

# aligning local public services

Overview report



## **If the public is to continue to receive essential local services in a time of reducing resources, locally based bodies need to work smarter – and together.**

Do you know how much is spent in your local area? Do you know what it is spent on, who spends it, and what that spending achieves?

And who are ‘you’? ‘You’ are anyone involved in delivering public services in any way at all. You might be an elected member; you might be part of the leadership group; you might have daily contact with service users; you might be in finance or HR; you might be working in any one of a number of different types of public bodies; you might be in the private or third sector. But, because you have chosen to work for and with the public in whatever capacity, delivering essential services to them, this paper is addressed to you.

This overview publication discusses the challenges involved in delivering aligned local public services, and uses case studies to illustrate how some local areas are succeeding in doing that to achieve pre-agreed outcomes for local people, places and communities. Although these outcomes will be expressed in terms of the delivery of aligned local public services, this document is written from the perspective of aligning delivery mechanisms since the latter will drive the former.

The publication has been developed as part of CIPFA’s Aligning Local Public Services Programme (ALPS). The programme aims to develop a suite of guidance and tools to help local bodies address the demands of ever tighter funding by working together to deliver public services as economically, efficiently and effectively as possible, based on common strategies and high-quality financial and operational data.

# Foreword

In the public services we all work in a complex delivery landscape of public, private and voluntary providers. In any given area, the activities of many organisations will overlap, but not always join up. Public service providers have long recognised the potential of harnessing their collective resources to deliver better results for the people and places they serve. However, in an era when all parts of the public sector face diminishing resources, greater collaboration is critical to a successful future. Only by coming together and aligning local public services, can the public sector address the delivery challenges in all our local areas, and truly be greater than the sum of its parts.

Those delivery challenges are many and varied, and include; integrating health and social care to manage the demands of our ageing population; continuing the pace and momentum of the UK's economic recovery; and creating safer, stronger communities for people to live, work and go to school in.

*Aligning Local Public Services*, forms part of a new series of tools and guides from CIPFA to offer practical help and guidance to practitioners to maximise the innate potential of working collaboratively in local areas. The work originated from a roundtable event that I chaired which brought together interested policy makers, practitioners and other stakeholders to discuss common challenges, and potential solutions.

Common themes that have emerged in our work to date, and which are reflected in this publication, include: the importance of getting the governance right from the outset; being clear on accountability, so we all know who holds the purse strings, and where the buck stops; the ability to map total spend in any given area; the importance of leadership; and engaging the public to ensure decisions are made by local people, in and for the good of the local area.

This overview publication includes examples from across the UK, demonstrating how many organisations and partnerships already moved from theory to practice, and are breaking down organisational barriers, applying innovative, radical, or simply common sense thinking to deliver results. Success requires an understanding of how what we all do separately impacts on other parts of the public sector and beyond, so that we can identify opportunities to collaborate and work towards shared outcomes.

It is clear that for local areas to thrive in the coming years, public service providers need to forge a shared vision for their local areas, translated into a joined-up, deliverable plan of action, underpinned by constant evaluation of progress. If necessity is the mother of invention, austerity may just see the birth of a truly aligned approach to local public service delivery in the UK.

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# The policy landscape

1. The sovereign debt crisis has led to significant challenges for economic performance and business development, and undermined global economic growth.<sup>1</sup> In response, many governments around the world have instituted ‘austerity’ measures, aiming to balance their books and reduce fiscal deficits. The common challenge is to deliver public services effectively, efficiently and economically in a time of financial constraint. Service providers need to be innovative in the ways in which they deliver local public services and other interventions, and this increasingly requires working through partnerships with others.
2. Whatever the profile of further budgets cuts over the next five years, every part of the UK faces this same essential dilemma. However different countries have tackled the issue in a slightly different way.
  - In England, the government is committed to working with local areas to redesign public services to deliver better outcomes and value for money for the public. In October 2011, the Department for Communities and Local Government (DCLG) set out a new programme – where the key focus is on outcomes and how best to deliver them, rather than being limited by existing organisational responsibilities. This initiative has recently received a number of significant boosts. Firstly in November 2014 with the devolution of significant powers to the Greater Manchester Combined Authority, and secondly in February 2015 with the further announcement of a devolution of control over NHS spending in the area. The 2015 Queen’s speech also included the Cities and Local Government Devolution Bill to enact these and enable such changes in other areas.
  - The drivers for change in Scotland were the 2011 ‘Christie’ Commission report on the future delivery of public services and the 2012 Statement of Ambition for Community Planning issued by the Scottish Government and the Convention of Scottish Local Authorities. Both documents have common themes of place, partnership, prevention and performance, clearly linked to the Scottish Government’s Public Service Reform agenda.
  - The Welsh Government has had a clear commitment to encouraging local services to collaborate to improve outcomes. Local Service Boards were established from 2007 and bring together the main public service providers and third sector partners in a local area. The Williams Commission on Public Service Governance and Delivery<sup>2</sup> has provided a new impetus to strengthen collaboration. Local collaboration is also a key plank of sustainable development, with the Well-Being of Future Generations (Wales) Act 2015 putting Local Public Service Boards on a statutory footing and the setting of high level outcomes for an area at the heart of its vision for a sustainable Wales.
  - Local public services in Northern Ireland have long been delivered by a partnership of central government and voluntary and community organisations, although the practice has been less successful than the theory.<sup>3</sup> In August 2013, the Northern Ireland government demonstrated its commitment to change by establishing a Public Sector Reform Division within the Department of Finance and Personnel. The Division is tasked with developing and implementing innovative solutions that generate more efficient and effective outcomes in Northern Ireland executive departments, arm’s length bodies and the local authorities.
3. So, while the message that changes are required might be delivered in different ways, the resulting actions are all very much focused on local communities and their needs – and that means local bodies working together, with a shared vision and shared aspirations for their local area. This publication considers the challenges involved and, using case studies based on the experiences of some of the local bodies who have aligned local service delivery (see Appendix A), gives some pointers as to how they might be overcome. The Public Service Transformation Network’s publication *Public Service Transformation: Introductory guide to evaluation* (March 2014) also has links to a wide range of existing evaluation resources and guidance that will help local authorities and partners.

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1 *Public Financial Management: taking responsibility*, CIPFA, November 2013

2 *The report of The Commission on Public Service Governance and Delivery*, Welsh Government, January 2014

3 *Managing to deliver: Public service delivery in Northern Ireland*, Northern Ireland Council for Voluntary Action, April 2010

# Getting started

4. Getting started in the first place is one of the biggest challenges to achieving aligned local public service delivery. The inter-connectivity between services means that the achievement of desired outcomes will need to involve consideration of how these linkages should be designed into service delivery. For example, living with housing problems such as dampness, noise, pollution, grime or other environmental problems can have an impact on health, educational achievement and employment prospects. A desired outcome in relation to education might need, therefore, to look not only at the provision of education itself but also at general wellbeing in terms of housing and health.
5. Traditional organisational boundaries also have to be crossed, requiring trust to be built between local and national bodies and between public, private and third sectors. Health and Wellbeing Boards (set up under the Health and Social Care Act 2012) are an example of how the government sees public service delivery being aligned. Success in addressing the challenges will depend to a great extent on the leadership and operational maturity of the various public service delivery bodies.
6. Local authorities will generally have a broader view of the issues affecting local communities and so will usually be in a better position to identify potential partners, bring commissioning and delivery bodies together, and then facilitate the development of shared aspirations and desired outcomes in response to those issues. But, in doing so, they will need to take account of the aims and objectives and associated sensitivities of potential partners.
7. Stakeholder analysis plays an important and early role in delivering aligned local public services, and each service will have a different set of stakeholders. These can include health and other social care services, environment, housing, education, and economic development and they might be in central government, local government, the private sector or the voluntary sector. A shared communication plan will be needed to build on the stakeholder analysis, identifying the key personnel in potential partner organisations – in finance, business areas, policy, and performance management – with whom the lead authority will need to co-operate in order to develop and implement a strategy for aligned delivery of local public services.

# Governance in alignment

8. Strong governance is essential to the successful alignment of local public services. The CIPFA/IFAC International Framework for Good Governance in the Public Sector<sup>4</sup> defines governance as:

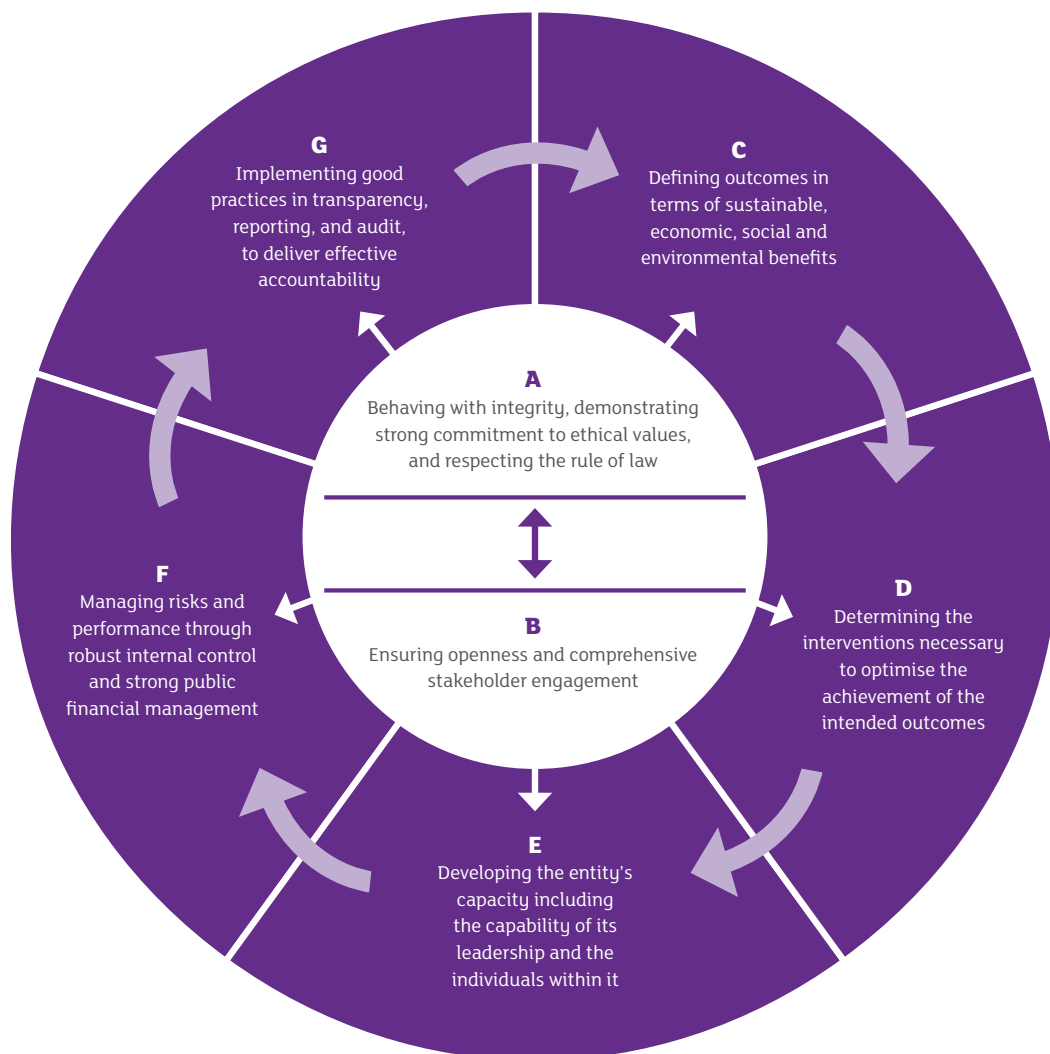
‘the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.’

9. It also states that:

‘the fundamental function of good governance in the public sector is to ensure that entities achieve their intended outcomes while acting in the public interest at all times.’

10. The seven principles for good governance in the International Framework are summarised in the diagram below.

## Achieving the intended outcomes while acting in the public interest at all times



<sup>4</sup> *International Framework: Good Governance in the Public Sector*, CIPFA and IFAC, July 2014



11. Most governance codes focus on delivering good practice at an organisational level, but the fundamentals of good governance remain the same for both an individual entity and its partners in delivering local public services.
12. The International Framework aims to be relevant not only to the individual entity, but also for the whole delivery system. It is therefore consistent with the philosophy described in CIPFA's *Whole System Approach to Public Financial Management*, which outlines how the key constituent elements of public financial management contribute to the integrity of a whole system.
13. Local public bodies may find the International Framework useful when considering the governance arrangements of local public service delivery models. Although the Framework has been written with public sector bodies in mind, the principles can equally apply to private and third sector partners in delivery. However, while the fundamentals will remain constant, governance arrangements should not become hard-wired into rigid structures and processes, in order to allow innovation in the delivery of local public services.

## Accountability

14. Local public services are funded by resources from taxpayers, donors, lenders, and other suppliers, and by fees and charges. The first of the international framework's overarching principles therefore states that public sector entities are accountable for how much they spend; for how they use the resources under their stewardship; and for outputs and outcomes.
15. In individual organisations, it is easy to identify who is accountable (both for financial matters and for delivery) at various layers within the organisation. Where the accountability lies in a collaborative world is more complex, traditional thinking needs to be challenged and well-established concepts need to be developed to cope with new ways of delivering public services. The partners need to decide who is responsible for commissioning and delivering the various parts of the service, so that each can be held accountable for the relevant aspects of service delivery.
16. The type of delivery vehicle selected may influence the way in which accountability is demonstrated. In its broadest sense, each local body is accountable for delivery directly to its local electors or nationally through central government participation in local public delivery. In a narrower sense, entities and organisations are accountable financially to tax payers (both local and nationally) for the resources they consume. These latter financial accountabilities are enshrined in statute and, over decades, mechanisms for demonstrating individual entity or organisational accountability have been put in place.
17. For example, in a partnership where there is a lead entity delivering a service, using its own policies and procedures, and being paid for doing so by its partners, the lead entity will be accountable for delivery and for the totality of the expenditure, while partner entities will be accountable for their payments to the lead entity (and, therefore, for ensuring value for money of those payments). In other delivery models, entities will continue to be accountable for the funds they provide.
18. Entities may not be directly accountable for immediate delivery, because they have established a separate organisation to deliver the services or other interventions and it is this organisation that is directly accountable. However, the individual entities remain accountable to their electorates (or funders) for delivering outcomes that have a direct impact on the communities they serve.
19. CIPFA believes that one way of achieving accountability in the collaborative world is to establish a governing body, representing all partners, that has the authority to set the strategic vision for a particular service or intervention, to deliver the required outcomes and to be held accountable for delivery. The governing body should be accountable to the funding providers as well as more generally to the users of the service. The typical responsibilities of the management committee are set out in paragraph 33.
20. The second overarching governance principle is that public sector entities are run for the public good. They should be open in their actions and have clear, trusted channels of communication. The results (or outcomes)-based accountability model also emphasises the need to engage with local communities in order to gain an insight into their needs. This will inevitably require careful handling in a time of fiscal constraint, when needs and priorities need to be balanced against availability of resources in the context of aims and aspirations.

21. Local authorities and their partners should therefore consider how the local community might become involved in the governance of local public service delivery, in much the same way as they can be involved in the governance of Health and Wellbeing Boards. The local community may need to be:
- involved at the early stages of assessing needs and priorities
  - told about decisions
  - sent reports about outputs and progress towards outcomes.
22. Depending on the nature of the desired outcome, its achievement might be easily evidenced. In other cases, though, it will be more difficult to demonstrate. In those areas, local authorities and partners should ensure that information is presented in such a way that communities can understand the planned outcome and how progress towards it is being achieved.

## Defining 'local'

23. Delivery of local public services is not always solely a local matter. Services to local areas are commonly delivered by a range of central and local government bodies; charitable organisations and the private sector might also be involved. In principle, CIPFA believes that all services to the public – whichever type of organisation delivers them – are local public services. Thus, as in the financial data mapping example below, interventions by the Department for Work and Pensions (DWP) and the NHS are considered to be part of the local delivery landscape.
24. However, 'local' can be interpreted in many different ways. Entities might want to report on local public service delivery, for example, by geographic area including splits between urban and rural areas; by type of service (health, housing, emergency services, etc.); by type of service within geographic areas. How local public delivery should be reported is a matter for consultation between partners and communities or other stakeholders so that reporting meets that individual community's needs.
25. The definition of 'local' should therefore be agreed right at the outset of the collaborative process in relation to the scope of a particular local public service or other intervention.

# Setting the strategy

26. The long-term nature and impact of many of the public sector's responsibilities mean that it should define and plan outcomes and that these should be sustainable. The governing body should ensure that its decisions further the entity's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.
27. In seeking to spend public money more effectively, and thereby maximise local public delivery, the governing body (see paragraph 29) will need to work on behalf of all partners to:
- identify and map customer groups and partners' policy objectives
  - agree a vision with and for the local community and a strategy to achieve that vision, which should be evidence and insight-based and should focus on local people rather than on the function itself
  - design robust outcomes, expressed in terms of population outcomes. This requires a clear understanding of what is needed and, as important, what is not needed, to address a particular issue. 'Need' and 'want' are not synonymous words, and entities must ensure that the outcome will achieve sustainable results that will improve the lives of a particular beneficiary group and/or the whole community
  - develop operational plans to deliver the agreed outcomes
  - design effective delivery arrangements that take account of the need to share resources – people, property, money and data – recognising that one partner might need to release direct control over resources to another partner (in return for influence over the use of the totality of all partners' resources)
  - agree on which partner is responsible for what action, intervention or other activity. This may involve establishing strong rules (which might be contractual or might take the form of a particular type of delivery model) to ensure that the partnership delivers the outcomes
  - where necessary, re-design existing delivery processes and procedures in order to maximise the economy and efficiency of delivery, and thereby leading to effective outcomes
  - agree how to measure progress towards the agreed outcomes, including their social impact (covering, for example, social, environmental or cultural values) as well as their economic impact
  - agree at the outset how to apportion any efficiency savings between partners.
28. CIPFA's publication *Outcomes and public service delivery*<sup>5</sup> provides guidance on how outcomes approaches have been used as an internal performance management tool and to support improvements in service delivery, commissioning and procurement. It also looks at the challenges in measuring outcomes, including defining indicators and using proxy values. The New Economy website has a useful unit cost database to help with assessing the costs and savings associated with different activities.<sup>6</sup> This database can also be accessed via a link in the Public Service Transformation Network website.<sup>7</sup>

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<sup>5</sup> *Outcomes and public service delivery*, CIPFA, 2014

<sup>6</sup> [http://neweconomymanchester.com/stories/1828-new\\_economy](http://neweconomymanchester.com/stories/1828-new_economy)

<sup>7</sup> <http://publicservicetransformation.org>

## The delivery model

29. The public sector achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of interventions is a critically important strategic choice that governing bodies of public sector entities have to make to ensure they achieve their intended outcomes. Public sector entities need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimized.
30. Choosing the right delivery model is therefore important.<sup>8</sup> This delivery model might take one of a number of forms,
- Public sector entities working together, either with a lead entity or through a separate organisation, which might be a shared service, a joint venture, or a company limited either by shares or by guarantee. The lead entity might provide the relevant service to all partners using its own policies and practices and be accountable for the expenditure on the service, or it might take the lead in a different way – such as being responsible for all procurement – and each entity might retain its own accountability. Where a separate organisation is established, the establishing entities will need to determine the lines of accountability.
  - Public sector entities working with the private or third sectors – probably by setting up a separate company – will still need to consider the same accountability issues that have already been considered for the public sector alone. The challenges presented by this need for accountability have to be addressed by implementing the good practices in transparency, reporting and audit set out below.
31. Entities will need to consider costs and benefits associated with each type of model. Entities should refer to *Supporting public service transformation: cost benefit analysis guidance for local partnerships*, published by HM Treasury, Public Service Transformation Network and New Economy in April 2014 for some useful guidance, providing a methodology for a cost-benefit analysis model originally developed by New Economy and supported by an excel model and a unit cost database (both available on the New Economy website<sup>9</sup>). The model is designed “to simplify and to lower the cost of performing cost benefit analysis in the context of local programmes to improve public services”.
32. The case studies in Appendix A provide some examples of different types of delivery models.

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<sup>8</sup> A detailed discussion of the advantages and disadvantages of each model can be found in CIPFA’s publication *Sharing the Gain*. [www.cipfa.org/policy-and-guidance/reports/sharing-the-gain](http://www.cipfa.org/policy-and-guidance/reports/sharing-the-gain)

<sup>9</sup> [http://neweconomymanchester.com/stories/1828-new\\_economy](http://neweconomymanchester.com/stories/1828-new_economy)

# Developing delivery capacity

33. Public sector entities need appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mind-set, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. The governing body must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that an entity's management has the operational capacity for the entity as a whole. Because both individuals and the environment in which an entity operates will change over time, there will be a continuous need to develop the entity's capacity as well as the skills and experience of the leadership of individual staff members. Leadership in public sector entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of their communities.

## Leadership

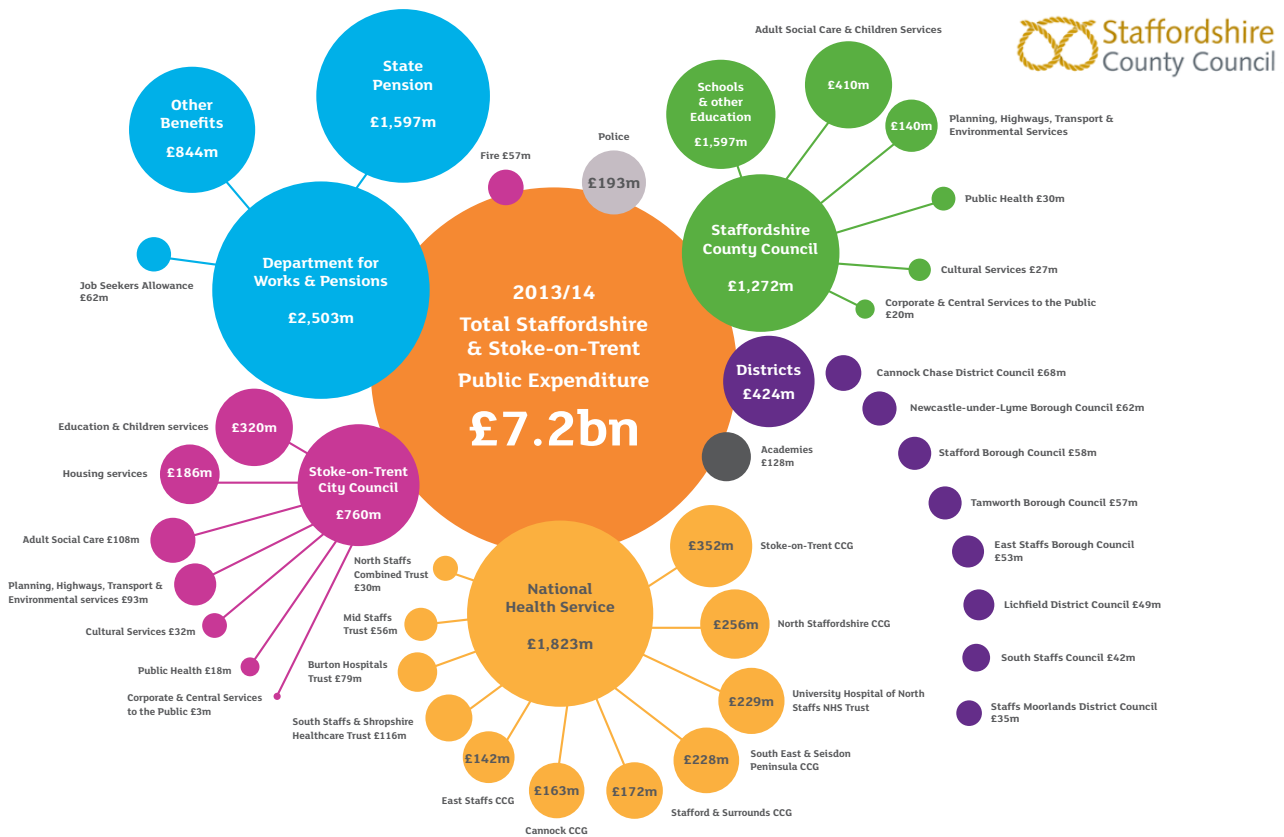
34. The will to succeed is fundamental to achieving transformation of service delivery. And that means both a political will and an organisational will. Elected members and senior leadership of a local authority need to set the tone from the outset. They need to be able to motivate others in their own authority and the leaders of potential partners, who will then need to do the same thing within their own organisations.
35. Leaders have a critical role to play in working across boundaries. The need to deliver local public services innovatively means that no one authority or organisation can expect the boundaries of yesterday to exist tomorrow: boundaries between sectors and boundaries between organisations must be scrapped to the extent necessary for achieving aims and aspirations for local communities. Leaders must work across systems to deliver outcomes. Such 'systems leadership' it's about collaboration and working across boundaries rather than working within organisational structures. The leadership groups need to ensure that this occurs.
36. Leaders also have a very important part to play in building trust. For example, they will need to be open about the aspirations of their organisations and clear about how their aims either do, or could be altered in order to, coincide with the aims and aspirations of partners. And all partners must remember that collaboration will not always be achieved without compromise – and the leadership groups will be responsible for understanding and agreeing any compromise that might be necessary in the interests of delivering local public services and for explaining those compromises to their own organisations.

## People

37. It is essential that local authorities and their delivery partners have the right people with the right mix of skills. This requires, first, an in-depth understanding of the services that need to be delivered and, secondly, a clear view of how they are to be delivered in order that decisions can be taken on the skill mix that will be needed. HR policies should be developed that will support leaders and staff, ensuring that each has the right skill, is being used in the right place, and is being developed as an individual and in the context of service delivery. And it requires a commitment to adhere to those policies.
38. As discussed earlier, the traditional boundaries around service delivery need to be challenged in a collaborative world, which in itself will require a change of culture. Change is often stressful for staff, particularly where that change can be perceived as a relinquishment of control over something that has traditionally been 'theirs'. Local authorities and their partners will therefore need to ensure that appropriate change management techniques are used in the transformation process. Too often, apparently successful partnerships fail when the driving force(s) behind the partnership leave(s) – because the change has not been embedded and the organisations' cultures have not changed.

# Mapping the delivery landscape

39. Mapping local area spending is a vital part of understanding the local delivery landscape. For example, one view of local expenditure is demonstrated by Staffordshire and Stoke-on-Trent, where they estimated total public sector gross revenue expenditure in 2013-14 at some £7.2bn, as shown in the bubble diagram below and summarised in the table.



Service provider	£bn
DWP on the state pension and other benefits (based on DWP estimates using data from the Office for National Statistics and other information)	2.5
National Health Service	1.8
Staffordshire County Council	1.3
Stoke-on-Trent City Council	0.8
District and borough councils	0.4
Police and Fire authorities	0.3
Academies	0.1
<b>Total</b>	<b>7.2</b>

40. The Staffordshire/Stoke-on-Trent example uses one view of the public sector to arrive at the estimate of local expenditure. However, looking at the components of Staffordshire County Council’s expenditure can help visualise how additional service providers might be incorporated into the mapping exercise – for example, the mapping of spending on education services could consider the appropriateness of including expenditure incurred by tertiary education establishments and/or academies in the county. And highways spending might also include the costs of any work carried out by the Highways Agency in maintaining the Staffordshire section of the M6 and A roads throughout the county.

Service	£bn
Schools and other education	0.6
Adult social care and children	0.4
Planning, highways, transport and environment	0.1

41. A mapping exercise might also need to consider the inclusion of other delivery agents. For example, in understanding the costs associated with the provision of adult social care, the mapping might consider the work of the Royal Voluntary Service or other charities that work with the elderly or vulnerable.

## ALPS data mapping tool

42. The danger inherent in carrying out a mapping exercise is that it can become an end in itself. CIPFA has developed a simple tool, available on the CIPFA website, that gives local authorities and partners an easy-to-use spreadsheet into which data can be imported and then used to produce reports in a variety of formats (including tabular, and bubble diagrams).

43. This is based on the Service Reporting Code of Practice for Local Authorities (SeRCOP), which provides the framework for the subjective analysis of local authority expenditure and service expenditure analyses. Local authorities and their partners should be able, therefore, to use data that are already in the system to carry out the mapping exercise, agreeing a reporting level that is appropriate to local circumstances.

44. Taking the results of the financial mapping exercise and the mapping of customer groups and partners’ policy objectives (see paragraph 14) together, informed decisions might be taken about, for example:

- aligning policy and service objectives where they overlap or are in conflict between different partners
- streamlining policy and service objectives that are common to different partners
- aligning the delivery approach where partners have differing approaches to the same customer groups.

45. In addition, however, local authorities and their partners will want to measure the social impact of their strategy by calculating a social return on investment (SROI). SROI is a framework that the partners can use to help manage and understand social, economic and environmental outcomes. This has been successfully used for example by the Trafford Community Leisure Trust.<sup>10</sup>

**10** [www.traffordleisure.co.uk/news/trafford-community-leisure-trust-hits-magic-10/](http://www.traffordleisure.co.uk/news/trafford-community-leisure-trust-hits-magic-10/)

46. The mapping exercise will take the form of a mini-consolidation and local authorities and partners will need to consider the extent to which their IT platforms need to be able to communicate. The CIPFA publication *Sharing the Gain* provides guidance and useful hints on issues relating to IT platforms in a collaborative world.<sup>11</sup>
47. There are other tools that can help. Public Expenditure Tracking Surveys have been used as a means of identifying inefficiencies and waste in service delivery. They have been successfully used in some cases to promote reforms leading to significant improvements in resource allocation.<sup>12</sup> They are, however, resource intensive; so, while simple in theory, the effort required to carry out such a survey in practice might not be cost effective and it might be better to rely on local knowledge and the experience of local authority members and officials and partner organisations that are readily identifiable. The case studies in Appendix A give some examples of the range of partners and how collaborative delivery of local public services has been established.

## Asset data

48. The asset base that is often crucial in service delivery. Ideally, a mapping exercise should cover at least the property, plant and equipment associated with the service delivery or other intervention, with the resulting information being used to assess the efficiency of the use of the asset base. This in turn should lead to a rationalising the asset base across the local authority and its partners and the possibility of being able to sell surplus assets.
49. The mapping exercise will also need to capture the expenditure and related assets created by capital investment programmes. These might be financed severally or jointly by the partners or be financed through PFI/PPP arrangements (which might make the mapping exercise more complex).
50. CIPFA's publication *Place-Based Asset Management* and other publications such as the RICS guidance on asset management, and the Westminster Sustainable Business Forum<sup>13</sup> reports on delivering effective public estate management and putting buildings to work, are useful in looking at ways of maximising local property and service delivery.

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**11** [www.cipfa.org/policy-and-guidance/reports/sharing-the-gain](http://www.cipfa.org/policy-and-guidance/reports/sharing-the-gain)

**12** *Public Expenditure Tracking Surveys*, UNICEF

**13** [www.policyconnect.org.uk/wsbf/home](http://www.policyconnect.org.uk/wsbf/home)



# Managing delivery

51. The governing bodies of public sector entities need to ensure that across the delivery entities there is an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. They require an ongoing processes designed to identify and address significant risks involved in achieving an entity's outcomes.
52. CIPFA's Financial Management Model is a tried, tested and trusted tool for accountants to use in assessing the maturity of financial management in their organisations. It is used widely across the entire public sector. Based on that model, CIPFA has developed a best practice framework<sup>14</sup> to help local authorities and their partners understand where they are on a spectrum ranging from the first steps they are taking to understand the local delivery landscape through to fully aligned local public service delivery.
53. There are several other methodologies and tools available to assist local authorities and partners to assess how well they are managing the move to aligning local public service delivery. In particular, the Public Service Transformation Network website<sup>15</sup> contains a wealth of material including tools to help understand the transformation process, assess and evaluate transformation proposals and a cost benefit analysis tool. The website of New Economy Manchester (co-author with HM Treasury and the Public Service Transformation Network of the cost benefit analysis guide) also has information about useful toolkits to help officers prepare, deliver and review projects.<sup>16</sup> The toolkits include databases and models and guidance on how to use them. Much has been published about results-based accountability, too, and some sources are listed in the acknowledgements at the end of this document. They also provide models and toolkits to assist in measuring performance.

## Non-financial data

54. Reporting outputs and outcomes generally means that the partners need to obtain data from systems or other information sources outside of the financial system to:
  - measure and track outputs. World class entities will do this regularly, at least monthly but perhaps more frequently depending on the deliverable (and, in this case, perhaps the cost of the deliverable, when a small slippage or other change might have a significant budgetary impact). These entities will ensure that delivery is on track and understand the profiling and pattern of the associated expenditure
  - assess progress towards achieving the agreed outcomes. This may be less frequent than the tracking of outputs; and the timing and frequency should be set in the context of the particular service or intervention
  - report outcomes to the local area. These reports might take a variety of formats which should be suited to the intended audience; for example, using graphics such as bubble diagrams or pie charts to report expenditure might be more understandable to the general user than a set of numbers.
55. The partners will need to ensure consistency between data sources, and CIPFA suggests that all data should be subject to some form of review or assurance process before publication. CIPFA's publication *Outcomes and Public Service Delivery* looks at how outcomes might be reported as part of an internal and external communication tool or as part of an integrated approach.<sup>17</sup>
56. When reporting outcomes, local authorities and partners will need to gather qualitative data from service users, and there are various publications that can provide an insight into the most effective ways to collect such data. Some examples are listed in the acknowledgements at the end of this document.

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<sup>14</sup> *Aligning Local Public Services Framework: A reference for good practice*, CIPFA, 2015

<sup>15</sup> <http://publicservicetransformation.org>

<sup>16</sup> [http://neweconomymanchester.com/stories/1828-new\\_economy](http://neweconomymanchester.com/stories/1828-new_economy)

<sup>17</sup> *Outcomes and public service delivery*, CIPFA, 2014

# The Greater Manchester 'Devolution' Agreement

1. Greater Manchester (established in April 2011) is one of the five combined authorities now established in English metropolitan areas. These allow the local authorities to pool responsibility and receive additional delegated functions from central government in order to deliver transport and economic policy more effectively over a wider area.
2. Greater Manchester is the first to have secured a deal from the Treasury for the devolution of additional powers and responsibilities to the combined authority level. The Greater Manchester Agreement (November 2014) proposes to establish a new, directly-elected mayor for the whole Greater Manchester area and new powers for the Greater Manchester Combined Authority (GMCA).
3. The new elected mayor, while being subject to scrutiny by the existing scrutiny committee of the GMCA, will have:
  - responsibility for a devolved and consolidated transport budget, with the prospect of operational responsibility for transport infrastructure in the conurbation
  - powers over strategic planning, including the power to create a statutory spatial framework for Greater Manchester. This will need to be approved by a unanimous vote of the Mayor's Cabinet
  - control of a new £300m Housing Investment Fund and a reformed earn back deal, within the current envelope of £30m a year for 30 years
  - the role currently covered by the Police and Crime Commissioner.
4. The GMCA will receive the following powers:
  - responsibility for devolved business support budgets
  - control of the Apprenticeship Grant for Employers in Greater Manchester and power to reshape and re-structure the further education provision within Greater Manchester
  - control of an expanded Working Well pilot, with central government funding linked to good performance
  - opportunity to be a joint commissioner with DWP for the next phase of the Work Programme.
5. The parallel Greater Manchester Health and Social Care Devolution Memorandum of Understanding (February 2015) envisages a new Greater Manchester Health and Social Care Partnership Board (GMHSPB), which will produce a joint health and social care strategy for Greater Manchester. One of its sub-groups will be a Joint Commissioning Board (JCB), through which strategic decisions regarding commissioning of health and social care services in Greater Manchester will be agreed by NHS England, Clinical Commissioning Groups (CCGs), and local politicians.
6. The JCB will then commission health and social care services across Greater Manchester on behalf of its constituent organisations, pooling commissioning budgets of the CCGs and the social care budgets of the boroughs. These budgets make up the bulk of the "£6bn" (over five years) that has been publicised as being devolved to Greater Manchester under these proposals.
7. At local (borough) level, Health and Wellbeing Boards, made up of representatives from CCGs and boroughs, will ensure that health and social care services are provided in a joined-up fashion, in line with the GMHSPB's Strategic Sustainability Plan. GMCA and Greater Manchester Clinical Commissioning Groups will be invited to develop a business plan for the integration of health and social care across Greater Manchester, based on control of existing health and social care budgets.

*Source: Greater Manchester Agreement: devolution to the GMCA & transition to a directly elected mayor (HM Treasury and GMCA, 2014)<sup>18</sup>*

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**18** [www.gov.uk/government/publications/devolution-to-the-greater-manchester-combined-authority-and-transition-to-a-directly-elected-mayor](http://www.gov.uk/government/publications/devolution-to-the-greater-manchester-combined-authority-and-transition-to-a-directly-elected-mayor)

# Scottish Community Planning Partnerships

8. The Local Government in Scotland Act 2003 gave a statutory basis to community partnering by placing a duty of Scottish ministers to promote and encourage community planning and by requiring local authorities to initiate, facilitate and maintain community planning and placing an obligation their core partners – health boards, the enterprise networks, police, fire and regional transport partnerships – to participate in community planning.
9. In addition to the core partners, all Community Planning Partnerships (CPPs) involve a range of other organisations. These vary across the 32 CPPs but can include Jobcentre Plus, further and higher education institutions, Scottish Natural Heritage, Skills Development Scotland and business representatives. The voluntary sector is represented by the Third Sector Interface. These Interfaces have been set up in all 32 Scottish local authority areas and provide a single point of access for the third sector to receive support and advice within each area, and also provide representation for the third sector on each CPP.

## Glasgow Community Planning Partnership

10. This CPP includes, in addition to the core partners, Glasgow Housing Association, Glasgow Chamber of Commerce, Skills Development Scotland, Glasgow Colleges, Job Centre Plus and the Third Sector Forum working in partnership to improve people's lives in Glasgow.
11. The partners have agreed to focus on three key priorities that contribute to inequality: alcohol abuse, youth employment, and vulnerable people. The CPP uses available data in selecting these three priorities and has identified intended outcomes for each of them. It selected these priorities as they affect the work of all partners to varying extents and are interlinked. The partners in the CPP, in agreeing this focus, have demonstrated strong collective leadership and determination to tackle important social and cultural issues that affect a wide cross-section of people in Glasgow.

## North Ayrshire Community Planning Partnership

12. While the membership of this CPP is similar to that of Glasgow CPP, North Ayrshire CPP has taken a localised approach to involving communities to help achieve the outcomes. It has divided the council area into six neighbourhoods – reflecting the different demographics and needs of these areas. CPP partners have analysed these six areas in detail. By understanding the unique characteristics of each area, the CPP hopes that it can better meet the needs of individuals and reduce inequalities. As the neighbourhood planning approach develops, the CPP hopes that communities will increasingly be able to influence how services are delivered to meet their own needs and priorities.

## West Lothian Council

13. The CPP was set up in 1999, so is well established. Partners are similar to those of the Glasgow and North Ayrshire CPPs. The CPP has six aspirations for West Lothian:
  - strengthening the economy
  - caring for an ageing population
  - reducing health inequalities
  - making our communities safer
  - balancing increasing development with protecting the environment
  - increased learning.

14. West Lothian CPP has recognised that using data effectively is important to develop a successful CPP. The CPP aims to use the data in these local profiles to gain a better understanding of its communities, so that it can:
- target resources, such as funding and staff, to where they are most needed, for both individuals and communities
  - try to predict, and then prevent, specific issues arising in the area
  - obtain evidence to measure the impact the CPP has on the outcomes in its Single Outcome Agreement.
15. There are plans to use a geographic information system (GIS) to identify communities' needs at a very local level. This will help to bring together data across many indicator areas to build up a comprehensive picture of local communities in the CPP area. The CPP hopes to see benefits by using a wealth of information that has never been used to full effect and to share relevant data across the partnership. Increasing the CPP's ability to analyse data should help it to develop a better understanding of West Lothian and its residents.

*Source: Audit Scotland Audits of Community Planning Partnerships (CPPs)<sup>19</sup>*

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**19** [www.gov.scot/Topics/Government/PublicServiceReform/CP/auditcpps](http://www.gov.scot/Topics/Government/PublicServiceReform/CP/auditcpps)

# Swansea Local Service Board

16. The Swansea Local Service Board (LSB) was originally established in November 2008 as part of the then Better Swansea Partnership and had responsible for the Community Strategy and Open Projects in the Local Delivery agreement. Following consultation in January 2012, *Shared Purpose – Shared Delivery, Guidance on integrating plans and partnerships* was published by the Welsh Government in June 2012. As for other LSBs, from April 2013 a single integrated plan then replaced the following existing statutory plans and strategies:

- The Community Strategy
- The Children and Young People's Plan

## The Health Social Care and Wellbeing Strategy

17. Swansea Local Service Board includes Swansea's main public service providers as well as representatives of the voluntary and business sectors, the chairs of the strategic partnerships and a representative of the Welsh Government. It is currently a non-statutory collaborative body consenting to work collectively under the terms of this partnership agreement. However there are proposals by the Welsh Government to put it on a statutory footing as part of the Sustainable Development Duty.

18. The Board's overarching purpose is to ensure that decision makers work together to tackle the issues that matter for Swansea by leading the development and delivery of the One Swansea Plan and the Delivery Framework. This is a strategic role which means making the delivery of services simpler and ensuring that everyone is working towards the same agreed priorities.

19. The aspirations of the plan are being delivered using the principles of results-based accountability, which is a controlled way of thinking and taking action that is used to improve the quality of life in communities. It uses a step by step method that begins with the ends and works backwards to the aims. In addition it can be used to improve the performance of services. The plan is reviewed and updated annually by Swansea Local Service Board to ensure that we are working on the right challenges for Swansea.

Source: Swansea Local Service Board<sup>20</sup>

# Acknowledgements

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