. A fully overarching strategy may be out of reach in the early stages when it is more feasible to pursue a limited number of realistic goals that could demonstrate the added value of partnership. People usually come to the partnership table for highly instrumental reasons. Success will keep them there.

### Strategy planning processes

A strategy should serve to cement the partnership (Carley et al, 2000) and the process of its development should also strengthen rather than weaken the partnership. Strategic planning cannot be a wholly centralised or centrally controlled activity. It must balance direction with responsiveness and flexibility, ascertain what is practicable as well as desirable and use the knowledge and awareness of people in key positions throughout the relevant organisations. Planning processes must be sensitive to the statutory and territorial roles of individual agencies to avoid duplication or conflict and ensure that emerging strategies can influence and/or be thoroughly embedded in existing activity. The partnership structures – sectoral, strategic or thematic groups – should serve to involve a wider range of organisations, people and expertise, and gain broader ownership.

Strategic partnerships cannot stake everything on becoming all-singing, all-dancing themselves. They are as much about bringing others together and relating to other strategies and plans. This entails, not only multilateral, but also bilateral planning processes to explore where and how different agendas converge or diverge, and reveal how existing areas of work lend themselves to a new joint approach and partnership branding. Bilateral discussions can also make planning more realistic: it is easier for organisations to be candid about who they will work with, what they can deliver and where they can add value.

### Multilevel strategic planning

Sandwell, Kirklees and Coventry illustrate a multi-layered approach to establishing a vision and priorities for the strategy, combining different ways of involving a wide range of stakeholders.

**Sandwell Civic Partnership** adopted a set of principles to guide all its collective action and that of individual partners:

- *Inclusive society*: empowering people to be as involved as they want to be through developing their own abilities and the activities of partners to involve communities in the planning and delivery of services and activities.
- *Equality of opportunity*: all sections of the community to have access to services appropriate to their needs.
- *Sustainable development*: implementing the Sandwell Plan in accordance with Local Agenda 21 principles.
- *Evidence-based action*: drawing on knowledge of what works from elsewhere, as well as on accurate information about Sandwell trends and the wider socioeconomic and institutional context.
- *Effectiveness and efficiency*: a process of continuous service improvement to ensure action is appropriate, accountable, effective and efficient.

**Kirklees Vision and Strategy** "is based on the underlying principle that it needs to be developed, agreed and owned by local people and businesses, and by the agencies and organisations which serve them".

- A 'visioning' conference was held in November 1998 at which nearly 100 people from 60 organisations achieved a broad consensus about key issues and identified 11 priorities.
- A working group for each priority convened to establish a baseline position, define a 'vision' and identify actions to achieve it.
- A 'competitiveness audit' was commissioned to benchmark performance in the district against a range of socioeconomic indicators.
- A public expenditure audit was carried out to establish volume and flows of spend.
- Deprivation was mapped using a range of locally available data.

- A community open day was held in March 1999 at which over 400 local people and 160 representatives of partner organisations reached general agreement about priorities and ways of tackling them, and added two priorities about inequalities and transport.
- A draft summary of the Vision and Strategy was circulated in July 1999 to every household, receiving over 2,000 responses – most broadly supportive.
- The Vision and Strategy were amended on the basis of responses.
- Responses and their geographical origins were analysed in detail to assist future service planning.

**Coventry Community Plan** – one of the first in the country, launched February 1998 – was distinctive as a *city* not a city council plan. The council gave coordination and strategic leadership. The Leader invited 150 key, cross-sector stakeholders to a conference in July 1997, to identify key issues and potential ways to address them. A wider consultation process over the next three months included:

- invitations to over 250 organisations to participate;
- ward-based consultation events held by elected members;
- people in some of the city's more marginalised communities contributing through the locality-based area coordination structure;
- two well-attended youth conferences;
- general public participation through the local media.

Coventry University analysed the findings before a second city conference in November 1997, which established priorities for the Community Plan and the City Forum as the body to oversee its development and implementation. The Community Plan was complemented by locality-based action plans: a 'periphery-in' approach to balance a 'centre-out' one. Area coordination, which began in 1994 in the six most deprived areas covering about half the population, was to be extended city-wide through a multiagency planning and service coordination mechanism based on partnership, also involving residents in planning and delivering local actions.

### *New approaches to urban-rural issues*

Several NCR pathfinders cover urban and rural areas. Their different mix of town and countryside affects the challenges they face. But, for all of them, "the local partnership is seen as a mechanism for forging a new relationship between urban and rural policy agendas and specifically to challenge what is seen as a false divide between the two" (McLean, 2000, p 25).

Thematic as well as spatial approaches to regeneration are particularly relevant in rural areas. Rural communities are dispersed, problems are less concentrated and therefore more difficult to measure. Herefordshire, especially, is trying to convince government that the different form of rural social exclusion makes it important to "test out the viability and effectiveness of reaching the most marginalised groups by targeting 'communities of need'" (McLean, 2000, p 26).

**Herefordshire Partnership's** response to the *National strategy for neighbourhood renewal* consultation (SEU, 2000a) indicated that, while many issues for the most excluded groups in the countryside are the same as urban ones,

the individual experience of these problems is often exacerbated by the very fact of living in a sparsely populated area. Both invisibility and isolation bring added difficulties for the most excluded in our rural communities. The opportunities to access information and advice are likely to be less, the availability of services and facilities (eg childcare, transport) are poorer, and the chances of being able to receive support from others in a similar situation more remote than for those living in an urban environment.

A successful SRB 6 bid was the cornerstone of **East Lancashire Partnership's** wider strategy to build a dynamic city-region, which embodied their concept of 'city living in a rural context'. It proposed a regional park covering the whole of East Lancashire, including the Rural Priority Area, the Forest of Bowland Area of Outstanding Natural Beauty (AONB), West Pennine Moors and South Pennine Heritage Area, but concentrating much of the activity in a broad band of urban fringe land adjoining very deprived wards.

## Horizontal and vertical integration

Pathfinders sought to ‘nest’ strategies effectively and ensure consistency across partnerships and agencies within their area.

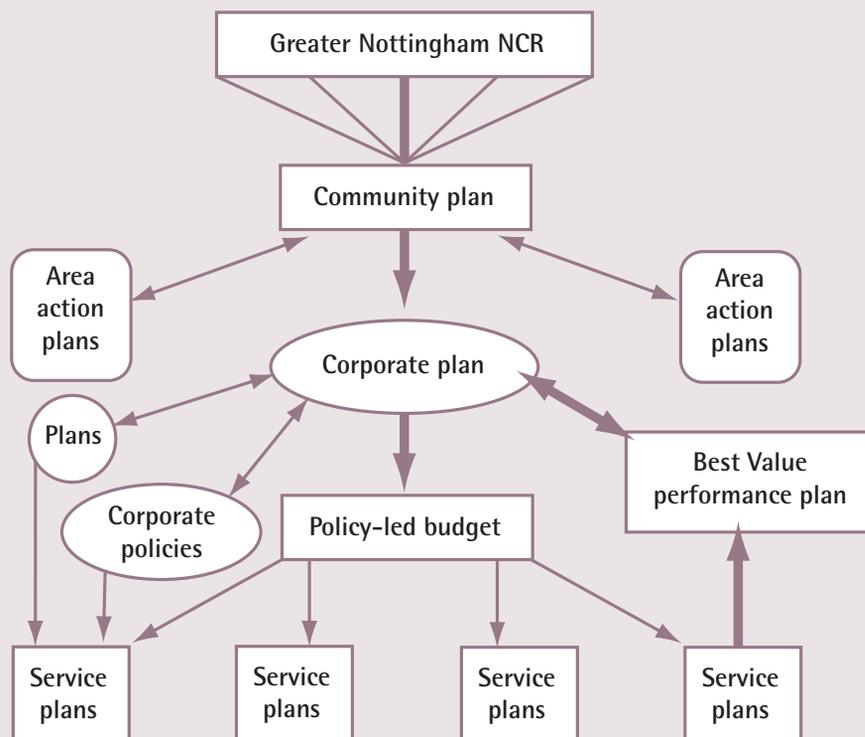
**Salford Partnership's** regeneration strategy expressed the different ‘directions’ of integration:

- *upwards* by ensuring clear and effective channels of communication to enable local communities to shape and influence the strategy;
- *inwards* through the strategy becoming part of the fabric of each partner organisation so that all partners work towards the same goals;
- *outwards* through key partners committing themselves to developing and implementing the strategy across the city, and the city itself playing an active part within the region.

**Luton and Dunstable Partnership (LDP)** established links and clarified respective roles with local authority-level multi-interest partnerships in response to health and local authority policy developments, such as health improvement programmes and community planning. They agreed the division of responsibilities:

- the proposed South Bedfordshire Partnership Board (SBPB) and Luton Forum to be the primary focus for multi-agency working;
- key agencies to remain independently responsible for delivering strategic vision and action plans on the ground;
- duplication to be avoided;
- the NCR role of LDP was to foster conurbation-wide links on chosen issues and seek to influence debate in other partnerships and agencies so that their strategies reflect those links;
- LDP to take forward SRB projects generated in consultation with the community and a range of partners;
- the NCR strategy to be developed jointly with SBPB and Luton Forum as a loose federation of agencies with a common agenda, delivered by the various agencies involved.

### Fitting the plans together in Nottingham



**Suffolk Pathfinder works at different levels:**

- strategic work around the interrelationship of budgets, strategies, plans, policies and data;
- zone work around small geographic neighbourhoods or single themes.

**East Lancashire Partnership** saw itself as having a role in interpreting and influencing regional strategies and setting the sub-regional guidance for local ones.

**Middlesbrough Direct** endorsed the West Middlesbrough NDC Delivery Plan and made it a priority. The NDC objectives closely match those for the whole town. Key agencies are involved in both partnerships.

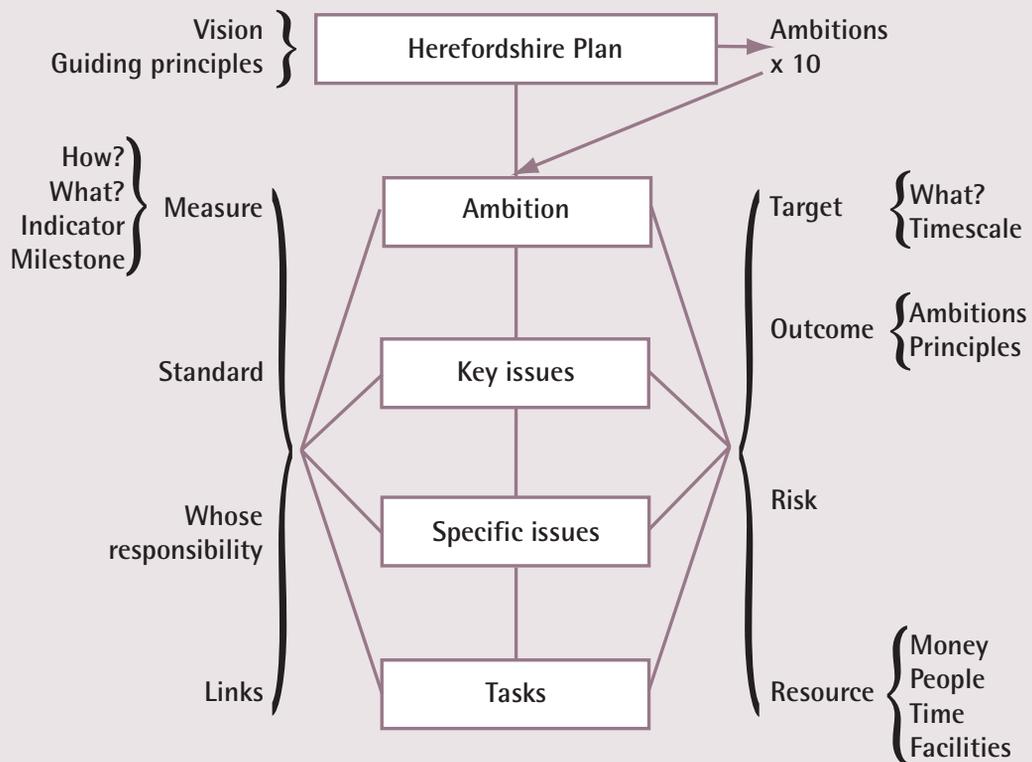
**West Cumbria** integrated its 12 pathfinder objectives with the four key themes of the North West Development Agency's regional economic strategy:

- community development
- business development, education and training
- built environment
- infrastructure and investment.

**Herefordshire Action Planning**

A coordinated approach to action planning was agreed across the (themed) ambition groups. Although they were at different stages of planning, the linkages already promised improved joining up on the ground. They intended to move towards an electronic version of the action planning process: to use 'Mindmanager' or similar software to provide links to relevant databases, strategies and plans. The map and its links could be put on a website.

Each of the ambitions in Hereford's Plan (for example, improving health and welfare) led to the key issues (such as, tackling drug supply and misuse), further broken down into issues (such as, public awareness campaigns) and then into tasks. At every level, the plan would identify measures of success with indicators and targets, responsibility for coordination or delivery as appropriate, and links both to the next level and to associated databases, plans and strategies.



## Action planning

Turning strategies into action plans can expose weaknesses, tensions or unresolved conflicts because delivery mode requires moving from abstract generalities to concrete specifics.

### *From wish lists to action plans*

Herefordshire's planning process shows the questions that action plans need to answer if they are to be capable of implementation:

- Who are the lead players to deliver specific initiatives and actions?
- Who is responsible for specific targets and milestones?
- What are the arrangements for monitoring?

These lead to other questions, for example:

- Do activities rely on new money? If so, is this a realistic option?
- Does the plan require new contracts or service level agreements (SLAs) and are these being developed?
- How far does it rely on a culture change yet to be achieved?

### *Adapting the structures*

Action planning and implementation also raise new questions about delivery structures. Establishing delegated delivery vehicles can allow the main partnership to concentrate on its strategic role.

In **Liverpool**, strategic issue partnerships, such as the Crime and Disorder, Strategic Housing, Lifelong Learning and Strategic Employment Partnerships are becoming coordinating bodies to ensure delivery of key elements of the strategy. Where there are gaps, they are being filled either by new groups, such as the Business Development Forum, or through reconfiguration as with the Health and Social Regeneration Partnership to deliver joint planning and the Health Improvement Programme (HIMP).

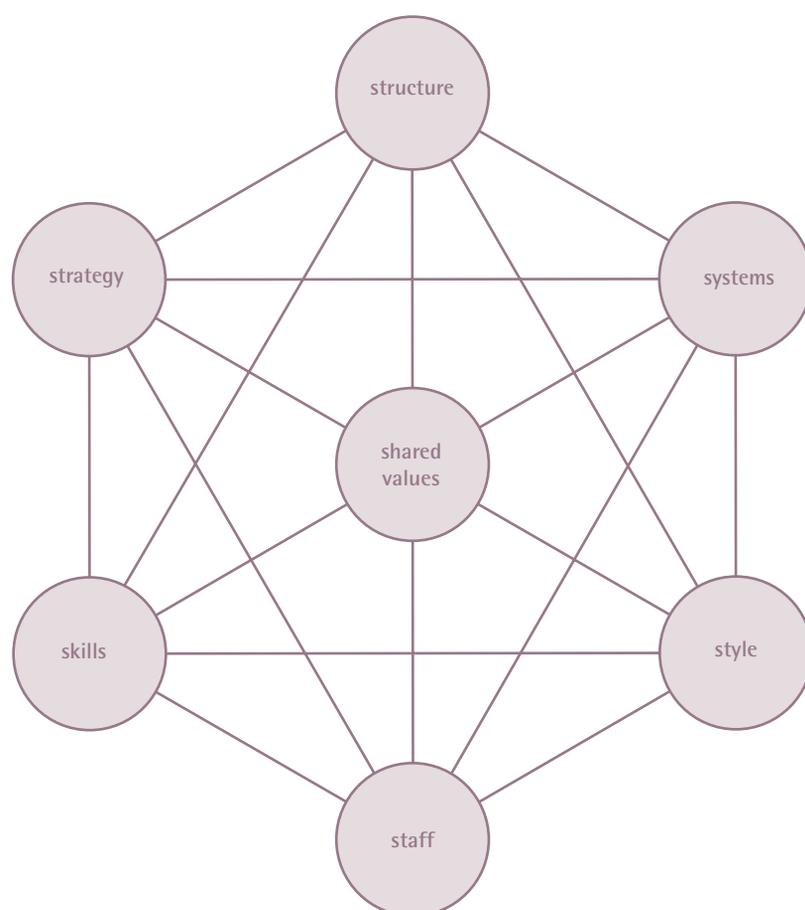
This type of move towards new delivery structures leads directly to the subject of the next chapter: joined-up delivery.

### Key points

- Strategic partnerships face a new, all-encompassing order of strategy making based on a more expansive concept of regeneration
- To be effective and draw widespread ownership, the planning process must be inclusive and take account of a wide range of contextual issues
- The goal is a strategic framework that ensures a fit of plans across agencies and neighbourhoods, and objectives that are consistent with sub-regional, regional and national policy targets
- Translating strategies into action plans can reveal the faultlines of partnership because it requires partners to turn their general support into specific commitments.

# Joined-up delivery

NCR has been a good springboard for [our] Partnership ... in guiding the development of joint working. The Partnership has now achieved a momentum of its own. (Chamber of Commerce respondent)



This chapter encompasses the whole McKinsey framework. It looks at turning a strategic partnership into an effective delivery vehicle and the parallel processes necessary within partner organisations. During the research, few pathfinders were deeply into implementation so the lessons here are still more about *planning* for joint delivery than the fruits of extensive experience.

## The partnership as a delivery vehicle

The challenges in making the partnership's structures and processes fit for new roles and purposes are to:

- widen the partnership while remaining focused and action-oriented;
- adapt wider partnership structures to focus on delivery;
- resource the partnership;
- develop and coordinate empowerment and participation strategies across the partner organisations;
- link with other overarching plans and processes;
- rationalise the plethora of other partnerships;
- resolve issues of power, influence and accountability;
- retain and extend the trust and involvement of all interested parties;
- address the democratic deficit and develop new democratic mechanisms;
- identify and address the implications of the partnership's agenda for organisational change and staff development in individual organisations;
- define the added value of the strategic partnership and put in place monitoring, evaluation and review systems.

### *A whole systems approach*

Problems arise in implementing strategies if strategic formulation ignores the conditions in which implementation is to take place and the capacity available (Mintzberg, 1994). A 'whole systems' approach is necessary to understand the drivers and counter-drivers on organisational behaviour (DETR, 1999). Pathfinders reflected this in articulating their shared values, commitments and progression to protocols and service-level agreements.

Partners in **Barnsley** recognised that their shared values had to be translated into shared action for partnership to work properly. Partner boards (or equivalent) agreed to underwrite partnership by:

- early notification when new programmes, new policies or changes of direction are being considered;
- willingness to debate and review policy;
- a coherent service package;
- exchanging financial planning information (where joint interests are involved) at an early stage in the budgetary process;
- data exchange (within Data Protection Act limits);
- developing joint information systems for developing services and planning delivery.

### **Sandwell Operating Protocol**

1. Members of the Partnership will be Chairs/Leaders/Chief Executives of partner agencies, with delegated authority to effect change in the way agencies work together.
2. The Partnership will nominate representatives to regional and sub-regional bodies who are normally the most senior person responsible for the organisation's work in Sandwell.
3. Members of the Partnership will make a personal commitment to the work of the Civic Partnership, that is, to attend meetings personally and regularly and to prioritise Civic Partnership business.
4. The Civic Partnership will meet every eight weeks.
5. Partnership Chief Executives will meet to determine the agenda for Civic Partnership meetings.
6. The partnerships comprising the Sandwell 'family of partnerships' will report regularly to Civic Partnership meetings on progress, achievements and issues.
7. Partners will fund jointly and/or contribute resources to the effective establishment of a Secretariat to support the work of the Civic Partnership.
8. Partners will work collaboratively in partnership to bid for resources that will contribute to the achievement of the Sandwell Vision and Plan.
9. Partners will assess jointly socioeconomic conditions and influences on Sandwell's well-being.

## Kirklees

### Key areas of work

- *Providing information* to develop community debate and input to policy planning and service delivery
- *Integrated planning* to improve planning processes, such as joint research activity; models for community planning at local level; coordinated approaches to obtaining external funding; input to regional planning processes
- *Joint service delivery*: particularly key strategic projects to test new ways of working and develop mechanisms for better integrated mainstream services
- *Monitoring, reviewing and evaluating* the implementation of the Vision and Strategy.

### Achieving the outcomes

- Committing staff resources to implement projects
- Developing project action plans and a framework for monitoring and evaluating the initiatives and effectiveness and impact
- Developing appropriate reporting and review procedures
- The Executive to have a role in advising and supporting initiatives and, where necessary, the Partnership to involve the GOR to influence and pull down resources from mainstream programmes and relax regulations to support initiatives
- Tools such as SLAs and protocols.

- establish the partnership's identity, avoiding over-identification with one partner, usually the local authority;
- service the partnership;
- maintain an overview of the strategy and progress;
- act as a spur to counter any loss of momentum;
- network across sectoral, organisational and professional boundaries;
- take responsibility for monitoring arrangements.

In **Coventry**, the City Forum, the programme delivery groups and working groups all have designated officers to support their work. During the early period, these were all senior City Council staff though this was anticipated to change.

**Kirklees Partnership** had 1.5 dedicated officer positions employed by the Council but directly responsible to the Partnership. The operation was funded primarily by Kirklees Metropolitan Borough Council, with contributions from partners based on their size and ability to contribute.

**Liverpool** was unusual in having an Executive team as soon as it gained pathfinder status. The original team, although largely resourced by the City Council, also drew on staff from other organisations. It took forward the process of developing the Liverpool First strategy and action plan. When moving to implementation, the team's role was reviewed to identify the skills and expertise appropriate to this new phase. Although the City Council continued to make the largest single contribution, 10 other member organisations also committed resources totalling nearly £100,000, for assembling a new team. It is located in Liverpool Health Authority adjacent to the Merseyside HAZ team, in space freed by co-locating the Liverpool Health Authority Drug Action Team in the City Council.

## Executive teams

“The recruitment of staff to carry this forward is essential. Momentum has waxed and waned in relation to whether there was anyone in post. It is necessary to have a link between partnership tiers – to get views through to the Board and gain ownership and motivation at other levels.” (Local authority respondent)

Progress towards joint working will be impeded if staff have to juggle competing demands and their main loyalties lie elsewhere. Strategic partnerships need dedicated staff to:

### Meta-networking

Partnerships have frequently brought CEs together effectively and achieved good collaboration at project level. But there has been a ‘missing middle’ and people at intermediate levels in member organisations have remained outside the loop. Horizontal links across organisations at all levels, and vertical links within them, are necessary both to deliver the strategic intentions of the CEs and incorporate on-the-ground messages about effectiveness. Networking is therefore a core role and competence.

In the ‘virtual’ community of partner organisations, meta-networking is required to develop processes for maintaining and managing connections across systems, “facilitating those links made difficult by organisational procedures, cultural misunderstandings or fear” (Gilchrist, 2000, p 271). ‘Networking the networks’ means “providing boundary-spanning links and identifying the beacons, barriers and bridges that enable others to navigate across unfamiliar and hazardous terrain” (Gilchrist, 2000, p 271). It encompasses roles of broker, mediator, advocate and interpreter. It is important for all organisations, but especially for effective communication with, and greater involvement of, businesses and voluntary and community organisations.

The **Liverpool Partnership Group** Director's key tasks included leading the team, ensuring the implementation of the programme and its monitoring and evaluation and establishing mechanisms for consulting and involving the community. The person specification stressed a track record in cross-agency working and communication, mediation and negotiating skills.

### Joint working

“A strength of NCR is the attempt to co-ordinate mainstream activity in support of common objectives: its lateral thinking and move away from ‘chimneys’ such as health, crime, housing.” (Benefits Agency respondent)

It is difficult to isolate the NCR effect because partnership is generally more widespread. But it has certainly facilitated integration even though there remains a long way to go to make the connections between strategies and achieving real changes on the ground.

#### Plymouth Integrated Planning for Children and Young People (PIPCC&YP)

The merger of the Plymouth HAZ Programme Board and the Children's Services Planning Group significantly improved planning for children's services in Plymouth. Having a single body including all key partners with strategic responsibility for planning and development of services in Plymouth reduced duplication and began the process of integration.

Croydon was a Beacon Council 2001/2 for local health strategies. Healthy Croydon Partnership illustrated the value of vehicles fit for their purpose, and personal as well as strategic links between partnerships.

**Healthy Croydon Partnership** set up in 1999 as a borough-wide partnership comprises board members of Croydon Health Authority, Croydon Council, primary care groups, local NHS trusts, Croydon Community Health Council, police, probation, the voluntary sector and a business representative. Chief officers are in attendance. Having as its chair a Croydon Partnership board member, facilitates communication, strengthens networking and ensures links with the overarching regeneration strategy. The primary purpose of the Healthy Croydon Partnership is to develop and approve Croydon's strategic Plan for Health and Social Care, which is a joint HImP and Community Care Plan. The Partnership is supported by a unit which is jointly financed by the health authority and the council, with additional support on specific themes provided by the appropriate partner organisation. The support unit's work includes:

- *Strategic planning*: developing the HImP; helping the development of Croydon regeneration strategy and Croydon community strategy; advising on supporting strategies such as the mental health strategy, joint investment plans and children's plans.
- *Joint planning for health and social care* through approximately 15 interagency joint planning teams.
- *Coordinating the work of the Community Involvement Strategy Group*, which is developing improved methods of involving all sectors of the community in planning and policy decisions.
- *Promoting joint work between agencies*, especially the Partnership in Action Programme, to utilise the flexibilities in the 1999 Health Act for commissioning and provision.
- Coordinating funding programmes and developing policy and criteria for use of external funds and of funding applications for major interagency projects, such as SRB Round 6, a network of healthy living centres (New Opportunities Fund) and an older people's one-stop service ('Invest to save').
- *Initiating and supporting interagency projects* until they are independently staffed.
- *Providing information* through bulletins, formal reports, seminars, workshops and presentations at national and regional meetings.

### *Test-beds for joint working*

Strategic partnership can potentially revolutionise the way in which regeneration is addressed and services are delivered. But, all the possible changes cannot be introduced universally or simultaneously. Some pathfinders, such as Middlesbrough and Liverpool, are therefore using specific initiatives to test new approaches.

The partners in **Middlesbrough Direct** are committed to realigning their mainstream funding programmes to commonly agreed goals. West Middlesbrough NDC scheme is a means of achieving this at a neighbourhood level and testing a new collaborative framework for bringing together various zones, pilots and initiatives.

**Liverpool First** is using existing initiatives (Speke Garston, Liverpool Vision Urban Regeneration Company and Kensington Regeneration NDC) to 'road-test' new models and derive good practice lessons so that they can be rolled out more widely on the basis of 'what works'. The cross-cutting themes of 'innovation', 'integration' and 'implementation' provide a framework for testing their effectiveness, synergy and practicality.

### *Financial flows*

Even pathfinders with well-developed action plans had scarcely tackled joint budgeting except where it was already in place. They had yet to examine how their main programmes and budgets might be effectively reconfigured. Although there was some room for local action, the issue had become synonymous with freedoms and flexibilities. Having been invited to identify freedoms and flexibilities that would enable them to deliver regeneration more effectively, pathfinders were discouraged by the lack of progress at national level and did little themselves in this area.

However, some, such as Suffolk, started gathering the necessary data to be able to understand the flow of resources, modelling their exercise on the EIU workshop. This exercise, in itself, required considerable work and commitment from partner organisations.

The EIUA financial flows workshop explored:

- the scale and deployment of partners' budgets;
- existing examples of joined-up financial working;
- obstacles to joining up, and the changes required to overcome them.

This ongoing exercise has already been valuable. Constraints identified include:

- different management and operating cultures;
- data protection;
- lack of resource flexibility;
- nationally not locally directed programmes;
- conflicting rules and regulations;
- mismatching timetables;
- different monitoring and accounting regimes.

### *Influencing the mainstream*

“The reality of bending mainstream budgets is a vision it will take years to implement but is worth holding onto.”  
(Local authority respondent)

The importance of aligning mainstream resources was borne out by an analysis of resources in **Sandwell**. The partners spent £755 million in the borough, 75% of it on people with additional expenditure through other public, private and voluntary sector agencies. 70% of civic partners' spend came from central government, less than 2% from special programmes.

Although few pathfinders were undertaking large-scale reviews of financial flows, there was evidence that NCR was having a piecemeal influence on budgets and programmes. The second EIUA survey asked about effects on the deployment of mainstream budgets and conduct of main programmes. Over one third of the local authorities responding said it had already had an effect and nearly two thirds anticipated change in the next 12 months. Similarly, nearly a third said it had already influenced their budget deployment and nearly half that it would do so in the following year. Among the health authorities, half noted that their main programmes were already affected, although less than 30% thought that their budget deployment had been influenced. Again, half the respondents anticipated future

programme changes. Fewer expected budgetary changes, although about 60% of local authorities and health authorities had either developed or planned to develop arrangements for pooled budgets.

It would be unsafe to draw general conclusions from the limited number of responses from other organisations and the picture was clearly patchy, but overall there was evident movement within the public sector in the localities. Notably, however, respondents from GORs or central government departments had very low expectations about any influence on their programmes or budgets.

Perceptions about potential changes in their main programmes could have been influenced by individual respondents' concept of regeneration. Another interesting finding was that people in the same organisations in different locations differed about whether they saw regeneration as part of their core business. For instance, respondents from the Employment Service, HAZs, NHS trusts, FE colleges, the police and Chambers of Commerce in different areas gave contrasting replies. Apart from reflecting individual perspectives, this may signal that, in areas of widespread deprivation, no agency can fail to recognise its relevance whereas elsewhere they may take a more limited view.

### *Joint arrangements*

The EIUA survey asked partners whether NCR had led to new joint arrangements or whether these were planned. Although not universally, developments were taking place in relation to all the following arrangements:

- co-location of staff;
- joint appointments;
- joint staff development/training;
- data exchange;
- joint monitoring/impact assessment;
- community consultation;
- community surveys.

In **Kirklees**, joint projects between partners, such as management training and cooperation on research and information, have led to pooling of resources and helped to promote partnership working at lower levels of the partner agencies.

Greater Peterborough's cross-agency 'practitioners' group' looked at specific situations in which joint working needed to be improved. Group members were frontline workers. The group had the blessing of, but excluded, managers.

## Equipping for partnership

... recognising that real change in large institutions is a function of at least seven hunks of complexity. (Peters and Waterman, 1982, p 11)

The wider the remit of partnership working, the more it entails change within partner organisations, in their governance structures and external relationships. A partnership culture must permeate whole organisations. Partnership can be just as difficult within as between organisations because there are the same sorts of jockeying for position, squabbling over resources and policy disagreements. McKinsey's framework applies to member organisations as much as the partnership itself.

Strong but responsive leadership is key, plus the capacity to drive the process of embedding new ways of working throughout the organisation. Satisfactory partnership working will remain elusive if different departments or levels of the organisation have disparate attitudes and approaches. Established strategic groups of senior people can be a useful tool for breaking down departmentalism.

Research from the Institute of Local Government Studies (INLOGOV) at the University of Birmingham identified success factors for innovation in local government that have wider relevance (Newman et al, 1999). The four dimensions of capacity for change are to:

- adapt to external forces;
- be able to deliver business results;
- ensure accountability and control;
- develop cultural capacity for the future.

This entails:

- *Internal synergy*: cross-departmental working, consensual culture, learning across team and departmental boundaries and effective corporate focus.
- *Appropriate human resource processes*: recruitment geared to future needs, participative decision making, development of future leaders and a leadership style that builds commitment and trust.

Haringey Council's new strategic framework for managing regeneration must be characterised by:

- the *quality* of its strategic thinking and in time its ability to lead through partnership;
- the *capability* of its organisation to communicate its ideas and coordinate its programmes;
- the *sensitivity* of its operation to the needs of those it serves – the people, communities and neighbourhoods – and of its partners;
- the *singularity* of its structures and organisation in taking responsibility for all regeneration activities in their widest sense. (Haringey's Regeneration Strategy, November 2000)

Chapters 5-7 have discussed the stages in partnership development. The next looks at an issue fundamental to their approach and likely success: community participation.

### Key points

- Joined-up delivery requires a whole systems approach to change within the partnership and its member organisations
- Dedicated staff are essential for the partnership to help drive the process forward and facilitate the necessary linkages between policies and people
- Fundamental changes to mainstream working require partners to work together to understand and adapt resource flows
- Partner bodies need to examine their capacity for change and its implications for their culture, leadership, structures, working practices and staff development.

# Community participation

"Local communities deserve more. This is an initiative that could deliver." (Public sector respondent)

Community involvement enhances the effectiveness of regeneration programmes by encouraging better decision making, fostering more effective programme delivery, and helping to ensure the benefits of regeneration programmes are sustained over the long term. (DETR, 1998, Annexe E)

Regeneration initiatives have long been trying to develop a model of participative democracy. The difficulties of involving people in a properly representative way at small-area level are multiplied for strategic partnerships dealing with a larger population and wider range of interests and policy issues.

## Community

Community has a diverse range of meanings. There are communities of place and interest. When geographically based, shared experience of place is assumed to carry a sense of identification and belonging. But, within and across neighbourhoods, different groups may have different agendas based on factors such as gender, ethnicity, age, faith, employment status, disability or sexuality. Communities are as much subjective as objective. They can be sources of social support but, equally, they can be oppressive or divisive. Community development aims to build social capital, that is, the ties within and across communities and promote the active involvement of people in the issues that affect their lives.

### *What is participation?*

Regeneration partnerships have aspired to community participation, but seldom fully satisfied community hopes and expectations for various reasons:

- unsatisfactory participation structures; or
- participation restricted to certain policy and programme areas; or
- participation remaining token.

Participation is problematic when mutual expectations and understandings about the parameters, purpose and likely outcomes remain unclear. Community consultation has often been more a matter of imparting information than seeking views. Or residents have been asked open-ended questions about the sort of neighbourhood they wanted when the only scope for choice was about the colour of their front doors.

It is easier to involve voluntary organisations than community groups. Participation is hard for community groups themselves because their resources are over-stretched and accountability to their 'constituency' entails more time and greater exposure. Even where groups are represented, it can be as largely passive players with the agenda set by others, whereas participation suggests, not only being active within a process, but having some power and influence within it.

Local authorities and others have frequently done too little too late. Bruising experiences in the past can deter them from renewed efforts. Empowering communities and enabling participation tests their commitment and capacity because:

- it is a labour and resource intensive activity;
- it requires skills and experience that the staff concerned do not necessarily possess;
- staff sometimes do not know where to start if the community is not already well organised and if no audit has been carried out to map groups;
- the process is open-ended so there is uncertainty about where it might lead or what conflict it might generate;
- there are sensitive issues about representivity/democratic accountability: who legitimately can speak for the community?

Greater Nottingham Partnership (GNP) has a protocol for community engagement against which all GNP main partners can measure levels of local engagement.

## Levels and types of involvement

“NCR places community governance high on the agenda which hopefully mobilises people towards participative democratic approaches – reducing the ‘them’ and ‘us’ culture.” (Voluntary sector respondent)

## Community involvement strategies

The Joseph Rowntree Foundation has commissioned much research focusing on the role of local residents and community organisations. The DETR, therefore, requested JRF to prepare guidance on community involvement strategies for SRB bidders (JRF, 1999). Table 3 shows the areas covered by the guidance, all of which are also relevant to strategic partnerships.

**Table 3: Community involvement strategies**

<p><b>Getting started</b></p> <ul style="list-style-type: none"> <li>• Map local organisations</li> <li>• Understand local priorities and skills</li> <li>• Build confidence through early project work</li> <li>• Develop a vision and action plans with local communities.</li> </ul>
<p><b>Involving communities in partnerships</b></p> <ul style="list-style-type: none"> <li>• Create partnership structures that work for local communities</li> <li>• Make resources available for community groups</li> <li>• Arrange training for both community activists and professionals</li> <li>• Assist community groups with administrative and financial procedures.</li> </ul>
<p><b>Creating strong local organisations with their own assets</b></p> <ul style="list-style-type: none"> <li>• Develop a partnership ‘forward strategy’, including a strong role for community groups</li> <li>• Consider possible models for successor organisations including development trusts, neighbourhood management organisations, LETS and credit unions.</li> </ul>
<p><b>Developing an infrastructure to build and sustain community organisations</b></p> <ul style="list-style-type: none"> <li>• Accept that community organisations need long-term support</li> <li>• Contribute to the better coordination of training and support services</li> <li>• Take steps to secure pre-bid resources for community groups.</li> </ul>
<p><b>Monitoring progress</b></p> <ul style="list-style-type: none"> <li>• Establish a framework for evaluating both concrete outputs and key processes in community involvement</li> <li>• Ensure appropriate monitoring of progress both by the partnership and by GORs/RDAs.</li> </ul>

**Involvement matrix**

	Individual service users	Individual citizens	User groups	Communities of interest	Geographic communities
<b>Consultation</b>					
<b>Representation</b>					
<b>Participation</b>					

Using a matrix, such as the one above adapted from a Best Value matrix (Wilkinson and Appelbee, 1999, p 128), can be helpful for exploring who is being involved and how in particular services or projects. However, this should not just be a matter of ticking the boxes, but the methods used should be detailed and their effectiveness reviewed.

- *Consultation* through surveys, focus groups, website discussion groups, citizens’ juries and citizens’ panels.
- *Representation* of groups on relevant boards, partnership groups or area committees.
- *Participation* through managing or delivering projects, handling resources, conducting surveys, or carrying out project appraisals or evaluation.

Boundaries between consultation and participation can be very blurred as some planning for real exercises demonstrate. No single method is *the* answer. There should be:

- a range of mechanisms with the flexibility to meet different needs, and a continuing quest to develop and refine them;
- a basis of trust;
- a meaningful context for involvement – the family, school, organisation or neighbourhood;
- opportunities to develop the skills required to exploit the opportunities and maximise the benefits of participation.

The danger of poachers turning into gamekeepers – that is, individuals becoming divorced from their ‘constituency’ and having their distinctive community insights supplanted by the professional perspective – is more likely to occur if there is:

- inadequate infrastructure;
- too little capacity building;
- too much reliance on too few people, with insufficient support.

**Engaging the community**

“A strength of NCR is placing the voluntary and community sector at the partnership table as an equal.” (A voluntary sector respondent)

NCR pathfinders recognised the importance of having a variety of consultation and engagement mechanisms. When surveyed, some were starting to use community planning and Best Value processes, either through existing mechanisms or by setting up new ones. Others’ plans were still embryonic.

**Newham 2020 Community Event** enabled local people to speak directly to public policy planners. A total of 500 people attended the first event in June 1999: 350 of these were from a broad cross section of the local population, including some from the Youth Parliament; 150 were from borough agencies and community groups. The audience was able to respond to issues raised in the presentation using handsets so that the responses could be immediately relayed onto screens. Views were recorded both for use in the Community Plan and as a means to check in the future that opinions had been heeded.

When the **Coventry Community Plan** was written, about 1,000 residents were involved in area coordination. The aim to increase this to 4,000 in two years was advanced by including staff to support community initiatives in Area Coordination Teams.

**Barnsley** engaged the community in relation to the Community Plan by:

- using Barnsley Forum, a twice-yearly open invitation event for the general public to put their views to the Council and partner organisations;
- a workshop for young people on Barnsley's future, their problems and other relevant issues;
- summarising the approach with examples of the types of action plans envisaged;
- after a second Forum meeting, circulating a draft plan widely and inviting comments;
- summarising the draft in *Barnsley Matters*, the Council newsletter;
- surveying the Citizens' Panel about the strategic goals.

Pathfinders have learnt from examples of good practice within their areas about the way the involvement mechanisms can lead to greater citizen activism.

**Tynemouth Conservation Area Partnership Scheme (CAPS)** in North Tyneside was a three-year scheme bringing stakeholders together to improve the built fabric and community spirit in Tynemouth Village. It brought together residents, businesses, English heritage, North East Civic Trust, Friends of Tynemouth Station, the village association, police, council officers and members. CAPS became a catalyst for community activism and partnership resulting in:

- revitalisation of the village association;
- the formation of a new group to produce a Village Character Statement adopted by the council as supplementary planning guidance;
- a bid by Friends of Tynemouth Station to heritage Lottery Fund money;
- the formation of 'Friends of Northumberland Park' to produce a masterplan to regenerate the Victorian park;
- participation in a 'Placecheck' pilot with the Urban Design Alliance;
- villages taking responsibility for unsocial parking and other issues;
- local involvement in design and timing of environmental works.

### *A coordinated approach*

Potential 'consultation fatigue' was an early issue for pathfinders because so many public sector organisations were separately required to consult. The problem was not only duplication; consultation processes needed designing and managing to avoid generating inter-neighbourhood or group conflict. A number of pathfinders recognised and started to address the need for:

- an explicit partnership approach based on collaboration;
- developing and utilising voluntary and community infrastructure;
- staff with appropriate skills in dedicated roles.

### Developing new structures

Relying on the 'usual suspects' or on community participation at neighbourhood level is insufficient for strategic partnerships. For legitimacy and accountability, and to ensure the inclusion of groups who often remain outside participation, such as black and minority ethnic groups, capacity needs to be built and new infrastructures developed. Mapping the spread of the sectors and potential linkages quickly reveals the complexity.

Voluntary and community sectors include:

- intermediate bodies such as CVSs, ACRE, tenants' federations, community forums;
- service organisations such as social work agencies;
- neighbourhood organisations such as community associations, tenants' groups and neighbourhood forums;
- interest groups serving or bringing together groups such as lone parents or people with disabilities;
- social enterprise/not-for-profit businesses such as intermediate labour market organisations (ILMs) and credit unions;
- arts, cultural and recreational organisations.

Liverpool deliberately avoided attempting a ‘quick fix’. Instead, the voluntary and community sectors were invited, with support, to design their own means of enabling such hugely diverse sectors to participate in planning and delivery.

**Liverpool Partnership Group (LPG)** sought a sustainable means of involving its large, well-established, diverse and vocal voluntary and community sectors. It rejected a ready-made, top-down standing conference structure in favour of a bottom-up evolutionary process supported by the LPG executive team, to address the following questions:

- What are the ‘representation’ needs?
- What forms/structures of representation would work best?
- What support, information, networking and facilitation resources will be needed?

A group drawn from the voluntary and community sector is working with a facilitator on designing a ‘search conference’ – a highly participatory model, aiming to achieve shared understanding, common ground, innovative ideas, commitment and support and cover:

- where partnership working currently stands;
- where people would like it to be in 3-5 years;
- the steps required to go forward.

The standing conference aims would be to:

- create a shared understanding of voluntary and community sector involvement in LPG;
- create a shared understanding of the developing strategic agenda;
- clarify the significance for the sectors of the differences between LSP and SRB-type area-based partnerships;
- link with other developments relating to the local government modernisation;
- explore the practical realities of involving the sectors at strategic, area and operational levels;
- manage expectations about this long-term enterprise: to promote trust while interim arrangements are in place and ensure confidence in the developmental process.

## Capacity building

“A cultural shift is required to make community development work and training an integral part of what we do.”  
(Suffolk Pathfinder progress report)

A prerequisite of community participation is increasing

the capacity of local communities to contribute to regeneration and the strengthening of local fabric, for example, through training of staff and volunteers in community groups, through the strengthening of networks, forums and representative structures. (DETR, 1997)

Capacity building can take place on individual, group and sector levels (Table 4).

## Benchmarks for community participation

The need for capacity building extends to other organisations, especially the major public sector ones. If community participation is a goal and a precondition of effective working (SEU, 1999a), partnerships need to understand what is entailed in working *with* communities and to develop appropriate skills, rather than doing things *to* them or *for* them.

Yorkshire Forward (Yorkshire Forward and Yorkshire and Humber RDA, 2000) developed benchmarks for community participation around four core dimensions – influence, inclusivity, communication and capacity – and combined them with questions and suggestions about good practice (Table 5). In addition to a full discussion of the concept of benchmarking and ways of using benchmarks, there is a clear and easily reproduced summary to facilitate their use.

Achieving accessible structures and workable participation mechanisms is central to the legitimacy of LSPs and fulfilling the government’s aim to revitalise local democracy. NCR pathfinders’ experience shows that there is plenty of scope, but also that there is a long way to go towards putting the structure and mechanisms in place.

Table 4: Levels and goals of capacity building

	Increasing capacity to:
Individual	<ul style="list-style-type: none"> <li>• Understand how local affairs are controlled</li> <li>• Identify with the locality and concerns of other residents</li> <li>• Develop new skills</li> <li>• Become more employable</li> <li>• Get involved in a group</li> <li>• Respond to consultations</li> <li>• Start a group</li> </ul>
Groups/organisations	<ul style="list-style-type: none"> <li>• Be effective in activities</li> <li>• Attract and keep volunteers</li> <li>• Hold dialogue with authorities</li> <li>• Cooperate with other groups/participate in networks</li> <li>• Secure funding, use it well, account for it</li> <li>• Develop new activities</li> <li>• Create jobs/employ workers</li> </ul>
Sector	<ul style="list-style-type: none"> <li>• Serve members</li> <li>• Attract/develop new members</li> <li>• Create a sense of sectoral identity</li> <li>• Resolve differences between organisations, reach common positions</li> <li>• Negotiate with authorities</li> <li>• Attract/disburse funding</li> </ul>

Source: Skinner (1997)

The next chapter moves to another dimension of strategic partnership working that requires radical change if LSPs are to be fully effective: central–local partnerships.

Table 5: Yorkshire Forward benchmarks for community participation

Influence	<ul style="list-style-type: none"> <li>• The community is recognised and valued as an equal partner at all stages of the process</li> <li>• There is meaningful community representation on all decision-making bodies from initiation</li> <li>• All community members have the opportunity to participate</li> <li>• Communities have access to and control over resources</li> <li>• Evaluation of regeneration incorporates a community agenda</li> </ul>
Inclusivity	<ul style="list-style-type: none"> <li>• The diversity of local communities and interests are reflected at all levels of the regeneration process</li> <li>• Equal opportunities policies are in place and implemented</li> <li>• Unpaid workers/volunteer activists are valued</li> </ul>
Communication	<ul style="list-style-type: none"> <li>• A two-way information strategy is developed and implemented</li> <li>• Programme and project procedures are clear and accessible</li> </ul>
Capacity	<ul style="list-style-type: none"> <li>• Communities are resourced to participate</li> <li>• Understanding, knowledge and skills are developed to support partnership working</li> </ul>

### Key points

- Community participation is critical to partnership working for achieving better strategies and more effective policy delivery leading to more sustainable outcomes.
- Community participation in strategic partnerships entails all the challenges that apply at neighbourhood level with additional ones stemming from the greater diversity of interests across a larger area.
- Community involvement processes must begin early and be properly resourced.
- Capacity building needs to happen within the community and within partner organisations.
- Developing infrastructure and processes is an ongoing task which needs to be benchmarked and monitored.

# Government as partner

Central government will establish the right conditions for LSPs to take a genuinely joined-up approach. (SEU, 2000b)

"NCR should be linked to partnership agreements with government." (Local authority respondent)

## Looking for a new central–local partnership

NCR aimed to change the relationship between central government and local players. Some of its architects were inspired by the *Contrat de Ville* in France. The *Contrats* are five-year plans negotiated between national government, regional and local authorities – “a means of integrating horizontally and vertically public sector partners, including government departments and the different layers of local government” (Parkinson, 1998, p 19).

Local players welcomed recent Cabinet Office reports (PIU, 2000a, 2000b) calling for better leadership and increased capacity in Whitehall to manage cross-cutting policies and services, and better integration at regional and local level. But they also want a looser rein: less government prescription about what is done and the way it is done, fewer ‘one-size-fits-all’ policies. Pathfinders sought:

- better coordination between government departments centrally and regionally;
- recognition of the roles that macro-economic, social and regional policies, and public spending play in setting the context for local action;
- scope to respond to local circumstances.

They felt constrained by:

- policies that purport to be national ones – for example, housing finance – but were perceived as geared to the South East;
- central control over the agendas of individual organisations, such as health authorities

(reflected in their performance indicators), limiting how far they are able to accommodate local priorities and a partnership approach;

- the proliferation of initiatives: the opportunity costs of bidding; the divisiveness of selecting target areas when several neighbourhoods could potentially qualify; the multiplication of partnerships;
- complex administrative procedures and accountability systems which are costly in time and effort, and are a barrier to private, voluntary and community sector partners.

They pointed to the need to mainstream regeneration activity.

### *Freedoms and flexibilities*

“Freedoms and flexibilities are a key factor to eventual success, but where are they? ... if we are able, as a partnership, to reduce the paperwork element of all our jobs, the resultant ‘gain’ (or more accurately the opportunity costs won back) could be far better used in regeneration terms.” (Police respondent)

Exploring flexibilities in the way national policies are carried out locally was to be a tangible expression of government accommodation to local requirements. When the LGA consulted pathfinders about their priorities for freedoms and flexibilities, the resulting proposals were a mix of ones that would require:

- primary legislation;
- changes in interpretation or working practice;
- relaxations in rules and regulations.

The survey of Phase II Pathfinders produced proposals under four headings:

#### *Funding/financial*

- longer-term funding
- more flexibility to pool budgets
- more flexibility around housing finance
- a desire for a single 'capital' pot
- more flexibility generally on how money can be spent
- more flexibility about how SRB funds can be spent.

*Exchange of information* between partners, perhaps requiring changes to the Data Protection Act.

*Reduction/flexibility in the number and type of plans* which authorities have to produce.

#### *Administrative procedures*

- simplification in relation to managing regeneration funds and projects
- common application and monitoring systems for funding regimes.

### *A frustrating dialogue*

Pathfinders achieved few changes. Sometimes they were unaware of the implications, technical complexity or knock-on effects of requests. But the problems the LGA encountered in finding the right level of discussion – between the very general and the very particular – seemed to denote government reluctance to engage seriously. Later, the protracted run up to the Urban and Rural White Papers and the Public Spending Review made progress difficult. The basis of the LGA/DETR dialogue then switched to local PSAs.

The one or two success stories (such as those illustrated by Greater Nottingham and Croydon) were negotiated at regional level and the flexibilities granted related to specific area-based regeneration programmes.

In **Greater Nottingham**, early work with the Employment Service and Benefits Agency highlighted the real problems of the benefit trap as an obstacle to employment. Both agencies provided case histories to illustrate the problems. The Government Office for the East Midlands (GO-EM) mounted briefing seminars chaired by the regional director, and invited senior managers from the DfEE and the DSS as well as local partners to examine possible solutions. These led to lobbying from all quarters including the Nottingham NDC which eventually achieved benefit rule changes starting in 2001 that were a real boost to the morale of local partners:

- the automatic extension of housing benefit for those going into work
- a £100 Job Grant for people aged over 25 gaining a job
- easy in/easy out rules for those accepting temporary or seasonal work.

**Croydon** used its pathfinder status to secure a relaxation in the SRB annuality requirement. The Government Office for London (GOL) agreed to re-profile a £250,000 grant for South Wandle SRB over a three-year period.

Respondents in all the surveys expressed disappointment about government's lack of commitment as a partner, and the non-delivery of freedoms and flexibilities. As already stated, this disappointment deterred pathfinders from, or conveniently mantled their own reticence about, exploring custom and practice to determine the existing scope for change.

### *An aspiration unfulfilled*

Sandwell Civic Partnership was unusual in making a direct bid to government for a compact to turn the rhetoric of government backing for local strategic partnership working into active support. Although unsuccessful, Sandwell's proposal illustrated the different dimensions of a changed relationship. It had some lessons for public service agreements, that:

- joint strategy making needs to be reflected in resource allocation;
- performance targets and management systems and funding frameworks need to encourage rather than inhibit partnership.

**Sandwell Civic Partnership** proposed a Sandwell Compact with government: a radical new relationship bringing together local agencies with regional and central government to agree a single strategy for the future of Sandwell backed by priority allocation of resources to deliver that strategy. It proposed that progress be assessed through a single set of high level indicators and a single inclusive approach to performance management. It aimed to enlist government as a full partner in the process to:

- develop the strategy;
- identify indicators and targets;
- review and direct resources to achieve those targets;
- monitor change and progress over the next 20 years.

It specifically proposed that Sandwell be granted *preferred investment status* as a national Best Value test-bed for an alternative to bidding processes – a deprivation-adjusted capitation-based top-slice of any special monies to assist the delivery of an agreed strategy.

### *Variable involvement of GORs*

In 1999, the interdepartmental support unit for area-based initiatives issued a guidance note on the role of GORs in relation to NCR pathfinders. Government support would be primarily through GORs, which should be flexible and accessible. They could potentially help through information and advice, advocacy with central government, facilitating discussions with other regional bodies and technical support. The note specifically cautioned against making commitments to plans that would need ministerial or parliamentary approval. It restricted movement on flexibilities to changes in GOR working practices. In practice, GORs ranged from fairly active participants to interested spectators. It is probable that individual styles, as much as institutional policies, accounted for differences within as well as across regions.

The advent of LSPs is likely to stretch GORs' capacities to:

- develop more systematic ways of relating to partnerships;
- fulfil their advice, advocacy and support roles;
- work more closely with other bodies at regional level, such as the NHS Executive.

## Public service agreements

The 2000 Public Spending Review announcement of local PSAs signalled central government support for local joint working. The concept of PSAs, developed jointly by the LGA, Treasury and DETR, built on the LGA's Local Challenge which sought to find a new way of "linking legitimate national targets and objects with local needs and circumstances" (LGA, 1999, p 1).

### *National targets*

The Public Spending Review also included, for the first time, central government targets to narrow the gap between the most deprived areas and the rest of the country. They correspond to the four key outcome areas of the National Strategy for Neighbourhood Renewal (SEU, 2000a): education, employment, crime and health plus social housing. The DTLR's Neighbourhood Renewal Unit will spearhead the follow-up to the national strategy action plan for neighbourhood renewal (SEU, 2001), working closely with the neighbourhood renewal teams within GORs who will be the main interface with LSPs.

### *Pathfinders and PSAs*

Four NCR pathfinders were among the 20 pilot authorities for the new local PSAs: Coventry, Lewisham, Middlesbrough and Newham. PSAs are made between individual local authorities and central government; their purpose is to identify targets for improved key outcomes in the quality, quantity or timescale of service delivery. Authorities could apply for pump priming funds and the government agreed to offer additional flexibilities to help the delivery of enhanced targets. The government could also give additional grant to those authorities demonstrating the achievement of their targets.

### *Freedoms and flexibilities in PSAs*

The government was prepared to relax a range of planning, operational and financial restrictions for local authorities entering PSAs if they could demonstrate innovative ideas that would promote improved performance.

Middlesbrough saw the PSA as a key ingredient in promoting innovation and delivering better services. It was developed in the context of the emerging neighbourhood renewal strategy. Middlesbrough aimed to work through Middlesbrough Direct to ensure that their PSA targets developed linkages between partners to tackle cross-cutting issues, supported by the use of the Neighbourhood Renewal Fund (NRF). The work would form a basis for the community strategy being developed.

Lewisham's vision for the PSA reflected its corporate vision of being the best place in London to live, work and learn. Targets reflected key areas of citizens' concerns in relation to: crime, the environment, transport, heating efficiency in council houses, the cost effectiveness of services and capability of delivering services electronically, school attainment levels, active citizenship among young people, better life chances for children in care.

#### Flexibilities in Middlesbrough

- Permission to introduce a third school session and accommodation of accumulated hours for attendance purposes of those excluded from school
- Assured resource allocation for Standards Fund for three years, to overcome the current uncertainty of annual funding which had hindered planning
- Permission to keep fine income from fixed penalty notices for dog fouling and littering and increase the maximum level of fixed penalty fines
- Government to work with the council to clarify and improve arrangements for information sharing across health, social care and criminal justice agencies
- Looking at testing new approaches to help the most disadvantaged groups into employment under the New Deal programme (under discussion).

#### Flexibilities in Lewisham

- Target to reduce fly tipping: allowing the authority to share powers to inspect trade waste agreements
- Target to reduce abandoned vehicles in the New Cross Gate NDC area: consideration by the DVLA to amend Vehicle Removal Regulations to eliminate the need to store large numbers of low value vehicles for 35 days or more
- Attainment target: assurances on minimum resource allocation through the Schools Standards Fund and greater flexibility in the use of the money
- Target of increasing adoption rates of children in care: possibility of Lewisham piloting some of the freedoms outlined in the Department of Health Adoption White Paper.

NCR showed that the capacity of local players is limited by the operational framework set for them by central government. PSAs may be the key to renegotiating this framework provided they:

- are the basis for setting an agreed agenda, not another instrument of central control;
- stress partnership as the means of delivery;
- find an appropriate balance between local and national priorities.

They will then be able to open up new opportunities and re-invigorate local collaboration towards better outcomes.

Chapter 10 goes on to examine how the outcomes and added value of strategic partnership can be measured.

#### Key points

- To fulfil their potential, LSPs require greater scope to tailor national policies to local circumstances and priorities
- Central government can make the operating environment of local players more conducive to strategic partnership by providing funding flexibilities, reducing the required number of local plans and developing greater alignment across performance management systems
- GORs will need to be adequately resourced to support LSPs
- Public service agreements may be key to renegotiating central–local partnerships.

# Measuring impact

"Let us focus on outcomes rather than death by a thousand PIs [performance indicators], many of which have little real value." (Public sector respondent)

Adding value through strategic partnership can come through more efficient and effective ways of working and through better outcomes. This chapter looks first at ways of assessing partnership and then at steps towards tracking socioeconomic change.

## Benchmarking joint working

LSPs will need to:

- measure their progress in relation to the components of the McKinsey framework (see page 15): shared values, style, structure, systems, strategy, staff and skills;
- track the volume of partnership activity and shifting use of budgets.

Table 6 gives capacity indicators for leadership, management, performance and local standing and influence.

## Baseline development

Extending joint working depends critically on developing greater understanding of both the context of activity and the potential contributions of partner organisations. Out of this understanding, baselines and performance indicators (PIs) can be developed.

### *Two-tier approach*

For pathfinders, the eventual test of their effectiveness would be the difference they made to people's lives. To measure their impact, they needed to create baselines to:

- show their starting point;
- enable comparisons with elsewhere;
- set realistic targets.

NCR was a national approach being tested in varied contexts. To measure change in such different areas, indicators needed to marry consistency and comparability with relevance to their specific conditions and priorities. Indicators can distort priorities so that it is vital to match

Salford commissioned a review of its partnership when it gained pathfinder status. It identified three dimensions by which the partnership might be judged:

Leadership	Partner engagement	Performance management
Vision and strategy	Planning and review	Representativeness
Managing change	People management	Scrutiny
Motivation	Citizen/user orientation	Project management
Communication	Project management	Systems/process management
Alliance building	Consultation/participation	Financial management

Table 6: Partnership capacity indicators

Leadership	<ul style="list-style-type: none"> <li>• Composition: chief executive or equivalent able to speak for own organisation</li> <li>• Commitment to invest time and resources; to share information, including budgetary information; to bend mainstream programmes</li> <li>• Wider partnership structures to extend spheres of input and influence</li> <li>• Induction and development for officers and members within the partnership and partner organisations</li> <li>• Relationship to team: appropriate division of responsibility and capacity to deliver</li> <li>• Strategic planning: development of vision, priority setting, strategy and action plan; defining added value; setting milestones and targets</li> </ul>
Management	<ul style="list-style-type: none"> <li>• Protocols and service-level agreements: clarity of expectations; assignment of lead roles and responsibilities</li> <li>• Monitoring and other systems: joint arrangements for data collection and sharing</li> <li>• Self-evaluation: feedback into policy process; identification of what works and good practice that can be rolled out more widely</li> <li>• Independent evaluation: use of external organisations as appropriate for benchmarking the partnership and measuring its impact</li> </ul>
Performance	<ul style="list-style-type: none"> <li>• Understanding of area and context: policies based on thorough research into local needs and opportunities; evidence of correct identification of key challenges and most effective levers of change</li> <li>• Track record in achieving targets/milestones and identifying reasons for success or shortfall</li> <li>• Innovation: approaches which embrace sensible risk-taking; encourage frontline staff and user groups to feed into policy process; promote collaborative working; take account of best practice elsewhere</li> </ul>
Local standing and influence	<ul style="list-style-type: none"> <li>• Range of partners: broad-based, cross-sector partnership; partnership structures that facilitate wider involvement</li> <li>• Involvement of community: wide range of opportunities for individuals, community groups and voluntary organisations to participate in consultations, planning and delivery; coordinated approach to community involvement by member organisations; common understandings and codes of practice on consultation, participation and equal opportunities</li> <li>• Accountability: development of mechanisms to facilitate giving account to, and being held to account by, stakeholders</li> <li>• Influence on partner organisations' policies and practices: joint approaches to staff development and change management; alignment of policies and plans</li> </ul>

them with key concerns and balance the economic, social and environmental dimensions. Indicators can also distort actions if they encourage people to seek to improve their measured output rather than their actual performance.

The EIUA proposed a two-tier model:

- *A headline set* of core indicators for all pathfinders (Appendix B) which would ease collection because the data would be available from national data sources, simplify use because the associated caveats are well known and give a basis for benchmarking against other areas, and comparison with regional and national rates.
- *A locally developed set* of indicators relating to the strategic objectives of the individual pathfinder which might be headline indicators elaborated to glean a more detailed picture of the area and its relativities or new ones.

Policy developments such as the introduction of Best Value and PSAs, the duty of well-being and the community strategy process were accompanied by new approaches to measuring the quality of life and services. Pathfinders had to identify the most meaningful indicators out of the profusion on offer and test their relevance.

Sandwell identified 22 headline indicators\* across the five components of the Sandwell Vision

*People*

- mortality rate of infants aged under one year per 1,000 live births
- standardised mortality ratios 15-64 years
- perceptions of health
- improved basic literacy and numeracy at Key Stage 1 level 2B at seven years old
- pupils achieving 5+ GCSE grades A-C at 16 years old
- percentage of adults with NVQ level 3.

*Environment*

- number of outward migrants
- total recorded crimes per 1,000 population
- air pollution P10 (particle matter less than 10 microns in size)
- perceptions of street cleanliness
- number of public and private sector dwellings judged to be unfit.

*Economy*

- number of recipients of Income Support and Jobseekers' Allowance
- ratio of manufacturing to service jobs
- number of full-time jobs in the economy (claimant count/International Labour Office measure)
- gross value added per head in manufacturing.

*Community*

- voter turnout in local elections
- perceptions of Sandwell as a place to live and work.

*External relations*

- number of inward migrants
- average domestic property value
- average retail property value
- average commercial property value.

*Note:* \* Disaggregated where possible/appropriate to determine inequalities/disparities within Sandwell, spatially and across vulnerable groups.

Much of the data is available from national sources. It is being supplemented by additional studies such as the SF36 questionnaire on perceptions of health, a lifestyle study, a study of levels of social capital and MORI work on changing perceptions of the quality of life.

These directional indicators are not linked with specific targets. They cannot be combined into an index, as this would require allocating weightings, in turn entailing decisions about their relative importance.

## Performance measures

Many partner organisations, especially public sector ones, have a multitude of specific PIs. Increased monitoring and reporting burdens will be a disincentive to joint working; however, PIs can encourage and cement partnership working where they reflect shared values and common goals, are developed from a shared knowledge base and linked to good coordination and communication mechanisms.

**Lewisham Challenge Partnership (LCP)** was a case study of the Measurement and Performance Project, which aimed to understand and improve the use of performance measures and targets in multi-agency working. This study reinforced the need for a database pulling together the links between new performance measurement frameworks, because partners were trying to meet different information requirements on the same issue. LCP commissioned a mapping exercise in order to ensure the regeneration elements of the partner organisations' strategies were all working towards the same vision of Lewisham. In order to set targets 'owned' by the partnership as distinct from those linked with the activities of individual partners, LCP developed a series of task groups to examine how targets could be set at the micro level (the impact of joined-up activity) and at the macro level (realising the long-term vision for Lewisham).

### A partnership approach to setting indicators

Together partners hold a wealth of data, which can either be an invaluable pool or one in which they drown. Integrating the data will give a rounded picture of socioeconomic change – in overall terms and the relative positions of groups and neighbourhoods – and provide a tool to inform policy planning and resource deployment. EIU guidance to NCR pathfinders emphasised that questions of how the indicators are agreed, deciding who does what and how to derive most benefit from the efforts of all the partners, are as important as the indicators themselves.

A data audit enables partners to identify overlaps, inconsistencies and gaps. Few organisations currently work with coterminous boundaries so that achieving this or a standard spatial unit of measurement is an early goal. Feeding findings back into policy making will inform policy decisions and demonstrate to the staff that it is not an empty paper chase.

To take the process forward:

- Identify key individuals in each partner organisation; establish a cross-agency evaluation steering group
- Undertake staff development to foster an evaluation culture
- Review IT systems and the possibilities for electronic networking
- Develop protocols or service level agreements to establish a framework for allocating lead responsibilities, achieving data consistency and arrangements for data sharing
- Review the data collection exercise periodically: the indicators, the use made of findings and their implications.

### Liverpool Quality of Life Indicators Working Group

LPG is a pilot for the Audit Commission's Quality of Life Indicators project. The group leading the exercise comprises representatives from Liverpool City Council (regeneration, housing, economic development, lifelong learning, Best Value and marketing), Liverpool Health Authority, Merseytravel, City Safe Partnership, voluntary sector organisations, Liverpool First theme groups, Government Office for the North West and District Audit. The group faces practical issues:

- which indicators each organisation will collect;
- and for each indicator:
  - frequency of collection
  - last/next collection date
  - means of collection
  - geographical breakdown that is used/possible
  - equalities breakdown that is used/possible
  - difficulties in meeting exact definition
  - substitute data that might be appropriate
  - fit between indicator and associated strategy
  - availability of baseline data
  - what would be appropriate targets
- how far sharing data is acceptable.

### Disseminating good practice

Sharing experience by pathfinders was often informal and based around personal contacts and networking. But, as joint working increases, identifying and rolling out good practice becomes more important. It calls for new formal as well as informal methods of dissemination.

### Key steps for partners

- Data audit
- Mechanisms for collecting and monitoring data
- Inclusive process for setting indicators
- Compatible IT systems for storing, updating and exchanging/sharing data
- Ways of reviewing and feeding findings into the policy process

- What data is held
- How is it compiled?
- The definitions used
- How is it stored?
- Availability, timescales and spatial levels
- Frequency of updating

### Greater Nottingham Observatory

Greater Nottingham Partnership (GNP) soon found that many public sector agencies collect and analyse similar data to inform their policy decisions. It estimated 70% duplication of effort across organisations such as the TEC, local authorities, FE colleges, health agencies and the Employment Service. Improved labour market analysis was a priority. Agencies agreed that combining resources and research capacity would benefit them all.

The Observatory was formed as a loose alliance of partners under the GNP, based in Nottingham Trent University. It works to GNP's agenda and bids for additional research activity. It has produced:

- reports: including a labour market analysis, a report on poverty in Nottingham and an analysis of local deprivation in the 12 SRB wards in the city;
- a set of key indicators to enable the comparison of Greater Nottingham with other areas and measure year-on-year performance with particular emphasis on poverty and deprivation;
- a 1998 baseline for the conurbation, that will help guide the GNP's future activity.

### State of Suffolk Profile 2000

The Profile's purpose was to support the Pathfinder vision to "develop and maintain stable and thriving communities in Suffolk". Drawing together diffuse information, baseline data, data sources and contact names, addresses and websites, it provided information to inform strategic planning and funding bids. Its content follows the neighbourhood information checklist in the SEU PAT18 report (SEU, 2000b). An appendix identifies information gaps where:

- the data is not collected, is not collected in the way stipulated or is incomplete; *or*
- a source could not be located; *or*
- the data is not in the public domain, sometimes for reasons of confidentiality.

Work is proceeding to develop an interactive website on which information can be updated more regularly and geographic analysis would be possible. The profile flagged up the concept of a 'Suffolk Observatory', although Suffolk may integrate its activities with those of a regional observatory capable of more fine-grained, small-area analysis.

## Partnership accountability

Pathfinders – and in future LSPs – have no established accountability mechanisms beyond those of their partner organisations. Enhancing democratic participation is one of their aims. A key issue, therefore, is how far their chosen measures can help to fill the democratic deficit. Providing information on which stakeholders can assess their performance is the first step to becoming accountable; the next is to develop ways in which stakeholders can hold them to account.

### Key points

Strategic partnerships need to:

- measure their processes and impact to ascertain their added value and guide future policies;
- adopt a partnership approach to setting indicators, collecting and collating data, sharing good practice and feeding back into the decision making of the partnership and its member organisations;
- develop means for stakeholders to use this data to hold them to account.

# Part III: Lessons for local strategic partnerships

# Towards local strategic partnerships

“The agenda for NCR has moved on with the neighbourhood renewal agenda and the concept of local strategic partnerships. The pathfinder is well placed to grasp the initiative through their work on NCR.” (Government office respondent)

## Becoming an LSP

### What is an LSP?

Government guidance (DETR, 2001b) states that an LSP is a single body that:

- brings together, at local level, the different parts of the public sector as well as the private, business, community and voluntary sectors so that different initiatives and services support each other and work together;
- is a non-statutory, non-executive organisation;
- operates at a level which enables strategic decisions to be taken and is close enough to individual neighbourhoods to allow actions to be determined at community level;
- should be aligned with local authority boundaries.

LSPs' core tasks will be to:

- prepare and implement a *community strategy* for their area;
- bring together local *plans, partnerships* and *initiatives* to provide a forum through which mainstream public service providers work effectively together to meet local needs and priorities;
- help devise and meet suitable targets for local authorities which are developing a local *public service agreement*;
- develop and deliver a *local neighbourhood renewal strategy*.

### Implications of LSP role and functions

“It’s what we have to do in any case with the introduction of LSPs and community planning. NCR means we are a step ahead.” (NCR manager respondent)

NCR pathfinders have been aware of additional challenges in moving towards becoming LSPs. The following examples show that the issues touch on all of McKinsey’s seven ‘S’s: shared values, style of partnership, its strategy, structure and systems and the staff and skills required. They need to build on the foundations laid, systematise existing arrangements and procedures, establish a clear management framework and develop accountability mechanisms.

**Plymouth** recognised specific implications in preparing to become an LSP:

- fine-tuning their partnership membership, notably to incorporate the police and the Learning and Skills Council;
- further developing community involvement, building on existing practice:
  - the preparation of a community development strategy by a local consortium of people engaged in community activity plus the local HE college;
  - capacity building;
  - Plymouth Community Partnership reviewing how to move to a more strategic role.

Haringey set up a development group to address issues of moving to a fully-fledged LSP:

- principles, protocols, constitution, terms of reference, chairing and leadership;
- membership including the representation of, and consultation with, key sectors, and how best to reflect the diversity of the borough;
- how the current arrangements and involvement will be integrated;
- meeting style and frequency;
- the engagement of partners;
- capacity building for partnership working;
- development of thematic groups.

There is strong political support and leadership for a **West Cumbria** LSP contiguous with the districts of Allerdale and Copeland. The working group delegated to examine possible structures is working to the following principles:

- Numerical balance should be in favour of community representatives, including elected members and representatives of non-geographic communities such as the business community
- The LSP should build on and make contact with the range of existing partnerships in the area
- A single core group alone would be untenable for engaging all stakeholders: sub/thematic groups could draw from a wider range of stakeholders.

The 'golden rules' of collaborative working apply and can provide a framework or checklist for self-reflection by partnerships. The eight 'I's can be used to emphasise the significance of roles and relationships, and the extent to which there is a fit between the partnership's strategy and desired ways of working and those of the member organisations.

### Eight 'I's that create successful 'we's

1. *Individual excellence*: partners are strong and have something to contribute
2. *Importance*: partners enter into the relationship to fulfil long-term strategic goals
3. *Interdependence*: partners need one another to accomplish what they cannot accomplish alone
4. *Investment*: partners are prepared to invest resources, including finance, to demonstrate commitment to the relationship
5. *Information*: communication is open and information is shared
6. *Integration*: linkages are developed at different levels within the organisation
7. *Institutionalisation*: the relationship has a formal status, including role responsibilities and clear decision-making processes
8. *Integrity*: mutual trust is generated as partners behave towards each other with integrity.

Source: Kanter (1994)

The pathfinders' experience showed that independence and identity are also important 'I's. Resources, staff and location are all significant factors in 'branding' the partnership and ensuring its capacity to fulfil its strategic role.

## Geographic coverage

LSPs will need to align with local authority boundaries, but the guidance states there should not necessarily be a separate one for each local authority area:

Partnerships need to operate at a level which allows strategic choices and decisions to be made, while at the same time providing close enough linkages to individual neighbourhoods to allow actions to be determined at community level. (DETR, 2001b, pp 14-15)

**Greater Nottingham Partnership (GNP)** will develop into a strategic sub-regional partnership linking with the five emerging LSPs (Nottingham City, Ashfield, Broxtowe, Rushcliffe and Gedling). Although the NCR badge will no longer be used, all these LSPs have adopted the guiding vision and objectives in the GNP plan, 'Spotlight on regeneration'. GNP will also facilitate and provide LSP services to the areas that ask for them: probably for Nottingham City Council, but with district authorities establishing their own new LSP structures. GNP will therefore combine the two roles of an overarching sub-regional partnership and an LSP, and will need to modify its organisation, structure and operation accordingly.

- *Best Value*: attention to service provision and standards
- *New Commitment to Neighbourhood Renewal*: managing deprived neighbourhoods
- *Community leadership*: an overall strategic framework for governance.

Whatever the area coverage of the partnership, there are choices to be made about how best to combine these different roles and pitfalls to avoid a 'tick box' approach to the Best Value regime which would diminish the potential value of the community strategy. Putting LSPs in the context of the New Commitment to Neighbourhood Renewal strategy (SEU, 2001) could lead to an undue focus on deprived neighbourhoods, to the neglect of other areas and wider levers of social and economic change.

### Dominant role

All areas should have an LSP, not just the most deprived areas. LSPs will provide a means of tackling an area's problems, whether they are problems of failure, such as deprivation, or problems of success, such as rapid economic growth. (DETR, 2001b, p 10)

NCR has shown that the size and character of the area and its relationship to economic development opportunities, housing and labour markets, as well as institutional geography, affect what it is possible and desirable to do. This recalls the debate behind the 1990s' Local Government Review:

What is clear is that the most appropriate structural solution will depend on the view taken about local government's dominant role and purpose. Service effectiveness, community identity, democratic viability and governmental capacity are all, in principle, important considerations in a territorial restructuring. (Leach, 1996, p 164)

There are different advantages and disadvantages associated with strategic partnerships at different spatial levels, just as there are with different local government structural patterns. In relation to LSPs, it is possible to envisage possible emphases deriving from different aspects of central government policy:

But, handling the tensions between competing roles would also present different challenges at different spatial levels. For example, whereas for some purposes there would be advantages in having a sub-regional LSP, covering multiple local authorities may make it more difficult to engage with mainstream local authority services. Conversely, an LSP in a single local authority area that is 'under-bounded' may have restricted scope for tackling issues such as economic development.

## Engagement

"Non-local authority partners are not encouraged enough to participate through their own government departments."  
(HAZ respondent)

Government plans for LSPs convey mixed messages. On the one hand, the LSP model is presented as universally applicable with similar inherent benefits to those of NCR. On the other, some areas will receive supportive funding whereas others will not. For the areas qualifying for the NRF because of their level of deprivation, NRF funding will be an inducement as well as a useful resource. Similarly, although all LSPs will require community and voluntary sector participation, the Community Empowerment Fund will only support it in the 88 NRF areas.

NCR showed that a number of issues affect how easy it is to engage partners. In the past, the main inducement to partnership was access to

new resources. NCR brought no direct added resource. Partners had to be convinced of the wider benefits of partnership. Although most gave enthusiastic support to the principles of integration and partnership, immediate benefits for their own organisation were not necessarily evident. Initially at least, the additional demands of partnership were more apparent than its savings and synergy.

This increases the need for central government to establish a more encouraging context. So far, much of the focus of government guidance has been on the role of local government. Other partners are seeking similar impetus and clearer statements of what is expected of them. For all parties, this needs to be followed through into tailoring performance management systems, so that they reward collaborative and outcome-driven working, and into funding decisions that are linked to partnership working and joint strategies.

## Rationalising strategies and partnerships

NCR pathfinders found various ways of linking with other partnerships, if not reducing their number, through cross-representation and delegated responsibility for sections within the overall strategy. So far this has happened through the common sense and goodwill of local players. The LSP guidance recognises that central government should facilitate the reduction of the number of separate partnerships locally by beginning to rationalise the existing arrangements for developing partnerships. The DTLR is working with a range of departments to ensure that they variously:

- encourage clear and close links with LSPs;
- issue good practice guidance about strategic approaches;
- steer existing partnerships towards nesting within the LSP framework;
- ensure that planning processes in specific policy areas sit within the wider planning mechanisms of the LSP.

All these suggest better linkages rather than fewer bodies. Much will still rest, therefore, on the quality of local leadership, cooperation and communication, and on partnership structures and systems.

## Accountability

Delivering an LSP's common goals will depend on its ability to demonstrate to individual partners that it can help them to achieve their individual goals. (DETR, 2001b, p 16)

The increasing prominence of partnerships has been perceived as running the risk of marginalising elected members and non-executive board members of organisations such as health authorities. LSPs will not be directly politically accountable. The guidance states that their accountability arrangements should build on partner organisations' existing lines of accountability to central government, and accountability to their own users and the wider community. However, the changes to services likely to occur through LSPs will entail the development of new accountability mechanisms, as yet unformulated. It will be important, for example, to establish where the partnership's activities sit in relation to the scrutiny role of elected members. If they are to make a difference, balancing the accountability of individual partners and that of the partnership will become an increasingly prominent issue.

“We have not yet fully worked out the governance implications of NCR and where it sits alongside electoral democracy and the accountability mechanisms of partner agencies.”  
(Voluntary/community sector respondent)

NCR pathfinders were aware of having to account for the partnership's activity as a whole as well as the separate elements of it. Chapter 10 looked at how they have approached tracking changes in socioeconomic conditions and benchmarking partnership to identify their added value. It pointed out the importance of, not only giving an account to stakeholders in the form of information and measurable targets, but also establishing the means by which stakeholders can hold the partnership to account.

# Conclusions

"Its strengths are that where it works, it brings the major local stakeholders together to pursue common goals; it has moved GORs away from their traditional funder/regulator role; it has few predetermined parameters." (GOR respondent)

## Important principles and potential benefits

Partnership is becoming the preferred means of local governance. This study has begun to develop the McKinsey framework as it applies to strategic partnerships. The experience of the NCR pathfinders endorsed the principles of strategic partnership, while also showing the massive challenges it presents to traditional ways of thinking and working among local, regional and national players.

For pathfinders, NCR has:

- raised the profile of regeneration activities;
- given partnership a clearer focus
- fostered a more integrated approach;
- provided a catalyst for joint strategies;
- given an impetus to take joint working further;
- enabled earlier and more informed responses to policy consultations and developments;
- given a strategic framework to guide the decision making of individual organisations;
- encouraged greater consistency with sub-regional and regional strategies;
- forced partners to focus on delivery of outcomes;
- enhanced the prospects of leveraging in more competitive funding;
- pushed partners to look more closely at what they can achieve with their mainstream budgets.

## A bigger strategic challenge

NCR challenged the scope of strategic thinking: it opened the way to a more expansive definition of regeneration. It showed that a 'joined-up' approach should not be seen solely as a response to social exclusion and that the dynamics of deprivation are inextricable from other social and economic factors. Rather, regeneration must be the quest for sustainability in the widest sense of a better quality of life for everyone now and in the future.

## Strategic partnership processes

Much of this report has been about the structures and processes of strategic partnership seen in the context of change management and taking into account their need to combine an action-oriented approach with appropriate reflective and iterative processes. It has pointed to key questions that need to be asked at different stages of the partnership's strategic development.

**Key questions for strategic partnerships**

**Stage 1 Clarifying the purpose of the partnership**

- Why have it?
- What added value can it bring?

**Stage 2 Examining the internal and external operational environment**

- What are the local needs and opportunities?
- What are the relevant policy developments and trends?
- What is the partnership able to deliver collectively and via its members?

**Stage 3 Agreeing a vision and making strategic choices**

- What should the vision be?
- Whose vision should it be?
- What are the main routes for developing a vision?
- How will we know we are going in the right direction?

**Stage 4 Translating the strategy into an action plan**

- What activities will take place under each strategic objective?
- Who will be responsible for planning?
- Who will be responsible for delivery?
- What targets and milestones should be met?
- Who will monitor and evaluate?
- What steps are individual organisations taking to build their capacity for partnership and joint working?

**Stage 5 Squaring the circle**

- What will the accountability mechanisms be?
- How will the partnership review its activities to inform its future policy?
- How will it review its partnership structures and mechanisms to ensure they remain appropriate?
- How will good practice lessons be disseminated?

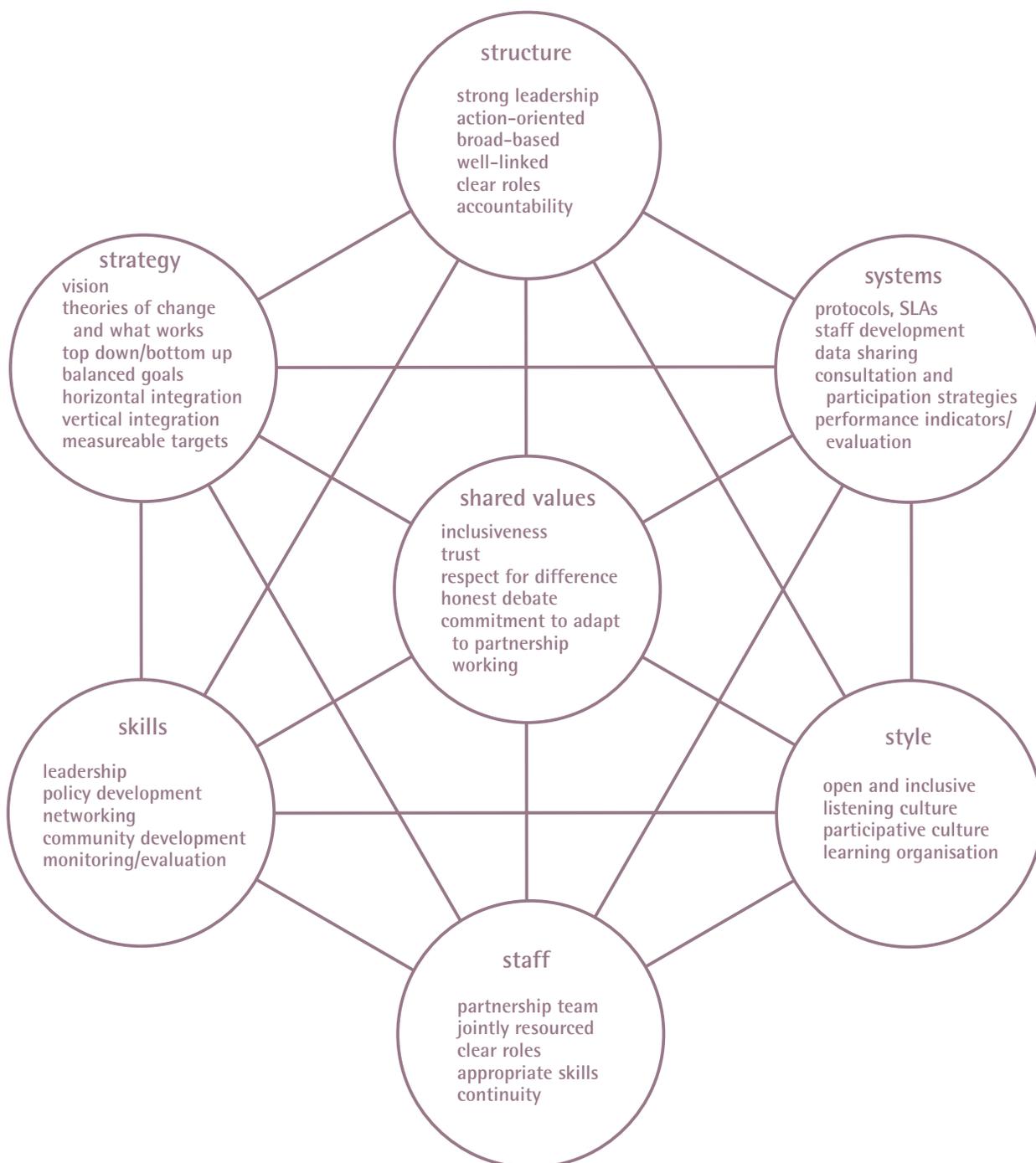
The report has illustrated the factors that drive or inhibit change.

Drivers of change	Restraints on change
<ul style="list-style-type: none"> <li>• Leadership</li> <li>• Strategy</li> <li>• Wide ownership</li> <li>• Openness to new ways of working</li> <li>• Identification of organisational implications</li> <li>• Commitment to systemic change</li> <li>• Stakeholder involvement</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of or wrong type of leadership</li> <li>• Lack of skills</li> <li>• Departmentalism</li> <li>• Failure to carry the whole organisation</li> <li>• Failure to engage stakeholders</li> </ul>

## A development framework

This report has provided a framework for partners seeking to put together a strategic partnership and has discussed the key elements of such a framework:

- Strong leadership
- Trust among partners
- An independent staff team
- A common understanding/knowledge base
- Capacity to focus on overarching priorities
- Coordinated planning processes
- Integrated action plans across partners
- Integrated community consultation, development and participation strategies
- Increased synergy in accessing and deploying resources
- Mechanisms for review and evaluation
- Scope for innovation
- Parallel processes to build capacity within member organisations.



## A matching challenge for Whitehall

Areas and their circumstances are very diverse. Local players are looking for more explicit acknowledgement of the context in which they are working. They must be able to govern: to have the freedom to plan, agree priorities and deploy resources in response to local needs and opportunities. This entails a different relationship with central government, recognising what can best be done at different levels of government, and renegotiating the limits on the local discretion and flexibility imposed by national programmes and funding frameworks. Necessary action at national or regional level includes steps to:

- recognise the role of macro-economic policies, regional policy and the quality and scope of public services in creating conditions that will maximise local players' chances of success;
- clarify expectations of local government and LSPs and ensure that central government's corporate approach is consistent with these expectations;
- ensure capacity at regional level, especially in GORs, to support and monitor LSPs and develop appropriate support, monitoring and accreditation mechanisms.

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# A

## Appendix A: Profiles of the case study pathfinders

### Croydon

The Croydon Partnership grew out of the Economic Development Forum, founded in 1993. It sees itself having a strategic role in guiding the development and long-term prosperity of the borough. Its 24 members are drawn from public, private and voluntary sectors, with a particularly high level of private sector involvement. It also includes representatives of other borough partnerships including Local Agenda 21, Healthy Croydon Partnership, the Crime and Disorder Reduction Partnership, an EAZ and several SRB partnerships. The Croydon vision was developed through workshops and surveys and identifies goals for 2020. The strategy has four broad themes:

- growth and development
- learning and skills
- communities and governance
- a sustainable and attractive environment.

There are five-year objectives, which are kept under review. Annual action plans show how they will be operationalised.

### East Lancashire

East Lancashire Partnership operates at a sub-regional level covering the five district council areas of Burnley, Hyndburn, Pendle, Ribble Valley and Rossendale, the unitary authority of Blackburn with Darwen and part of Lancashire County Council. Their combined population is half a million. The Partnership was formed in order to pursue joint economic development. Formally launched in January 2000, it includes a range of public, private and voluntary sector organisations in addition to the local authorities. It has a dedicated executive team including a strategy and development manager, an information manager and a transport consultant. The strategy promotes a 20-year vision. It focuses on themes common across the area and especially reflects its urban/rural mix in the concept of city living: a multi-centred city in a rural setting, which aims for the resources of a city without its congestion or urban sprawl. The three strategic themes are:

- living space
- income, prosperity and aspirations
- people, communities and future citizens.

## Greater Nottingham

The NCR cross-sector, multi-agency partnership is based on one established in 1994. It covers the Greater Nottingham conurbation including all the areas covered by the surrounding borough councils. The need to treat the conurbation as a single economic entity was a driving factor behind the Nottingham Pathfinder approach. GNP's vision is for "a well balanced, inclusive, integrated area...". Constructed around delivering remedies to identified problems, the strategy had seven strategic objectives:

- To increase educational opportunities, raise attainment and skill levels
- To create new job opportunities
- To prevent population drift from the city centre to the suburbs
- To improve health and remove health inequalities
- To reduce crime and fear of crime and improve community safety
- To improve the capacity and involvement of the community and voluntary sectors
- To improve quality of life and protect the environment for current and future generations.

The strategy was to provide the framework and context for assessing any new bids for government initiatives.

## Herefordshire

The Herefordshire Partnership aimed to build on a strong tradition of partnership working in the county. About 100 organisations contributed to the Herefordshire Plan. The board comprises senior representatives from the Chamber of Commerce, the voluntary sector, health authority, police, county council and RDA. The Partnership will run until 2011 and aims to take forward a vision for:

- fair and thriving communities
- protecting the environment
- a strong, competitive and innovative economy.

Ten ambitions formed the framework for the action plan, each with targets linked to key indicators. More generally, the partnership seeks to change the governance culture and gradually align partners' priorities and budgets. A protocol defines and sets out the expectations associated with involvement in the partnership: partners are committed to the concept of 'One partnership, one plan' – an overarching framework to serve as the community plan, Local Agenda 21 plan, the regeneration strategy and the local performance plan.

## Kirklees

Kirklees Partnership was established in 1998 as a cross-sector group of about 30 organisations, chaired by the leader of the council. The vision and strategy launched in 1999 after a year of discussion with partners and direct consultation with every household, which elicited 2,000 replies. It covers the period up to 2005 and is structured around six themes:

- a community and future that engages everyone
- good jobs in a strong economy
- individuals who are encouraged and supported in personal development
- a community that is healthy and safe
- a good environment and a sustainable way of life
- communities with strong identities and good quality of life.

All of these are worked through in terms of the local context, the actions that flow from them, their interconnections and the lead agencies for taking actions forward.

### Lewisham

Lewisham Challenge Partnership (LCP) was set up as a limited company in 1997, as a successor body to Deptford City Challenge. It was established to coordinate the vision and strategy and build partnerships with a range of agencies. The vision statement was developed around the 'local futures' group model of sustainable development. It looks to 2020 and the promotion of a 'cosmopolitan borough'. The linked themes of the regeneration strategy are:

- education–business partnerships
- training and skills development
- coordination of housing, repair, maintenance and rehabilitation programmes
- improving the future for children and young people
- community safety
- millennium arts programme.

The action plan identifies targets, indicators and responsible organisations so that implementation and progress can be monitored. LCP also stresses good communication between partners, stakeholders and the community.

### Liverpool

The Liverpool Partnership Group (LPG) was established in the early 1990s comprising senior representatives from public, private, voluntary and community sector organisations. The Liverpool First prospectus, published in November 1999 after considerable consultation with partners and more widely, contained 45 'offers' or commitments to Liverpool citizens under themes including:

- competitiveness, jobs and the learning age
- equality, social justice and local democracy
- city living and environmental sustainability.

An appendix in the prospectus detailed the initiatives, targets and milestones. From obtaining Pathfinder status, LPG put considerable resources into an executive team to develop the approach. After drawing up the strategy, a review of the LPG membership and operating arrangements resulted in revised membership. This aimed to strengthen links with strategic issue partnerships that could be coordinating bodies on behalf of LPG to ensure delivery of key elements of the strategy. A new team was formed whose role is primarily to facilitate the implementation of the prospectus through partner organisations.

### Middlesbrough

Middlesbrough Direct is an informal cross-sectoral partnership formed specifically for NCR. Its proposed remit included:

- establishing a shared vision for regenerating Middlesbrough
- developing a regeneration framework, encompassing existing strategies and action plans with performance indicators and milestones, and which would also be a framework for future bidding
- developing multi-agency task groups to develop, take forward and monitor action plans
- bringing together local partnerships
- acting as an advocate for Middlesbrough and Teesside.

Middlesbrough Council provided secretariat support. The programme themes were:

- dynamic, competitive, vibrant economy
- raising educational standards, aspirations and employability skills
- safer communities
- information and communication
- regenerating communities/healthy communities
- environmental sustainability.

## Southampton

Southampton Community Regeneration Alliance (SCRA) was formed in early 2000 as an overarching group which could have an overview of regeneration across the city, ensure inter-agency coordination and would be a stepping stone to developing an LSP. It involves public, private and voluntary sector organisations and also tries to bring together a range of existing partnerships and alliances, such as the Learning Alliance, the Strategic Health Partnership, Community Action Forum, Business Advisory Panel and the Passenger Transport Alliance. SCRA works within the framework of the City Strategy, which combines a thematic and area-based approach. It aims to enhance the quality of life for everybody, but also to ensure that the poorest communities get extra attention so that, by 2008, the relatively affluent city of Southampton will cease to have any wards in the poorest 10% wards in the country. The five-year community regeneration plan will be the vehicle for benefiting priority areas experiencing multiple deprivation. It will aim to link community regeneration with other key strategies such as Safe City, the HImP and Lifelong Learning.

## Suffolk

The county of Suffolk has two-tier local government – the county council and seven district councils. As an NCR Pathfinder, Suffolk aims to link an overall strategy to existing county- and district-level ones. Therefore, in addition to its cross-sector Pathfinder group, other organisations are involved through these strategic links. The vision and 10-year strategy seek communities that are:

- competitive and employed
- healthy and caring
- safer
- learning
- environmentally sustainable.

Targets have been set for each of these components based on partners' plans and improved partnership working. The strategy is being operationalised through geographically-based and thematic 'zones', the former tending to focus on urban areas, while the needs of rural areas are more strongly addressed through thematic work, for example on employment and health.

# B

## Appendix B: Headline indicators

Demography	Total population – population change during NCR <i>Source:</i> Mid-year population estimates, ONS
Education	% Year 11 pupils achieving 5+ GCSEs at A*–C <i>Source:</i> DfEE school performance tables % working-age population qualified to NVQ level 4+ <i>Source:</i> Labour Force Survey
Unemployment	Unemployment rate <i>Source:</i> ONS
Poverty	% households in receipt of Income Support <i>Source:</i> DSS
Employment	Total number of people employed <i>Source:</i> Annual Employment Survey, ONS Mean full-time earnings <i>Source:</i> New Earnings Survey, ONS
Health	Standard mortality ratio for 0–65 year olds <i>Source:</i> Vital Statistics ONS
Crime and Safety	Total recorded crimes (specific categories) per 1,000 population <i>Source:</i> Home Office recorded crime statistics for basic command units
Housing	% house sales less than £20,000 <i>Source:</i> Land Registry
Environment	Derelict land (hectares) and buildings <i>Source:</i> National land-use database