Long Term Evaluation of Local Area Agreements and Local Strategic Partnerships
Case Studies Issues Paper

Communities
and Local Government

Long Term Evaluation of Local Area Agreements and Local Strategic Partnerships
Case Studies Issues Paper

Hilary Russell, EIUA, Liverpool John Moores University

The findings and recommendations in this report are those of the authors and do not necessarily represent the views or proposed policies of Communities and Local Government.

If you require this publication in an alternative format please email alternativeformats@communities.gsi.gov.uk

Acknowledgements

This paper was prepared by Professor Hilary Russell drawing on the five case study reports:

- Brighton and Hove – Sophie Ahmad and Hannah Roscoe (OPM)
- Lewisham – Eileen Lepine and Laura Evans (UWE)
- Worcestershire – Maggie Rust and Crispian Fuller (Warwick)
- Blackburn with Darwen – Luke Delahunty and Michael Palin (SQW)
- Leeds – Hilary Russell (EIUA)

Our thanks go to all who participated in the interviews in the case study areas and in the later workshop and to colleagues in Communities and Local Government for their helpful support.

The usual caveat applies – the views in the report are entirely those of the author who accepts full responsibility for any errors of fact, omission or interpretation.

Contents

Glossary

ABG	Area-Based Grant
CAA	Comprehensive Area Assessment
CDRP	Crime and Disorder Reduction Partnerships
CGD	Central Government Department
CYP	Children and Young Persons
DCSF	Department for Children, Schools and Families
DoH	Department of Health
DWP	Department for Work and Pensions
EDE	Economic development and enterprise
IDeA	Improvement and Development Agency
GO	Government Office
IB	Incapacity Benefit
LAA	Local Area Agreement
LEGI	Local Enterprise Growth Initiative
LGA	Local Government Association
LSP	Local Strategic Partnership
MAA	Multi-Area Agreement
NACVA	National Association for Voluntary and Community Action
NEET	Not in education, employment or training
NHS	National Health Service
NIS	National Indicator Set
NRF	Neighbourhood Renewal Fund
PCT	Primary Care Trust
PI	Performance Indicator
SCS	Sustainable Community Strategy
SOA	Super Output Area
ToC	Theory of Change
VCS	Voluntary and Community Sector

Executive Summary

E1   This report examines themes emerging from the first round of fieldwork in the five longitudinal case studies being undertaken as part of the National Evaluation of Local Area Agreements (LAAs) and Local Strategic Partnerships (LSPs) commissioned by Communities and Local Government: Blackburn with Darwen, Leeds, Worcestershire, Lewisham and Brighton and Hove. Although selected to cover a range of variables, such a small sample cannot be representative of all LSPs but they can provide illustrative material about the impact of policies on the ground. As the fieldwork was conducted when planning for the new LAAs was at a relatively early stage, the findings are supplemented by those from a workshop in July 2008 attended by case study and other LSP representatives. The evaluation is structured around a Theory of Change (ToC), which focuses on describing the main change mechanisms[1] in the LAA/LSP framework, comprising interactions between the relevant:

* *policy drivers* – the general aims of government in specific policy areas *and*
* *policy levers* – the instruments available to government to effect change in public policy and services

E2   The drivers are those associated with LAAs/LSPs and, indirectly, Sustainable Community Strategies (SCSs), that are intended to deliver the goals of policy reform indicated in the 2006 Local Government white paper, *Strong and Prosperous Communities*, and the connected policy levers. The ToC identifies three streams within which change mechanisms should operate:

* efficiency
* service improvement
* trust and relationships

E3   Each stream is linked with achieving specific outcomes, but there is considerable overlap between them. In practice, the change mechanisms will generate impacts that cut across the streams.

---

1   See Appendix 1 in the full report for the drivers and levers

Efficiency drivers and levers

E4   The single most important driver of change seemed to be a determination by local players to improve outcomes. In relation to increased efficiency, other drivers such as cutting costs, reducing bureaucracy and rationalising performance management systems were variously seen as important, but not primary concerns at this stage. They may become more prominent once the new LAA is in place. Funding levers were not stressed. Even in 'single pot' areas, funding flexibility only took place within blocks or themes; crossing themes was seen as too complex as yet. It is notable that national stakeholder respondents, too, generally did not identify funding levers as significant.

E5   The introduction of the National Indicator Set and focus on 35 negotiated designated targets was welcomed in principle and has forced a valuable process of prioritisation. But there were some caveats. Some indicators are considered not fit-for-purpose: designed primarily for national comparison purposes and sometimes ill-defined. There were questions about how many indicators partnerships would have to monitor in practice and concerns about the continuing demands on some agencies/statutory partnerships for other indicators. Unsurprisingly the responses of local players focused on difficulties within the performance management arrangements from their point of view. The national stakeholder interviews[2], on the other hand, revealed a concern that weaknesses in the performance framework, such as poorly defined indicators and data collection, will generate a lack of confidence amongst ministers and an early return to departmental intervention.

Service improvement drivers and levers

E6   Gauging the effectiveness of *service improvement* drivers was also difficult. Again local players were mainly seeking to improve local outcomes and in the case study areas, LSPs had already provided a good foundation for committed partnership working. The existing LAAs were less ambitious than the new ones in relation to funding and changing mainstream service provision so that they did not necessarily touch the mainstream. However, they provided useful experience and, together with the development process for the new LAA, have served to make partnership working more focused and embedded.

E7   A large measure of consistency ran through from the SCSs to the LAAs, at least in terms of the underpinning vision and values. But the advent of LAAs, as well as changes in national priorities, has sometimes prompted a review of SCSs. Revised SCSs will be informed by the evidence bases put together for the LAA.

2   see Helen Sullivan, *Report of the First Round of Stakeholder Interviews*, National Evaluation of LAAs and LSPs, 2008.

E8   In some areas, LAAs have prompted or coincided with changes in some delivery agencies but, to date, it is at a project level that there are more signs of innovative approaches bringing partners together. These did not necessarily stem directly from the LAA and nor did they require the associated levers to go ahead. The neighbourhood is a key level for taking forward a joint operational approach.

Trust and relationships drivers and levers

E9   The effects of the drivers and levers on *trust and relationships* varied. Local players are still unsure whether LAAs mark a sea change in central–local relations. There are still mixed messages about how far localities will achieve greater autonomy. Negotiations between Government Offices (GOs) and LSPs were more open for the new LAA and local players felt there was a better level of understanding of place within the GO. There was much less conviction that this extended to central government departments. The credibility of the new approach is still to be proved. Frustration over the failure of enabling measures and concern about pressure on LSPs to include some indicators raised the question of how far some departments were yet in tune with national policy. This anxiety reflected – and was possibly justified by – findings from the stakeholder interviews which showed a suspicion that *"a combination of scepticism and lack of capacity will inhibit translation of new policy narrative into changed departmental behaviours towards localities"*. There was also nervousness that loss of control will result in 'big hitting' departments dominating the negotiations, thus jeopardising the LAA ethos of finding new approaches to complex policy problems. As yet, the resource, capacity and capability implications of devolving departmental roles and responsibilities to local bodies are not fully appreciated.

E10   Horizontal relations mainly started from a sound base, which LSPs have played a major part in developing. There was ambivalence over the value of the duty to co-operate. Can an imposed 'duty' generate the necessary commitment? Local authorities are taking their community leadership role very seriously and the new LAAs have given scope to exercise this. One emerging issue, therefore, is how this has changed the balance of power between local authorities and LSPs. Another is whether preoccupation with the LAA will in any way constrain LSPs either in the breadth of their agenda or the scope of their engagement especially with the voluntary and community sector (VCS) and private sector. There remains an important strategic planning role for LSPs encompassing but also going beyond the LAA. It may be timely for LSPs to review their role in the light of the changed circumstances and policy context and do more to raise awareness about its scope and distinctiveness amongst their stakeholders.

E11   Another issue is where councillors fit in relation to LSPs and LAAs. A related issue coming out of the stakeholder interviews was whether local leadership, particularly from elected members, will be strong enough to generate the required level of ambition in LAAs. Back benchers at least – and sometimes senior opposition members as well – have been fairly remote from the LSP and often suspicious of it. Some LSPs are trying to engage them more strongly. This can be through scrutiny arrangements or through developing greater synergy between the LSP structures and processes and area committees. Nevertheless, questions of accountability remain open. There are signs that partners feel considerable accountability to one another though without any sanctions if any of them underperform. LSPs give an account of themselves to the public in a number of ways, but these are not matched by opportunities for citizens to call them to account.

Barriers, challenges and facilitating factors

E12   The case studies were designed to gain local perspectives so that it is probably unsurprising that most of the barriers mentioned arose in relation to central-local relations whereas the majority of facilitating factors were more local ones. Key barriers arose from different aspects of the parameters set by central government for local agencies:

* tensions if not contradictions within government policy in relation to expectations of LSPs and local authorities
* tensions between local and central priorities and pressures
* the absence of a joined up approach in Whitehall

E13   Some local barriers relate to the difficulty of changing longstanding organisational cultures and ways of working and breaking down territorialism. Others stem from inter-organisational relationships especially if the council is perceived to be too dominant. Yet others can hinge around the capacity and management of the LSP. It is clear that the challenges relating to local dynamics are intensified in two tier areas.

E14   A fundamental facilitating factor is the quality of local relationships. On the one hand, structural factors play a part, such as the type of area and area identity, co-terminosity of agencies and unitary local government. On the other, more nebulous factors are important, such as how leadership is exercised both collectively and within partner organisations, the stability of relationships and having the right staff. It is also the case that some of the outcomes of a partnership approach themselves add momentum. Joint appointments, closer collaboration and innovative joint projects can all demonstrate the success and further potential of integrated working.

E15   Central government has contributed to strengthening local partnership through giving local areas the space to try different approaches to complex problems, for example, by encouraging inspection processes to look at innovation.

Outcomes

E16   The research indicates that the case study LSPs have gone a long way to establishing their intended role in local governance in terms of increasing and enhancing partnership, bringing more co-ordinated interventions and policies, both horizontally and vertically and giving a greater role to stakeholders. For LAAs, the proof will be their effectiveness as demonstrated in their socio-economic impact.

E17   At this early stage, the case study findings necessarily focused largely on process outcomes but these could be seen as instrumental towards better socio-economic outcomes. There were plenty of examples of more integrated working: joint posts, co-located services, jointly funding projects, joint commissioning. Although there were already instances of socio-economic improvements, attribution was a major problem. Local players themselves were reluctant to tie them to the LAA. However, the general consensus was that where, for example, satisfaction scores had risen or deprivation scores fallen, they could be linked directly to a more holistic and targeted approach resulting from the inter-agency relationships and wider perspectives largely formed through the LSP.

Policy messages for Government

E18   The study has identified various aspects of central-local relationships that create barriers for local players and feed their doubts about the Government's real willingness to devolve responsibilities:

- agencies' different planning cycles and performance frameworks suggest a lack of coherence across Whitehall
- service deliverers face competing policies and drivers and tensions arising from their local and central accountability
- local players want more clarity on issues such as funding streams and mandatory indicators
- reward grants can have the unintended consequence of skewing activity towards the short term and attainable and perhaps less important and away from interventions that would be more effective in the long term
- stakeholders – especially but not exclusively the private sector and VCS – find it difficult to keep up with such a fluid policy environment

Policy messages for LSPs and their member organisations

E19   The research has underlined the need for LSPs corporately to:

- be aware of their informal as well as their formal ways of working and how these impact on their efficiency, effectiveness and inclusiveness
- ensure connections with electoral democratic processes
- have mechanisms for scrutiny/holding partners to account
- ensure strong and appropriate leadership
- have staff that have the requisite skills and seniority to be able to influence others
- strengthen their capacity for data collection, analysis and delivery planning
- establish better links across block/themes
- look for new solutions to persistent problems and manage risk without stultifying experimentation/entrepreneurialism

E20   There are also messages for partners in LSPs about the need to:

- take steps to embed partnership within their own organisations vertically and horizontally and change silo-based working cultures
- champion LSP/LAA priorities within their own organisation and build them into their corporate plans
- ensure transparency in the deployment of funding such as area-based grant (ABG)

Future research

E21   The case studies underlined the value of the ToC in framing the overall research. It is a way of capturing the key change mechanisms whilst also spanning the complexity of issues and the diversity of places and interventions being covered. It directs attention to the relationship between context, structures and processes and outcomes. It provides an organised basis for the longitudinal case studies and identifying the issues that need to be followed through in the next round of fieldwork. The number of drivers and levers, the complexity and fluidity of local circumstances *and* the drivers of local activity over and above those in the ToC, have all made it difficult to use the ToC systematically and consistently in this phase of the research. In any case, the ToC is not meant to be a once-for-all theory. The intention is to refine it in the light of evidence. The work so far demonstrates that drivers and levers combine differently in different contexts. The challenge now is to learn more about how change mechanisms operate in different circumstances and revise the ToC accordingly.

1. Introduction

1.1 This report examines themes emerging from first round of fieldwork in the five longitudinal case studies being undertaken as part of the National Evaluation of Local Area Agreements (LAAs) and Local Strategic Partnerships (LSPs). The evaluation was commissioned by Communities and Local Government and is being carried out by a consortium led by Warwick Business School and also including the Cities Research Centre, University of West of England, the European Institute for Urban Affairs, Liverpool John Moores University, the Office for Public Management and SQW Consulting.

1.2 The evaluation is structured around a Theory of Change[3] (ToC), which focuses on describing the main change mechanisms[4] in the LAA/LSP framework. Change mechanisms comprise interactions between the relevant:

- *policy drivers* – the general aims of government in specific policy areas *and*
- *policy levers* – the instruments available to government to effect change in public policy and services

Figure1: ToC: Improving outcomes through negotiated governance

Local governance is negotiated…

…in the form of LSPs which produce…

…agreed community strategies to form…

…the framework for LAAs negotiated…

…between central and local government to stimulate…

…CHANGE MECHANISMS WHICH FACILITATE…

Innovation and flexibility in service design and delivery; increased collaboration and user influence

Local government as strategic leader and place shaper

New relationships between CG and LG, LG and partners and with citizens

More efficient resource allocation and use

Improvements in service delivery; core national and local priorities

Effective, accountable and responsive local government

Shared assets, reduced costs and improved outcomes

Responsive services and empowered communities

Increased trust and confidence at all levels in and between government bodies

And contribute in the longer term to the achievement of sustainable and equitable outcomes – social, economic and environmental

---

3 Helen Sullivan (2007), *Developing a 'theory of change' revised note*, Long Term Evaluation of LAAs and LSPs, Communities and Local Government.
4 See Appendix 1 for the drivers and levers

1.3 In this case, the drivers are those associated with LAAs/LSPs and, indirectly, Sustainable Community Strategies (SCSs), that are intended to deliver the goals of policy reform indicated in the 2006 Local Government white paper, *Strong and Prosperous Communities*, and the connected policy levers. The ToC identifies three streams within which change mechanisms should operate:

- efficiency
- service improvement
- trust and relationships

1.4 Each stream is linked with achieving specific outcomes but, as will become evident in the paper, there is considerable overlap between them. They can be separated for the purposes of analysis but, in practice, the change mechanisms will generate impacts that cut across the streams. Figure 1 taken from the ToC illustrates this. These streams provide a framework for the report and within each particular stream topics have been identified as a way of organising the material.

1.5 The five longitudinal case studies are: Blackburn with Darwen, Leeds, Worcestershire, Lewisham and Brighton and Hove. Although selected to cover a range of variables, such a small sample cannot be representative of all LSPs. The value of the case studies is to derive some illustrative material about the impact of policies on the ground. They are feeding into the rest of the research in the following ways:

- providing the raw material for examining the levers and drivers included in the theory of change (ToC)
- serving to indicate potential topics for the targeted case studies
- helping to inform the development of the LAA and LSP surveys

1.6 The fieldwork was conducted when planning for the new LAAs was at a relatively early stage. In this report, the findings are supplemented by those from a workshop in July 2008 attended by case study and other LSP representatives. It is too early to test some of the drivers and levers, but respondents had views about whether and how far they were likely to be influential and the resulting material is of interest to policy makers and practitioners alike.

2. Efficiency

Partnership working

2.1 The efficiency drivers include increasing and enhancing partnership working to deliver key outcomes. The case study areas had different histories and varied structures of partnership working but, for all of them, having an LSP had helped lay the foundation for the LAA process and take forward joint working. In turn, the LAA served to make existing arrangements more concrete. Producing the 'story of place' led to more intensive analysis of local conditions and a sharper focus on key outcomes.

2.2 LAA negotiations underlined the need for an evidence base relating to delivery. Nevertheless, some stakeholders were still unclear about what LAAs are or should be. Should they cover everything or only capture the most important things? Are some policy dimensions still best delivered by single agencies? Should LAAs only include things that require partnership working? There was evidence that the new LAA was bringing a broader strategic focus and the process of developing it has sometimes been accompanied by – or prompted – a review of the SCS.

2.3 Questions arise about the relationship between formal arrangements and the way things actually happen, underlining a potential tension between accountability and efficiency. First, where do power and influence really lie? Decisions may in effect be made outside of main meetings, which can be helpful if it is a matter of oiling the wheels or getting more in-depth engagement. However, it can also be problematic, for example, if it becomes very officer-oriented and some stakeholders such as the VCS are or feel excluded. Secondly, are LSP Boards able to provide adequate oversight given the range and technicality of the issues, the infrequency of meetings, their large agendas and their size and inclusiveness? Although partnership may be strengthening, it is happening in different groups and ways detached from the LSP's formal accountability processes. It can be in these other arenas that disagreements are exposed and resolving them may mean drifting away from decisions previously reached at the LSP.

2.4 Increased collaboration relies on embedding partnership within the LSP member organisations. This may happen through:

- underlining its importance in the induction of new staff
- incorporating partnership into job descriptions
- tying in the LAA vision and priorities to everyone's work

Funding

2.5   Funding drivers include reducing costs, bureaucracy and complexity. But the main driver for local players has been to get the most out of limited resources – achieve better results from the same level of input – rather than making cost savings. Pressure to achieve targets probably reinforces this concern. Progress in aligning and especially pooling was not a major preoccupation and there was little evidence to suggest that being a 'single pot' authority made a significant difference. Resources were still used in separate blocks in the first LAA. Using themes as organisational devices for handling resources was a way of dealing with complexity as well as being less time-consuming. Where some pooling of resources had taken place, it was not driven by the LAA. Crime and Disorder Reduction Partnerships (CDRP) instances, for example, would have happened anyway. The fact that the LAA was rooted in existing processes limited the scale of change that could be achieved and, overall, different drivers and levers applied in different theme areas.

2.6   Steps towards joint commissioning were beginning to occur patchily: at different rates across different policy areas, starting with non-core funds (box 1) and using lessons from Neighbourhood Renewal Fund (NRF), health and social care, children and young people and Local Enterprise Growth Initiative (LEGI). It takes time and resource to improve commissioning to meet outcomes; for example, in managing the provider market in relation to services for people with mental health needs, and encouraging providers to reconfigure services to meet priorities. Again, there was some doubt about how much difference the first LAA was making to *"the really big stuff"*. Sometimes, but not always, the experience provided lessons that could be replicated in relation to other policy spheres or funding sources. There was one example, too, of an LSP making structural changes to distinguish 'hard' and 'soft' elements: the 'soft' are the larger partnership groups and the 'hard' that are smaller commissioning boards.

Box 1: Examples of new approaches to commissioning

- In one LAA, Children's Services provided a framework to co-ordinate the spending of some non-core funds. Following a review to assess what different neighbourhoods were receiving, there was a reallocation of NRF, Extended Schools funding, New Deal for Communities (NDC) and the Department for Children, Schools and Families (DCSF) Standards Fund.

- In another, an external review of NRF-funded projects to ascertain how well they contributed to the LAA priorities resulted in some projects being dropped and others having their objectives refined. This freed up £3m to commission new projects where there was under-performance.

2.7 Some stakeholders could see the potential for efficiencies and achieving greater impact through greater transparency about the deployment of resources and analysis of their effectiveness, but it often seemed consigned to the 'too difficult' tray. *"There is a disconnect between brave policy work at one level and paralysis when you think about money. There isn't much sense of opportunity yet – it is all slightly scary and threatening."* However, financial pressures, such as the loss of NRF and/or shortage of other resources, were beginning to provide an impetus for concentrating more on areas of mutual benefit and accelerating the inclusion of mainstream funds. The prospect of the area-based grant (ABG) was also starting to focus minds on how to align the mainstream with LAA priorities. Some partners were nervous about whether local authorities will hog the ABG and found it difficult to get to grips with how it will work. It is replacing grants that were more explicitly partnership ones. Many areas are treating this as a transitional year so that potential issues are not yet apparent. There were also uncertainties about whether funds, such as LEGI, would remain earmarked and concerns about the anomaly that some pots of money, such as Housing Market Renewal Initiatives (HMRI), will still be outside the domain of the LSP/LAA.

2.8 Reducing bureaucracy has been a secondary consideration and there was little evidence of lower administrative costs so far. The extent to which the LAA structures were aligned with the LSP ones varied but, in any case, the LAA process itself generated a large number of meetings and sometimes a larger bureaucracy. Increased work was seen as an inevitable accompaniment of the LAA development phase – for example, in relation to performance management – possibly exacerbated by a local determination to be inclusive. However, some signalled an intention to rationalise the administration once the new LAA was in place.

National Indicator Set

2.9 The introduction of an area-based outcomes framework with negotiated and shared targets was one of the levers for LSPs to use to develop local solutions and drive local partnership. Having a smaller number of indicators and a national set is generally agreed to be a move in the right direction. It gives a helpful focus on outcomes and forces a process of prioritisation. However, there were some reservations and questions raised about whether the National Indicator Set (NIS) is yet fit for purpose:

- indicators are not necessarily attuned to local priorities because they are broadly intended to enable comparisons across LAAs
- some are better defined than others: the economic, enterprise and culture ones in particular are seen as less satisfactory. Some places will want to define their own, which means they will be local targets and potentially downgraded
- local players had to select indicators in advance of seeing their full definitions, which could turn out to be inappropriate

- the wording of some indicators meant that local players were reluctant to use them – notably the 'violent extremism' ones – because of the message they would convey, even though they wanted to prioritise that sphere of work

2.10 Other concerns focused on the selection and use of indicators. At the local level, performance reward grants can be useful in the initial stage of getting organisations involved and lead to better collaboration especially around the health and safer and stronger communities agenda. But there is a risk of more negative effects. Partners might be tempted, partly by the reward grant, to select short term and more readily attainable targets and focus their activity on them rather than seeking ones more likely to lead to longer term transformation. One of the challenges of prioritising is that it requires judgements about cause and effect and the interconnections between different indicators: if you choose A, then B, C and D would naturally follow. However, not only is this an art not a science, but also different players can be protective of their 'own' indicators and want them included. Local players also felt pressurised to pick particular indicators to the point where they were in effect becoming mandatory by the back door. Mixed messages from some central government departments either created tensions for individual partner agencies or seemed likely to limit local autonomy to select priorities, prompting the question *"Whose LAA is it?"* There were also questions about the relationship between the designated indicators and the Comprehensive Area Assessment (CAA) process. If areas have to report on all 198, what is the point of the 35? Similarly, there is confusion about the different sets of targets co-existing for other partnerships, such as CDRPs, and agencies.

2.11 The question arose whether the indicators selected for the new LAA contained a higher proportion of ones focusing on perceptions. Some stakeholders thought them a flawed tool for gauging changes to service performance. On the other hand, where elected members were involved they might actively want targets that correspond to political priorities, such as fear of crime and views on the area. Another concern was about the realism of targets during an economic downturn, when even maintaining a static position on, say, poverty or house building, might be ambitious.

Performance management

2.12 Although there can still be difficulties in bringing together performance data from different agencies, LAAs have brought a more organised approach to data collection and resolving problems of availability, quality and consistency. The outcome framework was seen as a significant lever with the potential to lead to improved outcomes – even if that potential was not yet realised – with scope for new systems for sharing quantitative data and/or better alignment of planning cycles

leading to more streamlined arrangements and overcoming problems of different deadlines and reporting structures.

2.13 The LAA was already adding value through the needs research. More robust evidence bases were being developed with a stronger sense of place. Characterisation of 'place' is easier in some areas than others. It is particularly challenging in two tier areas because of the reach of a county and the differences amongst its constituent districts but, elsewhere too, the nature of the area may make the story more difficult to capture. However, the story of place can help towards identifying the distinctiveness of different localities within the area, which may result in, for example, the establishment of mini-LSPs that can focus on very local priorities.

2.14 Capacity varies for performance monitoring and management, and for analysing and understanding the data collected and turning it into intelligence. Some areas already have organisations (such as research and intelligence units) or systems (such as Performance Plus) and/or software packages that enable less labour intensive collation and comparison of data than manual entry systems. However, there could also be differences between theme groups within the same LAA. Some, such as CDRPs and Children and Young Persons (CYP) Partnerships, already had well-developed infrastructure, though this could be a complicating factor where, for example, they still carried out their own parallel analysis.

2.15 Amongst local partners, cultural and capacity issues are influential. For example, other partners are not necessarily able to match the local authority in their speed of producing and in formatting data. Moving to the new LAA sometimes meant building relationships with a new set of people and changing from blocks to themes could make it all *"more slippery"*. Accessing the equalities data essential for tracking 'narrowing the gap' outcomes is a general problem.

2.16 Experience in the first LAA provided several lessons about potential mistakes:

- including indicators without identifying who would be responsible for delivering them or without certainty of associated funding (such as LEGI) being in place
- couching targets in percentages that were unrealistic when translated into numbers
- agreeing Performance Indicators (PIs) even where there was no baseline
- insufficiently integrating the LAA into planning processes and failing to establish consistent ownership and senior leadership across the blocks
- failing to allow for the distraction and lack of continuity resulting from agency reorganisation

- under-estimating the amount of work involved in performance managing the LAA

2.17 An issue that can arise anywhere but perhaps especially in two tier areas is the link – or lack or it – between accountability and responsibility and the potential difficulties when an organisation is held to account for performance across the whole LAA area even in parts where it has no active involvement. This can also apply when officers are accountable for the performance of people who form no part of their mainstream responsibilities and when they have little leverage over the organisation concerned.

2.18 It is too soon to comment on levers such as the single point of performance reporting. GOs have been closely involved with LSPs in relation to their choice of indicators, the quality of their evidence base and their performance management systems. There remains a need for contact with a variety of theme specialists and different central government department (CGD) contacts within the GO, but local players hope that the system overall will lead to a better central government understanding of the diversity of places.

Barriers to efficiency

2.19 The key efficiency barriers cited by respondents largely related to central government and the implications for local agencies of the parameters within which they have to work:

- the different business planning cycles and funding rules of central government departments and other funding bodies are a barrier to pooling and rationalisation and limit the extent to which collaboration around joint interventions is possible
- committing to a common performance framework in the LAA is difficult because reporting timetables are not in step and some partners have to respond to their own performance management framework demands
- the reporting of information via other mechanisms does not fit with the timing of LAA reporting requirements
- financial pressures especially the loss of NRF

2.20 Another barrier that emerged is the difficulty that LSPs sometimes have in being able to attribute positive outcomes to partnership activity, as distinct from agencies acting independently, so that they are less likely to have the impetus to grapple with the complexities of pooling or aligning budgets.

2.21 Two tier working, if not a barrier in itself, at least entails additional constraints and complications.

Facilitating factors

2.22 Facilitating factors tended more to be local ones, where there is:

- strong existing partnership and a basis of goodwill and commitment
- a unitary authority as a single point of local authority contact for other agencies
- co-terminosity of agency boundaries
- a consensus around priorities
- a background of strong deliberative planning in some policy areas producing models that could be replicated

2.23 Conversely, the lack of these facilitating factors may represent a significant barrier to efficiency for the LSPs concerned.

Outcomes

2.24 As already indicated, there is not yet evidence of rationalised management or significantly reduced administration costs. Rather, more resources have often been designated for the LAA but when partners regarded the LSP/LAA team as efficient, helpful and 'listening', this went a long way to securing active co-operation and involvement. Respondents mainly showed a good level of satisfaction with the models developed for the LSPs/LAAs and confidence that further streamlining will occur after the new LAA is finalised. But they recognised it will not necessarily be an easy process because of pressures of time and capacity plus the possibility of winners and losers – in terms of agendas, target areas and players – bringing the potential for conflict.

2.25 The types of efficiency outcome that featured in the case studies included the following, examples of which are given in the next section on Service Improvement:

- joint posts
- co-located services
- jointly funding projects
- joint commissioning
- better co-ordination of activities currently carried out separately by different partner agencies, such as community engagement, with a view to creating joint posts in future

3. Service Improvement

Performance improvement

3.1 The key underpinning driver in all the case studies was to improve outcomes for local people. This driver often pre-dated LSPs and LAAs, especially in areas with deep-rooted problems. Facing similar contextual issues such as poverty and deprivation means agencies are more likely to recognise the need for a partnership approach and more quickly reach a consensus about priorities. Recent national policies served to reinforce this driver and probably prompt a more organised approach together with associated drivers to increase service quality and responsiveness and vertical and horizontal co-ordination across the public policy system. The precise role and influence of the LSP in motivating partners to improve outcomes and enhancing partnership working is difficult to measure, but it is clearly an important arena for strategic level partnership and provides a setting for the required change mechanisms. Much of its added value derives from making connections across both organisations and policy spheres and retaining an overview. Composition and breadth of membership are vital but so also is the quality of leadership.

3.2 Again, funding levers were little stressed by interviewees. Local determination to make a difference seemed to count as much as funding flexibility, both in terms of how far opportunities have been exploited and how far partners would attempt to go forward in the absence of levers. The case study partnerships were clearly *en route* to greater streamlining of performance management arrangements but it was too early to discern any related service improvements.

3.3 Mixed views emerged about the duty to co-operate: whether it makes much difference, whether partners are aware of it or really understand it. Some found it helpful in bringing in some partners and emphasising the importance of commitment. Overall, however, it was seen either as irrelevant because the quality of partnership was already in place or ineffective and undesirable because statutory compulsion would not lead to more willing and effective collaboration and could undermine the LSP's existing ethos. Although it is still necessary to overcome some partners' scepticism and change their organisational priorities to draw them in more effectively, this is not necessarily seen as the appropriate means of doing so.

3.4 The issue of the role of the Voluntary and Community Sector (VCS)[5] is a complex one. Views differed about VCS representation on LSPs. Sector representatives themselves often feel unequal partners whereas other

---

5   In some areas, the designation is Voluntary, Community and Faith Sector (VCFS).

LSP members sometimes complain that they are too prominent. These are not necessarily contradictory statements; input to discussion is not the same as influence. Parts of the sector found it hard to get to grips with LAAs and, just as they had come to understand the first one, the new LAA provisions came along. In at least one area, a memorandum of understanding was in operation setting out the principles and practices to support the implementation of the LAA. A question that arose was whether opportunities for operational involvement in the LAA would match those in the development phase. Much depends on the local VCS infrastructure and the ability to rise above funding uncertainties and capacity problems. Some LSPs have attempted to develop a more strategic approach to working with the sector by sharing information, offering more consistent support and using it as a mechanism for consultation and gathering local intelligence. Compacts are playing a role.

3.5   Attributing change to LAAs is difficult at this early stage. Local players themselves are cautious about making direct links between interventions and outcome change though, where there have been improvements, they see more effective cross-agency working as one vital ingredient. *"We must be doing something right."* In terms of 'softer' outcomes, there was general agreement that the LSP had helped to build relationships and that the LAA had taken this forward in more specific ways. It brought broader cross-agency understanding of their various potential contributions to outcome change. It was a *"tool around which LSP members have had proper performance discussions and recognised that we are all part of the solution"* and it began the process of getting people used to doing things in new ways. However, time and again, respondents expressed uncertainty about how far it had an impact over and above what would have happened anyway.

Delivery planning and innovation

3.6   The role and status of the Sustainable Community Strategy (SCS) differed in different areas, but there were common elements. There had evidently been an iterative process between the SCS and LAA. The underpinning vision and values of the SCS remained, but the LAA could:

- supply new local evidence that required priorities to be fine-tuned
- underline the increased prominence nationally of topics such as climate change
- as a delivery document, provide a reality check for the broader strategic goals of the SCS

3.7   In some areas, the advent of LAAs had already prompted changes in the wider LSP structures or was likely to do so, either to

- achieve better integration between the LAA 'architecture' and LSP structures *or*

- change the role and remit of LSP groups to fit the LAA themes *or*
- move towards a more interlinked approach across the plethora of subgroups working below the thematic groups, fostering better communication and permitting more cross fertilisation between theme groups and partners

---

Box 2: Thematic working

- *Every Child Matters* had already led to partners already working on a "new, different and shared approach". The Children and Young People's Plan could become a planning framework for the LAA and, in turn, the LAA could be a mechanism for supporting the delivery of the Plan and linking it to other policy spheres and priorities.

- Again building on work that was happening irrespective of the LAA, the Healthier Communities and Older People block gave scope for increasing understanding about the breadth of the health agenda and the role of non Health Service agencies in improving health outcomes. There are already links with social care around the prevention agenda.

- The Safer and Stronger Communities block tended to emerge from existing neighbourhood working and sometimes overlapped with other initiatives such as Respect Action Areas. Strategic bodies relating to community safety tended to be longstanding so that they already had well established data collection systems, even though these may not have wholly fitted the LAA requirements.

- In Economic Development and Enterprise (EDE), variation in the policy themes encompassed was partly related, for example, to whether LEGI funding was going into the area. EDE issues do not necessarily map well onto the scale of the local authority. This is especially the case in London Boroughs but elsewhere, if the LSP area was part of a larger Multi-Area Agreement (MAA) area, this was likely to affect the targets included in the LAA. It emerged that for Jobcentre Plus, involvement in several LSPs/LAAs raises a capacity issue and regional commissioning is taking funding away from local working.

3.8 LSP Boards varied in the extent to which they co-ordinated the work of the LSP thematic groups and other partnerships crucial to the delivery of improvement. Some of these were, in any case, subject to other drivers. In some areas, there was evidence of disparity in the way blocks have been managed, sometimes linked with questions of capacity and resources. How far the LAA activity counted as part of the 'day job' for the officers concerned was significant but much depended upon the individuals involved and the issues identified by the LSP. Another source of difference stemmed from how far the LAA represented a continuation of an ongoing agenda with an associated partnership group or how far it was bringing together new people and policy themes (box 2).

3.9 The extent and quality of horizontal working varies across themes, but the context is also significant in terms of the nature of the area, the problems being addressed and the history of collaboration. The relatively short timescale for preparation and the imposition of mandatory targets affected the planning and delivery of the first LAA, but in some areas, the process was impeded too by partners' lack of knowledge and understanding. Parallel drivers were also important, especially for statutory partnerships.

Box 3: Examples of learning and improvement activities

- Regular workshop style events and specific programmes to address identified training needs both at strategic level (on leadership) and at some theme levels.

- Participation in an IDeA peer review.

- Involvement in *Progress through Partnership*, a regional programme of learning and development services aimed at making LSPs more effective.

- A pilot process to explore the 'added value' of the partnership structures, and ways to capture this.

- Development sessions for LSP members on issues such as how to engage members of the public and the implications of a recent inequalities review.

- Evening meetings to look at particular topics, for example a joint meeting between the LSP and the Arts Council.

- Membership of the regional *Learning to Deliver* programme for LSPs.

- Area-based initiatives such as NDC and neighbourhood management used as learning case studies for learning and as levers for improving collaboration between partners and between agencies and local people.

- Awareness raising events, sometimes using external consultants such as a workshop on faith, social capital and local policy, to create an environment in which senior managers could learn about issues to do with faith communities.

3.10 The case study LSPs had undertaken various types of learning and improvement exercises and, even in the absence of formal improvement plans, took learning seriously (box 3). Some presentations to boards and thematic groups in effect serve as good practice sharing across themes, but there were no instances of systematic cross-theme learning. LSPs have disseminated learning through highlighting and celebrating success in reports, presentations to groups, websites or newsletters. This underlines the close link between learning, communication strategies and transparent ways of working. Communications expertise within the LSP team is important. Some are now trying to make use of interactive websites and blogs as an additional means of communication and building a group ethos.

Reconfiguring delivery agencies

3.11 The research found examples of LAAs prompting or coinciding with changes in delivery agencies (box 4) and projects embodying new ways of working and bringing agencies together to focus on shared interests that can also be a route to more radical redesign of services (box 5). Adult social care was identified in some areas as a sphere in which there had been genuine shifts in partnership work because the architecture had been put in place and relationships built over time. Some linkages seem to occur almost by chance perhaps prompted by recognition of an acute problem, as a response to failing targets or because a stakeholder takes up new opportunities. Although no doubt the relationships formed via involvement in the LSP/LAA are stepping stones, it is less clear that the links arise directly as a result of the LSP or LAA. Another potential route to change is through greater integration across agencies in relation to a specific function; for example, an LSP drawing together the plethora of often overlapping agency community/public consultation activities that otherwise result in a poor use of resources and 'consultation fatigue' within heavily targeted communities.

Box 4: Examples of changes in delivery agencies

- Local authority reorganisation to reduce the number of directorates, match them to the LAA blocks, free up the senior management team to focus on strategic issues and write partnership working into the job descriptions of all chief officers.

- An integrated model of partnership for children used as a prototype for wider restructuring creating a new infrastructure with both 'hard' and 'soft' elements: a broadly based strategic development partnership focusing on needs and a smaller commissioning board. The LSP gives a framework for both of these to work across groups and other partnerships.

- A Children and Young People's Trust bringing together professionals from what were previously three sectors, with joint senior management roles and some co-location, which may provide learning for other sectors as part of work on the LAA.

Box 5: Projects bringing new ways of working

- Economic development 'first steps' work targeting young offenders into work.

- Community learning budgets used for keep fit classes and other activity that can also hit obesity targets.

- A joint Primary Care Trust (PCT) and Jobcentre Plus project focusing on Incapacity Benefit (IB) and mental health.

- Jobcentre Plus working with a housing association in door-knocking as a means of referring people for employment advice.

- A combined Health and Leisure Services project on exercise.

Neighbourhood

3.12 Links 'below the LSP' are important in all the case study areas. In a two tier area, these include relationships with the districts/district LSPs and with parish councils as well as with neighbourhoods. For example, the link with the county LSP is through the chairs of the district LSPs, district council leaders and chief executives. Relationships with parish councils often suffer because the latter are perceived to be under-resourced and find it hard to punch their weight or participate. Some work has been carried out with parish councillors to explore how they can make a more effective contribution. In policy terms, a line runs through from parish plans, *via* district community strategies, into the county SCS. Recognising the importance of the district and neighbourhood levels to the delivery of the LAA, minimum standards were drafted on linkages between the district LSPs and county theme groups. The proposal for six 'champions' in each district taking on thematic portfolios to act as a conduit and channel of communication had yet to be tested.

3.13 Elsewhere, neighbourhood working was either well embedded or at an advanced stage of planning. Whether arrangements were formally linked with the LSP varied (box 6) but irrespective of this, the neighbourhood level is very significant operationally and in terms of producing lessons about effectiveness. Where multi-agency neighbourhood working is well established, it is seen as a means of tailoring policy responses to particular local needs and circumstances. Larger geographic areas may be more appropriate and/or different approaches may be required to target vulnerable groups so that the appropriate level of intervention always needs to be explored.

> **Box 6:** Examples of neighbourhood arrangements
>
> - Five neighbourhood co-ordination areas each produce annual plans. Community engagement is a key element in determining the content and prioritisation within these. Each area committee is chaired by a senior member within the LSP structure to ensure cross-over and feed-back. The neighbourhood arrangements provide a solid governance base for joint working and the delivery of change. Service provision has increasingly been organised and planned at the neighbourhood scale.
>
> - Five District Partnerships (DPs) set up in 2004 were reorganised into three in 2008 when *"the co-terminosity started unravelling"*. Although the DPs are formally within the LSP 'family', they have a close connection with Area Committees. Community involvement in the new arrangements had still to be addressed.
>
> - In amending the council's constitution to incorporate ward level local assemblies, the main principles were a move from a 'consultative' to 'influencing' role, increased resource and a narrower geographic focus, flexibility to work in different circumstances and promotion of innovation. The aim is *"continuous dialogue"* and *"mini LSPs"*.
>
> - A number of neighbourhood level partnerships exist, but have no formal link with the LSP. In practice, some individuals, such as selected ward councillors, may attend both. At one stage, there was exploration of the idea of neighbourhood partnerships covering the whole city but this idea had not been progressed.

3.14 A number of questions arose from the case studies: Is there a tension between flexible and targeted approaches to different neighbourhoods and an equitable distribution of resources between them? Is the neighbourhood where delivery meets democracy? The next section considers questions of accountability but it is evident that both in terms of local democracy and the local accountability of the LSP, local communities and neighbourhoods are vital ingredients.

Barriers to service improvement

3.15 Some barriers to service improvement were said to stem from central government:

- the additional policy drivers and competing priorities faced by service deliverers
- uncertainty about external sanctions for under-performance in advance of knowing more about CAA and its significance
- some key organisations (such as schools that are self-managed and have their own budgets) are not included in the duty to co-operate
- a level of central interference that limits the targeting of joint or co-ordinated interventions

3.16 Others derive more from local circumstances and practices:

- continued silo working/silo-based culture in some organisations partly resulting from strong commitments to national priorities and targets
- weak links across blocks/themes – culture and 'mind-set', block responsibility for specific targets, and allocation of resources discouraged connections
- lack of understanding about how different stakeholders contribute to outcomes at both executive and thematic group level
- lack of accountability: LSP not holding partners to account or closely scrutinising LAA performance
- the greater effort and resources required to introduce variation in service provision so that it is sensitive to diverse local circumstances and the willingness of partners to take risks and *"have the capacity to be experimental and entrepreneurial"*

Facilitating factors

3.17 The facilitating factors are mainly to do with various aspects of the strength of local partnerships and quality of relationships:

- strong partnership working including in some thematic areas
- leadership both in the LSP and in partner agencies
- good relations between key senior individuals
- high calibre of staff involved in LSP and LAA and their ability to generate commitment in others
- joint appointments
- role of LSP and LAA in identifying and targeting most problematic areas that require cross-agency effort
- a good evidence base for the story of place including commissioned research, such as an inequalities review, to strengthen it
- a consensus about the story of place and priorities
- consistency and stability over time in relation to people and issues

3.18 Some external drivers push in the same direction as those for the LAA, for example:

- the need for partnership in Joint Strategic Needs Assessment
- priority given to the need for community engagement
- the encouragement to inspection processes to look at innovation

Outcomes

3.19 Although local partners in all the case study areas thought that some outcomes had been achieved, there is a real difficulty in attribution and it was unclear how far local players are attempting to develop appropriate mechanisms to overcome this problem. In general, it could be said that the LAA has brought a more holistic approach and has widened partners' perspectives. This was happening already through

LSPs. They provide the 'big picture'. *"The workings and architecture of the LSP, and of associated partnership bodies, has had the outcome of increasing the intensity of partnership working which, in turn, should improve the quality and 'connectivity' of service delivery."* LAAs have sharpened the focus and have prompted the collection of evidence that can bring a better understanding of what action is required. This understanding has the potential to lead to more preventative work, for instance, in the sphere of health. LAAs have probably also brought greater challenge when there is under-performance on targets: more rigour in looking at the reasons for the shortfall and enforcing and learning. For local players, an outcome ambition linked with the new LAA is better recognition of local issues within government.

Box 7: Examples of integrated working

- A PCT Chief Executive who is also Director of Public Health for the local authority.

- A PCT Director of Planning and Commissioning works two days a week in the office of the Deputy Director (Development) of the local authority Children's Services.

- Community police officers jointly managed by police and local authority staff.

- Joint targeted action in town centres to tackle truancy.

- Financial incentives for various delivery bodies to help people stop smoking.

- A PCT Public Health Team working with partners on a targeted approach to improving the health of the people living in the bottom 10 per cent of super output areas (SOAs).

- Realigned neighbourhood plans to reflect the objectives and targets in the LAA.

- New approaches trialled in targeted areas to be rolled out if appropriate.

- Moves towards better alignment of funding in relation to access to employment.

- Closer working between the Police and the local authority community safety unit.

- Closer working between the PCT and Adult Social Services.

3.20 Box 7 shows case study examples of more integrated working. Some had already brought positive outcomes: sometimes through higher resident satisfaction scores, sometimes in, for example, lower crime figures or fewer children absent from school. Again, however, the problems of attribution should be stressed.

4. Trust and Relationships

4.1   This section deals with trust and relationships. A new approach
to planning and priority and target setting has implications for the
relationships between the LSP partners and central government and
those between the local authority and its partners. The drivers include:

- refining central government's national priorities
- clarifying shared priorities
- a greater role for local stakeholders in articulating what works and
what is important locally
- improving community leadership
- renewing democracy
- improving central-local relations

4.2   Relationships, individual and corporate behaviour and organisational
cultures are all crucial to finding new ways of working. An underlying
question, therefore, is how far policy drivers and levers work directly
on organisational relationships and activity and/or via their effect on
the people involved. It is impossible to legislate for trust and closer
working relationships, but it is possible to create the principles of,
and a context for, change. The question of the place of LSPs in
local governance is fundamental.

Central local relations

4.3   The jury was still out amongst local players in the case study LSPs
on the difference that LSPs/LAAs are making to central-local relations
and how far central government is really committed to greater local
autonomy. Some positive signs were counterbalanced by more dubious
ones. The role of central government departments has been mainly
indirect, working through GOs and lobbying their local agents to
ensure the inclusion of government priorities in LAAs. The largely
negative response to enabling measure requests in the first LAAs
appeared to signal continuing resistance to moving beyond national
uniformity. Pressure to include certain indicators in the new LAA
highlighted this further and contradicted the idea that local priorities
should be the impetus for LAAs. *"I think that central government have
got to think about how they facilitate the process and be honest about
some of the mixed messages and barriers they put in place."*

4.4   Communities and Local Government was seen to be one of the
more locally sensitive departments, but others were less in tune with the
Communities and Local Government approach. For example, PCTs face
tensions about which targets are significant and the relative importance
of health inequalities because of different Department of Heath (DoH)
systems of performance management. The NHS *Vital Signs* contains

some of the same indicators as in the National Indicator Set, *"but they are very prescriptive and therefore the NHS can legitimately stick to its own narrower central agenda. I was very disappointed by the tone. The directors of finance and clinicians who tend to take a narrower view are unlikely to be part of LAA discussions."* Other departments, too, were perceived to have opted out of the LSP/LAA agenda and this had filtered down to local level. In one area, the Department for Work and Pensions (DWP) was said not to have bought into the LAA and it was difficult to work with the local Jobcentre Plus. Where some targets (for example, crime) were still perceived as largely centrally driven, although this was not problematic if they chimed with local priorities, it still meant the underlying central-local relationship was left untouched.

4.5   Relations with Government Offices (GOs) were generally good especially in connection with the new LAA, though opinions varied about the value they added. It was hard to discern whether the reason for this was divergence between the approaches of different GOs or factors such as the styles of individuals, how far theme specialists on either side were involved or greater difficulty in reaching agreement about priorities. Some appeared to negotiate with central government on behalf of the locality to uphold local priorities, whereas others seemed to seek to impose central targets irrespective of local ones. Sometimes opinions about the role of the GO tended to be more or less positive according to the ease of negotiations and how far different parties agreed on priorities. Where one person was the main conduit for what was a difficult negotiation process, some interviewees recognised that s/he was only the 'messenger' and recognised that *"s/he wants it to work"*. Where local players were a little lacking in confidence, the non-prescriptive nature of the LAA guidance troubled them and they felt they were second guessing about whether suggestions would be acceptable or not. *"It seems strange that we suggest things and the GO tells us if we can have them or not – why couldn't they give us a list of realistic options to start with? It's like ordering in a restaurant without a menu."*

4.6   There was some criticism of starting all the new LAAs in the same year. This caused problems for those in the later rounds of the first LAA when they were repeating consultation on a three year deal after only eighteen months. In addition, the role of targets was undermined by the old reward targets (often worth more than new ones) being rolled forward even though not forming part of the new LAA indicator set.

4.7   The new LAA was bringing more 'grown-up' conversations between GOs and LSPs – *"much more open and balanced in the current negotiating round"*. Local players were more sure of their ground because of the work that had gone into developing an evidence base and were more likely to challenge the GO. In return, GOs wanted to ensure that there were robust delivery plans for the new LAA. However, although both sides agreed that the LAA process had helped towards greater mutual understanding and growing mutual trust, there is still

some way to go before local partners feel confident of being sufficiently trusted by central government to prioritise and deliver the outcomes that will meet shared policy objectives.

Role of the local authority

4.8 This sub-section looks at issues relating to the statutory and community leadership role of local government. There has long been some ambiguity about the role of local government in LSPs. The previous LSP evaluation[6] referred both to the strength of the local authority position and to concerns about it. Frequently prime movers in setting up the partnership and the main sources of LSP resources, local authorities have the legitimacy associated with their community leadership role. Partners largely accept this but, at the same time, have sometimes felt uncomfortable about *"the underlying power relationships that shape the LSP"*. In some areas, the new LAA arrangements have served to increase this unease. In particular, the decision to channel area-based funding through the local authority exacerbates partners' concerns about the local authority 'taking over'.

4.9 Where there is a directly elected Mayor who has a particularly strong relationship with the wider community partners and stakeholders, it would suggest that it was less necessary to confront the 'council' issue. However, it was an open question, first whether this was true and, even if it was, whether it was the office or the particular office-holders that made the difference. If the latter, arguably the leadership style of some local authority leaders could equally attract the confidence of other partners.

4.10 Although local authorities may have shown real sensitivity to claims about 'council dominance', the structural and contextual reasons for their powerful position mean that creating 'equality of voice' is a significant challenge for LSPs. The case studies identified various factors in recent developments and following the advent of LAAs that have reinforced this challenge. Much of the substantial work around the development, implementation and day-to-day monitoring of LAAs inevitably takes place largely within local authorities. Irrespective of how well the LAA structures have been embedded within the LSP, most of the personnel involved were council officials. Some LSP teams do not have the capacity and sometimes the seniority required. In practical terms, therefore, this represents a shift of power affecting the role, authority and legitimacy of the LSP. In other respects, it is difficult to know how far this is a real shift or just making the position that always existed more overt. One of the challenges of the local authority community leadership role is to reconcile democratic accountability and working in partnership. As well as their greater capacity, the shift of emphasis to local authorities is justified by their place shaping and

6 ODPM and DfT, (2006) *National Evaluation of Local Strategic Partnerships: Formative Evaluation and Action Research Programme 2002-2005*

community leadership role. *"Consultees expressed how the Council has very much been the lead agency in the delivery of the LAA … This did not result in any conflict or animosity amongst partners – they all recognised that the local authority represented the most appropriate co-ordinating body for taking forward what now might be called the 'place-shaping' agenda."*

4.11 If the balance of power has changed between LSPs and local authorities, what are the implications for LSPs? One concerns resources. Some stakeholders recognise that, in future, the LSP apparatus for delivering the LAA will require larger contributions from other partners. A broader question is the current role and added value of LSPs, especially if they are overshadowed by LAA activity. There was general agreement that LSPs have a strategic role and a number of associated functions: networking, influencing, brokering, co-ordinating, generating the solidarity and commitment needed to deliver the LAA. They bring partners together, have helped towards a better understanding of the needs and opportunities in their areas, have enabled connections to be made across sectors and agencies and across policy area, spanned wider agendas than are necessarily covered in LAAs and provided a voice for the area. One LSP's peer review concluded that it needed to decide what it wants to be known for and tell its story more widely. This message about the need for clarity of role and direction and higher visibility applies more generally.

Elected members

4.12 Another dimension of the community leadership role is the role of elected members. The extent of councillors' involvement in LSPs varies numerically (or proportionately) and in terms of how far there is participation beyond the ruling group. Problems arise when there is low awareness of the LSP in the wider council or when opposition members and/or backbenchers feel excluded. Cross party involvement was seen as particularly significant in areas where there is a hung council or some likelihood of a change in control so that it is important to ensure that the leadership of all parties feel some ownership of the LSP. One anxiety about engaging members more strongly in LSPs is about party politics becoming a distraction.

4.13 Practical problems, such as the timing of LSP meetings, can affect involvement. More generally, however, there seems to be a combination of disinclination and confusion about what the role of elected members should be. The overall impression was that there was less awareness amongst elected members than local authority officers of the need to work in partnership amongst and sometimes a lack of knowledge and understanding of the issues. Although portfolio holders can speak with authority on their specific topic, there is a concern that *"[T]he problem with local government modernisation has been the loss of expertise*

of some backbenchers in relation to specific policy areas", which also affects their scrutiny role.

4.14 New councillors can be more interested than longstanding ones in partnership working, but some struggle to know how to reconcile the emphasis in government policy on the local authority's role as place shaper with the importance of LSPs. Giving greater prominence to area committees is one way of bringing backbench councillors within the LSP 'family' though they sometimes see their role as holding partners to account rather than being involved in the spirit of partnership. Briefings and workshops on topics such as the LAA are another means of engaging them. The question remains of how far the onus on securing their involvement rests with the LSP itself or with individual members and/or the council. Whichever route is taken, member education and support – providing them with an understanding of LSPs and LAAs – must be a priority.

Accountability of partners to partners and to the public

"The LSP has challenged mainstream services beyond local government, so that they are increasingly accountable. This has helped to inform local priorities. However, there are the inevitable tensions between [the council's] local accountability and that of other public service bodies who do not want to be accountable to councillors as they work through central government."

4.15 The different levels of accountability make the picture a complex one:

- partners are responsible and accountable to their own organisations and to their parent departments
- statutory partnerships are accountable to parent departments
- VCFS and private sector representatives are accountable to the groups or networks they represent
- partners are also accountable to the LSP for delivering agreed actions
- the LSP Board is accountable to the wider community for delivering the SCS and LAA
- councillors are accountable to the electorate through democratic processes
- the activities of the LSP are sometimes reported to the Council Scrutiny Committee

4.16 There is a distinction between formal accountability carrying the possibility of sanctions and the accountability that representatives may feel to their own 'constituencies' or partners to one another because they are part of a common enterprise but for which there are no 'sticks' available in the event of under-performance. Whilst LSPs may seek ways of challenging one another constructively, they are often conscious that agencies can have divided loyalties between their local partners and their parent department. Challenge does happen *"but if an issue arises, where does loyalty lie?"* It is clear that in a partnership

context there are different interpretations of accountability. Although the issue is implicitly – and sometimes explicitly – on the LSP agenda, what mutual accountability means in changing circumstances needs to be addressed as part of the debate about the ongoing role of the LSP.

4.17 So far, *"there are more signs of local relationships having been strengthened than central-local ones ."* *"We have always had strong partnerships [but]. .through the LAA that we have been able to share more information across the partnerships and within the local authority there is now better understanding of the issues."* This may also have led to a greater sense of mutual accountability. *"The starting point for the new LAA is more promising, as we started from a vision and targets have followed from this ... The new LAA should become an open and accessible process compared to the old one. We can now be held to account on targets by the LSP."* In the two tier area, there was an impression of better joined up local governance between the tiers and more appreciation of the role of the county LSP as an enabling body.

4.18 Some interviewees thought that lines of accountability between thematic partnerships and the LSP were unclear, especially with statutory partnerships like CDRPs. There could also be questions about how effectively Public Service Boards (PSBs) – where they exist – and LSPs work together. In some instances, the PSB may in effect be seen as the LSP 'executive arm', though it may not be depicted as such in a structure diagram because it would not be universally welcomed. Such *de facto* arrangements are perhaps more likely to arise if the LSP Board is so large that focused decision-making is more difficult and agencies are less likely to have open and candid conversations.

4.19 There can also be a disjunction between LAA structures and the LSP, with potential challenge about the LAA coming from:

- the Council Scrutiny Committee
- the Council Corporate Priority Boards;
- the LSP Executive which received quarterly reports;
- the LSP's strategy groups;
- the district partnerships and area committees.

4.20 As LSPs grow in importance, there is a risk of greater confusion about whom is responsible for which services and the mechanisms by which they should be held to account. The accountability of the LSP to the public comes through a variety of routes but is seldom systematic. Minutes and papers are publicly available. Reporting can happen through newsletters and websites. Board meetings are sometimes open to the public. These are indirect ways for the LSP to give an account of its activities. There are fewer opportunities for citizens to call the LSP to account.

Barriers to trust and relationships

4.21 Some barriers arise in relation to central-local relationships:

- areas of conflict at the interface of horizontal and vertical linkages where vertical priorities clash with ones agreed between local partners
- tensions in relation to accountability and specifically between local democratic accountability and those who work through central government
- anxiety about how committed government really is to devolving powers/ responsibilities and to the place shaping role of the local authority
- mixed messages from different central government departments conveyed by the variation in levels of co-operation over the LAA
- the legacy of disappointment amongst local players over the *"damp squib"* of enabling measures
- rapid change in national policies and priorities makes it harder for local players to stay in step
- delay in issuing guidance and short timescales meant the process for the first LAAs was very pressured
- a mismatch of timetables – for example, decisions about funding allocations not coming in time for the LAA process

4.22 A number of other impediments relate to local dynamics or perceptions of them:

- if there is a perception that the LSP has too restricted a role and is largely a talking shop
- if the LSP is not yet a forum for structured and challenging discussions about performance and/or if partners behave defensively
- if key decisions appear to be taken away from the partnership table, for example, in pre-meetings, and some partners feel excluded
- if partners perceive the local authority as too dominant
- if partners are unclear about the overall structure: who is involved and how they are accountable
- if anxieties over funding lead to competition between agencies
- if the LSP team – in particular the co-ordinator – is not sufficiently senior to exert influence and have the clout to change things
- if elected members feel excluded from the LSP and the LAA process – this might apply to backbenchers generally or to the opposition group
- if partners do not champion the LSP within their own organisation – particular issues can arise when there is agency reorganisation or turnover in representation
- if partnership working is not sufficiently permeating partner organisations, which may be a feature of both horizontal (cross department) and vertical (senior to junior) relationships within agencies
- if some members still sometimes feel unequal partners, such as the VCS representatives

Facilitating factors

4.23 The helpful factors cited relate to local circumstances:

- a positive history of partnership and collective strategic thinking producing a virtuous circle
- an ethos of partnership working that can generate strong working relationships and be cascaded through the organisations involved
- staff that have the respect of others
- co-terminous or similar boundaries that mean that organisations are planning at similar scales, joint appointments are simpler and speedier decision making is possible
- a strong area identity that makes it easier to bring stakeholders together, including the business sector

4.24 Nevertheless, central government has also had – and continues to have – a key role in strengthening partnership working by giving local areas the space to try different approaches to complex problems.

Outcomes

4.25 This section has shown that there have been differing degrees of progress on the various dimensions of trust and relationships:

- joined up central government
- central-local relationships and the integration of decision making between national, regional and local tiers
- joined up local governance
- the local authority community leadership role
- accountability

4.26 Views varied about the impact of LSPs and LAAs on central-local relationships so far. One experience was that the impact was slight; if anything, frustration around the LAA process may have had a damaging effect. Elsewhere, local players were disappointed that they had not achieved more local flavour in the first LAA and remained pessimistic about more joined-up central government. But others reported that relationships with GOs had become closer, in particular during the negotiation of the new LAA and in arriving at a shared 'story of place'.

4.27 In relation to the first LAA generally, the activity encompassed remained peripheral to the core business of the agencies involved. For most people involved, partnership was still an add-on to the day job and on the whole, LSP partners had still taken relatively few steps towards challenging one another rigorously about use of resources and performance. However, it is evident that, building on LSPs, LAAs have helped to raise the profile of partnership working and strengthened relationships.

5. Conclusions and Implications[7]

Efficiency drivers and levers

5.1   The single most important driver of change seemed to be a determination by local players to improve outcomes. In relation to increased *efficiency*, other drivers such as cutting costs, reducing bureaucracy and rationalising performance management systems were variously seen as important, but not primary concerns at this stage. They may become more prominent once the new LAA is in place. Funding levers were not stressed. Even in 'single pot' areas, funding flexibility only took place within blocks or themes; crossing themes was seen as too complex as yet. It is notable that national stakeholder respondents, too, generally did not identify funding levers as significant.

5.2   The introduction of the National Indicator Set and focus on 35 negotiated designated targets was welcomed in principle and has forced a valuable process of prioritisation. But there were some caveats. Some indicators are considered not fit-for-purpose: designed primarily for national comparison purposes and sometimes ill-defined. There were questions about how many indicators partnerships would have to monitor in practice and concerns about the continuing demands on some agencies/statutory partnerships for other indicators. Unsurprisingly the responses of local players focused on difficulties within the performance management arrangements from their point of view. The national stakeholder interviews, on the other hand, revealed a concern that weaknesses in the performance framework, such as poorly defined indicators and data collection, will generate a lack of confidence amongst ministers and an early return to departmental intervention

Service improvement drivers and levers

5.3   Gauging the effectiveness of *service improvement* drivers was also difficult. Again local players were mainly seeking to improve local outcomes and in the case study areas, LSPs had already provided a good foundation for committed partnership working. The existing LAAs were less ambitious than the new ones in relation to funding and changing mainstream service provision so that they did not necessarily touch the mainstream. However, they provided useful experience and,

---

7   This section also refers to the report of the first round of stakeholder interviews with respondents from central government departments, Government Offices and key national organisations including the Audit Commission, IDeA, LGA and NACVA, which took place at the same time as the case study fieldwork . They therefore enable a comparison between local and national perspectives. See Helen Sullivan, *Report of the First Round of Stakeholder Interviews*, National Evaluation of LAAs and LSPs, 2008.

together with the development process for the new LAA, have served to make partnership working more focused and embedded.

5.4   A large measure of consistency ran through from the SCSs to the LAAs, at least in terms of the underpinning vision and values. But the advent of LAAs, as well as changes in national priorities, has sometimes prompted a review of SCSs. Revised SCSs will be informed by the evidence bases put together for the LAA.

5.5   In some areas, LAAs have prompted or coincided with changes in some delivery agencies but, to date, it is at a project level that there are more signs of innovative approaches bringing partners together. These did not necessarily stem directly from the LAA and nor did they require the associated levers to go ahead. The neighbourhood is a key level for taking forward a joint operational approach.

Trust and relationships drivers and levers

5.6   The effects of the drivers and levers on *trust and relationships* varied. Local players are still unsure whether LAAs mark a sea change in central–local relations. There are still mixed messages about how far localities will achieve greater autonomy. Negotiations between GOs and LSPs were more open for the new LAA and local players felt there was a better level of understanding of place within the GO. There was much less conviction that this extended to central government departments. The credibility of the new approach is still to be proved. Frustration over the failure of enabling measures and concern about pressure on LSPs to include some indicators raised the question of how far some departments were yet in tune with national policy. This anxiety reflected – and was possibly justified by – findings from the stakeholder interviews which showed a suspicion that *"a combination of scepticism and lack of capacity will inhibit translation of new policy narrative into changed departmental behaviours towards localities"*. There was also nervousness that loss of control will result in 'big hitting' departments dominating the negotiations, thus jeopardising the LAA ethos of finding new approaches to complex policy problems. As yet, the resource, capacity and capability implications of devolving departmental roles and responsibilities to local bodies are not fully appreciated.

5.7   Horizontal relations mainly started from a sound base, which LSPs have played a major part in developing. There was ambivalence over the value of the duty to co-operate. Can an imposed 'duty' generate the necessary commitment? Local authorities are taking their community leadership role very seriously and the new LAAs have given scope to exercise this. One emerging issue, therefore, is how this has changed the balance of power between local authorities and LSPs. Another is whether preoccupation with the LAA will in any way constrain LSPs either in the breadth of their agenda or the scope of their engagement

especially with the VCS and private sector. There remains an important strategic planning role for LSPs encompassing but also going beyond the LAA. It may be timely for LSPs to review their role in the light of the changed circumstances and policy context and do more to raise awareness amongst their stakeholders.

5.8   Another issue is where councillors fit in relation to LSPs and LAAs. A related issue coming out of the stakeholder interviews was whether local leadership, particularly from elected members, will be strong enough to generate the required level of ambition in LAAs. Back benchers at least – and sometimes senior opposition members as well – have been fairly remote from the LSP and often suspicious of it. Some LSPs are trying to engage them more strongly. This can be through scrutiny arrangements or through developing greater synergy between the LSP structures and processes and area committees. Nevertheless, questions of accountability remain open. There are signs that partners feel considerable accountability to one another though without any sanctions if any of them underperform. LSPs give an account of themselves to the public in a number of ways, but these are not matched by opportunities for citizens to call them to account.

Barriers, challenges and facilitating factors

5.9   The case studies were designed to gain local perspectives so that it is probably unsurprising that most of the barriers mentioned arose in relation to central-local relations whereas the majority of facilitating factors were more local ones. Key barriers arose from different aspects of the parameters set by central government for local agencies:

- tensions if not contradictions within government policy in relation to expectations of LSPs and local authorities
- tensions between local and central priorities and pressures
- the absence of a joined up approach in Whitehall

5.10   Some local barriers relate to the difficulty of changing longstanding organisational cultures and ways of working and breaking down territorialism. Others stem from inter-organisational relationships especially if the council is perceived to be too dominant. Yet others can hinge around the capacity and management of the LSP. It is clear that the challenges relating to local dynamics are intensified in two tier areas.

5.11   A fundamental facilitating factor is the quality of local relationships. On the one hand, structural factors play a part, such as the type of area and area identity, co-terminosity of agencies and unitary local government. On the other, more nebulous factors are important, such as how leadership is exercised both collectively and within partner organisations, the stability of relationships and having the right staff. It is also the case that some of the outcomes of a partnership approach themselves add momentum. Joint appointments, closer collaboration

and innovative joint projects can all demonstrate the success and further potential of integrated working.

Outcomes

5.12 Any evaluation has to answer questions about the 'success' of the initiatives being under investigation. In the case of LSPs, there would probably be different definitions of success, but the research indicates that the case study LSPs have gone a long way to establishing their intended role in local governance in terms of increasing and enhancing partnership, bringing more co-ordinated interventions and policies, both horizontally and vertically and giving a greater role to stakeholders. For LAAs, the proof will be their effectiveness as demonstrated in their socio-economic impact.

5.13 At this early stage, the case study findings necessarily focused largely on process outcomes but these could be seen as instrumental towards better socio-economic outcomes. There were plenty of examples of more integrated working: joint posts, co-located services, jointly funding projects, joint commissioning. Although there were already instances of socio-economic improvements, attribution was a major problem. Local players themselves were reluctant to tie them to the LAA. However, the general consensus was that where, for example, satisfaction scores had risen or deprivation scores fallen, they could be linked directly to a more holistic and targeted approach resulting from the inter-agency relationships and wider perspectives largely formed through the LSP.

Policy messages for Government

5.14 The study has identified various aspects of central-local relationships that create barriers for local players and feed their doubts about the Government's real willingness to devolve responsibilities:

- agencies' different planning cycles and performance frameworks suggest a lack of coherence across Whitehall
- service deliverers face competing policies and drivers and tensions arising from their local and central accountability
- local players want more clarity on issues such as funding streams and mandatory indicators
- reward grants can have the unintended consequence of skewing activity towards the short term and attainable and perhaps less important and away from interventions that would be more effective in the long term
- stakeholders – especially but not exclusively the private sector and VCS – find it difficult to keep up with such a fluid policy environment

Policy messages for LSPs and their member organisations

5.15 The research has underlined the need for LSPs corporately to:

- be aware of their informal as well as their formal ways of working and how these impact on their efficiency, effectiveness and inclusiveness
- ensure connections with electoral democratic processes
- have mechanisms for scrutiny/holding partners to account
- ensure strong and appropriate leadership
- have staff that have the requisite skills and seniority to be able to influence others
- strengthen their capacity for data collection, analysis and delivery planning
- establish better links across block/themes
- look for new solutions to persistent problems and manage risk without stultifying experimentation/entrepreneurialism

5.16 There are also messages for partners in LSPs about the need to:

- take steps to embed partnership within their own organisations vertically and horizontally and change silo-based working cultures
- champion LSP/LAA priorities within their own organisation and build them into their corporate plans
- ensure transparency in the deployment of funding such as ABG

Future research

5.17 The case studies underlined the value of the ToC in framing the overall research. It is a way of capturing the key change mechanisms whilst also spanning the complexity of issues and the diversity of places and interventions being covered. It directs attention to the relationship between context, structures and processes and outcomes. It provides an organised basis for the longitudinal case studies and identifying the issues that need to be followed through in the next round of fieldwork. The number of drivers and levers, the complexity and fluidity of local circumstances and the drivers of local activity over and above those in the ToC, have all made it difficult to use the ToC systematically and consistently in this phase of the research. In any case, the ToC is not meant to be a once-for-all theory. The intention is to refine it in the light of evidence. The work so far demonstrates that drivers and levers combine differently in different contexts. The challenge now is to learn more about how change mechanisms operate in different circumstances and revise the ToC accordingly.

5.18 The case studies demonstrated the wealth of material and the range of topics that could potentially be explored further. Their restricted time frame also underlined the difficulty of getting down to the level of detail that would be ideal. Some topics can be pursued through other strands of the research, but there are also implications for the next round of case study fieldwork. One possibility is to drill down on the indicators common to all five to compare their progress and associated interventions. Another is to focus on different themes in different case studies in order to obtain more detail on topics such as service reconfiguration. As the first fieldwork visits took place during a time of transition, it will also be important next time to look at the impact of changed structures and processes on both hard and soft outcomes.

Appendix 1: Drivers and Levers

Efficiency: new performance and funding arrangements

	Drivers	**LAA**	**LSP**	**SCS**
D5	Increasing and enhancing partnership working to deliver key outcomes		X	
D6	Moving beyond 'one size fits all' approach to flexibility for local solutions for local problems	X	X	
D10	Increasing efficiency in service provision	X		
D11	Reducing costs and bureaucracy	X		
D13	Reducing the complexity of funding to localities	X		
D14	Reducing the planning and reporting burden on localities	X		X
D15	Devolving decision making and co-ordination	X	X	
D17	Improving horizontal and vertical co-ordination across the public policy system	X	X	
D18	Improving central-local relations	X		

	Levers	**LAA 2 & 3**	**LAA 2008**
L3	Flexibility of funding within blocks		
L5	Funding flexible across themes		X
L9	Single payment system for pooled funding	X	
L10	Flexibility of funding sources to support priority outcomes (some still ring-fenced)		X
L11	Financial reporting linked to specific grants		X
L13	Rationalisation of performance management framework	X	
L14	Bi-annual performance reviews	X	
L15	Single line of/point of performance reporting to CG		X
L16	Annual reviews		X
L18	Auditors monitor performance and assess 'risk'	X	
L26	Introduction of area-based outcomes framework (35 + 18) negotiated and shared targets only		X

Service improvement: supporting collaborative action

	Drivers	LAA	LSP	SCS
D4	Improving outcomes related to social, economic and environmental well-being	X	X	X
D5	Increasing and enhancing partnership working to deliver key outcomes		X	
D12	Increasing service quality and responsiveness	X		
D17	Improving horizontal and vertical co-ordination across public policy system	X	X	
D18	Improving central-local relations	X		

	Levers	LAA 2/3	LAA 2008	SCS
L3	Flexibility of funding within blocks	X	X	
L4	Introduction of 'single pots' with wider funding flexibility (pilots)	X		
L5	Funding flexible across themes	X		
L10	Flexibility of funding sources to support priority outcomes (some still ring-fenced)		X	
L13	Rationalisation of performance management framework	X		
L15	Single line of/point of performance reporting to CG		X	
L29	Local government responsibility to facilitate collaboration confirmed	X		
L30	Duty on LA to prepare community strategy			X
L31	Duty on LA to prepare LAA in conjunction with partners		X	
L32	Duty on identified partners to co-operate with LAA		X	
L33	Broadening membership of LSP to ensure all stakeholder groups represented in LAA negotiations	X		
L34	Role of VCS emphasised	X		
L35	Formal articulation of links between SCS, LSP and LAA – framework for local governance		X	

Trust and relationships: new approach to planning and priority and target setting between centre and localities

	Drivers	LAA	LSP	SCS
D1	Refining central government's national priorities	X		
D2	Clarifying shared priorities	X		
D3	Greater role for local stakeholders in articulating 'what works' and 'what's important' locally	X	X	X
D7	Improving community leadership	X	X	X
D8	Renewing democracy		X	X
D14	Reducing the planning and reporting burden on localities	X		X
D17	Improving horizontal and vertical co-ordination across the public policy system	X	X	
D18	Improving central-local relations	X		

	Levers	LAA 2/3	LAA 2008	SCS
L13	Rationalisation of performance management framework	X		
L15	Single line of/point of performance reporting to CG		X	
L21	Rationalisation of plans required to be produced by LAs			X
L25	Local discretion over what improvement delivered – menu of outcomes and indicators – evidence based, politically supported and agreed by partners	X		
L26	Introduction of area-based outcomes framework (35 + 18) negotiated and shared targets only		X	
L29	Local government responsibility to facilitate collaboration confirmed	X		
L31	Duty on LA to prepare LAA in conjunction with partners		X	
L32	Duty on identified partners to co-operate with LAA		X	