

## Agenda item No: 5

### EAST MIDLANDS IMPROVEMENT AND EFFICIENCY PARTNERSHIP BOARD MEETING: 12<sup>th</sup> SEPTEMBER 2008

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#### Report of the Director

#### East Midlands Sub Regional Partnerships – Progress Report

1. Purpose of the report
  - 1.1 To summarise progress in establishing the 5 sub regional partnerships and investment programme development.
2. Background
  - 2.1 At its last meeting on 29<sup>th</sup> May 2008 the EM IEP Board considered and approved the business delivery plan report and in particular the ratio of investment resources to Sub Regional Partnerships (70%) and regional programmes (30%) for 2008/09. The Board also stressed the importance that this approach carried risks to the delivery of improvement programmes for local authorities in the region. Members requested that changes to **Appendix 6** of the business delivery plan and specifically the first three risks/key controls should reflect the role of the Board. The amended document is attached as **Appendix 1**.
  - 2.2 Visits and presentations to 4 sub regions have been made by Nick Hodgson (Chair of the Officer Steering Group) and the EM IEP Director as follows:
    - Northamptonshire – 12 June
    - Lincolnshire – 20 June
    - Nottinghamshire – 10 July
    - Leicestershire – 14 July

The Derbyshire Partnership, which has been in place for some years, were briefed by Nick Hodgson in his capacity as Chief Executive of Derbyshire County Council.
  - 2.3 In addition a number of discussions have taken place with Elected Members at Sub Regional meetings and the Bournemouth LGA Conference 1<sup>st</sup> July, the Government Office for the East Midlands and the LGA concerning the 26 targets contained in the Regional Improvement and Efficient Strategy (RIES).
  - 2.4 Members will recall it was agreed at the last meeting that the RIES targets would be benchmarked and reviewed during the current year, with a view to encapsulating any changes deemed appropriate within the 2009/10 business delivery plan.

### 3. Progress Issues

3.1 The general feeling is that whilst the 26 targets have been approved and signed off by government/LGA as part of the RIES, it was appropriate to ask sub regional partnerships to concentrate their efforts during 2008/09 on three broad areas for improvement and hence investment of resources. These being:

- Capacity (helping failing/potentially failing authorities or services)
- Service improvements (particularly the delivery of LAA targets)
- Efficiency (delivering cashable savings)

3.2 Following discussions between the Chairs of the EM IEP Board and Officer Steering Group, the government office and the IDeA, a letter to this effect was issued to all local authorities in the region (Leaders and Chief Executives), during August. This sets out the timetable for the production of investment projects/programmes so that these could be considered by this Board at its meeting scheduled for 9th December 2008 at the latest. The letter is attached as **Appendix 2**.

3.3 The minutes of the EM IEP Board meeting on 28 May 2008 summarise the proposal to engage the Leadership Centre, based within the IDeA, to help support Sub Regional Partnership developments. The Leicestershire Sub Regional Partnership have subsequently requested support from the Leadership Centre as a pilot project. Terms of Reference for this capacity building activity have been agreed, which includes a regional component i.e. a telephone survey of EM IEP Board and Officer Steering Group membership. A copy of the brief is attached as **Appendix 3**. The cost of this activity (£20K) will be met from the regional resources (30%).

3.4 Given this is a fast moving process, an update will be provided for the Board at the meeting.

3.5 A benchmarking exercise of all East Midlands local authorities' performance against the 26 RIES targets has been completed and is contained as a separate item on the agenda.

### 4. Recommendations

4.1 The EM IEP Board is asked to consider:

- a) The progress on establishing the Sub Regional Partnerships.
- b) The update provided to the Board at this meeting and agree any recommendations for the Officer Steering Group and local authorities.

**Chris Allison**  
**Director EM IEP**

## Appendix 1

### EM IEP– Risk Analysis

Risk	Risk Description	Inherent Risk	Risk Owner	Risk Management Solution	Key controls	Residual Risk	Risk Indicators
	<b>KEY RISKS</b>						
1	Local authority buy in not achieved for the EM RIES and overall programme	<b>8</b>	EM IEP (LAs)	Consultation and strings attached to resource allocation	Review by EM IEP Board	<b>3</b>	Report to the EM IEP Officer Steering Group
2	Failure to establish 5 robust sub regional partnerships to deliver significant elements of the EM RIES programme	<b>7</b>	EM IEP (LAs)	Resolve by negotiations and resource allocations	Review by EM IEP Board	<b>3</b>	Report to the EM IEP Officer Steering Group
3	Sub regional partnerships fail to implement programmes, provide oversight of LSPs & LAA delivery	<b>7</b>	EM IEP (LAs)	Resolve by negotiations and resource allocations	Review by EM IEP Board	<b>2</b>	Report to the EM IEP Officer Steering Group
4	Failure to secure support from other partners to implement EM RIES programmes	<b>4</b>	EM IEP (LAs) + Partners	Resolve through joint working and collaboration over programmes	Consultation with EM IEP Officer Steering Group and appropriate action	<b>2</b>	Report to the EM IEP Officer Steering Group
5	Failure to deliver regional and sub regional programmes and therefore make best use of resources delegated from the Government	<b>5</b>	EM IEP (LAs) + Partners	Resolve through joint working and collaboration over programmes	Consultation with EM IEP Officer Steering Group and appropriate action	<b>3</b>	Early warning system of information gathering
6	Performance of EM IEP in terms of leadership and management of the programmes of investment deficient	<b>6</b>	EM IEP (LAs) + Partners	Reflection on decisions taken and implementation track record	Reports to the EM IEP Officer Steering Group	<b>2</b>	Programme management reporting
7	Failure to agree regional governance arrangements for EM IEP resulting in the retention on £1.3m currently being withheld by CLG	<b>9</b>	EM IEP (LAs)	Resolve by negotiation	LGA intervention/consultation	<b>3</b>	Report to the EM IEP Officer Steering Group
8	Erosion of the East Midlands reputation to deliver to deliver improvement and efficiency programmes as set out in the RIES	<b>9</b>	EM IEP (LAs)	Resolve by negotiation and discussions with LGA/CLG	LGA/CLG intervention/consultation	<b>3</b>	Report EMRA Executive Board and EM IEP Officer Steering Group

Dear All

I am writing further to the discussions at the EMRIEP event at the LGA Conference and in my visits to Sub-Regional Partnerships.

Subsequently I had a very constructive meeting with Peter Murphy at GOEM to clarify RIEP governance, accountability and monitoring arrangements.

The key points of agreement in the meeting were that we don't have to stick rigidly to the 26 targets in the RIES (you perhaps remember that we are to do a review early in 2009 anyway) and we are committed to keeping bureaucracy to a minimum.

I understand that the Minister is primarily looking for Leader/Chief Executive commitment to the improvement and efficiency agenda. We therefore believe the sub-regional programmes can be developed around three themes:

- Capacity (helping failing/potentially failing authorities or services)
- Service improvements (particularly the delivery of LAA targets)
- Efficiency (delivering cashable savings using the mietool to ensure consistency).

Can I therefore ask you to provide:

- As soon as possible the name/contact of your Sub-Regional Partnership's 'accountable body' so that the RIEP can pay over the initial £50,000 for partnership/programme development and discuss future monitoring requirements
- By 30 September or earlier if possible the constitution/terms of reference for your Sub-Regional Partnership to help us satisfy the Government's governance requirements and enable the RIEP to claim the withheld grant
- By 31 October or earlier if possible a high level Improvement and Efficiency Programme for approval by the RIEP Members Board that addresses the three themes detailed above covering some/all of the next three years
- By 31 October or earlier if possible a short (one side of A4) profile for each project within the Programme so that we can explain to Government how it is intended to use the RIEP resources and the outcomes to be achieved
- Six monthly monitoring information against the key programme outcomes so that we can demonstrate delivery to the Government and hopefully secure future years' funding allocations.

With regard to the projects can I suggest that:

- They need to be really innovative in nature and we would like to do case studies to highlight good practice
- They should involve two or more partners in the sub-region and be structured to allow other partners to join at a future date
- Where they are tackling 'capacity' issues they may be suitable for funding from the 30% regional resource rather than being a call on the 70% sub-regional budgets

- Invest to save principles should be applied wherever possible so that resources can be recycled back into future sub-regional activities
- Where the first stage is the development of a business case this should be done in liaison with the RIEP support team.

Chris Allison will make contact with your partnership contact officer (when named) to clarify any of the above and share the standard project profile/monitoring forms.

I hope that you will think that all this is moving in the right direction and understand that I still need to get it ratified by the RIEP Members Board at their meeting on 16 September.

Regards

*Nick Hodgen.*

Leadership Letter

You believe that there is now general agreement across the key players in the region that the RIEP should deliver improvements within three key themes: capacity building; LAA development; efficiency savings. You are keen now to take this forward through effective sub-regional partnerships, working with minimum bureaucracy and maximum local ownership. Derbyshire has a history of effective working between the two tiers of local government, especially through the IEG. But the experience of working between tiers elsewhere in the East Midlands is more patchy.

We agreed that the Leadership Centre would provide support through my speaking with the dozen or so key players, who you will identify, to check their acceptance and interpretation of the three key themes for, and their positions on how the RIEP Strategic Plan should be implemented.

Realistically, the majority of these conversations are likely to need to take place over the 'phone, working on the ground with the leading politicians and officers in one sub-region, Leicestershire, designing and facilitating a Sub-Regional Partnership Board event which will develop a sub regional plan, aligned with the three key themes, with observers from the other sub regional partnerships, and designing and delivering an event for the EMRIEP Members Board, to take the learning from the first two steps and to agree on how to proceed across the region.

There is a need for rapid progress, but, of course, we are entering the holiday period and the individuals involved have many commitments. We agreed that, if possible, I would seek to complete this work by the end of September.

The Leadership Centre's fee for this work will be £20,000 (inclusive of expenses), plus VAT. I will be able to call on support in this work from the Leadership Centre through its Chief Executive, Stephen Taylor. Since you and spoke, I have agreed with Robert Hill how I will be able to draw on his expertise on local capacity building during the course of this work and this will involve no additional fee.

Once you have confirmed that you are happy to proceed on this basis, I will contact you again to discuss how best to kick off. The Leadership Centre will be separately be in contact with you to set up the contractual arrangements.

I am looking forward to working with you and your colleagues.

Regards  
Steve