

IMPROVEMENT THROUGH PARTNERSHIPS

**An Integrated Improvement and Efficiency
Strategy for Local Government in the
East Midlands
2008/11**

A Framework for Sector Led Improvement

Contents

Page No.

| | | |
|-----------|---|-------------|
| | Introduction | 3 |
| | “Our vision” | 4 |
| Section 1 | The East Midlands Context | 5 |
| Section 2 | The Improvement and Efficiency Drivers | 9 |
| Section 3 | Our Priorities for Action OUR TARGETS | 10 15-16 |
| Section 4 | Our Principles for Investment | 17 |
| Section 5 | Governance and Management of the EMRIEP | 19 |
| Section 6 | Programme Management | 22 |
| Section 7 | Work Programme | 25 |
| Annex 1 | Protocol for Supporting Struggling and Weak Local Authorities | |
| Annex 2 | Work Programme Analysis and Outline Resource Allocation | |
| Annex 3 | Risk Assessment | |

Introduction

Purpose

The purpose of this Strategy is to set out our vision for driving efficiency and improvement across public services in the East Midlands region and to set out how the East Midlands Regional Improvement and Efficiency Partnership (EMRIEP) will support local authorities to achieve this ambition.

This Strategy is the result of an inter-authority collaboration both at officer and member level as well as close working with the East Midlands Improvement Partnership (EMIP), the East Midlands Centre of Excellence (EMCE), the Improvement and Development Agency (IDeA) and the Government Office for the East Midlands (GOEM). Indeed the EMRIEP also starts from a strong cross political commitment to driving improvement mirrored by the backing of chief executives and support organisations.

The document is structured round the 4 key themes from the National Improvement and Efficiency Strategy (NIES) to demonstrate how we are meeting government expectations as well as our own local priorities of better outcomes for people and places.

Each of the four themes identifies our strategic objectives, the evidence base used to inform these outcomes and our key performance targets - all in section 3. Our planned outline programme of work and the outcomes we intend to achieve from them are shown in section 7.

Our programme of work takes into account the outcome of our sub-regional workshops in December 2007 and January 2008. These workshops identified three generic priorities for improvement for local authorities in the East Midlands region: leadership, partnership working and capacity building, which run throughout the contents of this Strategy.

Our vision

Given our ambition for public services in the East Midlands, for the influential community leadership role of local authorities and for close partnership working with other public, private and voluntary and community organisations, our vision is simple, that:

“Public services in the East Midlands region will rank consistently amongst the best in the country”

Progressing towards this goal requires strong, inspirational leadership from the Region’s politicians and considerable skill and effort from the public sector workforce.

Public service providers from whatever sector, led by local authorities, will be imaginative, energetic and effective in delivering services, in shaping ‘the place’ and in building strong communities. Underpinning this success will be strong, mature and dynamic Local Area and Multiple Area Agreements, reflected in Comprehensive Area Assessments and sub regional partnerships that are admired across the country.

Collaboration, partnership working and the coordination of improvement and efficiency activities are essential components for developing innovative solutions to known customer needs.

The Regional Improvement and Efficiency Partnership (RIEP) aims to help drive up the capacity and performance of the local government family, and local public services in the East Midlands region more generally. The RIEP will increasingly aim to involve public service providers from outside the local government sector (i.e. police, health etc), together with their partners, to ensure improvements and efficiencies across ALL public services.

Primary responsibility for improvement lies with the individual authorities of the region where the stronger support the weaker.

We know that we will only do this if there is a step change in our own ambition and that of our partners and a transformation in the pace of what we do.

This is why we want to deliver improvement and efficiency. This is why this strategy is so important to us.

Section 1: The East Midlands Context

1. Over the last three years, the region has been able to use the support provided by the Regional Improvement Partnership (EMIP) and Regional Centre of Excellence (EMCE) in order to improve practice and service delivery which has delivered 53 improvement and efficiency projects, and 30 specific capacity building programmes. The return on investment has delivered actual savings of £15m to date, and projected savings of £113m over 5 years from an investment of £5.5m. It has built capacity and supported significant improvements in performance.
2. Other notable achievements have been:
 - 42 Peer reviews committed/delivered
 - 28 Councils participating in the Leadership Academy
 - 8 Councils currently undertaking Councillor mentoring programme
 - 14 Delegates attending the potential future senior managers programme.
 - 45 delegates attending training to progress the equality standard
3. In encouraging the development of the new Improvement and Efficiency Partnerships with effect from April 2008, the National LGA and Communities and Local Government department (CLG) have emphasised the importance of local authority leadership and clear governance arrangements. The new EM Regional Improvement and Efficiency Partnership (EMRIEP) starts from a strong cross party political commitment to driving improvement, mirrored by the backing of council chief executives and support organisations.
4. The East Midlands is the fourth largest region in England, covering 15,630 sq km and includes the counties of Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire and the unitary authorities of Derby, Leicester, Nottingham and Rutland. The region has 46 local authorities: 5 county councils, 4 unitary councils, 36 district councils and the Peak District National Park, plus 5 Fire & Rescue authorities. This represents the equal lowest number of unitary councils and the highest proportion of District councils, when compared with other regions.
5. It is a large and diverse region and is characterised by a wide range of contrasting environmental, social and economic conditions. The population in the region is approximately 4.2 million. Just fewer than 40% of the population live in towns and villages of less than 10,000 making the East Midlands one of the more rural regions in England. Major population settlements centre on the three major cities of Nottingham, Derby and Leicester and the regional centres of Lincoln and Northampton. Major housing growth is earmarked for Northamptonshire, the three cities and Lincoln, Grantham and Newark growth points over the next 10/20 years.
6. We need to grasp the impact of such growth will need to be grasped by local authorities in our planning for major infrastructure and service design. This aspect is therefore being factored into the programmes being developed by the sub regional partnerships to ensure cohesive working between local authorities and our partners.

7. Public services underpin the quality of life and economic success of the East Midlands region. Some of our Councils and public bodies provide amongst the best services in the country.
8. Some examples are LGC “Council of Year” High Peak BC, Derbyshire CC, an increasing number of excellent councils, for example Bolsover DC has recently achieved that status, we also have a proportion of upper tier authorities scoring maximum 4 stars (Leicestershire CC, Derbyshire CC, Derby City).
9. Also we have 3 of the top ten waste recyclers in England, all nine top tier Authorities piloting the Adult Services High Cost Placement tool and we lead the way in developing a collaborative regional commissioning framework for Children’s services.
10. The Annual Efficiency Statements (AES) show that the East Midlands predicted performance in achieving efficiency gains compares well with other regions. By the end of 2006/07 the region had delivered efficiency savings of circa £253m against the target of £157m (161.3%) This is a tremendous achievement but work completed by the EMCE shows that authorities have identified some issues around their capacity to deliver radical change.
11. In respect of progress against the e-Government target, figures for the IEG 5 e-Enablement of services by 31 December 2005 show that the Region had achieved an average of 98.1%, in excess of the national average of 97.1%.
12. But at present, public service performance in the region as a whole is not **consistently** excellent. Indicators suggest that the East Midlands has, on average, weaker local authority services, and capacity than other regions.
13. Five of the nine unitary and county councils in the East Midlands are rated as three or four star. At 56% this is well below the 80% of authorities that score three or four stars nationally. Unitary and county councils scoring one star is currently 11% compared with the national rate of 1.3%.
14. The current position (February 2008) in terms of CPA for the nine single tier and county councils shows a positive direction of travel:

| Star Category | Direction of travel | | | |
|---------------|--------------------------|----------------------|----------------|--------------------|
| | Not improving adequately | Improving adequately | Improving Well | Improving strongly |
| 4 star | | | 2 | 1 |
| 3 star | | 2 | | |
| 2 star | | 2 | 1 | |
| 1 star | | | 1 | |
| 0 star | | | | |

15. The region has a high number of district councils and analysis of current CPA scores and performance for district councils showed that there were fewer excellent / good councils compared to the national average (36% compared to

48% nationally). The number of districts rated poor or weak is about the same as the national average of 16%. However, district councils have not had annual refreshers of their CPA scores and, therefore, the full rate of improvement in CPA terms cannot be assessed. However there has been demonstrable improvement – for example, district councils categorised as Good or Excellent have risen from 20% to 36% since 2004.

| Rating | Number of Districts |
|-----------|---------------------|
| Excellent | 4 |
| Good | 9 |
| Fair | 17 |
| Weak | 5 |
| Poor | 1 |

16. The recently published direction of travel for the Fire and rescue Services (2007) show, one authority moved up one category from adequate to well, one authority moved down one category from well to adequate and three stayed on the same direction of travel. The CPA scores for 2005 read 1 Poor, 1 Weak, 2 Fair and 1 Good. These are the headline scores:

| Direction of travel category | 2006 | 2007 |
|------------------------------|------|------|
| Improving strongly | | |
| Improving well | 2 | 2 |
| Improving adequately | 3 | 3 |
| No improvement | | |

17. The EMRIEP also includes the Peak District National Park Authority. While not covered by the same CPA regime as local councils, since 2005 national park authorities have been taking part in the National Park Authority Performance Assessment, where it was judged as “performing effectively” and “making good progress”.
18. We still have a remaining one star upper tier authority, and three upper tier councils are stuck on 2 stars. Additionally a small number of the other upper tier authorities have less impressive direction of travel scores. We have also traditionally had a large number of Councils at fair or below and weakness in some specific service sectors such as Housing and Adult Care Services. We also currently have more than our fair share of Fire and Rescue Authorities not improving well or strongly.
19. There have been some notable improvements on an individual basis for example, significant improvement during the last 18 months in the average district councils CPA score. But local government in the region needs to commit itself as a whole to lead collective efforts to improve on the current situation. The current variation in performance is no longer acceptable. Local government, supported by national and regional change agents, must provide the inspiration for improvement and development in the context of local priorities and achieve real results.

20. To help with this we need a clear view of our current strengths and weaknesses the fore running paragraph gives an overall summary of high level evidence but other evidence also exists. In 2004/5 the East Midlands, like all regions, undertook a Regional analysis as part of national work on an Emerging National Strategy for Capacity Building. Led by the Government Office (East Midlands), with support from the (then) East Midlands Regional Local Government Association, this drew upon CPA results, inspections, Best Value performance and a knowledge of areas in which help had been sought. Government Office identified six capacity building priorities, these being:
- Leadership: organisational, political and managerial (particularly member development)
 - Middle management development
 - Development of partnership working
 - Performance management (including programme and project management)
 - Certain specific services, including: Town and Country Planning, Environmental Health, Housing, Benefits and Care Services.
 - Financial Management.
21. One of the recognised challenges facing the EMRIEP is to assemble a more sophisticated, up to date, region-wide analysis of performance. This will provide the context for our action plan and resource allocation decisions. The value of the analysis already available, however, along with the knowledge of the elected members, officers and officials involved in this Partnership should not be understated. Taken in conjunction with the national context (see Section 2 below), they provide a sound basis for our vision and priorities, as articulated in this Strategy.
22. We will consult with the Sub Regional Improvement Partnerships on how this analysis on performance can be introduced and maintained.

Section 2: The Improvement & Efficiency Drivers

23. The National Improvement and Efficiency Strategy (NIES) describes the ambition for improvement that is led by councils working in partnership with other local service providers, the principles and key objectives of the strategy and the steps to be taken over the CSR period to deliver these objectives. It also outlines the resources available from CLG and local government to support improvement and efficiency.
24. The East Midlands concurs with the ambitions of the NIES but we are clear that there will be no strong achievement and efficiency gain unless it is owned and driven forward by local government and its strategic partners.
25. We know there are significant challenges remaining including:
 - Rising customer expectations
 - Demands for more customer involvement in service planning
 - Improved outcomes alongside annual 3% efficiency gains
 - Strengthening the workforce against tight public sector pay settlements
 - Persistent underperformance in some cases.
26. We see potential solutions within the Local Government and Public Involvement in Health Act and within LAAs as a key mechanism for bringing together partners and delivering against these challenges.
27. For the East Midlands, the key drivers for delivering improved quality of life, better value for money and public services are:
 - Councils leading their communities through effective partnership working across boundaries, in collaboration with local authorities and strategic partners
 - Improvement and efficiency support targeted in the most effective and efficient way to support the key priorities through the LAA
 - Sector lead challenge, backed up by the Comprehensive Area Assessment which puts the views of local people at the heart of the process
 - A reduction in the overall burden of inspection and regulation on “localities” allowing more space for councils and partners to develop innovative solutions to local challenges.
28. Partnership is the key to all three ways in the East Midlands:
 - Partnering with other councils to mutually support and challenge each other
 - Leading with partners to achieve better outcomes for people and places.
 - Authorities in partnership through the regional and sub regional partnerships to identify improvement and efficiency needs and to provide and implement effective solutions

Section 3 - Our Priorities for Action

29. Achieving our vision of public services consistently amongst the best in the Country will ensure we achieve **better outcomes for people and places**.
30. By better outcomes we mean:
- Engaged, included, empowered and cohesive communities
 - Renewed neighbourhoods and sustainable economic growth achieved by influential local leadership
 - Safe fulfilling lives for young people
 - Healthy and supported lives for older people
 - High quality, local, liveable environments.
31. These outcomes clearly reflect the emerging priorities from our Region's LAAs. The most consistent LAA priorities are:
- Community empowerment, community cohesion and equalities including indicators concerning people from different backgrounds getting on with each other
 - Community safety, where particular emphasis on adult re-offending and assault with injury as well as perceptions of anti-social behaviour
 - Children's health and well being and youth participation, where there is a focus on obesity, physical exercise and the emotional and mental health for children, and a focus on children 'not engaged in education, employment and training, teenage pregnancy, youth offending and engagement in positive activities
 - Health and social care, where almost the full range of relevant NIs is included within the region, but with a focus on smoking and all age all causes of mortality
 - Social exclusion, where a particular emphasis relating to independent living for vulnerable adults, employment, worklessness and skills, where the most popular priorities are working age adults on benefits and qualifications and skills
 - Enterprise as measured by VAT registration indicators
 - Housing and growth agenda including affordable homes
 - Transport and the Environment, with our cities all including the congestion indicator
32. The 4 strategic objectives, which underpin our vision and our desire to achieve better outcomes for people and places, are:
- **Driving self improvement of authorities and partnerships**
 - Achieving **efficiency** savings through smarter procurement, business process improvement, shared services and better utilisation of assets
 - Building **capacity** through enhancing leadership skills and sharing knowledge and expertise
 - Supporting **innovation and transformation** of structure, processes and culture

Driving Self Improvement of Authorities and Partnerships

Rationale

33. This is an ambitious strategic objective but one the East Midlands region takes seriously given that:
- Public service performance in the region as a whole is not consistently excellent.
 - 56% of the unitary and county councils are rated as 3 or 4 star compared with 80% of authorities nationally.
 - We have traditionally had a large number of Districts at fair or below and weaknesses in some service sectors such as Housing and Adult Social Care Services

Intermediate Outcomes

34. Improving public services will be led by councils working in partnerships with other authorities and other public service providers so we need to focus on:
- Raising self awareness of strengths and weaknesses of authorities and LSPs
 - Creating effective partnerships by authorities partnering with other authorities to mutually support each other
 - Delivering challenging LAAs
 - Establish a pathway of continuous improvement as measured by CAAs.
35. These improvement initiatives would be best coordinated through the new and emerging sub regional Improvement and Efficiency Partnerships. A common leadership regime via nominated elected members, driven by chief executives for their local authorities and supported with resources and know how from the EMRIEP support team, would make sense and reduce the risk of too many initiatives being uncoordinated with potential for conflicts on the ground.

Efficiency

Rationale

36. This strategic objective is derived from the following facts:
- The public sector faces significant pressure to meet the latest efficiency targets. For the majority of public sector organisations in the East Midlands this means that over the three year period of the 2007 CSR organisations will need to make cashable savings of over 9%. The Annual Efficiency Statements (AES) show that by the end of 2006/07 the region had delivered efficiency savings of circa £253m against the existing CSR target of £157m (161.3%). Although this is a good performance other regions have also performed well against this target and the existing target is based on a lower expectation of 1.25% cash efficiencies and 1.25% non cash efficiencies.
 - At present 51% of local authorities in the East Midlands are either consistently above or well above minimum standards under the value for money CPA use of resources judgement. This compares with a

national average of 55%. 49% of east midlands authorities are at minimum standards while none are below minimum standards. Whilst performance in this region is only slightly poorer than the national average, there is considerable scope for improvement. All the regions fire authorities perform at consistently above minimum standards.

Intermediate Outcomes

37. Generating efficiencies will focus on the key developments highlighted in the CSR07 Value for Money Delivery Plan. These are:
- Smarter procurement and commissioning of services across the major spending blocks of Adult Services, Children Services, Environmental Service including Waste and Corporate Services.
 - Business process improvement and shared services. Given the predominately two tier structure of the region shared services offer a particularly attractive way of generating savings and service improvement.
 - Asset Management to achieve better utilisation of property and other physical assets to drive out wasteful practice and to be a catalyst for new ways of working.

Capacity Building

Rationale

38. This strategic objective is based on the following rationale:
- Our regional analysis in 2004/5 as part of the national work on an Emerging Strategy for Capacity Building, identified six capacity building priorities: leadership; middle management development; development of partnership working; performance management, financial management and specific service developments.
 - We already have successful experience of delivering 30 specific capacity building programmes to date
 - However, experience tells us that without further capacity, achievement will be limited. Indeed the work completed by the EMCE has shown that authorities continue to identify issues around their capacity to deliver radical change.
 - Indicators suggest that the East Midlands region has, on average, weaker local authority services and capacity than other regions.
 - We need to strengthen the workforce against tight public pay settlements.
 - The National Local Government Association (LGA) and Communities and Local Government Department (CLG) have emphasised the importance of local authority leadership and clear governance arrangements

Intermediate Outcomes

39. Progressing towards this strategic objective requires strong, inspirational leadership from the Region's politicians and considerable skill and effort from the public sector workforce. We will therefore help to build the capacity and performance of authorities and partnerships by focussing on the following areas:
- Leadership
 - Member development
 - Workforce development
 - Performance management
 - Programme and project management

Innovation and Transformation

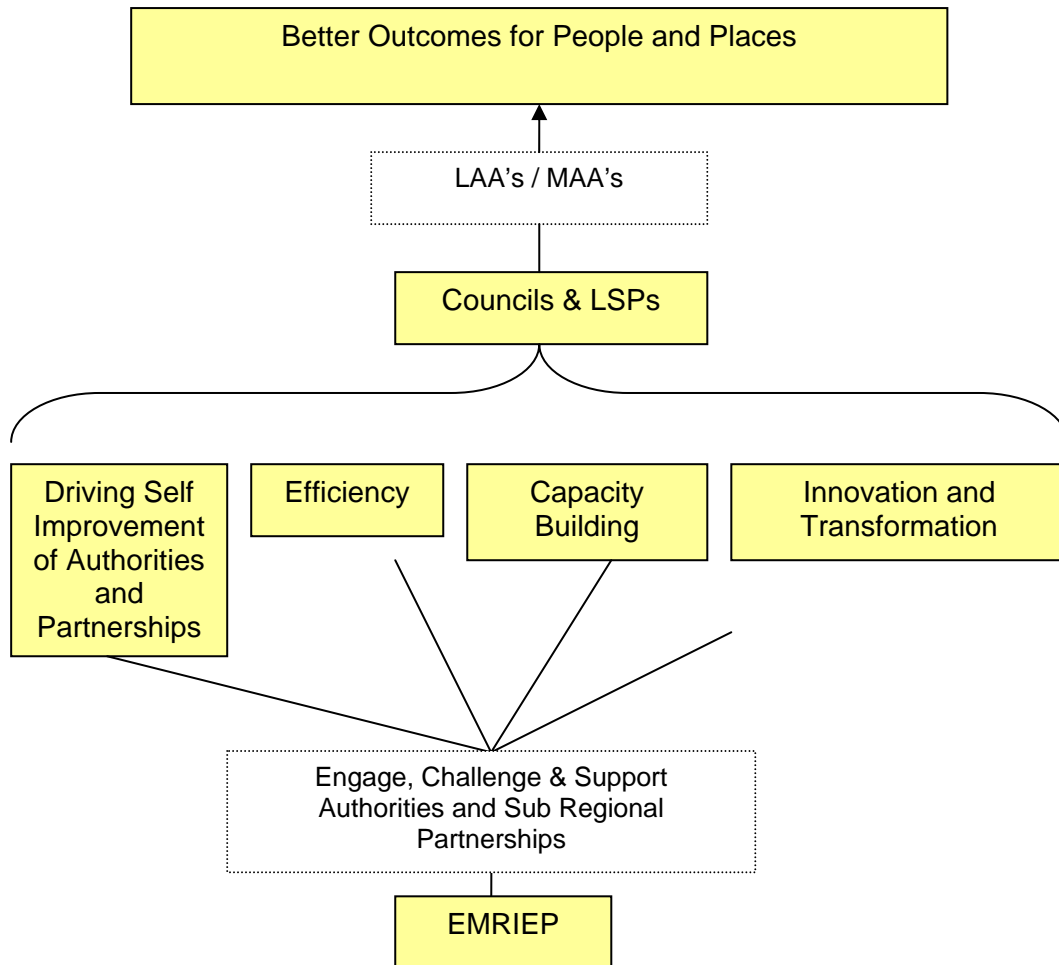
Rationale

40. This 4th strategic objective is justified by the following:
- Whilst excellent progress has been made against the e-government target¹ - the region achieved an average of 98.1% of targets in excess of the national average of 97.1% - the region needs to keep pace with technological advancements
 - Our customers' expectations are rising and we must continually monitor and then adapt to try to meet them
 - There are an increasing amount of self-service options
 - Changing a mature culture within local authorities is not easy and presents challenges if its own.

Intermediate Outcomes

41. There are well proven national programmes, toolkits and guidance to support the region to achieve excellence through the following:
- Business process improvement
 - Good practice networks
 - Developing the visionary capacity of elected members to enhance their place shaping role
 - Exploiting technology to deliver innovative ways of improving service delivery for citizens.
42. The following diagram summarises the East Midlands approach to achieving better outcomes through these 4 strategic objectives. The RIEP will engage with all authorities, challenge them to ensure they are self aware and prepared for the future as well as ensuring they are properly supported.

¹ Source: IEG 5 e-Enablement of Services, December 2005



Struggling and Weak Performing Authorities

43. The aim is to bring all authorities on to meet their potential. In some cases this is moving beyond excellence. In some cases stimulating them to move beyond “coasting.” But it also means that councils currently weak are strengthened and those at risk are prevented from declining
44. The EMRIEP and other support and improvement agencies will share information on the performance of local authorities and from this intelligence develop an “early warning” system to identify poorly performing authorities and implement appropriate remedial actions, which could include intervention measures. This will be a feature of the performance management regime for the EMRIEP over the next three years.
45. The components of this approach will include:
 - Intelligence gathering from a number of national and regional sources together with information shared between the key agencies operating under the governance and support arrangements of the EMRIEP
 - Identification of where support is necessary and the framing of packages of support from the relevant agencies

- Development of a plan of action
- Delivery of the plan and continued support and monitoring.

Annex one contains a suggested protocol for supporting struggling and weak performing councils.

46. Our specific targets to measure our success will be:

Targets - Better Outcomes for People and Places

- All stretch targets established under the LAA/MAA regime need to demonstrate **a minimum level of 80% achievement across the range for each LAA/MAA** by 2011.
- All relevant authorities should be at **level 2** or better in Adult Services by the end of 2010/11.
- All relevant authorities should be at **2 stars** or equivalent in Children's Services by the end of 2010/11.
- All relevant authorities to have achieved **the national milestone waste recycling targets** set by government by 2011.
- Citizen Engagement - Civic Participation in the local area **will be improving** as measured by the National Indicator 3 between 2008-11.
- Improvement in voter turnout (annual and 4 year cycle elections). Target should be **20% improvement** by 2011 **for 90% of Councils**.
- Improve regional performance against an agreed sub set of national targets set (the region will agree this sub set and the targets)

Targets - Efficiency

- **Aggregate achievement of targets set under performance indicator NI 179** (efficiency) by end of 2010/11, estimated to be £300m per annum
- **Each** authority to have made significant contributions to efficiency as evidenced by NI 179
- 80% of authorities to have **over** achieved this target as described in NI 179
- By 2011 75% of local and fire authorities will be in the top two ratings for value for money under the use of resources judgement. No Authority will receive the lowest rating. This outcome will need to be revisited following the publishing of final guidance on the new use of resource judgement.

Targets - Driving Self Improvement of Authorities and Partnership

- **No failing authorities** by the end of 2008/09 as measured by the new CAA regime so reducing the gap between the poorer and the best
- **More authorities on average** than other regions in the top two categories
- All authorities will have a **positive rating** attached to LAA partnership working, as assessed by CAA.
- No authority scoring **less than 3 overall** on use of Resources by the end of 2010/11.
- All authorities to be classed as **'improving well or better'** on the Direction of Travel assessment by the end of 2011.
- **100% of authorities** having a peer review in each two year period, to ensure the sector is driving improvement
- Each authority to offer at least one peer officer and peer member to be accredited for support and challenge in other authorities
- All authorities to have achieved **ratings of Amber/Green** on their annual area risk assessments for each area covered by a LAA.

Targets – Capacity Building

- All authorities at **Equalities Standard Level Three or better** by 2010/11.
- All authorities to have **achieved full authority liP status, and retained it**, by 2010/11.
- **60% of councils** will have achieved the member development charter by 2010/11
- The average number of days lost through sickness will be **best quartile**

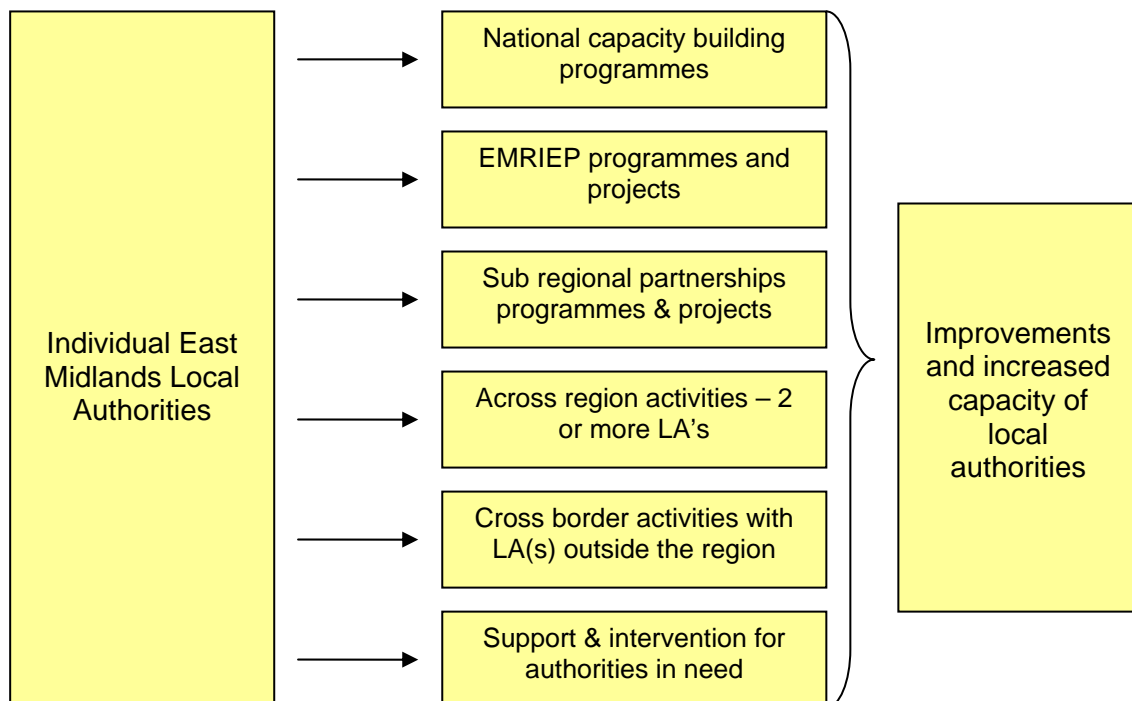
Targets - Innovation and Transformation

- The satisfaction rate with East Midlands authorities will be **improving**, as measured by the new National Survey of Public Views on Local Services (National indicator 5 overall/general satisfaction with local area) between 2008-2011
- **100% of councils** will have undertaken a Business Improvement Training Programme
- The region will **capture £112m** of business improvement savings over 3 years

Section 4 – Our Principles for Investment

47. As a result of the investment in improvement and efficiency work in the region during the Comprehensive Spending Review 04 (CSR04) period, substantial programmes have been initiated and completed via the EMCE and EMIP combined resource allocations. We are not starting afresh but we're building on the strong base created through our investments over the last three years.
48. The implementation of our Strategy will follow the principles set out below;
- Authorities are primarily responsible for their improvement and performance but the EMRIEP will have a right to engage, challenge and support
 - Funding will be made available to what works and will focus on areas of poor performance and greatest benefit.
 - The priorities emerging in LAAs and MAAs will be a key factor in determining service specific priorities at a sub regional and regional level.
 - Some funding will be delegated to sub regional partnerships where appropriate. However, partnerships across sub regions including arrangements between upper tier authorities will be recognised as important drivers of efficiency and service improvement. Sub regional and other partnerships will be held to account for their contribution to the targets within this strategy.
 - Monitoring and review of the strategy and business plan will be rigorous.
 - The new services necessary to achieve the strategy will fill any gaps in existing provision. But our strategy will not lead to a duplication of the type of support and information available from other agencies. For instance we will make best use of existing proven improvement and efficiency tools highlighted in the NIES Prospectus
 - Governance arrangements will be based on;
 - Strong political leadership
 - Operational delivery vested in Chief Executives
 - Effective programme and project management
 - Involvement of appropriate partners.
 - Best practice project management principles should be adhered to in delivering the work programme.
49. Authorities can find current arrangements for challenge and support confusing, fragmented and sometimes difficult to access. We will overcome this. Our aim will be a coherent package, with the following characteristics:

- Stronger relationships, so that the priorities and the programme are owned by all in the region. Where governance is inclusive and there is a balance between bottom up and top down influence
 - A core of simple, proven solutions available to all authorities and largely based on existing national programmes and those from key partners especially the LGA and its Central Bodies
 - The commissioning of additional initiatives and solutions where the need is determined and the appropriate solution can be designed
 - Clear communication of what is available and why, with named direct contacts
 - Regular monitoring and evaluation with a formal annual review of progress.
50. The EMRIEP recognises the critical importance of supporting weaker authorities through the family of local authorities in the sub regional partnerships. These can lead on improvement solutions which have a wider regional application.
51. There are various ways in which local authorities in the region will be able to access improvement activities and these are shown in the chart below. The EMRIEP will ensure these are co-ordinated and clear with nominated leads.



Section 5 - Governance and Management of the EMRIEP

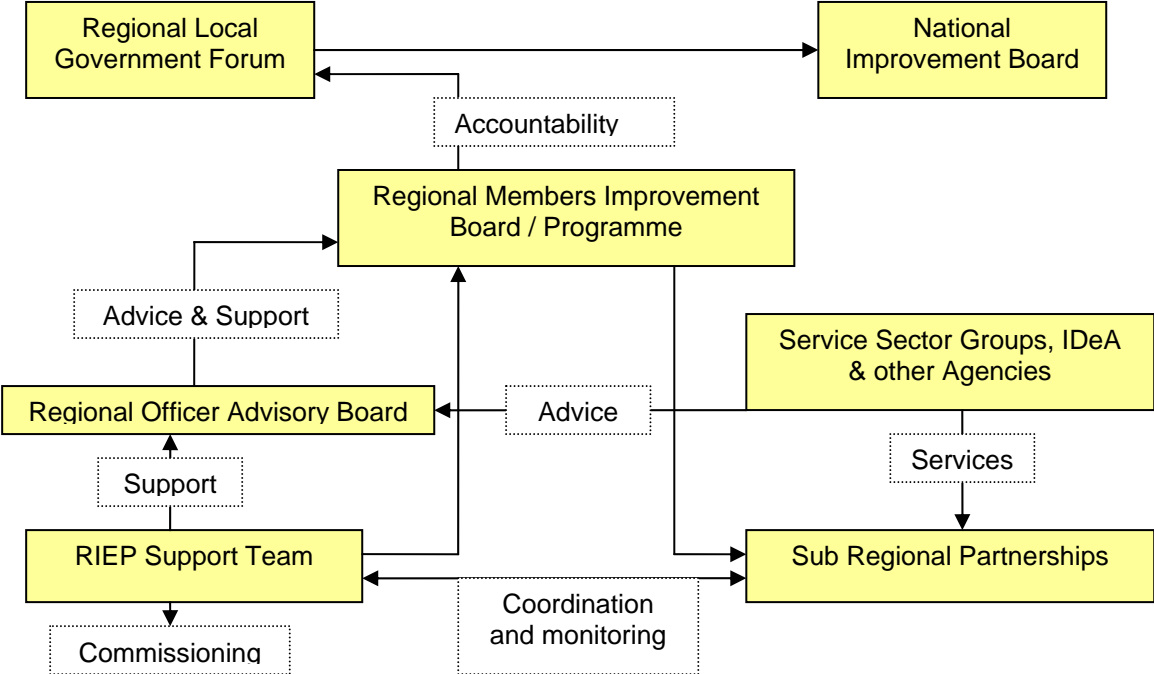
52. The East Midlands Regional Improvement & Efficiency Programme has been developed over the last few years by the Regional Centre of Excellence (EMCE), strengthened more recently by the Regional Improvement Partnership (EMIP).
53. The EMRIEP Partners include all local authorities in the East Midlands, its Fire and Rescue authorities and the governmental and other regional improvement and support agencies (LGEM, IDeA, GOEM and the Audit Commission).
54. The East Midlands has strong governance through:
 - Elected Members Steering Group, where policy and investment decisions are taken
 - Chief Executives Board, where operational and programme management/performance management scrutiny occurs across the whole EMCE/EMIP programmes
 - Robust Programme Management regime consistent with the national protocols developed via the CLG/RCE arrangements during the CSR04 period.
55. The EMRIEP has its own dedicated support team and aims to work collaboratively with all partners and change agents.
56. With CSRO7 and the National Improvement Programme imminent, the Sub-National Review proposals to consider and the need to secure further 'Gershon' efficiency savings and enhanced two-tier working, it is an appropriate time to review the operation of the improvement arrangements in the East Midlands.
57. The EMCE/EMIP have supported a wide-range of successful improvement initiatives but a number of possible structural/operational changes can be identified that would improve delivery still further.
58. The local authorities, through their representative arrangements, have agreed strengthened governance arrangements for both elected Member and officer roles. The changes have been discussed at length throughout the region and include the following:
 - Delivering the National Improvement Programme by combining the EMCE/EMIP activities into a single coherent efficiency and improvement programme for the East Midlands
 - Enhancing the responsibility of the existing EMIP Member Board to encompass this broader activity with accountability through to regional executive arrangements as well as to the national level
 - Clarifying the role of the existing Officer Board as an advisory board, and the sole means of making recommendations to the Members Board

- Establishing declaration of interest arrangements for the Member and Officer Boards
- Utilising the existing resources to develop the new EMRIEP support team to facilitate collaboration and the sharing of good practice, together with the co-ordination and monitoring of the single improvement programme.

Sub Regional Improvement and Efficiency Partnership

59. Creating Sub-Regional Improvement Partnerships at county/city level, where they don't already exist, will be a priority for the EMRIEP. It is envisaged that the sub regional partnerships should have an expanded role to embrace oversight of the capacity and performance of the LSPs, the delivery of the LAAs/MAAs and the integrated improvement and efficiency work programmes agreed with the EMRIEP. In this model the EMRIEP would have a wider monitoring role across all sub regional and regional improvement programmes, in order to ensure its resources are invested wisely and that sub regional and other partnerships are enabled to effectively contribute to the Region's vision and targets.
60. It is envisaged a model terms of reference will be developed and agreed through the EMRIEP Members Board. This should include the components described above which will then enable resource allocations to be made with confidence that targeted programmes of improvement and efficiency activity will be effectively delivered. The benefits from this structured approach will provide:
- The Members Board power to commission improvement activity from the Sub-Regional Improvement Partnerships and to hold them to account for overall delivery
 - The Sub-Regional Improvement Partnerships with the freedom to tailor, within the regional framework priorities, a local improvement programme to local strengths, capabilities and needs
 - Encouragement to Sub-Regional Improvement Partnerships to secure efficiencies and improvements through a hierarchical programme of self-development and mutual support through to the purchasing of external assistance
 - LGEM/IDeA and other improvement agencies unfettered ability to market their improvement services
 - The Officer Advisory Board and the EMRIEP support team with a clear steer on investment strategies and realisation of benefits/targets.

- 61. We will develop a model where the 5 sub regional partnerships which are closer to the ground, and more in tune with the detail of individual improvement needs and are responsible for a significant proportion of improvement and efficiency work. However, the EMRIEP will have the strategic oversight of the regions ambitions and the responsibility to address them and will therefore have a right to challenge and support the Sub regional partnerships to play their part in achieving them.
- 62. But we will also ensure space is left open to support and fund appropriate innovative improvement and efficiency initiatives that do not fit neatly into regional or sub regional projects – including cross-boundary joint working.
- 63. The diagram below indicates the inter dependencies in the approved governance arrangements.



- 64. The EMRIEP will produce an annual business plan projecting its declared investment strategy for work programmes during the 2008/11 period. During April 2009 an annual report will be produced setting out the achievements of the East Midlands authorities against the challenging targets set out in this strategy and the success of the EMRIEP in delivering real benefits to communities in the Region.

Section 6- Programme Management

65. We will manage the programme with clear best practice including:

- Our strategy will be subject to an annual refresh that takes account of experience in the preceding year and anticipates future demands.
- The EMRIEP will produce an annual business plan which will set out a clear work plan and investment strategy for the 2008/11 period.
- The EMRIEP will receive quarterly reports, including an annual report, on progress with the annual business case. This will focus on outcomes, specific developments and actions.
- The sub regional partnerships will receive quarterly progress reports on specific projects that operate at a sub regional level

66. The delivery of the work programmes will consist of a process based on:

- **An EMRIEP core capacity** - lead individual or small team to act as focal point for activity. The need will vary from stream to stream, but without capacity, experience tells us that achievement will be limited.
- **A standard core 'offer'** in each work stream based around:
 - Core information
 - Sharing of best practice
 - Support for networking
 - Benchmarking support.
- **In addition** – each work stream will identify:
 - Specific outcomes it considers need to be achieved
 - Specific initiatives to deliver these
 - Specific funding requirements
 - Sustainability implications.

67. There will be a strong emphasis on commissioning projects and initiatives. The success of this is dependent on having a strong client function and clearly defined project principles.

68. For projects commissioned by the EMRIEP, the following project management principles, which already form part of the EMIP project/programme management policy, will be applied:

- a) All projects must be sponsored by a Local Authority and follow project management principles
- b) Projects for single authorities will not be supported. Project documentation must identify the partners

- c) All requests for funding to the partnership board must be supported by a structured business plan, utilising the EMRIEP business plan template
- d) All projects must have a supporting ROI (return on investment), utilising the approved Communities and Local Government (CLG) “mietool” model, when presented to the partnership board for approval
- e) All projects must identify what the appropriate improvements and efficiencies are and what success looks like
- f) The project must be structured in such a way where practical, that it is possible for other authorities within the County group and preferably within the East Midlands to utilise the project outcomes and share in the resulting benefits
- g) Where appropriate projects will be subjected to a Gateway review which will be conducted by the 4ps. The EMRIEP support team will discuss this aspect with the Project Boards for individual projects
- h) All project boards will include a representative from EMRIEP
- i) Funding for projects will be granted on the basis that if the project is subject to a business case, and the resulting business case is approved then it is expected that those outputs are implemented. Should a business case be approved and the outputs are not enacted then any grant funding will be required to be repaid in full to EMRIEP
- j) Payments of grant funding are drawn down against delivery of agreed project delivery milestones
- k) A case study is required upon completion of the final milestone.

Communication Plan

69. Our 2008/9 business plan will provide a full version of the EMRIEP Communications Strategy. It will build on the existing EMIP/EMCE communications approaches which have served the region for the past 3 years. It is anticipated the medium for communication with all local authorities and partners in the region will be via:
- A monthly news bulletin containing details of national/local improvement programmes, celebrating good practice and providing information on national developments
 - Publication of good practice case studies from around the East Midlands in all the priority Improvement Programme area
 - Maintenance of an informative, attractive and regionally updated web site as a source of inspiration for the sub regional partnerships and individual local authorities

- Regular publication of progress reports and EMRIEP Member and Officer Board papers, in the interests of transparent decision making
- Ad hoc advice and guidance and sharing of good practice in a variety of ways:
 - Special events
 - Conference & workshops
 - Written work
 - News articles (national, regional and local).

Section 7- Work programme

70. It should not be the purpose of a high level Regional Improvement and Efficiency Strategy to spell out the precise detail of the programmes and projects that will need to be designed and implemented over the course of the CSR07 period. Such programmes will form the basis of our business planning activity. We envisage a specific business plan will be produced addressing the priorities set out in this section and translating these into action programmes via the following approach.
71. Given the requirements of the National Improvement and Efficiency Strategy and the CSR07 Value for Money Delivery Plan, the RIES business plan needs to identify the ability and capacity to support authorities. This should encourage collaboration and commissioning initiatives in cross cutting thematic areas, which will deliver against the key improvement priorities identified above. In the East Midlands these thematic areas are seen primarily as:
- Better Outcomes for People and Places achieved by:
 - Driving Self Improvement of Authorities and Partnerships
 - Capacity Building
 - Innovation and Transformation
 - Efficiency.

And from CSR07 these are:

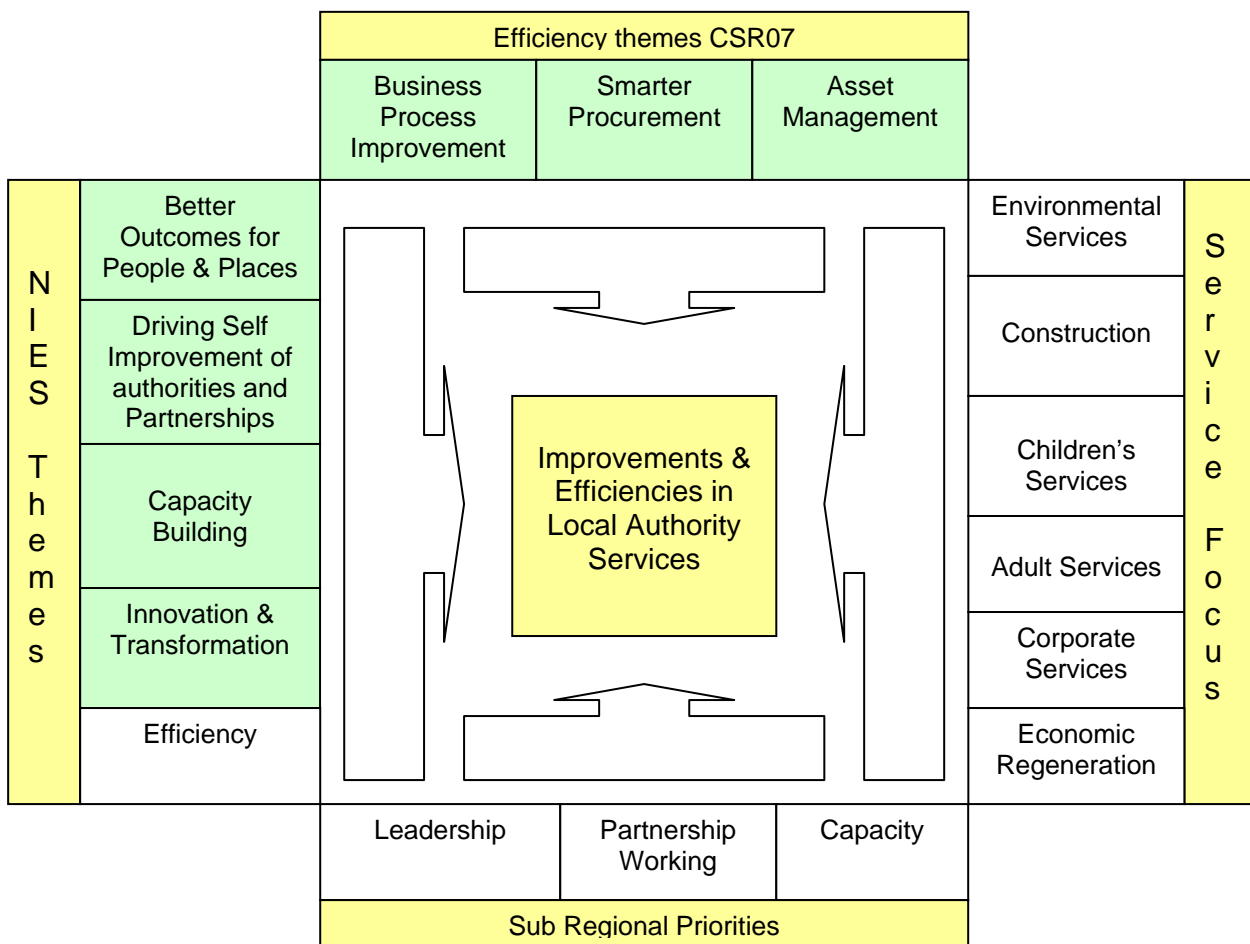
- Business Process Improvement and Collaboration
 - Smarter Procurement, Improved Competition
 - Asset Management.
72. Inter- relating with these cross cutting themes, there needs to be a mechanism for working effectively with the key service delivery areas. Generally, the approach should be to work with, and through, the key existing service based networks and, in particular, the emerging Sub Regional Improvement Partnerships and other key stakeholder groups. Which services are prioritised will depend on particular needs and may change over time. Currently, the key priority service blocks reflecting perceived national and regional priorities are seen as:
- Environmental Services including Waste
 - Construction
 - Children's Services
 - Adult Services
 - Corporate Services
 - Economic Development/Regeneration.

From the sub regional workshops the key generic improvement themes are considered to be:

- Leadership
- Partnership Working
- Capacity Building.

73. This creates a matrix of potential key work streams and themes for improvement and efficiency investment, from which the seven key work programmes are:

- 1) Better Outcomes for People and Places
- 2) Driving Self Improvement of Authorities and Partnerships
- 3) Capacity Building
- 4) Innovation and Transformation
- 5) Business Process Improvement
- 6) Smarter Procurement
- 7) Asset Management.



Better Outcomes for People and Places

74. Our expectation is that the ambitious targets in this strategy will be achieved through the collective efforts of the local authorities in the sub regions, led by sub regional partnerships providing the support and encouragement to strong LSPs to deliver robust LAAs.

Driving Self Improvement of Authorities and Partnerships **Outcomes**

75. As a result of the focus and investment via this Regional Improvement and Efficiency strategy we expect:
- no failing local authorities by April 2009 as assessed by CAA
 - a general improvement in overall performance of all East Midlands authorities as assessed by CAA
 - our LSPs to be delivering their programmes together with the challenging LAA targets
- thus generating a catalyst for change and improvement throughout the region, under a common sub regional partnership approach.
76. The East Midlands family of local authorities expects to see the gap between the performance of the strongest and weakest local authorities shrink considerably by 2011 in overall performance and in the use of resources, to further the ambitions of local communities.

Key Programmes of Work:

- We will use Peer Challenges to ensure authorities are self aware and equipped to meet the requirements of the CAA regime
- We will use Innovation Coaching to help authorities accelerate progress on their goals, challenges or problems
- We will continue with our existing regional programme of activities, which supports the implementation of the workforce strategy
- We will use intelligence gathered from a number of national and regional sources to identify poorly performing authorities
- We will develop a coherent package of 'preventative and 'early intervention support for weak and struggling authorities
- Activities to promote excellence in leadership within our local authorities and communities, including; peer challenge to shape and drive through our LAA and MAA stretch targets
- Work to secure the effective impact of scrutiny across all public services
- The active promotion of the Beacon scheme
- Diagnostic work to assist our place shaping role through;
 - customer segmentation and use of customer insight through our consultative arrangements
 - deep performance benchmarking over the major service blocks of Adult Care, Children's Services, Environmental Services to aid our approach to commission excellence in service delivery

Efficiency

Outcomes

77. As a result of the focus and investment via this Regional Improvement and Efficiency strategy we expect that over the life of the 2007 CSR the region as a whole will collectively meet the target of 3% cash releasing efficiencies. (NI 179)

Key Programmes of work:

- We will deliver the key activities contained within the Procurement 2012 strategy
- We will continue to encourage and support our Waste Management Networks to develop regional solutions to pressing service delivery problems and efficiency needs which transcend local authority boundaries
- We will continue to encourage and support our Adult Services Networks to develop regional solutions to pressing service delivery problems and efficiency needs which transcend local authority boundaries
- We will continue to encourage and support Children's Services Networks to develop regional solutions to pressing service delivery problems and efficiency needs which transcend local authority boundaries
- We also recognise the importance of **sustainability** and support the statement issued by the RIEP Chief Executives Task Group (see appendix 5), and will facilitate its application.
- We will continue and further develop a programme of capturing and communicating best practice and strategic guidance for local authorities
- We will continue to support our Midlands Highways Alliance and East Midlands Property Alliance work which has generated significant buy in from around the Region, we will continue to address the re thinking construction agenda and achieve significant improvements in design, commissioning and asset management.

Capacity Building

Outcomes

78. Better service solutions are put in place as a result of strengthening the operational capacity of authorities and partnerships beyond the direct capacity of individual organisations. We also want to see greater consistency across the region in equality and diversity matters.

Key programmes of work:

- We will support the promotion of the leadership academy programme and other initiatives to build future leadership capacity
- We will support member development and mentoring programmes
- We will support participation in the national graduate programme
- We will invest in workforce development to identify and address occupational as well as known skill shortages
- Innovation coaching
- We will continue to invest in programme and project management development as a route to manage change effectively and deliver improvements on time and within budget

- We will develop the culture where authorities swap short sharp `one hit` bursts of high level skills to address a specific problem area.
- We will continue with the programme already supported at a regional level with our existing resources, on a range of activities which support the implementation of the national workforce strategy. This includes addressing issues across the themes of organisational development, leadership development, skills development, recruitment and pay and rewards
- Equality and diversity awareness and practice

Innovation and Transformation

Outcomes

79. We want to see the services provided for citizens through out the East Midlands regarded as amongst the best in the UK by communities and individuals whom we serve.

Key programmes of work

- We support the development of a consistent and effective regime of generating investment cycles through a process of `banking and re using` efficiency gains
- We will support change management development programmes
- We will support the development of common standards for ICT systems to enable exchange of information and providing a platform for sharing of services
- We will promote examples of best practice.
- We will continue to promote and support the LGA's Reputation Campaign.
- We will support business transformation projects that lead to increased customer focus and improved customer outcomes (lean systems approach)
- We will continue to support the business improvement skills development programme to enable local authorities to develop a sustainable capacity
- We will provide a regional capacity to advise, promote and support local authorities BPI activities
- We will promote the CLG national business process information toolkit and best practice examples.

Allocation of Resources

80. We understand there is a proposal that the East Midlands be allocated a sum of £19.6m over three years for their integrated improvement and efficiency activities. Of this some £5.6m is expected to be allocated by CLG for the financial year 2008/9.

| Outline Budget for 2008/9 | £,000's | £,000's |
|---|----------------|----------------|
| EMRIEP Core Support Team Salary costs | 420 | |
| RIEP Running Costs | 258 | |
| | | |
| Unallocated monies from: | | |
| Balance from EMCE Estimated Surplus | | 61 |
| Balance from EMIP Estimated Surplus | | 43 |
| | | |
| Funding Expected March 2008 | | 1,161 |
| Funding Expected for 2008/09 | | 5,600 |
| Estimated Interest Earned on Balances | | 50 |
| | | |
| Totals | 678 | 6,915 |
| | | |
| Balance available for programmes and projects | | 6,237 |

81. Potential work programme investments

| Theme - Better Outcomes for People and Places | % Overall Allocation |
|--|-----------------------------|
| Driving Authorities Service Improvement and Partnerships | 27.2 |
| Capacity Building | 12.7 |
| Innovation & Transformation | 21.7 |
| Efficiency Programmes | 26.8 |
| Support for Struggling Authorities | 4.0 |
| Contingency | 7.6 |
| Total | 100 |

82. Annex two summarises the indicative allocation of programme resources to activities identified above, subject to further consultation within the region. But please **note that the work programme and the indicative allocation of resources in 2008/09 is still the subject of consultation with the EMIP Members Steering Group and local authorities in the region.**

Risk Analysis

83 Annex three contains the risk matrix and analysis of risks which could impinge on the roll out of this strategy and delivery of anticipated benefits. These pose a strong challenge for the Member /Officer governance arrangements for the EMRIEP and the sub regional partnerships. The serious nature of these risks must not be underestimated and the risk analysis outlines the essential actions which need to be pursued.