



Local-Regional Partnerships:

Lessons for the
Next Generation.

The last few years have seen many good examples of successful partnership working between the Regional Development Agencies and local government. The research commissioned by the New Local Government Network in this publication highlights some of the factors of those successes. Whilst it is important that we understand what works well, it is also equally important that we understand what does not. Going forward, my RDA colleagues and I will be seeking to work together with local government to build on our existing strengths to continue to improve the economic, environmental and social well-being of our regions and communities.



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Introduction



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Partnership working has long been the mainstay of local authority delivery. Effective relations with RDAs are particularly important to enable two-way communication and collaboration. Councils need to ensure that local needs and aspirations are understood and supported at the regional level, and that local strategies are contributing to the bigger economic picture. The case studies in this guide present just a few examples of the wide range of successful local authority/RDA partnerships. The LGA hopes that the lessons learnt from these projects can help future collaborations, such as the move towards joint investment frameworks and pooled budgets in Local Area Agreements, as more advanced forms of local authority/RDA partnerships.

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Overview

This briefing is about sub-regional partnerships – between local authorities, Regional Development Agencies (RDAs) and others - which are delivering useful outcomes for citizens and communities. From case study research with successful partnerships, it draws out lessons about effective partnership behaviour. The context for these findings has two main themes: the growing importance of partnerships in local delivery; and the changing shape of the regional agenda. This introduction addresses both themes.

Partnership: a new way of life

Partnership has exploded in importance in public sector delivery in recent years. Closer relationships between local authorities and other public bodies on the one hand, and private and voluntary sector organisations on the other, are perceived as important stepping stones on the route to effectively designed and delivered public policy. Local authorities cannot meet their new responsibility to promote the economic, social and environmental well-being of their areas without working in partnership with other service deliverers – neither will they be able to get a decent Comprehensive Performance Assessment (CPA) rating nor meet their Gershon targets. Likewise, RDAs and other public sector bodies cannot deliver on their objectives without taking into account the role and impact of each other's work.

Partnership has also, in recent years, become associated with the influential New Localist branch of government thinking. 'Public-public partnership', in particular, has emerged as a solution to the perennial problem of joining up public policy across traditional divides. This has been driven by dynamism and innovation from leading local authorities, plus a greater willingness to work across organisational divides and across different sectors (public, private and voluntary). It has also been driven by central government, which encourages more flexible forms of working and is developing a more flexible attitude to the use of public funding. In short, partnership working used to exist at the margins of public organisations, but is now becoming mainstream.

Recent developments reflect this. Local Strategic Partnerships were set up from 2001 onwards to provide a focal point for all of the local service providers in a locality, rationalising previous partnerships and allowing a more central role for partners in influencing each others' work.

A further major acknowledgement of local partnership has come through Local Area Agreements (LAAs), which consist of an agreed level of service delivery between the different service providers and the local authority. Government restrictions on moving spending between budget heads are being relaxed, providing for greater discretion in decision-making. To get the most out of LAAs, joint working between local authorities and other service providers will be vitally important, and new organisational forms of partnership may be desirable. The benefits of strategic partnership working between different local authority areas at the sub-regional level is a policy area yet to be fully explored by government.



Regional Economies: shifting sands

With Elected Regional Assemblies (ERAs) no longer on the table, there is renewed debate about governance at the regional level. Less debatable are some of the practical issues and challenges: that productivity needs to be driven up through regional and sub-regional action; that more strategic partnership is required, when funding from different sources is being combined; and that partnership commitment needs to be increasingly a central plank, rather than peripheral element, of organisational thinking. This is why, in this briefing, we discuss the implications of a more 'mainstreamed' approach to (sub-)regional partnership.

HM Treasury's Devolving Decision Making Review has signalled a willingness to allow regional bodies to suggest the virement of allocations between housing, transport and economic development budgets. It also encourages increasing joint working between the regional agencies responsible for the development of those programmes. This comes at a time when relationships between local authorities, Regional Development Agencies, and other public bodies such as Learning and Skills Councils, the Environment Agency, and the Housing Corporation are becoming more partnership based. Each of

these bodies is seeing partnership working become more integral to its way of working – another example of partnership working becoming mainstreamed. Partnerships are moving from being a loose federation of representatives of different organisations and groups set up to accomplish a specified end, towards more permanent relationships.

These trends will mean new challenges. We will inevitably see a wider range of partners being involved not only in delivery but also in the development of (sub-)regional economic strategy. With a more mainstreamed approach comes greater scrutiny, which has not been such an issue for partnerships that are more peripheral to the organisations involved. It also means a need for more – and more effective – political leadership, because the bargaining and trade-offs become more complex and explicit. More community engagement on these issues will surely be needed. Our case studies, which are delivering outcomes now, originated in a less challenging climate; our conclusions (p10-12) consider how lessons from them can read across to tomorrow's partnerships, and a forthcoming NLGN report will address this in more detail.

Lessons from partnerships that are delivering

With partnerships now such a way of life, it is now an appropriate moment to ask what lessons previous experiences of partnerships can offer partners in future relationships. What are the building blocks of success in partnerships delivering today?

This briefing sets out lessons for partnership working based on research on a small number of partnerships which were established between 1999 and 2003 between RDAs, local authorities and, in some instances, other regional and local stakeholders, - which were regarded by partners as successful examples of partnership working. These partnerships were established in order to deliver locally specific regeneration projects in line with community needs. These case studies are well into the delivery stage, so evaluation is based on delivery of real outcomes.

The following pages report on five themes of successful partnership working. These themes were discernible across the case studies, but in each case we have drawn on the experiences in a particular locality to explain how that theme helped the partnership achieve outcomes that could not have happened without it.



Case Study One

Local authorities: governance and delivery

Partnership working offers local authorities the opportunity to step back from their delivery role and assume community leadership responsibilities, which often requires the influencing of others' behaviour. In many of the partnerships we studied, local authorities found it difficult to do this. Often, few other partners had both the organisational capacity and the willingness to take on the delivery of complex projects. Consequently, in many cases, local authorities were the primary delivery agents for the partnership, due to their considerable expertise and capacity for delivery. The regulatory role of local authorities with regard to planning and environmental issues also had a formative influence on many projects. In practice, the successful partnerships often saw local authorities combining delivery, community leadership and influencing roles.

The democratic governance dimension of local authorities is also vital in successful partnerships. It is easy to view officer relations as the 'engine room' of a partnership, building trust and arriving at joint decisions. However, the successful partnerships we studied embraced the role of elected members. They played a range of different roles, but were never marginalised. In some cases, they delegated considerable decision-making powers to officers, and intervened where they could to unblock problematic relationships with other tiers of government. In others, they played a more regular role in liaising with local communities affected by partnership plans, in explaining plans to local people and speaking up for local communities when they were unhappy with developments.

In the East Midlands, the site of the former Shirebrook colliery is under development into Brook Park, a multi-functional development located directly to the south of Shirebrook village. During the development of the site, a large company made an offer to buy two-thirds of the site for a single large warehouse and office. This offer required some changes to the shape of the earthworks on the site, and the creation of a slope with a steep gradient abutting on to the back of the existing village.

Local residents were concerned at the steepness of the slope near their houses, with some complaining that the slope was oppressive and that it was preventing sunlight from reaching their homes. Their concerns were taken up by one of their local district councillors, who was also the chairman of the partnership steering group. This councillor facilitated a meeting between the concerned members of the local community, the relevant planning and environmental teams from the local authority, and the

developers. The meeting discussed the future delivery of the development and discussed with the local people what could be done to mitigate the effect on them. After this, the local people were invited on site together with the officers and developers to see for themselves what was being done. The episode demonstrated to the developer the premium placed by the partnership on relations with the local community and led to planning officers altering the design of the slope.

Without the opportunity for input from the local community, and without good leadership, a partnership's work risks being seen as remote and unaccountable.

Shirebrook Colliery Outcomes:

- Clearing a former colliery site for mixed-use – business and housing – and making provision for leisure use through woodland areas and paths
- Attracting 1200 jobs with the relocation of warehouse and senior office facilities of a major retail company
- Improvement of local educational and sporting facilities by the site developer through Section 106 agreements



Case Study Two

Problem-solving

The advantage of a broad partnership is the ability to bring to bear the creativity and knowledge of a range of different individuals on the problems encountered in aiming to deliver seamless public policy. These individuals tackle the problem encountered within partnerships of clashes between organisational interests. Creative thinking is key to solving such problems, which requires individuals to be willing to think outside of the context of their own organisation's interests. Trust between the individuals in a partnership group is key to enabling creative thinking to take place; often, it goes further than trust, to a situation where, when solving problems, individuals' loyalty is to the partnership itself, not their 'own' organisation.

The Luton Vauxhall Partnership, set up to handle the aftermath of the closure of the Vauxhall car plant in Luton, engaged with Job Centre Plus around the re-skilling of the 1,900 individuals made unemployed. A Job Centre Plus representative sat on the Partnership, and made it aware of the Rapid Response Fund, held by the organisation's central office. Due to its strict rules, it was not possible to access money from this source. Job Centre Plus therefore assisted the partnership in redrafting an application to the Rapid Response Fund, recasting the closure of Vauxhall as leading to a skills shortage – of drivers of HGVs. This enabled the partnership to access some £200,000 that would otherwise have been inaccessible.

Similarly, the Partnership enjoyed good relations with the Government Office for the East of England. These were tested when the East of England Development Agency exhausted the resources it had made available for a specific training programme, having trained around half of the number of people that had been targeted. The Government Office listened carefully to the account of events given, and suggested that extra funding be bid for outside of a formal bidding round. EEDA put forward a bid, which was successful. This matter did not proceed through the partnership itself but was negotiated between two of its members, and it demonstrates the knock-on effect of good partnership relations.

Re-skilling at Vauxhall Outcomes:

- Establishment of the Luton Dunstable Innovation Centre
- Establishment of the Butterfield Technology Village, boosting the local economy after the plant closure
- Re-training of workers before redundancy, taking into account identified shortages of skilled workers locally, leading to 1,500 of 1,900 being re-employed

Both of these examples demonstrate the usefulness of partnership relations in enabling outputs to be achieved by bending formal rules, or applying formal rules flexibly. The exchange of information in the partnership setting is key, and this is driven by a will to see the partnership itself succeed rather than to focus on organisational protocols and procedure. By contrast, there were very few examples in the successful partnerships we studied of professional defensiveness.



Case Study Three

Deliberations over delivery within agreed aims

The partnerships studied enjoyed very few internal disputes about the general direction and strategic aims of the partnership. Problems related in most cases to the operational requirements of completing a complex task rather than disagreements over principles. This was because all of the partnerships had spent a substantial early period deliberating over their strategic aims. In many cases this had taken place in the context of the strategic aims of the regional development agency. RDAs had consulted widely with local and regional actors and then set out a comprehensive Regional Economic Strategy taking as many of their concerns into account as possible.

In the King's Cross development in London (across the boroughs of Camden and Islington), a large swathe of brown-field development was taking place at the time of the establishment of the London Development Agency. Much of this was commercial (including the Channel Tunnel Rail Link and the Arsenal stadium), but opportunities existed to promote further

development around that already underway. The LDA identified the area as one of a small number of sites within London that gave opportunities for substantial change, and a Programme Investment Plan was drawn up in consultation with the two local authorities.

The partnership board was not established until the completion of the Programme Investment Plan and its defined projects. The consultation process ensured that the projects were welcomed by the two boroughs and other local actors. It also enabled the building of a shared vision between the main local actors, and was important in establishing good relations and understanding between organisations. With those factors in place, delivery of outputs became far easier to achieve.

After the LDA's interest was confirmed, representatives from it were invited to sit on a number of partnership groups that existed within the two boroughs themselves. For instance, a representative sat on Camden's Employment Forum, and another on Islington's business, jobs and training group. This enabled the LDA to keep in touch with detailed borough concerns, but also to maintain a dynamic approach to the partnership. The LDA representatives could both bring knowledge of relevant RDA programmes and forthcoming plans to the borough groups, and the borough groups kept the RDA apprised of their emerging plans and concerns. This meant that, whilst the strategic aims of the work remained in place, the exact contours of delivery could be changed. If developments in one organisation led to specific opportunities arising that the partnership could take advantage of, the regular deliberations between partners ensured that this was more likely to happen.

Failure to establish agreement over strategic priorities at the outset may make things easier in the short term, but leads to significant difficulties and loss of time later in the partnership. Representation on any groups and sub-groups that are set up as part of the partnership is also important; these are the channels of communication through which partners keep abreast of relevant developments.

King's Cross Partnership Outcomes:

- Development of a mixed use scheme to transform King's Cross into a distinctive urban quarter
- King's Cross Working – advice, guidance, vocational training and job placement services in the construction industry, which has many vacancies locally
- Co-ordination of outline planning applications land across three planning authorities – London Boroughs of Camden and Islington and the GLA



Case Study Four

Dealing with financial risk

The successful partnerships studied did not leave themselves open to large-scale financial risk. None of them had a separate legal existence, formal membership and decision-taking processes, nor did they hold money, employ or contract in their own right. They were strategic advisory groups consisting of all relevant stakeholders who were accepted as important players in the development process. Conversely, delivery of partnership projects was mostly carried out on a conventional basis. This might consist of grant funding being given by the RDA to a delivery organisation to produce an output, or it might consist of private or voluntary organisations being convinced to invest money in a particular development.

An example of a combination of these types of investment comes from Kielder Village in Northumberland. A number of innovative business activities have been trialed in 'England's most remote village', with the financial risk as a whole spread across a number of organisations. A closed-down filling station in the village was reopened, after the land was bought jointly by Northumberland County Council and Tynedale Borough Council. Previously, villagers had to make a 30-mile round trip to buy petrol. The filling station was reopened as a commercial concern, but this would have been impossible had the public sector bodies not bought the land. Similarly, the Kielder Biomass Project, an innovative source of energy for the village, was supported by Tynedale Borough Council.

In a slightly different scenario, the Youth Hostels Association undertook to spend a substantial sum re-opening and marketing a 40-berth hostel in the village. This was made possible after discussions with the partnership group. The existence of the partnership demonstrated that the regeneration of Kielder had the commitment of all of the relevant parts of the public sector, and of local bodies such as the parish council and the Kielder Community Trust. Therefore, the financial risk to other sectors was minimised, since their investment paralleled commitments made elsewhere.

Elsewhere, where large-scale projects have been undertaken, the majority of financial risk has been borne by the RDA via contracts with delivery agents. Where contracts are defaulted, the risk is thus borne by the client i.e.

the RDA. This is often on the basis that, though risk may be undesirable unless balanced against appropriate reward, it is accepted that RDAs are better able to bear it than most other partners, and certainly better than partnership boards themselves. The partnership board itself is never exposed to financial risk and thus has a 'free voice' while collectively influencing outcomes. This does, of course, raise issues about the link between risk and accountability and scrutiny.

Kielder Village Outcomes:

- Buying and reopening Kielder filling station
- Opening an innovative biomass energy production centre
- Opening Rivermead Workshops, creating new space for artists, craftspeople, and light industry – the first new business space in Kielder for 25 years
 - Encouraging tourism in partnership with Northumbrian Water



Case Study Five

The importance of individuals

All the partnerships studied depended upon individuals and relationships between them. People involved with the partnerships universally cited the quality of these relationships as vital in the success of the partnership. Partnerships worked well when the individuals sitting on partnership boards were 'positive, challenging and innovative'. This was more important and more common than the existence of a network of individuals who had already known one another for some time, a factor that has been highlighted by other research into partnership, but not our case studies. Individual relationships are important in building up trust, which is vital in allowing positive and challenging relationships to exist.

In Rotherham, the borough council co-ordinated the building up of a 'Town Team' as a partnership board to handle the council's entry into Yorkshire Forward's 'Renaissance Towns' initiative. Rotherham BC were keen to build a broad partnership, and indeed to be seen not to take the lead in co-ordinating relationships with the RDA. This led to the establishment of a very broad group of some 35-40 individuals, meeting every six weeks. These people were chosen for their representative qualities – i.e. their organisational background – rather than for their qualities as partnership members.

Frequently many of them were unable to attend meetings and sent substitutes. The number of individuals, together with the fact that faces often changed, made building up relationships on the partnership problematic during the first six to eight months of its existence.

The Town Team is now used as a consultative board by Yorkshire Forward to provide a local opinion on new development proposals. This runs alongside a series of public consultation exercises led by Rotherham BC. It has also acted as a sounding board for the development of the Rotherham Masterplan, which was to be launched on 4 July 2005. Consultants appointed by Yorkshire Forward train members in partnership skills.

Rotherham Town Centre Redevelopment Outcomes:

- Completion of early phases of the Moorgate Croft redevelopment: asbestos removal, demolition, reclamation and construction of a proposed business centre
- Relocation of parts of Rotherham Borough Council offices as an integral part of the land deal, using a PFI to allow the council to realise funds from the sale of the current building to facilitate the town centre development

Developing relationships between individuals also mean that the processes of applying for funding from RDAs can be made easier. In the case of Rotherham, RDA representatives worked with members of the partnership (principally the borough council) to ensure that plans submitted for funding were close to the strategic aims set out by the RDA. This ensured that delivery of partnership objectives moved forward smoothly and prevented the wasting of time by other partners.

The new generation of partnerships will depend equally on the commitment of individuals. These individuals need not be the type of exceptional characters found in some previous research ('boundary spanners' or 'social entrepreneurs') but their personal commitment to the partnership is important for ensuring that relationships function well.



Conclusions:

Building blocks for successful partnerships

The successful case studies shared a number of characteristics. These are outlined below as building blocks for success. In italics, we briefly discuss how each theme plays into an agenda where sub-regional partnerships are becoming more mainstreamed, a theme that will be developed in a forthcoming NLGN report.

- Local authorities have a key role of articulating a vision for the development of their community; their RDA partners in successful partnerships embrace this. As members are uniquely accountable to the electorate through the democratic process, it is vital that partnerships make use of their knowledge of local people's issues and their closeness to the local community. *This is one theme that will become more challenging from now on. Real political skills are required to deal with both a higher level of negotiation, liaison and diplomacy with partners and a greater level of community engagement.*
- Successful problem-solving within a partnership depends on individuals being willing to take ownership of problems. This requires a shift of loyalty from the partner organisations to the partnership itself. *It is important that new partnerships, with more mainstream commitment and interest from member organisations, do not lose this flexibility, which is the main attraction of partnership working for some participants.*
- The period at the beginning of a partnership, when partners articulate their vision of what the partnership can achieve and state what their organisation seeks to achieve through it, is vital to the success of a partnership. This agreed vision makes possible the decisions about delivery that make or break a project. *This is becoming much more challenging, as organisations will need to align their corporate planning, in terms of performance objectives and timetables.*
- The successful partnerships studied wisely avoided exposure to financial risk, and had no legal mechanisms to take it on. *However, more mainstream partnering, under greater scrutiny, will require more sophisticated responses to this issue. This is part of a wider trend in the public sector towards the need to understand and manage risk - not something that has traditionally been handled well. If a new generation of partnerships sets up formal structures for legal and financial accountability, they will have to find ways of ensuring that financial risk remains with those organisations able and willing to take it on.*
- Individuals are fundamental to the functioning of partnerships. Very often they carry within themselves the 'genetic code' of the partnership, understanding relationships within it. They are the points of contact between organisations and it is inevitable that their personal relationships will shape partnership working. *We need to find ways of rapidly enhancing partners' capacity for partnership working. Managing within partnerships requires skills that are often marginalised in the development of managers in all sectors – and the need for these skills will grow even faster in this age of more mainstream partnering.*



Conclusions cont...

It is also worth pointing out that the case studies – which were suggested by RDA and local authority sources as successful examples - focused on relatively local projects. As partnerships get bigger geographically, successfully addressing many of the themes above becomes still more challenging. Strengthened sub-regional level partnership working is inevitable if regionally strategic projects are to be delivered and cross boundary issues addressed successfully. Also potentially more problematic is the increase in partnership on strategy, as distinct from project-based partnership.

Our Opinion There are clear lessons for effective partnership working in this briefing, which demonstrates that local authorities and RDAs can achieve real outcomes working with each other and other partners. As the regional agenda emerges, the challenge is to apply these lessons to an environment that is becoming more complex.



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