

Getting the most out of devolution



Local Area Agreements, partnerships and performance management

The current flow of central government policy favours devolution to localities, sub-regions and regions. This opens up a wide range of opportunities and also new responsibilities for local partnerships.

Inside we outline the challenges faced by local authorities and the solutions offered by SQW Consulting.

New opportunities for partnerships to drive performance

The current flow of central government policy favours devolution to localities, sub-regions and regions. This emphasis appears to be shared by all the main political parties. Thus, local authorities have an ideal opportunity to deepen and broaden their role, working with communities and local and regional organisations to improve their areas after a prolonged period of centralisation.

The challenge

Areas face a range of economic, social and environmental challenges, including managing population change and the current economic downturn, which have implications for tax and spending pressures, as well as service improvement.

A drive for community cohesion, fair access to services, wise investments in economic and community assets and service improvement will underpin the success of local authorities.

While there is a national framework for establishing local priorities and managing the relationship between central government and local authorities and their partners, the opportunities offered by devolution are real and the challenges posed are genuinely different in different places.

Prioritisation

The set of around 200 national indicators provides a focused list of measures that can be used to chart developments. Local Area Agreements (LAAs) set out the short- to medium-term priorities in an area drawing on the national indicators as a tool for setting targets agreed with central government.

Local authorities and their partners need to use LAAs to tackle those issues where targets are a useful lever to drive improvement – and to work with central government to tackle the issues that are important to local people.

At the same time, local authorities also need to manage the risks associated with the use of targets, and in particular avoiding over-emphasis on what gets measured at the expense of what is important for local people but is not susceptible to measurement.

Improving service delivery

The improvement of public services is a major theme of government policy. It has involved better performance management, organisational reform, new working practices and cultures, greater use of e-services and experimenting with new forms of service delivery, including the engagement of the private sector and voluntary sector, and joint working between public agencies.

The new Comprehensive Area Assessment (CAA) will provide an independent view of an area and its services by bringing together judgements from a range of inspections, such as housing, police and health. Coupled with their own economic assessments, local authorities (and the public) should be in an unprecedented position to understand what is happening in their areas, where progress is being made and where problems are arising and need to be tackled.

The backdrop of the economic downturn means this will be tested at maximum stress. All agencies will need to manage this process for the good of the area, and ensure the process does not come to dominate activity. The local challenge will be to develop robust and innovative solutions, tailored to local circumstances.



Examples of experience

Communities and Local Government – Long-term evaluation of Local Area Agreements and Local Strategic Partnerships: we teamed up with University of Warwick Business School to evaluate LAAs and LSPs, including examining the impact of existing and proposed LAAs.

DCSF - Emerging governance and management issues in the development of Children's Centres: we reviewed the governance and management structures, and processes put in place and developed by designated Children's Centres. The aim of the study was to identify what is working well and to disseminate good practice.

English Partnerships – Continuous Improvement of Milton Keynes Delivery Arrangements: we undertook a continuous improvement review of the Milton Keynes Partnership's governance arrangements, making recommendations on how to prepare the partnership for its coming challenges.

Improvement and Development Agency – LAA case studies: we prepared case studies on the impact of LAAs on innovation and improved performance on climate change, "clean and green" service issues, and the worklessness agenda.

West Sussex County Council - Review of the LAA economic outcomes in relation to the spatial areas of West Sussex: we provided consultancy support for the development of the economic element of the county's LAA.

London Councils - Review of grant making: we reviewed London Councils' processes in relation to grant making to the voluntary and community sector, and we made recommendations to improve the processes for spend of some £28 million a year on behalf of London boroughs.

DEFRA - Integrating Parish Plans into the Wider Systems for Local Government: we conducted an assessment of how parish plans are being integrated into local planning and service delivery processes, identifying best practice and barriers.

Our services and expertise

Our services and expertise include the following:

- Deprivation mapping and analysis – using a variety of quantitative, model-based, and qualitative approaches
- Research and policy development – to define issues and opportunities and clarify choices for policy makers
- Strategy development – bringing partners together to develop long term approaches
- Implementation planning – working with funding bodies to ensure that the aspirations set out in strategy are delivered
- Partnership support and facilitation – building capacity and trust, including at senior levels
- Learning and evaluation – devising frameworks, processes and indicators to measure and learn from performance

Our clients

Our clients include the following:

- county, district and unitary councils and their partnerships, and their regional representative bodies
- Improvement and Development Agency
- Local Government Association
- Whitehall Departments, including CLG, BERR, DCSF, DIUS, DWP and DEFRA
- devolved administrations
- Regional Development Agencies
- Homes and Communities Agency and predecessor bodies
- funding bodies
- Sector Skills Councils

About SQW Consulting

SQW Consulting is a leading independent consultancy in the area of sustainable economic and social development. Founded in Cambridge in 1983 by Nick Segal, Roger Quince and Bill Wicksteed, the firm now employs over 80 staff at its offices in Cambridge, Edinburgh, Leeds, London and Manchester.

Our consultants bring extensive experience to their assignments, with backgrounds in academia, national and local government, industry, and development agencies. In all of our work we employ the principles of rigorous analysis, collaborative working, commitment to quality and independence of thought.

We have a strong track record of analytical research across the various tiers of government and governance. The firm's geographic spread of experience across the UK and beyond, and our ability to join up between tiers / sectors, give us a unique market position. We have strong collaborative relationships and can complement our own specialist skills by drawing on a network of collaborators and associates.

We offer flexible and multi-disciplinary support, drawing on experience and expertise from across the firm. Whilst always providing a perspective that is rigorous and independent, we also work closely with our clients, recognising that they and their partners will be responsible for taking forward the analyses, strategies, and action plans that we have catalysed. Engagement is key to the way we work, as is our commitment to sharing and transferring knowledge and learning.

SQW Group

SQW Consulting is part of SQW Group. Other divisions include: SQW Asia, which provides consultancy services to government organisations in Hong Kong and China and foreign firms investing in China; SQW Energy, which provides consultancy services in energy and carbon management; and Oxford Innovation, which manages innovation centres and investment networks. For more information: www.sqwgroup.com.

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