

# IMPROVEMENT THROUGH PARTNERSHIPS

Supporting Evidence

**sixth Draft**  
**1 February 2008**

## **Appendix 1 – Member Steering Group on Improvement and Efficiency : Terms of Reference**

**These documents can be found on either the LGEM or EMCE web sites as;**

**[www.lg-em.gov.uk](http://www.lg-em.gov.uk)**

**[www.emce.gov.uk](http://www.emce.gov.uk)**

## **Appendix 2 – East Midlands Improvement and Efficiency Officer Board : Terms of Reference**

**These documents can be found on the LG-Em or EMCE websites at;**

**[www.lg-em.gov.uk](http://www.lg-em.gov.uk)**

**[www.emce.gov.uk](http://www.emce.gov.uk)**

## Appendix 3 – EMIP Targets 2006/08

The existing EMIP strategy targets set out in the table below are those described in paragraphs 18 and 19 of this report, which relate to the period 2006/08.

<b>Priority: Council Performance</b>
<ol style="list-style-type: none"><li>1. No authority in the Region will be classified as rating zero/ one stars or poor/ weak under CPA by 2008/9.</li><li>2. A positive “direction of travel” categorisation (defined as Adequately, Well or Strongly) will be achieved by:<ol style="list-style-type: none"><li>a. At least 8 out of 9 single tier and counties</li><li>b. 32 out of the 36 districts</li><li>c. All 5 fire and rescue authorities</li></ol></li><li>3. The average CPA score of East Midlands authorities will have risen further, from the base in 2003/04 for districts and 2005 for single tier, counties and fire and rescue authorities, than those in other regions by 2008/9.</li><li>4. Residents’ satisfaction with East Midlands authorities will have improved at a faster rate than the national average between 2004 and 2007</li><li>5. As an indicator of level of innovation, the percentage of both short listed and successful Beacon Council applications received from the East Midlands will be greater in 2008/9 than the average of Rounds 3 -6 of the Scheme.</li></ol>
<b>Priority: People and performance</b>
<ol style="list-style-type: none"><li>6. By 2008/9 at least 10 authorities will have been awarded Member Development Charter status.</li><li>7. The number of authorities with current liP status (all or part of the authority) will have increased from 76% in 2005 to 90% in 2008/9.</li><li>8. The average Equality Standard level of attainment will have increased from 0.8 in 2003/4 to at least Level 2 by 2008/9.</li></ol>

**Priority: Transformational Government and Efficiency**

9. Each year 100% of East Midlands authorities will achieve their annual Gershon efficiency targets.
10. By 2008/9 the average days lost through sickness and absence in East Midlands' authorities will be in the best 3 Regions nationally
11. By 2008/9, the average Value for Money score (part of the Use of Resources assessment) of East Midlands authorities will have risen further from their respective bases in 2005/06 for districts, single tier and counties, than those in other regions.  
For Fire and Rescue authorities, the rise will be assessed against a 2006/7 base, subject to current proposals for the 2006/7 Fire and Rescue CPA regime being adopted

**Priority: Local Public Services**

12. There will be universal coverage of agreed LAAs in the East Midlands by March 2007.
13. By 2008/9, 100% of Local Area Agreements covering the East Midlands will be considered to be delivering outcomes satisfactorily and adding value.
14. The overall scale of shared service arrangements involving authorities in the Region will have significantly increased by 2008/9.

## Appendix 4 – Our Process for Developing the Strategy

1. The EMRIEP agreed early on to use an inclusive process to deliver this strategy. It has allowed all of our partners to actively contribute and shape what will, after all, be their strategy for improvement and efficiency.
2. The process was kicked off by a half day session on the 29<sup>th</sup> November 2007 to which Chief Executives and Leaders of all of our authorities were invited, an invitation that was extended to other senior officers and Members. This set the scene for the subsequent workshops and prepared authorities for participation.
3. Five workshops were then held in rapid succession in early December, one for each sub-region (Derbyshire, Leicestershire, Lincolnshire, Nottinghamshire and Northamptonshire). The workshops followed the same format and were designed to allow participants to work first on their own and then to discuss emerging ideas with colleagues in a series of iterative formats.



With the input of an external facilitator (from RSe Consulting Ltd), each workshop was then able to reach its own conclusions. Participants were required to complete rigorous templates at each of the key stages in order to provide a record of the rich set of inputs to the formulation of the strategy (these are included in the appendices of this document). There was also physical movement

built in to the sessions with participants moving within different groups throughout the session to complete the sequence of tasks, which added to the energy and momentum.

4. The workshops followed a simple format: participants first considered what the issues in relation to efficiency and improvement are for their own authority. Participants all had their own copy of a schematic, designed both so they could 'orientate' themselves on the same 'map', and also as a prompt to new and fresh thinking.

- Having done this on an individual basis, participants then discussed their formative conclusions in break out groups in order to share similarities and differences and to enhance their own thinking. As a single group, the workshop then prioritized the most important issues emerging for their sub-region.



- Having established a clear view of what the strategy should be aiming to address, participants then moved on to discussing (back in break out groups) current and new ideas for addressing these issues. Once again, templates were completed to capture the full discussions and then as a single group, the workshop discussed and prioritized ideas and potential projects for delivering improvement and efficiency in a way that would work for them as a partnership of authorities.

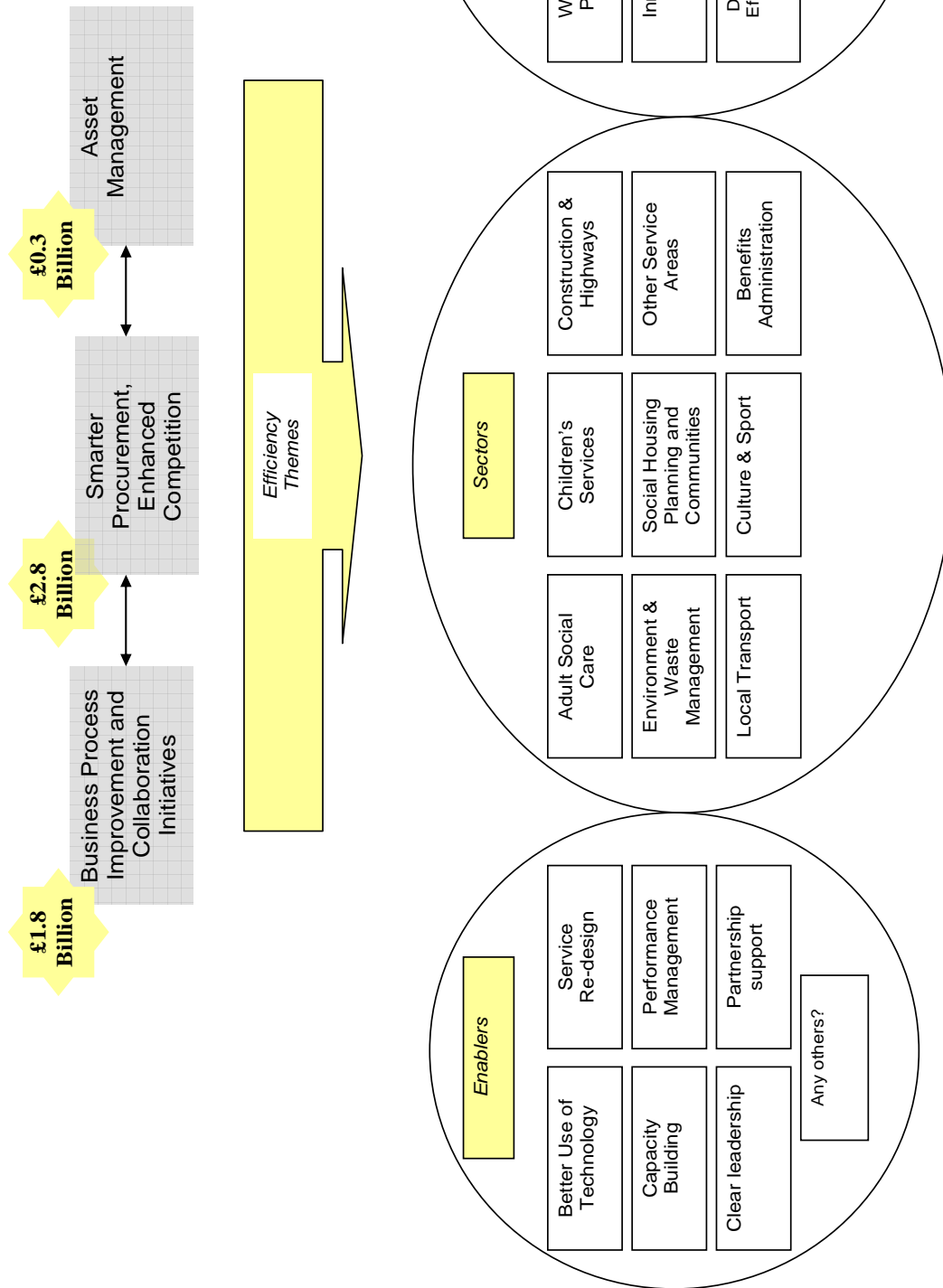


- As a result of this process, each sub-region has a clear and agreed list of its most important issues and opportunities in relation to improvement and efficiency; and each has a corresponding and directly related set of evaluated ideas to address them. These were circulated for comment to each of the sub-regions before Christmas.
- The outputs from all of the workshops were then brought together and analysed before Christmas by the EMRIEP team with the support of the external facilitator in order to create the regional overlay from the five sub-regional strategies.

9. A combined workshop for participants (Members and Officers) involved in the 5 sub regional events, was held on the 8<sup>th</sup> January. Further development work was undertaken by sub regional and cross regional groups on the outputs/programmes summarised in Section 4 of this report and the potential measurement targets summarised in Section 5.
10. A further workshop for elected Members only was then held on the 16<sup>th</sup> January to consider and revise the strategy and to seek endorsement before the final version of the EMRIES was presented to a combined EMIP Member/Officer Board meeting on the 28<sup>th</sup> January.
11. The seven workshops were extremely well attended with a total of 155 elected members/senior managers participating. A short analysis of participants shows that:
  - 43 out of the 46 authorities participated in the workshops
  - 100% Fire & Rescue authorities represented
  - 1 Police Authority represented
  - 48% of Chief Executives attended the workshops
  - Members participated in the 6 of the 7 workshops
  - 17% of participants were Members

Average sub regional workshop feedback score 4.0 (scale 1= poor – 5 = very Good)

12. The outputs from the sub regional workshops (5) are attached in Appendix 4 to provide the body of evidence to support the proposals contained within the vision and priorities section.
13. The schematic representation used in the 5 sub regional workshops to summarise the drivers, enablers and impacts for local authority improvement and efficiency, arising from the national policy publication of the CSR07 Value for Money Delivery Plan and the National Improvement and Efficiency Strategy, is as follows:



## **Appendix 5 – Sub Regional Workshops (5) Outputs**

### **Write up of Derbyshire Sub-Regional EMRIEP Strategy workshop on the 3rd December, incorporating feedback from the 8<sup>th</sup> January**

#### **The sub-region and its aspirations**

The Derbyshire sub-region comprises:

- One County Council: Derbyshire CC
- One Unitary: Derby City Council
- Eight District Councils: High Peak, Derbyshire Dales, South Derbyshire, Erewash, Amber Valley, North East Derbyshire, Chesterfield, and Bolsover.
- Derbyshire Fire and Rescue.
- Derbyshire Peak District National Park

The Derbyshire authorities all reaffirmed their aspirations to build on a strong history of sub-regional working on the improvement and efficiency agenda. They know that they need to work together, to make tough decisions and to set ever higher standards in order that citizens, businesses and visitors get the best possible service given the resources available.

#### **Issues identified**

The Derbyshire Authorities identified the following issues that are currently hindering their individual and collective achievement of improvement and efficiency objectives, in roughly descending order of importance:

- A need for better knowledge, information and awareness in order to improve the high level decision making and leadership required for the improvement and efficiency agenda
- Difficulty in delivering the level of efficiency savings required to balance budget in the short term
- Poor joint asset management in terms of utilisation of assets and assessing whether buildings and properties are fit for purpose
- Business Process Improvement (BPI) is not working well enough or extending far enough due to lack of skills and capability
- Procurement and commissioning skills at the strategic level now required are insufficiently developed
- Only a small chunk of the potential from shared services is being delivered due to lack of capability and resource

- Of growing concern is the ability of the authorities to operate sustainably both economically and environmentally.

## **Solutions identified**

The proposals identified for overcoming these issues are:

### **(a) Develop leadership through a mentoring and coaching programme**

Leadership in Derbyshire needs to be developed across all authorities and all levels. Strong leadership and involvement is considered critical to driving through real improvement and changes.

An 'Efficiency through expertise' programme providing external (i.e. beyond local government) mentoring and coaching for political and managerial leaders in a project based setting would help to improve leadership in the region. This would require a significant amount of time from those involved and probably cost to secure the involvement of external mentors, but would have high benefits for Derbyshire.

### **(b) Develop priorities for investment and savings**

Achieving efficiency gains on the scale now required will be increasingly hard, which means resources and energy must be focused on where it will deliver most. There therefore needs to be disciplined and robust prioritisation for improvement and efficiency investments.

A strong top management level (developed in the proposal above) is a necessary condition for improved prioritisation and quicker decisions to overcome the silo culture and drive savings down from the top. But it needs to be combined with a programme and mechanism to develop a strategy of clear priorities and identification of big areas for gains.

### **(c) Facilitate decision making over improving Asset Management**

Assets need to be examined to ensure they are fit for purpose and/or being properly utilised not just across local, fire and National Park authorities but all potential partners. This needs to include not just existing assets but potentially new assets that, in partnership, may open up new and transforming ways of working. A capital programme workshop to facilitate decision making in this area across the Derbyshire authorities, and a planning process to identify priorities and integrate services will help improve asset management in the sub-region.

### **(d) Develop BPI skills and capacity**

Business Process Improvement techniques are currently used within some of the authorities but are not perceived to be delivering the benefits expected.

Authorities consider they need to use the tools better to secure savings but they lack the critical mass of skills within the current workforce required to sustain the BPI process over time and deliver continuous improvement.

In addition to supporting the development of core BPI skills, it would be useful to have shared templates to undertake and then capture lessons from BPI projects in order to share experience quickly and easily to accelerate learning and development.

Authorities also want to explore the potential development of a Derbyshire wide BPI/ improvement team.

#### **(e) Improve procurement and commissioning**

Procurement is a potential area of high gain in the long term for relatively low investment. In particular authorities consider they should:

- Raise awareness of the potential of procurement and commissioning with members and senior management in order that they can begin to provide the leadership required
- Build capacity both generally and in service specific areas through training and support in procurement
- Investigate running procurement and commissioning on a more shared basis between authorities

#### **(f) Improve support to develop shared services on a range of levels**

Authorities are finding it difficult to progress with shared services due to capacity and resourcing constraints. The authorities felt they would benefit from:

- Resource to address internal capacity constraints
- Support to help write shared services business cases
- A 'critical friend' to assess and work with shared services project teams
- Enhanced best practice support in terms of case studies, seminars, and visits (that get under the skin of the 'glossy' case study)

#### **(g) Raise awareness of the issues surrounding economic sustainability**

At this stage it is considered that raising awareness around economic sustainability and each authority's potential role is considered the primary focus. This is a low cost measure and should include good practice examples demonstrating the potential benefits from an economically sustainable procurement policy.

#### **(h) Facilitate debate around environmental sustainability**

The authorities considered that they need to start facilitating discussion between leaders and members about the impacts of climate change and how

to integrate this into council policy and risk assessments. Gathering of best practice information and running more general awareness sessions should support this process.

The facilitation cost is expected to be low, but the actual implementation of policies to reduce climate change will be high.

## High level summary

The following diagram shows ‘at a glance’ what Derbyshire authorities agreed their current priorities are, mapped onto the East Midlands strategy as a whole (see main strategy document for more on the East Midlands overall strategy). A green box indicates that this issue is a high priority for Derbyshire, an amber box that it is a priority while no box indicates that it was not identified as a priority (though this does not necessarily mean that the Derbyshire authorities think it is unimportant).

## Derbyshire

Leadership	Partnership Working	Capacity
(i) Where are we now	(i) Day to day reality	(i) Investment cycle
(ii) Prioritising and setting the vision	(ii) Bigger vision v self interest	(ii) Skills
(iii) Leadership Skills	(iii) joint communications	(iii) Change Methodology
(iv) ‘Beyond Excellence’		

# Write up of Leicestershire & Rutland Sub-Regional EMRIEP Strategy workshop on the 4<sup>th</sup> December, incorporating feedback from the 8<sup>th</sup> January

## The sub-region and its aspirations

The Leicestershire and Rutland sub-region consists of:

- One County: Leicestershire
- Two Unitaries: Leicester City and Rutland
- Seven Districts: Charnwood, Melton, Harborough, Oadby and Wigston, Blaby, Hinckley and Bosworth, and North West Leicestershire
- Leicestershire Fire and Rescue

The Leicestershire and Rutland authorities all expressed a desire to make their resources go further for the benefit of the people and places they serve. They want to design services around customers, work together for the benefit of end users and citizens and to get ever more out of the resources that they spend on behalf of the public.

## Issues identified

The Leicestershire Authorities identified the following specific issues that are currently hindering their individual and collective ability to improve and to deliver efficiencies, in roughly descending order of importance:

- A shortage of internal capacity to drive change and improvement
- The significant difficulties of creating up-front investment 'head room' to get a self-sustaining invest to save cycle going
- A lack of clarity about where the greatest potential for efficiency gains lies and about how to realise them
- Services are not yet designed around the needs of customers
- Partnerships are not working as well as they can or currently delivering to expectations
- Different technology systems between authorities create a barrier to partnership working
- Waste management is an increasingly significant service specific issue with financial and environmental implications
- There is wariness of change amongst staff.

## Solutions identified

The proposals identified for overcoming these issues are:

**(a) Build capacity across the Leicestershire authorities to drive change**

Leicestershire and Rutland authorities believe that creating internal capacity to deliver change will make a significant difference.

In order to do this, the authorities plan to work on an individual, sub regional and regional basis to:

- Develop shared capacity through an 'innovation centre' and run specific programmes that build capacity and spread knowledge such as road shows and mentoring programmes (e.g. for members)
- Share resources and best practice experiences across councils where gaps and skills exist locally
- Build capacity in specific areas such as procurement, service transformation and Lean methodologies, potentially through the use of specialized support

It will be important to kick start this through securing additional resources to provide initial project and programme management capacity.

**(b) Invest in change strategically**

By adopting a more coherent and prioritised approach to investment, the Leicestershire and Rutland authorities believe that they can accelerate and further the change that they want to bring about.

They want to create headroom for investing in projects where change is most needed and benefits will be achieved, as well as encouraging and funding innovative ideas and research and development projects with potential to deliver savings down the line. This needs to be supplemented by a rigorous process for capturing portions of any cash savings from early projects for explicit re-investment in subsequent projects – a self-sustaining 'invest to save' cycle. It also needs an explicit space for riskier projects to be considered and initiated.

**(c) Develop a strategy for efficiency realisation tacking largest spend areas first**

Authorities believe that they need to know more about their current spends and value for money performance in order to know where the best efficiency and improvement opportunities lie.

Opportunities to achieve efficiencies can then be systematically analyzed and prioritised, targeting the largest-spend areas first. Such a strategy can also incorporate an effective asset management plan and consideration of strategic objectives such as moving the spend to prevention rather than result activities. This would link closely to the solutions (a) and (b) above.

**(d) Adopt Lean and service redesign methodologies**

Undertaking new and innovative approaches to service design can help the sub-region meet the challenges of rising customer and community expectations and the need to deliver services to rural locations and vulnerable groups across the sub-region. These approaches will include greater personalization of services, customer segmentation and adopting Lean methodologies internally.

**(e) Making Partnerships work through leadership and capacity building**

Leicestershire and Rutland authorities will commit to the strong internal leadership and development of strong interpersonal relationships and trust, which are all are required for effective partnership working. Other activities that are part of the same improvement and efficiency strategy will be opportunities to develop and demonstrate this leadership, relationships and trust.

The authorities will work to overcome the challenges associated with partnership working:

- political boundaries and dimensions
- the sheer number of partnerships which often overlap
- different approaches to service delivery
- technology variations and resistance to information sharing
- lack of buy-in and drive from all partners and individuals involved

This will enable Leicestershire and Rutland authorities to meet the need to work together to meet the challenges of new performance framework for local government and to satisfy the growing appetite amongst partners for effective sharing of services.

**(f) Use technology as an enabler**

Leicestershire and Rutland authorities will move from the current situation in which each council operates and invests in its own technology infrastructure and architecture. They will move to standard protocols, common systems and data structures in order that they can share the information they need to. This in turn will enable them to expand service models and develop customer centric solutions. They will also look for ways to enhance the current technology base, identify opportunities for integration and standardisation, and how technology can be used to enhance service design and drive change. As part of this, authorities recognise that they will need to identify explicitly where the short term benefits of having a locally distinct (locally tailored) set up are outweighed by the longer term benefits of sharing ICT.

### **(g) An integrated approach to Waste management**

Waste management (both recyclable and non-recyclable) is environmentally and financially significant across all tiers of authorities. All councils in the region face similar issues of increasingly scarce landfill space and collection and disposal decisions. There is opportunity for authorities to take an integrated approach to service redesign in waste management/street scene. This will require leadership and involvement from members and high-level officers with potentially high benefits.

### **(h) Address cultural barriers to change**

The authorities identified that many staff are wary of change. This is likely to hamper efforts to bring about improvements and efficiencies.

The group identified that there is a need to change the way in which change is talked about. Often it is talked about as large scale, disruptive, dismissive of how things have been done to date and with poorly articulated benefits for officers and managers involved. Instead, authorities will use a different, more positive and less threatening language that will increase the chances of officers and managers engaging with the agenda.

The authorities recognise that this will require strong leadership plus a concerted effort to overcome silos and take on change as whole organisations rather than solely concentrating on section/department priorities. Peer support to achieve this across and between the different authorities will also help.

## **High level summary**

The following diagram shows 'at a glance' what Leicestershire authorities agreed their current priorities are, mapped onto the East Midlands strategy as a whole (see main strategy document for more on the East Midlands overall strategy). A shaded green box indicates that this issue is a high priority for Leicestershire, an amber dotted line box that it is a priority while no box indicates that it was not identified as a priority (though this does not necessarily mean that the Leicestershire authorities think it is unimportant).

# Leicestershire

Leadership	Partnership Working	Capacity
(i) Where are we now	(i) Day to day reality	(i) Investment cycle
(ii) Prioritising and setting the vision	(ii) Bigger vision v self interest	(ii) Skills
(iii) Leadership Skills	(iii) Joint Communications	(iii) Change Methodology
(iv) 'Beyond Excellence'		

# Write up of Lincolnshire Sub-Regional EMRIEP Strategy workshop on the 6<sup>th</sup> December, incorporating feedback from the 8<sup>th</sup> January

## The sub-region and its aspirations

The Lincolnshire Sub-region consists of:

- One County: Lincolnshire County Council
- Seven Districts: East Lindsey, Boston, Lincoln, South Holland, North Kesteven, South Kesteven, West Lindsey.
- Lincolnshire Fire and Rescue

Lincolnshire authorities have a growing track record of joint working. They want to build on and accelerate this in order to deliver ever greater improvements and efficiencies in order that the citizens of Lincolnshire get the most possible from the public services that serve them.

## Issues identified

The Lincolnshire Authorities identified the following issues that are currently hindering their individual and collective achievement of improvement and efficiency objectives, in roughly descending order of importance:

- Priorities for the region are not clearly defined and articulated in a strategy
- Services are not designed systematically around customer needs
- Councils do not have an embedded culture of Lean Systems Thinking
- Customers' expectations of service delivery are not managed proactively which means dissatisfaction is potentially 'locked in'
- ICT systems across Council's are not compatible making communication and entering into shared services difficult
- Procurement objectives need to be more ambitious in achieving efficiencies and driving change
- There is a shortage of people and the skills needed to achieve change.

## Solutions identified

The Lincolnshire partners identified the following proposals to overcome these issues:

### (a) Develop a single 'golden thread' strategy for improvement

Clarity is needed over what the 'must have' improvements as opposed to the 'nice to haves'. A 'Golden Thread' strategy capturing the 'must haves' only

needs to cascade real, locally determined targets, based on Lincolnshire's needs, through performance management systems including LSP Community Strategies and the LAA. Developing such a clear, prioritised strategy will require strong leadership and political will to subordinate parochial preferences for the sake of wider clarity. But it will have high benefits in transforming services in a way that provides clarity for customers and meets local people's priorities.

**(b) Improve services using a common approach to Lean Systems Thinking and Service Re-design**

Lean Systems Thinking and Service Redesign techniques with the customer as the focus are vital if Lincolnshire authorities are to meet community and customer demands as well as achieving efficiency targets.

Lincolnshire authorities will individually be better able to benefit from these techniques if they think and talk about them in the same way as each other i.e. if there is some commonality of approach. This "common language" will reinforce the need for this sort of change, make it much easier for councils to learn from each other, help to build confidence and reassurance and will over time develop a core of officers – capacity – who share a purpose and understanding.

There is a need therefore to collectively and consciously adopt a shared approach out of the myriad approaches available.

**(c) Manage demand effectively using improved communications**

Citizens' expectations are rising all the time. In many ways this is a good thing and it is certainly not something that Lincolnshire authorities can prevent. But they can proactively influence those expectations in order that citizens are better informed, better served and ultimately more satisfied. For example, in shifting customers to more efficient delivery mechanisms (e.g. reducing the use of cash) and deliberately shaping expectations around waste management (weekly or fortnightly) authorities will need to engage with partners and communicate with customers about what is provided and how to gear expectations towards the most efficient delivery mechanisms and access channels.

**(d) Develop a known business destination for ICT**

In order to develop ICT services the region needs to have a common destination in mind for how services should look and how ICT can support this on a sub-regional basis. To deliver this, in turn, there needs to be a shared view of where the benefits of having a shared set up for ICT outweighs the benefits of having a locally distinct set up, be that in terms of approach, standards or actual systems. This will underpin the achievement of joined up

systems for joined up benefits over a shorter timescale than the 15 year timescale currently envisaged.

**(e) A step-change improvement in procurement ambition**

A shared service has been agreed for procurement, however there is a feeling that the level of savings is not ambitious enough and a more strategic approach is required. The partnership needs to achieve a step change and take on some of the more difficult tasks such as agreeing common specifications and dealing with higher value contracts rather than making changes at the margins (“paperclips”).

**(f) Manage skills across the region**

Lincolnshire authorities want to turn competition for a limited shared pool of potential labour into collaboration i.e. rejecting opportunities to fill a post in the short term (for example by increasing a salary relative to neighbours) for the sake of longer term recruitment and retention for Lincolnshire authorities as a whole (for example, creating a Lincolnshire graduate development programme in which participants have an early career path structured across multiple Lincolnshire authorities).

## High level summary

The following diagram shows ‘at a glance’ what Lincolnshire authorities agreed their current priorities are, mapped onto the East Midlands strategy as a whole (see main strategy document for more on the East Midlands overall strategy). A shaded green box indicates that this issue is a high priority for Lincolnshire, an amber dotted line box that it is a priority while no box indicates that it was not identified as a priority (though this does not necessarily mean that the Lincolnshire authorities think it is unimportant).

# Lincolnshire

Leadership	Partnership Working	Capacity
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(ii) Prioritising and setting the vision	(ii) Bigger vision v self interest	(ii) Skills
(iii) Leadership Skills	(iii) Joint Communications	(iii) Change Methodology
(iv) 'Beyond Excellence'		

# Write up of Nottinghamshire Sub-Regional EMRIEP Strategy workshop on the 7<sup>th</sup> December, incorporating feedback from the 8<sup>th</sup> January

## The sub-region and its aspirations

The Nottinghamshire sub-region consists of:

- One County: Nottinghamshire County Councils
- One Unitary: Nottingham City Council
- Seven Districts: Rushcliffe, Broxtowe, Ashfield, Gedling, Newark and Sherwood, Mansfield, and Bassetlaw
- Nottinghamshire Fire and Rescue

The Nottinghamshire authorities are all committed to save money whilst improving services to local people as part of a unified improvement and efficiency agenda. There is an emphasis on improvement and efficiency for a purpose, namely better outcomes for the people and places of Nottinghamshire.

## Issues identified

The Nottinghamshire Authorities identified the following issues that are currently hindering their individual and collective achievement of improvement and efficiency objectives, in roughly descending order of importance:

- Priorities for the region are not clearly defined and articulated in one place
- There is a shortage of internal capacity to deliver change and improvement of the order required for CSR07 and the emerging CAA agenda
- Procurement as a skill and function has too low a profile given its potential for efficiencies
- There is a lack of both upfront cash earmarked for invest to save type projects and of an agreed mechanism/approach that harvests cash savings from projects for reinvestment in the next projects (and so on...)
- There is resistance to change because people are unfamiliar with it and/or assume it will be bad for them personally (when it might not)
- A target of 3% is not that helpful, as sudden external events could in an instant make it irrelevant (because the need for change could be so much greater)
- Although there has been progress with shared services, there does not appear to be an efficient way of exploring and delivering them.

## Solutions identified

The proposals identified for overcoming these issues are:

### **(i) Enhanced leadership direction to define priorities for the region**

The Nottinghamshire Authorities consider that strong leadership and engagement, both from the Chief Executive and Members, is core to driving improvement in order to resolve conflicts in prioritisation and sell the vision through the authority and partnership. It is also critical for securing shared ownership, vital in the context of the significant challenges of CSR 07. Developing clear prioritisation is considered to be of relatively high gain and low cost to each authority, but requires time commitment from high profile individuals.

“If everything is a priority then nothing is a priority”.

### **(j) A proper investment approach**

Authorities will need the ability to invest upfront in projects that deliver longer term efficiencies and service improvements. Good recent examples of this are the planning delivery grant and IEG funding that both enabled significant service improvements through up front funding.

Allied to access to the upfront funds, authorities need to establish a mindset and the mechanics of a proper investment approach, where there is a clear chain between savings from one project becoming the investment fund for the next project. ‘Pump priming’ is needed, but so too is each authority’s commitment, for example via match funding.

### **(k) Build capacity to achieve change and improvement and deliver efficiencies**

Capacity building is needed in Nottinghamshire in three discrete parts:

- 1) New skills: Authorities need to plan how to acquire and embed the new skills leading to service transformation (both improvement and efficiency) in a way that reduces future dependence on consultants e.g. Lean Thinking; such skills, once acquired, can be shared across the region.
- 2) Delivery: Programme management capacity is needed for delivery of existing ideas to ensure projects actually get delivered rather than relying on people to deliver in addition to their ‘day job’. This specialist resource should be planned and used strategically across authorities. There may need to be some pump priming of this to achieve the required acceleration.
- 3) Specific support: Expert advice will likely be required for specific improvement and efficiency projects, termed ‘one hit experts’ that come

in as objective outsiders to assist with, for example, asset management or to transform a specific service.

These activities should be supported by sharing of best practice (case studies) and skills across the region.

#### **(l) Raise the profile of procurement**

Nottinghamshire Authorities want to raise the profile of procurement both at a leadership and operational level. Procurement needs to be given a 'seat' at the corporate table and to agree strategically a prioritised list of spend categories on which to focus which are aligned to corporate objectives.

Procurement improvements are potentially high impact, and can deliver cashable savings at a relatively low cost but may require additional procurement capacity. Sign-up should be agreed both at individual and sub-regional level where county-wide commitment is secured as part of the 'top-level' sub-regional plan.

#### **(m) Promote service transformation and improvement**

Authorities need to promulgate the comfort that a some officers already have with change – normally those who have experienced it before and/or those who are multi-skilled – to a critical mass of officers in order that they are empowered to own and drive change themselves. This can be done through a concerted (and shared) effort to insist on a clear direction for change, to identify benefits and demonstrate the positives, to communicate continuously and to use support and training throughout. From the top down, politicians and managers need to think twice about blaming subordinates as this fosters a blame culture where people are afraid to fail and therefore to change, but to do this without sacrificing accountability.

#### **(n) Properly resource and prioritise moving forward with shared services**

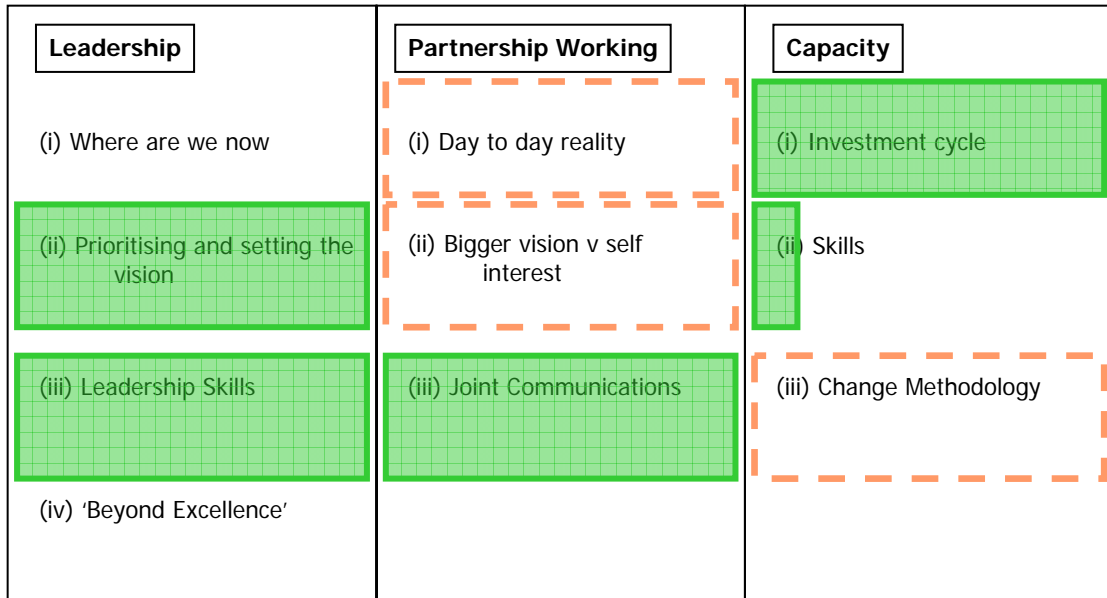
Existing shared service projects are not progressing as anticipated, with difficulties in scoping parameters and agreeing outputs. Political commitment and patience is required in generating results with projects requiring proper resourcing at the front end to deliver in the longer term.

Councils need to share best practice and learn from each others' successes. Investing in shared services is considered to be high cost, but potentially high return with improved efficiencies that could actually be delivered in practice. In particular, authorities believe there could be real potential from approaching assets together.

## **High level summary**

The following diagram shows 'at a glance' what Nottinghamshire authorities agreed their current priorities are, mapped onto the East Midlands strategy as a whole (see main strategy document for more on the East Midlands overall strategy). A shaded green box indicates that this issue is a high priority for Nottinghamshire, an amber dotted line box that it is a priority while no box indicates that it was not identified as a priority (though this does not necessarily mean that the Nottinghamshire authorities think it is unimportant).

## Nottinghamshire



# Write up of Northamptonshire Sub-Regional EMRIEP Strategy workshop on the 12<sup>th</sup> December, incorporating feedback from the 8<sup>th</sup> January

## The sub-region and its aspirations

The Northamptonshire sub-region consists of:

- One County: Northampton County Council
- Seven Districts: South Northamptonshire, Northampton, Daventry, Wellingborough, Kettering, Corby, East Northamptonshire
- Northamptonshire Fire and Rescue
- Northamptonshire Police

The Northamptonshire authorities know that they need a clear plan of action to deliver the improvement and efficiency agenda in association with all their partners not least because of the growing pressures of the South Midlands growth agenda. This will ensure that the public resources available to Northamptonshire are maximised and used in the best possible way for current – and future – Northamptonshire citizens and stakeholders.

## Issues identified

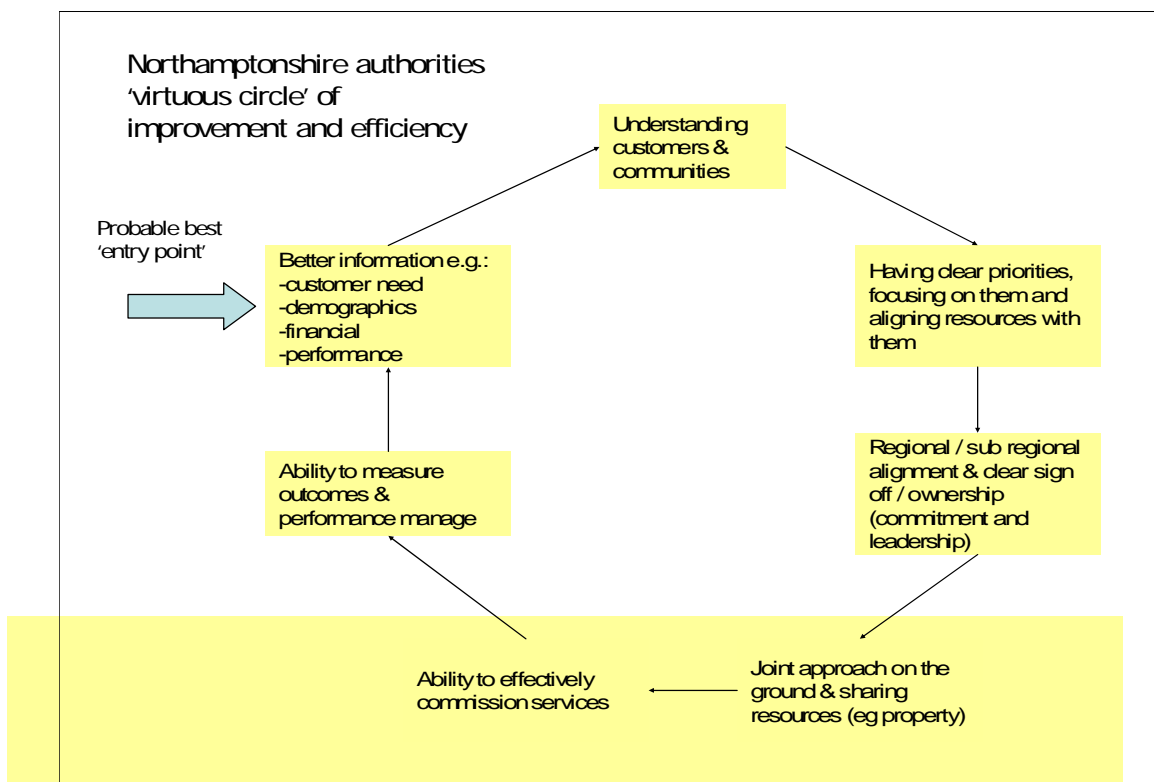
Northamptonshire Authorities identified the following issues that are currently hindering their individual and collective achievement of improvement and efficiency objectives, in roughly descending order of importance:

- 1. Better information on customers, financials and performance:** without this basic information, understood and shared across partners, it is difficult to develop a clear and agreed vision, priorities and ways of working. For example, this has hampered the sub-region's ability to shape and direct its own growth agenda (comparison with the Thames Gateway illustrates the benefits of a strong 'story' and of the high profile that that brings)
- 2. Collective leadership:** in order to deliver the growth agenda and the building blocks of efficiency and improvement, there will need to be collective leadership that is prepared to make the appropriate trade-offs between individual organisational issues and the needs of Northamptonshire as a whole; this needs to include other parts of the public sector and the voluntary and community sectors to be part of that collective leadership
- 3. Knowing priorities and aligning resources and focus to these:** Due to the lack of a clear understanding of the community and its needs, it has been hard to generate a coherent set of priorities that in turn govern resource allocation and action; this sometimes manifests itself

as a lack of a compelling incentive to change within organisations and at other times by ongoing tension between competing agendas

4. **Capacity:** there is serious concern about whether there are the skills and people available to make improvements and efficiencies happen both in the context of the growth agenda and partnership working, but also in the sub region as a whole which will have consequences for the growth agenda.
5. **Culture of shared working:** Shared services (e.g. around property) have the potential to reduce costs and duplication of services but progress has been inhibited by cultural and trust issues combined with a skills gap associated in partnership working.

This was also presented in diagrammatic form as a self-sustaining cycle in which activities feed into one another in sequence delivering a sustainable, self-funding cycle of improvement and efficiency:



### 3. Solutions identified

The authorities identified four fundamental actions that they want to happen that will be the foundation for sustainable delivery of continuous improvements and efficiencies:

**(o) Assemble key information and 'intelligence'**

Only by working together can Northamptonshire authorities deliver on the growth agenda. A critical element of achieving this joint working is strong information and understanding. This will strengthen decision making by providing a complete, accurate and relevant set of information on the 'place' that is Northamptonshire (and its component geographical parts), the people who live there and the performance of public bodies serving it. This will be vital for community strategies and new LAAs, and will also enable authorities to work together to identify where and how they can improve their combined allocation of resources in order to deliver the improvement and efficiency agenda.

Work needs to be done to develop this information base. The authorities are also keen to foster links with local universities who can become an ongoing source of insight and intelligence into the people, place and public service performance within Northamptonshire.

**(p) Develop sustainable communities services strategy based on data and analysis**

Having assembled a healthy set of evidence and analysed it, the Northamptonshire authorities then need to create an integrated view of who their customers and communities are now, what they are likely to be in the future and therefore what the authorities need to collectively focus on (and what they can individually pursue on their own without compromising the shared approach). As customer needs are complex and vary across areas, sub-regional facilitation can help to pull together and analyse customer strategies and citizen information to develop a sub-regional approach.

Once Northamptonshire authorities have their shared vision for their customers and communities, backed up by data and evidence, they can communicate it to local and national stakeholders to promote their ability to collectively shape their growth agenda.

**(q) Effective regional prioritisation that makes the right trade offs with local issues**

It is important that authorities have a common understanding of the priorities for the sub-region. Strong facilitation by the Public Service Board can help establish these priorities but it will need to run a transparent and effective process. Once these shared goals have been established resources need to be aligned accordingly. This

**(r) Improve relationships between and within authorities at all levels in order to build collective leadership**

Successful leadership at both political and managerial levels will require vision (which the previous two actions address) and understand and trust between organisations. At a basic level, the authorities want to improve relationships between leaders through the following small steps:

- Celebrate collective success rather than just dwelling on collective shortcomings (for example, the Public Service Board has been working well)
- Initiate more social interaction
- Present a shared face to the world (for example a Northamptonshire Stand at the LGA, which could be complemented by a social occasion)
- Sessions to support relationship development and information exchange

As relationships build, so too will trust. As trust grows, then the Northamptonshire authorities will be better able to make and deliver collective decisions and to shape their own agenda. They will also be increasingly well placed to reap the benefits from ever-greater collaborative working.

## 4 High level summary

The following diagram shows ‘at a glance’ what Northamptonshire authorities agreed their current priorities are, mapped onto the East Midlands strategy as a whole (see main strategy document for more on the East Midlands overall strategy). A shaded green box indicates that this issue is a high priority for Northamptonshire, an amber dotted line box that it is a priority while no box indicates that it was not identified as a priority (though this does not necessarily mean that the Northamptonshire authorities think it is unimportant).

## Northamptonshire

Leadership	Partnership Working	Capacity
<div style="background-color: #90EE90; border: 1px solid black; padding: 5px;">(i) Where are we now</div>	<div style="background-color: #90EE90; border: 1px solid black; padding: 5px;">(i) Day to day reality</div>	(i) Investment cycle
<div style="border: 2px dashed orange; padding: 5px;">(ii) Prioritising and setting the vision</div>	<div style="background-color: #90EE90; border: 1px solid black; padding: 5px;">(ii) Bigger vision v self interest</div>	<div style="border: 2px dashed orange; padding: 5px;">(ii) Skills</div>
<div style="border: 2px dashed orange; padding: 5px;">(iii) Leadership Skills</div>	<div style="background-color: #90EE90; border: 1px solid black; padding: 5px;">(iii) Joint Communications</div>	(iii) Change Methodology
(iv) ‘Beyond Excellence’		

# Regional Perspective

This appendix captures the outputs from the sub regional workshops and consolidates these into regional perspective.

Leadership	Partnership Working	Capacity
(i) Where are we now	(i) Day to day reality	(i) Investment cycle
(ii) Prioritising and setting the vision	(ii) Bigger vision v self interest	(ii) Skills
(iii) Leadership Skills	(iii) Joint Communications	(iii) Change Methodology
(iv) 'Beyond Excellence'		

**Note: These areas and sub components form a matrix of interrelated activities which need to be taken forward as a complete programme in order to secure deep improvement.**

1. We will also continue our regional programme for procurement & commissioning, accelerating and building on it in such a way that it draws on the rest of this new strategy.
2. We now give more detail on the sub-headings within each of the three main areas and then provide an outline of the procurement project. We have included examples of projects that officers and Members identified as having potential during the workshops used to develop this strategy. Once we are allocated resources, we will therefore be able to quickly move to work at a regional and sub-regional level to initiate projects and activities that tie closely to need and that will contribute to our vision.
3. Within the **Leadership** support area, the East Midlands has identified the need for four kinds of activities:
  - (a) "Where are we now?" – many of our authorities have identified that in order to target energy and resources well and to deliver services that citizens actually want, it is vital that they have a living, up-to-date understanding of what they are working with and for: the nature of the 'place' they serve, how their citizens and other customers segment and about public service performance. There

is an appetite amongst many of our authorities to improve this understanding, and to build capacity to maintain it. Examples of projects that we will support to deliver this include:

- customer segmentation and use of customer insight
- place profiling
- 'deep' performance benchmarking
- pro-actively developing links and collaboration with good academic institutions

- (b) Prioritising and setting an inspiring vision – our authorities acknowledge explicitly that the money, time and energy to undertake improvement and deliver efficiency is itself limited, and therefore there is an imperative to select only a few areas to work on at any one time. We will build on and accelerate our work in this area to ensure that our authorities, individually and collectively, prioritise and subsequently articulate the vision that their priorities add up to. This will include being explicit about what they are NOT going to do. At the same time, leaders at both Member and officer level need to be supported to think beyond narrow remits and embrace broader agendas and longer term horizons than they have been used to dealing with. They need to be supported in how to lead innovation.

Examples of projects that we will support to deliver this include:

- Rolling out our Return on Investment approach
- De-prioritisation exercises
- Managing and steering the public's expectations
- Challenging ambitions and strategies
- Innovation coaching

- (c) Leadership skills – authorities recognised that at both an officer and Member level there is still room for improvement in terms of skills for leading change across large and complex organisations. In particular, authorities identified that very little work had been done to support leaders to develop their skills to lead in partnership – very different and usually more challenging than leading a single organisation. We will specify, commission and closely monitor the delivery of leadership development programmes to meet this need. Examples of projects that we will support to deliver this include:

- How to lead change
- How to lead in partnership

- (d) "Beyond excellence" – one of our highest performing sub-regional partnerships want to do more than 'excellence' in local authority terms, rather, they aspire to excellence that would stand up to comparison with the best organisations from any sector. This will mean investing in opportunities to learn from 'best in class'

organisations and then being prepared to do things that are radical for local government. Examples of projects that we will support to deliver this include:

- Mentoring/coaching with high flyers from other sectors
  - Seminars
  - Site visits
4. Our expectation is that all our sub-regions will aspire to participate in this programme once it is established and once they have made progress in other areas.
5. Within the **Partnership Working** support, the East Midlands has identified the need for three kinds of activities:
- (a) Day-to-day support – working in partnership was seen by many as energy sapping (rather than energy giving) and unnecessarily time consuming and inefficient. We will work with partners to work better together, be that through training, administrative support and/or tight, focused management of partnership programmes and projects. Examples of projects that we will support to deliver this include:
- Advice on best-fit structures and processes (e.g. sub-groups, member involvement, meeting frequency & agendas etc)
  - Independent facilitation of workshops/events
  - Support for structures and processes e.g. support for agenda setting, minute taking, chasing ‘to dos’ etc.
- (b) Bigger vision vs self interest – there was almost universal support for the concept of working together for the benefit of citizens and to use public resources more effectively. But authorities were also honest enough to acknowledge that many officers and politicians are either unwilling or unable to appear to lose out relative to partners in the short term for the sake of a long term collective gain. Clearer prioritisation and articulation of programmes will help as will support for leading in partnership, but we will reinforce the need for these kind of trade-offs by fostering dialogue and providing a lead directly. Examples of programmes that we will support to deliver this include:
- IT infrastructure
  - Procurement
  - Sharing assets
  - Establishing an investment cycle (see capacity below)
- (c) Joint communications – leaders of East Midlands authorities recognise that they need to change behaviour: first, the behaviour of their staff and partners in order that delivery of improvement and

efficiency is something undertaken by everyone; secondly, the behaviour of the public, for example, around recycling and direct payments for adult social care. Communications are a key tool in helping to change behaviour in this way. A clear but above all shared message coming from the leadership of all authorities will exponentially increase the effectiveness of such communications way beyond that which any authority could achieve on its own. Examples of projects that we will support to deliver this include:

- (to own staff): the need for change, how to change
- (to the public): about the 'place'

6. Within the **Capacity** support, the East Midlands has identified the need for three kinds of activities:

(a) The creation of a series of proper investment cycles across the region – there are a few examples in the region of authorities harvesting the cashable gains from one initiative to provide the funding for the next, but these are the exceptions rather than the rule. In order to create a 'norm' in which part of the savings from the previous improvement and efficiency project are put into the next, we will set expectations and design and implement mechanisms so that this can happen. We also acknowledge that there is a role for pump priming – but we are determined that such 'pump priming' will not become mere 'project funding'. We will consider funding some improvements on the basis of an investment fund which requires repayment of funding as savings are achieved so that a revolving capacity resource can be developed. In this way, we will build a self-sustaining cycle in which capacity for new projects is in significant part created by the benefits from previous projects. Examples of projects that we will support to deliver this include:

- Articulating the concept, securing buy-in from leaders, promoting the concept
- Case studies
- Recognition scheme
- Making EMRIEP funding contingent on re-investment into the next project

(b) Skills – there was widespread recognition that many staff do not have the techniques, experience or confidence required to conceive, deliver and sustain improvement and efficiency. At the same time, authorities know that some authorities have outstanding skills in small pockets that could benefit and help to build capacity in the region more widely. Examples of projects that we will support to deliver this include:

- Skills training (but beyond 'standard' programmes such as PRINCE 2)

- A 'Time bank' in which authorities swap short sharp 'one hit' bursts of high level skills to address a specific problem held by the recipient authority, for example around procurement and diversity & equalities
- Backfill to enable staff proper time to manage programmes and projects
- Sub-regional (to begin with) graduate recruitment programme, including spells in different authorities (including two tier) and enhanced inter-authority secondment programme
- Regional wide programme to develop 'lean'/systems thinking/ business process improvement techniques (see change methodology below)

(c) Customer focus – we will support business transformation that lead to increased customer focus and improved customer outcomes including effective customer performance and benchmarking increased customer choice and access and improved data sharing around customer service.

(d) Change methodology – change is hard enough, and is made considerably harder for the person doing the changing if they are not sure about how to go about it and/or they are inundated with competing if not conflicting 'schools' of advice on the matter. East Midlands authorities would like to build a strong, simple and consistent approach to change in order that it becomes less threatening, more effective and supported by a shared language across the region (which means that staff working from across authorities do not need to learn from scratch the new authority's approach to change). This is likely to be based on 'lean' systems thinking, which a number of authorities identified as having significant potential. Examples of projects that we will support to deliver this include:

- Information about approaches (e.g. Companion to Change), including myth busting
- Brokering/co-ordinating training
- Providing 'expert bodies' (to begin with)
- Ensuring best practice and intelligence is shared

7. Procurement & commissioning initiatives with cashable savings may well provide the critical 'head room' early on in the improvement cycle

The regional **procurement & commissioning programme** will continue, but will be enhanced in order to do two things: first, it will accelerate and deepen support to our authorities to get maximum improvement and efficiency out of the procurement and commissioning functions; secondly, it will link all of the different areas of activity across the new strategy, since each one is needed in some degree for procurement and commissioning, as follows:

- (a) Leadership
  - Many of our authorities identified that leaders have to promote the profile of procurement and commissioning as functions
  - Authorities want to prioritise procurement and commissioning effort on the big areas of return – they will need to prioritise carefully
  - Bigger vision versus self interest i.e. collective benefits outweighing individual authority gains.
  
- (b) Partnership working
  - Many of the shared procurement efforts until now have been about relatively non-controversial goods: now they need to find a way to procure and commission more complex services, such as waste collection and social care collaboratively and so deliver greater efficiency.
  - Joint procurement of complex services will require excellent communications, a commitment to change leadership and , appropriate project resources.
  
- (c) Capacity
  - Some authorities have procurement and/or commissioning experts, others do not – we will create a mechanism that makes it worthwhile for those that have this capacity to share it with those who don't
  - Procurement & commissioning require skill, experience and confidence – we will broker and co-ordinate training to build this up across the region
  
- 8. The Region recognises that it is critical that the RIEP is able to respond to early warning signs of councils in difficulty or in danger of slippage in specific service areas. The RIEP performance monitoring and reporting arrangements to the Elected Member Board may trigger appropriate **sector led intervention** through the Regional and Sub Regional Partnerships.

## Appendix 6 - RIEP Chief Executives Task Group statement on Sustainability

*“We recognise and advocate that the good work on ‘sustainable procurement’ as part of the best practice in commissioning and procurement should continue and be developed. The Local Government Sustainable Procurement Strategy provides a framework for action for each region to consider with its local authorities and partners. The activity will significantly help to progress the Value for Money work streams on ‘smarter procurement’ and ‘collaboration’.*

*Sustainable procurement contributes to the long-term integrated economic, social and environmental wellbeing of communities. It clearly delivers genuine Value for Money for citizens and helps to build resilient communities for better public health, social, local economic and environmental outcomes. Such work helps to reduce environmental harm – particularly linked to climate change – and reduces the financial costs that arise from unnecessary waste, poor resource use and demand management.*

*Adopting a sustainable development approach as part of collaborative working at the regional, sub regional and local levels has a positive role to play in place shaping to improve the prosperity and vitality of communities. It will help maximise the positive contribution that all sectors – public, private and the third party – can make to the delivery of services to improve the quality of life for all communities.*

*Enhancing the robustness of, and linkages between, practitioner improvement networks reduces duplication, saves time and money, catalyses innovation and rivers up performance improvement and builds capacity that empowers better leadership.*

*Adopting and mainstreaming sustainable procurement will enhance the whole business transformation of services.*

*We will ensure that the valuable synergy of sustainable procurement is not lost. We will ensure that it is fully considered and appropriately embedded in the evolution and delivery of our Regional Improvement and Efficiency Strategy and programmes.”*

A programme to support this activity is being developed in conjunction with our local authorities and will feature in detail in the EM RIEP 2008/9 Business Plan