

Mid Devon District Council

Scrutiny Committee

Partnerships Report

May 2018

“The collaboration inherent in a partnership is more than a mere exchange – it is the creation of something new, of value, together.¹”

¹ Kanter, R.M. (1994) Collaborative advantage: the art of alliances. *Harvard Business Review* (July-August), pp. 96-108

1. Introduction

Previous shared work by Mid Devon District Council (MDDC) had resulted in sharing officers as opposed to sharing services. In the light of continued pressure on budgets it is likely that Councils will look to shared services in the future. It was therefore important that MDDC look at partnership models to see how they could apply. Business plans for all MDDC services were provided to the working group.

2. Initial Project Working Group Membership

Cllr Frank Rosamond (Chair)

Cllr Judi Binks

Cllr Nick Way

Cllr Heather Bainbridge

Cllr Bob Evans

Jill May, Director of Corporate Affairs and Business Transformation

Julia Stuckey (Secretary)

3. Project Outline

To come up with ideas to take forward over the next couple of years.

For Members to be clear about what forms of partnership working are available.

To investigate outsourcing to others.

To investigate selling services to others.

The approach would be to look at what other authorities are doing, to look at case studies and to share information that the authority already has access to.

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4. Definition of partnerships

Within the literature around partnerships there is a lot of debate on explaining exactly what we mean by partnership. Other words often used to explain partnership working include shared working, joined-up working, associations, joint ventures, and collaboration, to name a few. Research undertaken on the nature of partnerships suggests that we should be clear about the interchangeable terminology; that a partnership is what something is and collaboration or joined up working is what one does².

The World Health Organisation has provided a useful statement on partnerships as follows:

‘Partnership is a collaborative relationship between two or more parties based on trust, equality and mutual understanding for the achievement of a specified goal. Partnerships involve risks as well as benefits, making shared accountability critical.’³

Elsewhere an evidence review of partnerships was conducted in 2015 by What Works Scotland (2014-2017) a collaborative between The Scottish Government, the Economic and Social Research Council (ESRC), the University of Edinburgh and the University of Glasgow⁴. The review acknowledges it is a “complex process shaped by structural, cultural and social factors. Developing and sustaining effective partnership working is challenging in this context.”

The authors go on to state that “Evaluating partnerships is a highly challenging endeavour and to date there is very little evidence linking partnership working to improved outcomes.”

Nevertheless effective partnerships that are successful have clear aims, objectives, roles and responsibilities and are flexible and responsive in the way that they operate.

5. Partnership Features

The Working Party sourced a useful guide to effective partnerships ‘Good governance principles for partnership working’ produced by Audit Scotland (Appendix 1). It provides a list of features for when things are going well and not going so well. Good partnership behaviours and processes may include:

- Openness and a good conflict resolution process
- Flexibility
- An agreed decision-making process
- Clear roles and responsibilities

² The concepts of partnership and collaboration: Ros Carnwell and Alex Carson

³ Building a Working Definition of Partnership (African Partnerships for Patient Safety) World Health Organisation(WHO) 2009

⁴ Cook, A (2015) Partnership Working Across UK Public Services Edinburgh: What Works Scotland

- Outcome oriented based upon analysis of need
- Risk management
- Clear defined outcomes, objectives, targets and milestones
- Performance monitoring
- Delegated budget authority for partnership working
- Achievement of better outcomes through working together

The characteristics of good partnerships have been considered by the Organisation for Economic Co-operation and Development (OECD) whose aim is to promote policies that will improve the economic and social well-being of people around the world. The OECD provides a forum in which governments can work together to share experiences and seek solutions to common problems. The characteristics are described as follows:

“A partnership is an agreement to do something together that will benefit all involved, bringing results that could not be achieved by a single partner operating alone, and reducing duplication of efforts. A successful partnership enhances the impact and effectiveness of action through combined and more efficient use of resources; promotes innovation; and is distinguished by a strong commitment from each partner. To achieve sustained success it is essential that basic local parameters be created and agreed upon; equally essential are political will, resourcing, and the appropriation of funds.

Co-operation within a partnership is collaborative; it will be effective if the partners share a strategic vision, pursue compatible targets, and are all equal members in a predetermined organisational structure. The notion of ownership is often used in this context to describe the emotional binding of the institutions and persons involved, which should ideally be with the partnership and not with other, outside organisations. Thus the partnership should be able to bring together different actors in collaborative action as well as in collaborative efforts to effect change.⁵”

⁵ Successful partnerships – A guide (2006); OECD LEED forum on partnerships and local governance

6. Case studies – Local Authorities in the SW

Partnership Name	Organisations Involved	Description	Financial Benefits	Status
Devon Audit Partnership	Devon County Council, Plymouth City Council and Torbay Council	Shared internal audit function between Devon County, Plymouth City and Torbay Councils. It started in April 2009, has 36 audit staff and a budget of approx £1.5m. It is hosted by Devon County and governed as a joint committee	Estimated savings £800,000	Ongoing - partnership has been extended until 31/03/17. the partners are reducing the budget by 10% per annum so the DAP are actively seeking new members
Devon Building Control Partnership	Teignbridge District Council, South Hams District Council and West Devon Borough Council	Joint Building Control Service	Estimated savings £300,000	Ongoing
East Devon and South Somerset Shared	East Devon District Council and South Somerset District Council	Shared Chief Executive and Management team by	Circa £1m with further potential savings with sharing of further services	Ended
Joint Chief Executive	Teignbridge District Council and Torridge District Council	Shared Chief Executive	half a CEO salary saved at each authority	Ended
South West Devon Districts	South Hams District Council and West Devon Borough Council	Started with Joint Chief Executive and shared Senior Management Team with underpinning shared services. They have then moved on to shared services across the board. Significant programme of transformation and significant reduction in staff	Estimated £6m since 2007 (reported in 2013) with a saving of circa £3.8m per annum until 2018	Ongoing

* Devon Audit partnership is an ongoing not-for-profit partnership

7. South Hams and West Devon visit

Members of the Partnership Working Group attended a meeting at South Hams and West Devon on 24 October 2016 to hear about their partnership.

In attendance from the Councils were Cllr John Tucker (Leader SHDC), Cllr Philip Sanders (Leader WDBC), Steve Jorden (Executive Director – Strategy and Commissioning, Head of Paid Service, SHWD), and Sophie Hosking (Executive Director, Service Delivery and Commercial Development, SHWD). The following points were discussed:

- When West Devon found themselves without a Chief Executive (theirs had gone to South Hams) the decision was made to share. There were a series of restructures which started with a combined 15 directors and resulted in a reduction to 7. Due to changes in pension law the Chief Executive then

decided to retire and at this point the decision was made not to replace but to appoint 2 Directors - Steve Jorden (Executive Director – Strategy and Commissioning, Head of Paid Service, SHWD), and Sophie Hosking (Executive Director, Service Delivery and Commercial Development, SHWD).

- I.E.S.I (pronounced easy, a company from the South East, owned by councils) was appointed to work on a restructure and appoint to the new posts. Following this all staff were offered voluntary redundancy. Impact behaviour assessments were undertaken by all staff and everyone that wanted to stay had to apply for a job. Posts were all new. The Leaders reported that this had been a tough time from a Members perspective. Both authorities had been 'family type' set ups and Members knew and trusted their officers. Members were reluctant to travel to joint meetings but it was clearly understood that the main driver was financial. The overall objective was to save (savings quoted as £8m) and the budget for the 2 authorities to be set until 2021.
- The Leaders considered that they had an agenda for growth and that silo working had been removed.
- Members were adamant that there would be no loss of sovereignty for each council. Both meeting structures operated independently and reports that required decisions were taken to both. To date both authorities have agreed on all decisions.
- The most difficult area to agree had been harmonisation of staff terms and conditions. The two authorities had different travel agreements and redundancy levels so these areas had to be sorted.
- From a customer point of view nothing had changed. They were moving towards online self-service as much as they could.
- As part of the restructure an admin function had been put in place that took care of all admin for all services. Officers, such as Planners or Environmental Health could then concentrate solely on the technical part of the job. The case management IT system allowed for multi skilling of staff.
- The first change was to systems and functions. Officers now hot desked (only 6 workstations per 10 employees) and worked from home at least 2 days a week. Hours worked at home could be at any time to suit the employee. Only the reception desk and customer support team (phones) were manned. If Members felt the need to talk to an employee rather than email they could SKYPE. Performance stats showed that productivity was greater. This had allowed the councils offices to become cost neutral as other space was rented out.
- Both Directors agreed that getting the IT right was crucial.
- The next stage, which was currently being worked on, was to put all services into a company, privately owned by both councils, to contract work. A business case was being drawn up for this. Staff would TUPE (Transfer of Undertakings (Protection of Employment) Regulations) and each council

would procure services from the company. Other councils would also be able to procure council services from them.

- With regard to funding the two councils did not break down costs on a day to day basis but had come to an agreement about how costs were split for example 60/40 on planning, 50/50 on IT.
- Both sides felt that the future for local authorities would be in commissioning services. For example, even if waste services were operating different schemes, they could still be managed by a central team.
- 30% of staff had left. It had been a tough time with a dip in performance. They were now coming out of this. There were queues for phone calls but they were no worse than in previous years, although perception was that it was worse. The Directors stressed the importance of Members being on side during this time. Staff surveys had shown concerns regarding capacity but staff had also said that they would recommend it as a place to work. The survey had a 67% response rate, which was high.
- Good relationships with the trade unions had helped.

In November 2017 a merger between the two councils was proposed however following resident consultation a majority vote in favour of the merger could not be reached by West Devon, despite South Hams earlier approving the proposal. The two councils do however continue to share services.

8. MDDC's current key partnerships

8.1 Exeter and the Heart Of Devon (EHOD):

- The Shared Economic Strategy has been adopted by all 4 local authorities and has won the national award from the Institute for Economic Development for the Most Innovative Strategy.
- Mid Devon is leading on the Business Transformation thematic which looks at better ways of supporting the business community, more effective procurement of business support, directly developing funding bids to enhance business support activities, and activities to make local authorities more commercially minded and self-sustaining.
- The Business Boost business support service ran successfully for a year, but has been superseded by the Growth Support Programme (GSP) which provides an almost identical service but costs a fraction of the price due to match funding that was drawn down to develop the project. Previously £25k per annum was spent on business support services, and this has been brought down to £11,250 to provide 3 years of the GSP service.
- EHOD has submitted a bid for broadband improvements and the group is working on a number of strategic economic projects to support business growth and an evolving future economy.

8.2 Better Business for All:

- Mid Devon District Council's Economic Development Officer is now the regional vice chair of the BBfA steering group.
- Mid Devon District Council led on a successful bid to bring Local Government Association advisor support into the group to explore commercial opportunities in regulatory services. The project was viewed as nationally significant and the findings are now being taken forward by a number of local authorities across the UK.
- The Heart of the South West (HotSW) BBfA group won the national award for best BBfA group, in part because of the work undertaken above.
- A project focused on regulatory service pricing harmonisation is ongoing, and continues to garner the support of the department for Business Energy and Industrial Strategy (BEIS).

8.3 Growth Hub:

- Now known as the Growth Support Programme (GSP), one of two bids submitted in 2016 was successful and brought over £1.2m of funding into the HotSW area to provide business support services.
- Mid Devon District Council has a seat on the Governance Board of the GSP representing the Devon district authorities.
- Cross over between partnerships is being developed, and an event is planned to be hosted by Mid Devon in April to better engage regulatory services with the GSP. This event is being funded by BEIS.

8.4 LEADER & Business Support:

- The Growth Economy & Delivery team continues to work closely with the business community.
- The LEADER programme is on target, and so far the team has supported 19 businesses with successful applications valued at over £400k.
- The team has been providing bespoke support to several key strategic businesses. However, as this work is ongoing and commercially sensitive, more detail cannot be provided.

8.5 Building Control Partnership (with North Devon)

- The partnership had delivered on the flexibility of operation that they wanted; Resourcing had improved due to bigger pool to call from; there were 6 surveyors and 1 administrator in South Molton and 4 surveyors plus 1.5 admin in Tiverton – and there was a virtual office. All documentation was received electronically or scanned into designated place and dealt with from there regardless of where people were based. There was software to manage workflow.
- Workload Savings were mainly on the surveying side rather than admin at the moment. They did not have a target for savings – it was clear in the business

plan that it was about making the service more robust rather than making savings, the savings had been a bonus.

- Advantages to Mid Devon specifically were in the amount of work - Building Control had been making a loss year on year but as a result of the partnership the MDDC staff were being used in North Devon area so funds were allocated appropriately. MDDC were going to break even or even make a small profit and North Devon had benefited from having staff resource.
- An issue that had arisen was that the entire team didn't have an equal level of IT ability.
- Some staff found adapting to this new way of working quite challenging, however training had been put in place.
- Objectives and reasons for doing it should be clearly laid out in a business case.

8.6 Devon Audit Partnership

- Business Case in 2009 set out objectives – reducing cost of provision; improving productivity and performance management; improving the ability to deliver the audit plan and react to additional work; providing greater potential for specialist audit skills; providing audit coverage for a wide geographical area in an effective manner (Devon County, Torbay, Plymouth, Torridge and Mid Devon).
- Achievements include a combined team (5 into 1) providing a greater resource pool to meet specialist and ad hoc demands; introduction of an electronic partnership wide audit management system; reduced costs to partners; maintained quality of service; retention and recruitment of quality staff.
- 'Not for profit' but commercially minded.
- Benefits to partners include reducing costs, sharing expertise, sharing results to develop best practice, flexibility and added value.

8.7 Greater Exeter Strategic Partnership

- Involves the adjoining district councils around Exeter and is focused upon land availability for future housing development and growth.

8.8 Garden Village Cullompton

- A successful bid by Mid Devon District Council has resulted in the granting of 'garden village' status to development east of Cullompton.

There are a number of other arrangements within departments that also can be considered e.g. Community Safety Partnership, Procurement, Member Development and Waste.

9. Conclusions

This project has run over a period of some two years, with officers who have now left the Council so some of the information in this report is now out of date however it has been included because these are the findings of the group. Partnership working is a large part of the way forward for all local authorities and this is an area which may well warrant revisiting in due course to see what developments have occurred and what opportunities have been taken.

10. Recommendations

That the information in this report is noted.

11. Appendices

Appendix 1 – Audit Scotland Good governance principles for partnership working 2011

Key principles	Features of partnerships when things are going well	Features of partnerships when things are not going well
Behaviours		
<p>Personal commitment from the partnership leaders and staff for the joint strategy</p> <p>Understand and respect differences in organisations' culture and practice</p>	<p>Leaders agree, own, promote and communicate the shared vision</p> <p>Leaders are clearly visible and take a constructive part in resolving difficulties</p> <p>Be willing to change what they do and how they do it</p> <p>Behave openly and deal with conflict promptly and constructively</p> <p>Adhere to agreed decision-making processes</p> <p>Have meetings if required but focus of meetings is on getting things done</p>	<p>Lack of leader visibility in promoting partnership activities (both non-executive and executives)</p> <p>Be inflexible and unwilling to change what they do and how they do it</p> <p>Adopt a culture of blame, mistrust and criticism</p> <p>Complain of barriers to joint working and do not focus on solutions</p> <p>Take decisions without consulting with partners</p> <p>Have numerous meetings where discussion is about process rather than getting things done</p>
Processes		
<p>Need or drivers for the partnership are clear</p> <p>Clear vision and strategy</p> <p>Roles and responsibilities are clear</p> <p>Right people with right skills</p> <p>Risks associated with partnership working are identified and managed</p> <p>Clear decision-making and accountability structures and processes</p>	<p>Roles and responsibilities of each partner are agreed and understood</p> <p>Strategies focus on outcomes for service users, based on analysis of need</p> <p>Have clear decision-making and accountability processes</p> <p>Acknowledge and have a system for identifying and managing risks associated with partnership working</p> <p>Agree a policy for dealing with differences in employment terms and conditions for staff and apply this consistently to ensure fairness</p> <p>Review partnership processes to assess whether they are efficient and effective</p>	<p>Roles and responsibilities of each partner are unclear</p> <p>Unable to agree joint priorities and strategy</p> <p>Lack of clarity on decision-making processes</p> <p>Partnership decision-making and accountability processes are not fully applied or reviewed regularly</p> <p>Risks are not well understood or managed through an agreed process</p> <p>Deal with differences in employment terms and conditions for staff on an ad hoc basis</p>

Appendix 1 – Audit Scotland Good governance principles for partnership working 2011

Key principles	Features of partnerships when things are going well	Features of partnerships when things are not going well
Performance measurement and management		
<p>Clearly defined outcomes for partnership activity</p> <p>Partners agree what success looks like and indicators for measuring progress</p> <p>Partners implement a system for managing and reporting on their performance</p>	<p>Understand the needs of their local communities and prioritise these</p> <p>Have a clear picture of what success looks like and can articulate this</p> <p>Have clearly defined outcomes, objectives, targets and milestones that they own collectively</p> <p>Have a system in place to monitor, report to stakeholders and improve their performance</p> <p>Demonstrate that the actions they carry out produce the intended outcomes and objectives</p>	<p>Prioritise their own objectives over those of the partnership</p> <p>Unable to identify what success looks like</p> <p>Fail to deliver on their partnership commitments</p> <p>Do not have agreed indicators for measuring each partner's contribution and overall performance or do not use monitoring information to improve performance</p> <p>Unable to demonstrate what difference they are making</p>
Use of resources		
<p>Identify budgets and monitor the costs of partnership working</p> <p>Achieve efficiencies through sharing resources, including money, staff, premises and equipment</p> <p>Access specific initiative funding made available for joint working between health and social care</p>	<p>Integrate service, financial and workforce planning</p> <p>Have clear delegated budgetary authority for partnership working</p> <p>Identify, allocate and monitor resources used to administer the partnership</p> <p>Understand their service costs and activity levels</p> <p>Plan and allocate their combined resources to deliver more effective and efficient services</p> <p>Assess the costs and benefits of a range of options for service delivery, including external procurement</p> <p>Have stronger negotiating power on costs</p> <p>Achieve better outcomes made possible only through working together</p>	<p>Do not integrate service, financial and workforce planning</p> <p>Unable to identify the costs of administering the partnership</p> <p>Deliver services in the same way or change how services are delivered without examining the costs and benefits of other options</p> <p>Have duplicate services or have gaps in provision for some people</p> <p>Plan, allocate and manage their resources separately</p> <p>Fail to achieve efficiencies or other financial benefits</p> <p>Unable to demonstrate what difference the partnership has made</p>

Appendix 2 - References

1. Kanter, R.M. (1994) Collaborative advantage: the art of alliances. *Harvard Business Review* (July-August), pp. 96-108
2. Building a Working Definition of Partnership (African Partnerships for Patient Safety), World Health Organization (WHO) 2009
3. The concepts of partnership and collaboration: Ros Carnwell and Alex Carson
4. Cook, A (2015) Partnership Working Across UK Public Services Edinburgh: What Works Scotland.
5. Successful partnerships – A guide (2006); OECD LEED forum on partnerships and local governance

Other sources

Audit Scotland Good governance principles for partnership working 2011