

Working better together? Case study

Strategic leadership in Derby City Partnership



Cross cutting

Case study

April 2009

 **audit**
commission

Background

- 1** Local strategic partnerships (LSPs) have a responsibility to bring together local services to deliver a shared vision for the area. But creating highly effective partnerships is difficult and LSPs must operate across a complex policy environment.
- 2** The public sector 7S model has been used to interpret the findings from the LSP study. This model enables LSPs to understand how to bring a series of interdependent elements together to achieve their long-, medium- and shorter-term goals. The seven elements of the model are super-ordinate goals, three transformational elements and three transactional elements. The transformational elements are most important when policy problems are complex.
- 3** An effective LSP needs to link both transformational and transactional activities to achieve its goals. The transformational elements of the model are staff and skills (including culture and leadership), style (identity and how the LSP comes across) and synergies (achieving better results collectively than working alone). The transactional elements are standards (frameworks for partnership working and quality standards), steering (using internal processes to drive change, for example through resource pooling) and systems (performance, resource and accountability).

Long-term objectives

- 4** Derby City Partnership (DCP) was formed in 1995 following a successful City Challenge bid and the attraction of Toyota to the city. From its inception, the Partnership has benefited from third-sector and strong private-sector involvement. The Partnership launched a 25-year vision for the city in 1995, Derby's 2020 Vision, and has continued to work on a broad social, economic and environmental agenda.

Since 1995 DCP has been working to:

- develop closer and better working between organisations;
 - improve services and facilities;
 - attract funding;
 - make the best use of all resources; and
 - bring the work of all partnerships in the city together.
- 5** When Derby became eligible for the Neighbourhood Renewal Fund (NRF) grant, the City Partnership became the LSP for the area. The Partnership's 2020 Vision, now its sustainable community strategy, is updated every three years. For 2006–09 the Partnership has identified two key priorities – making Derby a city for all ages and improving Derby's deprived neighbourhoods.

Transformational elements

Leadership and culture

6 The partners' shared history has helped develop a strong culture of working together. The compact nature of the city helps engender a real identification with place. The Partnership has worked hard to reinforce this by ensuring all the key players in the city are involved, e.g. the Derby Evening Telegraph, Rolls Royce, and the University of Derby.

'I think that Partnerships that have been as long standing as ours has [...] have an advantage on the basis that they have come together because they have recognised the advantages of doing that.' LA Chief Executive.

Meetings and joint working

7 An external review of the Partnership found that some members were concerned about an imbalance between information-sharing activity and strategic leadership at the Partnership Board. There was a perception that the Board's focus had drifted towards sharing information at the expense of the assertive strategic leadership required to chart the long-term future of the city. Board membership has since been reduced and there are now just 12 core members: four representatives from each of the three main sectors (public, private and the voluntary and community sector (VCS)). Chairs of the Partnership's theme groups also attend Board meetings. There are usually about 18–20 attendees in total.

8 Alongside the reduction in Board membership, the practice of Board members being able to send substitutes to meetings was ended. This has helped create a closer team atmosphere among Board members.

'One of the reasons was that Board members felt they needed to feel more like a team and you don't feel like a team if people send substitutes. They decided that they needed to be there at the table themselves, and they are more committed because they know they can't send somebody else.' LSP Director.

9 The Partnership has built its own identity, distinct from that of the Council. The Partnership team is located separately from the Council and has its own website (www.derbycitypartnership.co.uk). Two Vice-Chairs were appointed to the Partnership Board, one from the private sector and one from the third sector. The Partnership also runs an annual Derby City Partnership Week to showcase the city and some of the joint working that partners are involved in.

10. The Partnership Week is one example of a wider programme of community engagement and place-marketing built around the city's heritage and some of its more recent successes. Among a range of other activities that the Partnership organises are school visits, which are aimed at fostering a sense of civic pride.

11 There is some concern within the Partnership that recent government policy initiatives on partnerships have served a narrow public-sector agenda. There is a perceived risk that the Partnership could be diverted from its focus on a broad, long-term vision for the city and that the private sector might lose interest.

The benefits of joint working

12 The Partnership has established a strategic marketing group to:

- attract investment by promoting ‘Derby plc’;
- raise Derby’s profile;
- unify Derby’s marketing message; and
- support the development of Derby’s products.

13 Marketing the city is a key task for the Partnership and Derby has been very successful in raising its profile and attracting new investment. A masterplan for the city was launched in 2005 and is expected to attract around £2 billion worth of investment into the area.

14 The partners are prepared to learn from their different perspectives and areas of expertise. For example, the Partnership has provided support to enable the expansion of successful youth work undertaken by a voluntary organisation. The success of this organisation has directly influenced changes in the operation of the Council’s mainstream youth services.

15 The Council is keen that existing relationships are used as a starting point to explore the potential for back-office efficiencies across public sector organisations working in Derby.

Transactional elements

Getting things done

- 16** The Council has capped the individual grants that together make up the Area Based Grant at last year's level. This has freed up around £350,000 for the Partnership to make a business case for commissioning services to help deliver its priorities. The Partnership team is investigating different models for enabling more joint commissioning in the future.
- 17** The Partnership is undertaking a high-level mapping exercise of the total public sector budget across the city. It is hoped that a better understanding of organisational finances will help identify areas for closer collaborative working.

'Everybody's financial arrangements will be much more open and much better understood by other people and I think that gives them an opportunity to negotiate better and to work across organisations more readily.' (LSP Director).

- 18** The Partnership has issued a tender to provide a support service for a new model of third-sector engagement in Derby. The service will support and coordinate third-sector involvement at every level of the Partnership, as well as within neighbourhood arrangements and in developing the compact between the statutory sector and the third sector. This replaces the Derby Community Empowerment Network, which encountered a number of difficulties in recent years.

Common frameworks for collecting and sharing performance information

- 19** Partners have agreed on a constitution that sets out the purpose, functions and responsibilities of the various groups that comprise the Partnership.
- 20** The Partnership has developed a shared approach to data quality, which is focused on organisations involved with the local area agreement (LAA). The new data quality framework covers the Partnership's performance framework, reporting and risk arrangements. Key partners worked through the LSP to develop and agree a new data quality policy. The policy is complemented by a data quality self-assessment for each organisation. The LSP is committed to common data quality standards as a foundation of effective shared information. Partners are now more confident in the quality of the data underpinning the performance management of the LAA.

Systems for understanding and influencing performance, resources and risks

21 The Partnership implemented a performance management strategy in 2005. An officer-level performance management group, involving staff from a number of partners, meets quarterly to discuss performance reporting issues and develop best practice. Each of the five major theme groups has its own dedicated performance lead. Quarterly performance reports forecast performance, identify risks and highlight areas of concern. The DCP management group (which acts as Executive to the Board) uses the reports to hold theme groups to account and provide problem-solving support. The Board only receives performance reports on major risks or areas that it can directly influence or add value to.

22 The Council is exploring the potential for the adoption of their internal performance reporting tool – Performance Eye – by all partners to monitor the 35 LAA targets. This would then become the only place where performance against the LAA was recorded, ensuring consistency and avoiding duplication. The Council is considering funding a multi-site user licence for the system and arranging training for partners in order to kick-start the process.

Learning Points

Transformational learning

- The Partnership has worked hard to reinforce a culture of working together by ensuring all the key players in the city are involved, e.g. the Derby Evening Telegraph, Rolls Royce, and the University of Derby.
- In response to concern from some members, Board membership was reduced to ensure it maintained its focus on strategic leadership.
- To help create a closer team atmosphere, Board members agreed to end the practice of being able to send substitutes to meetings.

Transactional learning

- The DCP management group (which acts as Executive to the Board) uses performance reports to hold theme groups to account and provide problem-solving support. The Board only receives performance reports on major risks or areas that it can directly influence or add value to.
- An officer-level performance management

group meets quarterly to discuss performance reporting issues and develop best practice.

- The Partnership is mapping the total public sector budget across the city to better understand organisational finances and help identify areas for closer collaborative working.

Questions for LSPs and their partners to consider

1. What can your LSP do to recognise the importance of both transformational and transactional aspects and their interdependence?
2. Does your LSP take a layered approach to performance and resource management?
3. How well does your LSP Board provide strategic leadership?
4. Does your LSP have a performance management steering group to support common approaches across partners?
5. Does your LSP have a clear and common understanding of the mainstream public sector spending under its influence?

Learning Points

Further information

Copies of the national report *Working Better Together? Managing local strategic partnerships* are available at www.audit-commission.gov.uk/lsp and www.improvementnetwork.gov.uk/lsp

For further information on the work of the Commission please contact:
Audit Commission, 1st Floor Milbank Tower, Milbank, London SW1P 4HQ Tel: 020 7828 1212 Fax:
020 7976 6187 Text phone (minicom): 020 7630 0421

www.audit-commission.gov.uk