OECD

Organisation for Economic Co-operation and Development

LEED Programme

Local Economic and Employment Development Programme

OECD LEED **forum** on **partnerships and local governance**

SEMINAR HANDBOOK

TABLE OF CONTENTS

INTRODUCTION

Throughout OECD countries, local partnerships are being set up as governments, business and civil society increase co-operation to promote economic development and to address social issues, such as exclusion from the labour market and limited access to public services. Often supported, and sometimes initiated, by government, these partnerships contribute to making policies more adaptable to local needs and more effective in their delivery. Partnerships undertake a range of activities, such as fostering co-operation amongst local development actors, developing synergies between of different initiatives, and proposing ways to improve current practice. They conduct strategic planning exercises, set common objectives to reach better outcomes, and implement local development strategies.

However, to undertake their mission, significant effort is required to ensure trust and commitment from all actors. Local partnerships operate within a multi-level governance context. To make local partnerships effective, certain requirements need to be fulfilled by central and local governments, and the partnerships themselves. From the governments' perspective this includes the need for flexible and adaptable policies, which create the necessary space for partnership activities, and the presence of communication channels that allows for bottom-up involvement. Partnerships themselves need to ensure the transparency and accountability of their structures and activities. International experience can inform governments and partnerships on how the requirements for effective partnerships can best be fulfilled.

The seminar

The objective of this seminar is to improve the functioning of local partnerships. The seminar is aimed at local partnership practitioners and their counterparts in local and national governments. It will provide an opportunity for the sharing of experience, as well as discussion of the interests, expectations and demands of different partners. This will contribute to an improved understanding of the issues faced by local partnerships. The seminar will focus on three main themes:

The seminar reader

This reader discusses the issues with which the seminar is concerned. It summarises experience and good practice form across OECD countries in building local partnerships, drawing on international learning models and providing practical advice for practitioners and policy makers and checklists for action. The reader is organised under four headings, reflecting the structure of the seminar itself:

- **Why local partnership?** Why are local partnerships now so important? What are the rationales for working together at local level?

- **Joining up locally**. What are the important factors in ensuring that local partnerships are organised effectively and deliver added value?

- **National support frameworks for local partnerships.** Recent OECD research has confirmed that the role of central governments, and their agencies, is critical to the ability of local partnerships to maximise their contribution to local development by becoming an integral part of local governance structures.

- **Effective evaluation and performance management systems.** Effective local partnerships need to demonstrate the contribution their work makes. At the same governments need to monitor and evaluate the contribution of partnerships.

1. WHY LOCAL PARTNERSHIP?

Why is partnership a fundamental feature of contemporary governance and local development policy and practice?

Partnerships are increasingly being promoted internationally as mechanisms for addressing social challenges and the improvement of services. The central justification for working in partnership is that by drawing upon different sector competencies a common goal can be achieved more effectively, legitimately and sustainably than when each sector operates separately. Partnerships are highly suited to addressing the complex and multi-faceted issues that today's employment, social inclusion and human resource development policies are faced with which are too complex and interdependent for any one institution to effectively respond to alone.

Partnership can deliver many benefits, at both strategic and operational levels:

Strategic level

- Development of shared visions and strategic objectives, for example bringing European agendas into the practice of local and regional actors.

- Generation of political and public support and ownership to legitimize action.

- A guarantee that public funds will be used in an effective and needs-oriented way.

- A new role for the public sector as a catalyst.

Operational level

- Efficiency improvements through economies of scale and avoiding duplication.

- Addressing real needs through a multi-level and multi-dimensional process.

- Empowering actors and building capacity through exchange and learning.

- Production of sustainable outcomes as a result of the commitment of partners.

The European Social Fund Code of Practice has identified ten key cross-cutting reasons that demonstrate the rationale and added value that working in partnership can bring:

Focus

Needs awareness, priorities and gaps in service provision are identified and addressed more cohesively by harnessing the perspectives and input of a variety of actors across different levels of society.

Coordination

Policy coordination, targeting and adaptation of programmes to local conditions can be synchronised so that reach is improved and duplication avoided. Working in partnership reinforces principles such as transnational co-operation, empowerment, equal opportunities and innovation.

Resource access

A range of diverse technical, human, knowledge, physical and financial resources can be accessed to tackle particular problems and challenges.

Social capital

Cross-organisational connections and relationships reinforce social networks and societal linkages while also promoting learning and a deeper understanding of the value and importance of other sectors and their role in society.

Innovation

More creative and dynamic approaches to societal challenges are engendered by sharing diverse perspectives, ideas and resources.

Capacity-building

Strategic and operative capacity can be built through the opportunities afforded by working with different sectors. These new competencies and skills contribute to improvements in programme activities.

Empowerment

Improved capacity and direct engagement with stakeholders enables disadvantaged/marginalised groups to have a stronger voice in the political arena and take a more proactive role in issues that affect them.

Legitimacy

Wider stakeholder mobilisation gives a more democratic policy 'mandate' and promotes good governance. At the same time, the involvement and support of organisations that are 'trusted' by society can increase public acceptance of necessary reforms.

Stability

The inclusion of civil society concerns in strategic planning exercises, stimulation of corporate involvement in local projects and greater satisfaction with public policy, contribute to a more integrated and cohesive society.

Sustainability

By promoting societal engagement, joint ownership and mutual benefit, working in collaboration can ensure long-term positive change and has greater potential for addressing social concerns than single sector approaches.

However, partnership building is still at an early stage in many parts of Central, Eastern and South-Eastern Europe, and it is recognized that problems and difficulties still remain:

- Positive experiences are still limited and some agencies lack the confidence to make the shift to a culture of partnership.

- Technical capacity needs to be augmented.

- There is only limited expertise in developing and delivering projects and thus demonstrating outcomes and impact on the ground.

Some examples of rationales for partnerships established in the EU

Austria - Territorial Employment Pacts (TEPs)

Austrian labour market and employment policy is confronted with particular challenges that cannot be met by individual institutions acting alone, such as the concentration of unemployment within certain groups or gender segregation in the labour market. The National Action Plan (NAP) integrates the aims of employment policy (especially economic and structural policy), with educational policy and regional policy. The TEPs provide the institutional framework for the delivery of the NAP, supporting joint working at the regional level to secure and create jobs.

Czech Republic - "Partnerships for administrative and absorption capacity"

Czech regions were not fully prepared for the absorption of EU Structural Funds. Effective use of these funds is of paramount importance to the regions in helping them to tackle their structural problems. It is for this reason that the decision was made to develop an initiative based on the European Commission's "partnership concept", to enhance administrative and absorption capacity at the regional level.

Germany - Local Pacts for Business and Employment in Berlin

Strategies for improving local areas can be maximised through the participation of various local partners. Local strategies are crucial to making optimal decisions about actions to be taken forward in order to increase employment prospects and to strengthen the local economy.

Ireland - Area based and Community Partnerships

To respond to the multi-dimensional nature of social exclusion through a locally responsive, innovative, integrated approach, built on a partnership model, with local ownership.

Portugal / Partnerships of the Social Networks Programme

The policy development process in Portugal is rather centralised and the most frequently used level of consultation is national. Partnerships between public and private institutions, at local and national level, are very common and partnership working is well established. This experience has created the conditions for the incorporation of the partnership principle in current management of social policies and increased the participation of representative national organisations in policy development. The underlying principles are integration, co-ordination, subsidiarity, innovation and participation.

Slovak Republic / Local Social Inclusion Partnerships (LSIPs)

The high unemployment rate of socially excluded groups and the ambition to assure higher employment influenced the creation of LSIPs. LSIPs provide a platform for citizens and local communities to jointly make efforts to find solutions to their problems and concerns.

United Kingdom (England) / Local Strategic Partnerships (LSPs)

Lack of joint working at local level has been one of the key reasons for lack of progress in delivering sustainable economic, social and physical regeneration, or improved public services that meet the needs of local people. A combination of organisations, and the community, working co-operatively as part of an LSP will have a far greater chance of success. To achieve these improvements, the Government, local authorities and other service providers need to work co-operatively, change the ways they work, reallocate resources and "bend" their mainstream programmes to tackle issues that really matter to local people

Source : OECD LEED Forum Brochure on Partnerships, 2006

CHECKLIST
What is the rationale for your partnership (or partnerships in your country)?
Would everyone connected to the partnership be able to identify this rationale?

2. JOINING UP LOCALLY FOR EFFECTIVE PARTNERSHIP

Building effective partnership means bringing together the right partners, creating and maintaining robust structures and working processes, and acquiring the necessary resources. Experience elsewhere in OECD countries shows that this means addressing a number of challenges. These concern:

- Clarity about objectives and remits.

- Engaging partners and stakeholders: balancing inclusiveness, accountability and efficiency.

- Creating structures and processes which enable rather than constrain.

- The partnership lifecycle.

- Balancing talking and doing.

- Focussing on both strategy and delivery.

- Building a lean but capable partnership team.

- Acquiring and utilising resources.

- Building partnership capacity.
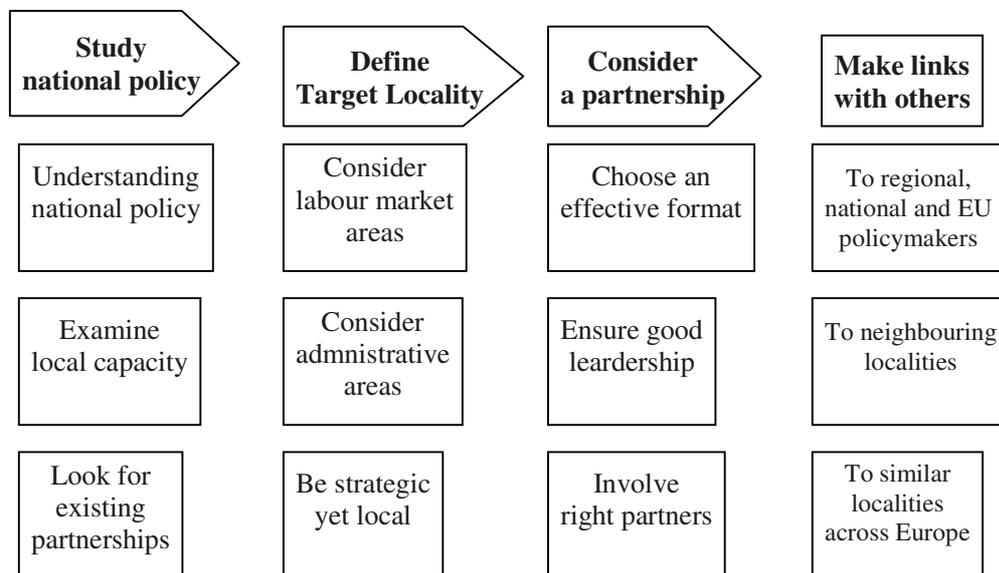
- Adding value.

Objectives and remits

The objectives and remits of local development partnerships vary very considerably. Some partnerships have a broad remit concerned with economic, social and environmental development, others are more focused on one or other of these issues. There is also variation in the extent to which a partnership's objectives are predetermined, for example by the purposes of a programme from which the partnership obtains its funding. However, it is normally the case that a very early task for a partnership is to work with partners to agree strategic objectives and ensure that these meet the needs of stakeholders. This process should involve reviewing alternative strategic possibilities and assessing their advantages and disadvantages.

This has been an important element in the 'Romanian model' of local partnership for employment and social inclusion which has been developed in recent years. In Romania this has involved:

- Work at the national level, to consult with nationally important actors.

- Analysis of regional and local trends.

- Selection of potential areas for partnership development through desk research and consultation with local actors.

- Consultation has included drawing on the knowledge of experts both internationally and locally.

This process – sometimes called prior assessment, which is discussed further in Section 4 below - is shown below.

Scoping partnership in Romania

Study national policy	Define Target Locality	Consider a partnership	Make links with others
Understanding national policy	Consider labour market areas	Choose an effective format	To regional, national and EU policymakers
Examine local capacity	Consider admnistrative areas	Ensure good leardership	To neighbouring localities
Look for existing partnerships	Be strategic yet local	Involve right partners	To similar localities across Europe

Source : OECD LEED Bucharest seminar.

Inclusiveness, accountability and efficiency: engaging partners and stakeholders

Partnerships for economic and social development commonly include a wide range of partners and stakeholders – public agencies (local, regional and national); businesses and business organisations such as Chambers of Commerce; civil society organisations including voluntary and community organisations. But this means that there will normally be difficult decisions about the membership of a partnership. A large membership may be good in terms of the inclusion of many interests and individuals, but a smaller tighter partnership may work better in terms of efficiency. The best partnerships manage, at the same time, to be a 'big tent' and an 'exclusive club'. Getting this balance means considering carefully which partners the partnership needs – and then ensuring that they become not just formal members but engage actively in promoting the partnership's objectives. Experience suggests that it can be helpful to clearly identify the roles which are expected of different partners. These can range from decision making to contribution to specific aspects of the partnership's work, while some partners may merely want to be kept informed, as shown below.

Partners and stakeholders
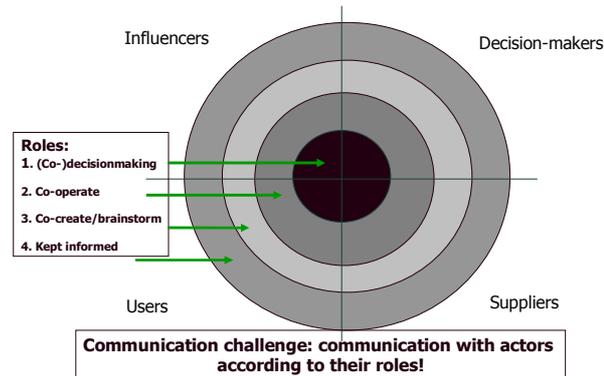
Source : OECD LEED Bucharest seminar.

Of course, the membership of a partnership will depend on its remit. For example, local partnerships primarily concerned with economic growth and development are likely to prioritise business involvement. The Greater Halifax Partnership, in Canada, is an internationally recognised example (see below). It is relevant to note that as well as top-level business involvement, the Halifax partnership provincial and federal as well as municipal government.

The Greater Halifax Partnership

The Greater Halifax Partnership (www.greaterhalifax.com) is a public-private partnership which is responsible for economic growth, marketing and promotion in Halifax, which is the principal city in Nova Scotia.

Ten years ago, Halifax faced a bleak economic scenario of high unemployment, job reductions by government, and low business and consumer confidence. But in this context a few leaders stepped forward and set up a public-private partnership, led by the private sector and with financial support from both the private and public sectors to take responsibility for economic renewal.

The GHP involves all three levels of government – municipal, provincial and federal – and well over 100 private and public sector investors, including numerous international businesses as well as more local firms. The Board of Directors has 23 members (public and private) and there are 18 full time employees, with skills in marketing, communications, investment attraction and business retention and expansion. GHP set itself a clear goal – to create the most competitive business climate in Canada and identify and eliminate barriers to business growth. The leadership which the GHP provides has contributed to significant job creation, a growing population, a reduction in unemployment and a very positive local business climate.

GHP has now been active for more than a decade. Its success is the result, not of government funding but because of strong local leadership and commitment, a skilled team and a clear vision and strategy.

The role of local politicians in partnerships is often a thorny issue. They can sometimes take the view that partnerships challenge their role and legitimacy as local decision-makers. On the other hand, other partners sometimes consider that an advantage of partnership forums is that decisions are not taken on party political lines. But it is crucial that local partnerships are democratically accountable – that partnership decisions are 'democratically anchored'. This means that it is important for partnership membership to reflect the contribution of local politicians.

In addition, partnerships must ensure that they are accountable in other ways – to their own partners and external stakeholders.

Political leadership in Varazdin

In the Varazdin area of Croatia political leadership has been a key factor in promoting strategic local partnership working. In Varazdin City, a strong mayor and cross-party collaboration has promoted active partnership relations with business (for example through a City Economic Council which functions as a 'growth coalition' promoting developments such as the Varazdin Free Zone and inward investment activity). The political leadership in Varazdin has also taken the innovative step of linking with three local cities to set up a development agency, DAN (see following box). Active political involvement (for example through brainstorming strategy sessions) remains an important feature of DAN's operation.

Many of the more successful partnerships have found that it is necessary to regularly review the membership of a partnership – the members needed in the early stages of a partnership's work, which prioritises strategy development ('forming and storming'), may not be the same people and organisations who are needed in later, 'norming' or delivery stages.

Smart structures and processes

The objectives and remits of partnerships can be very different, and consequently so are their structures and working processes. Nonetheless, experience seems to show that there are some common issues about 'what works'.

In the first place, unless a partnership has a very limited remit, it is usually necessary to have a number of elements in terms of organisational structure. These frequently include:

- the main partnership Board (where all core partners are represented and which is the ultimate decision making body);

- a smaller Executive which takes decisions between Board meetings;

- a wider forum of some kind which ensures broader inclusiveness and accountability;

- task teams or theme groups to work on specific issues;

- protocols to make explicit the way the partnership works and the responsibilities of partners.

It is often the case that partnership is developed at different geographical levels – eg municipalities, counties or regions, provinces. Sometimes partnerships are needed at the very local – neighbourhood level. This can be necessary in ensuring that key actors are engaged at all the relevant levels – but some experience in other countries suggests that tensions can often appear between the various levels of multi-tiered partnership working of this nature, and it will be important to ensure that there are procedures which help to ensure that communication between levels is good and does not privilege one level unduly.

This issue has been analysed in England, where local strategic partnerships exist at both county and district levels (see below).

Two-tier partnership working in England

In areas in England where there are two tiers of local government, local strategic partnerships have been established at both county and district levels. This has created some uncertainty about the respective roles of county and district based LSPs, their relationships and the arrangements that might be needed to avoid overlap, duplication or competition. As a result, an action learning set was set up, facilitated and supported as part of an action research and evaluation programme sponsored by the Department for Communities and Local Government.

The action learning set identified the key issues confronting two-tier LSP working as:

- Clarity over the respective roles of LSP at county and district level and the ways in which value is added at each level.

- The appropriate geographical scale at which different activities can best be addressed and how LSPs can effectively relate inwards to the locality/neighbourhood and out to the region.

- Structures and forms of representation (and cross-representation) for both local government and non-local government partners.

- The processes and working arrangements between county and district LSPs (to avoid duplication, minimise bureaucracy and minimise transaction costs).

A number of conclusions for policy and practice were identified. These included:

- Strong representation of district LSPs (and not necessarily solely local authority representatives) on county LSPs gives greater legitimacy to that LSP to represent and lobby on behalf of county-wide interests.

- Agreeing respective strategic priorities for both County and District LSPs removes duplication and focuses on the issues that are most relevant to the level where they are positioned.

- Both county and district LSPs need to identify what can only be delivered at county level and what can add value to district based activity.

- Where there are complementary statutory processes (as in development planning for example), county LSPs should develop systems for aligning strategic/corporate planning and programming with the strategic priorities of district LSPs.

- County LSPs have a legitimate interest in identifying small-area priorities (for example, for regeneration, for neighbourhood renewal, for environmental safeguards, or for crime and disorder hot spots). Where they do so, interventions should be planned collaboratively with the relevant district LSP.

- County LSPs should consider what resource support they could offer through partners to district LSPs, and district LSPs should consider what county LSP resources might be needed and how they might best be used.

Formal protocols may be helpful in making a partnership work effectively, but it is widely acknowledged that the informal culture of the partnership is also crucial. Partnership working depends on trust and collaboration, and the partnership must organise itself in ways which encourage this and ensure that the partnership is accountable to its members, as well as to the wider local community.

The role of the leadership of the partnership is vital here. Leadership in a partnership context is very different from the leadership of a traditional organisation – it is based much more on the consent of partners, much less on authority. The task of leadership is to galvanise a range of agencies and organisations to deliver on shared priorities. A partnership cannot be run on a military model. In a partnership context, leadership is most effective when it is collaborative or 'distributed' rather than vested in a single individual. It may come as much from the bottom up as from the top down. Thus effective partnerships may, for example, rotate the role of chair of the Board, and will seek to find leadership roles of different kinds for a range of members.

The partnership lifecycle

In thinking about the capacity which partnerships need, it is helpful in the first place to think of partnerships going through a series of stages, during which particular tactics are most appropriate to ensuring partnership progress and success. These are similar to the stages that any team is likely to go through, as people come together to achieve common goals.

Partnership Life Cycle

Source : GFA Consulting and EDUCE.
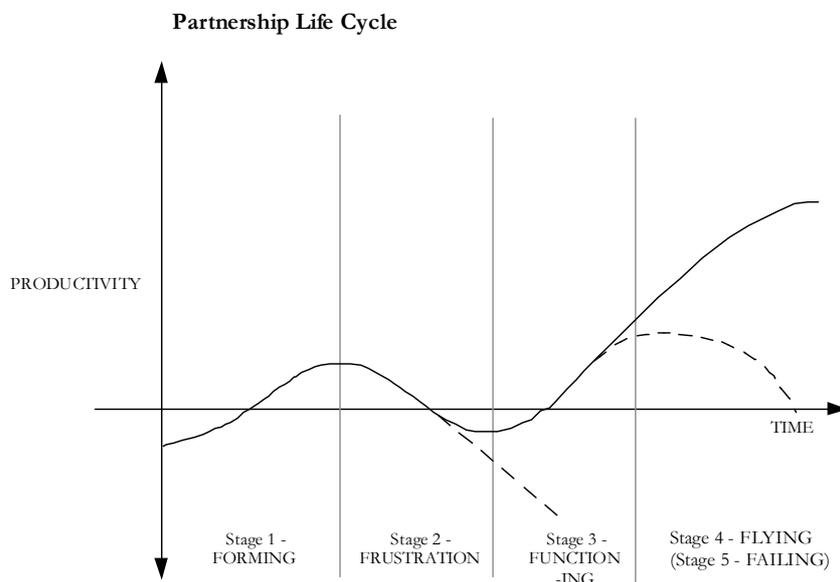
Each of these stages exhibits typical characteristics:

1. Forming

- common cause, arising from shared interests, opportunities, threats;
- early enthusiasm: new challenge, new relationships;
- exploring what's needed, what's possible;
- nature of commitments unclear.

2. Frustration

- partners feel "in a fog";
- disputes or tension over priorities and methods;
- individuals questioning purpose or the partnership and reasons for being there;
- hidden agendas influencing what partners do;
- doubts about what each other brings to the party;
- partners competing for credit and control.

3. Functioning

- renewed vision and focus;
- progress through joint project teams;

‒ partners talk in terms of "we" not "you";

‒ clear roles and responsibilities;

‒ full accountability to each other for actions.

4. Flying

‒ successful achievement of partnership goals;

‒ shared leadership;

‒ partners changing what they do and how they do it to achieve partnership objectives;

‒ trust and mutual respect;

‒ partnership priorities more central to partner activities.

5. Failing

‒ disengagement;

‒ lack of commitment;

‒ recurrent tensions;

‒ breakdown or frittering away of relationships.

Each of these stages demands specific actions, as suggested below:

If you're at this stage	consider…	Is this action relevant?
1. Forming	- create opportunities for people to get to know each other - encourage partners to focus on a common vision, the difference they want to make together - define tasks and tangible outcomes - shepherd the process of building the partnership agenda - including through use of research - ensure neutral meeting ground	
2. Frustration	- revisit the common ground - allow time to redefine issues, purpose, etc - maximise opportunities for practical involvement - implement actions which demonstrate progress ("little victories") - encourage open expression and constructive disagreement - clarify benefits to individual partners - promote mutual appreciation of what each other can contribute - fix the problem, not the blame	
3. Functioning	- agree clear objectives, milestones, responsibilities, success measures establish principles/ protocols for collaboration - encourage shared leadership and accountability develop common methods and quality standards - seek learning consciously through cross-partner project teams joint training and reviewing activities	
4. Flying	- anticipate future challenges and build partner capacity to respond - take stock of how well the group is performing - keep working at communications - avoid any unnecessary partnership working - ask: does the partnership still serve its purpose? - ensure that all partners are getting the benefits they expect - continue to celebrate success	
5. Failing	go back to Stage 1?	

Source: GFA Consulting and EDUCE.

Talking and doing

Talk is essential in a partnership, to share information and build trust. It is only through regular debate and discussion that partners will come to understand each others' perspectives, interests and objectives, and come to a collective view about strategic priorities. At the same time, it is a common criticism that too many partnerships are mere 'talking shops', which are good at 'talking the talk' but less good at 'walking the walk'. In particular, business partners often feel that less talk and more action would make for better partnership – but civil society organisations may find it very important to be able to discuss the implications of an issue fully. Politicians will be criticised if they attempt to use a partnership like a political meeting. Thus it is important for members of a partnership to think about when and where the talking happens and when the doing is done. It is necessary that a balance is found between partnership meetings which leave members feeling that they have merely rubber stamped decisions made elsewhere, and those which fail after exhaustive debate to make clear and accountable decisions.

Strategy and delivery

Partnerships need to focus on both vision and strategy and operations and delivery. However care needs to be taken to ensure this balance. It is not uncommon to find that some partnership Boards spend too much time on details – of specific projects for example – and fail to take a strategic perspective. On the other hand, a strategic approach does not just mean producing paper plans – it implies ensuring that the partnership is clear about its priorities; has an action plan to deliver on those priorities; and monitors its progress towards implementation. Too often, there is a failure to ensure that the projects and interventions which a partnership supports are targeted towards the strategic priorities. It may well be necessary within a partnership to delegate operational responsibilities – but this does not mean relegating them to second class status.

Robust performance management arrangements (see section 4 below) are vital to review both strategy and delivery, and take the necessary steps to adjust action plans in the light of changing circumstances. In reviewing performance, partnership managers must look both inward (how is the partnership functioning?) and outward (what is happening in the external environment of the partnership?). There is often a tendency for partnerships to spend too much time on the former and too little on the latter.

A lean but capable partnership team

Partnerships should be lean, flexible institutions, not big bureaucracies. They should draw much of their capacity from the inputs made by their partners. But they still need sufficient capacity and expertise of their own to fulfil their remits and to negotiate effectively with partners and stakeholders. The makeup of the partnership team is therefore a crucial issue. Partnerships need to be able to draw on a range of knowledge, skills and expertise. These range from strategy development and negotiation to research and evaluation, performance management and communication. Partnerships will require managerial, administrative, financial and professional skills. The nature of the latter will vary according to the remit of the partnership but may include both economic and social analysis.

Resources

Many local development partnerships are established with an allocation of financial resources to spend in line with the partnership remit. However, it is very often the case that the partnership will be expected to lever in additional resources from other sources – local partners, government or international funds – to add value to the initial funding allocation.

Moreover, an expectation of many partnerships is that they will be able to make better use of existing funding which partners can 'bring to the table', by pooling or aligning several funding sources in line with shared priorities identified by the partnership. Three kinds of resources need to be brought together through

partnership – financial resources (from EU programmes for example), human resources, and the material resources contributed by local partners.

Those partnerships in OECD countries which have made most impact have often been those which have been able to find new resources when initial funding has run out, and on this basis have extended their lifespan well beyond that of specific funding programmes, becoming an integral element in the local governance of their area.

In these successful and mature partnerships, partners recognise that the partnership is adding value - the benefits of partnership working outweigh the transaction costs. Moreover, these benefits accrue to partners, not just to the partnership itself. It is important, therefore that partnerships can identify the added value they are creating.

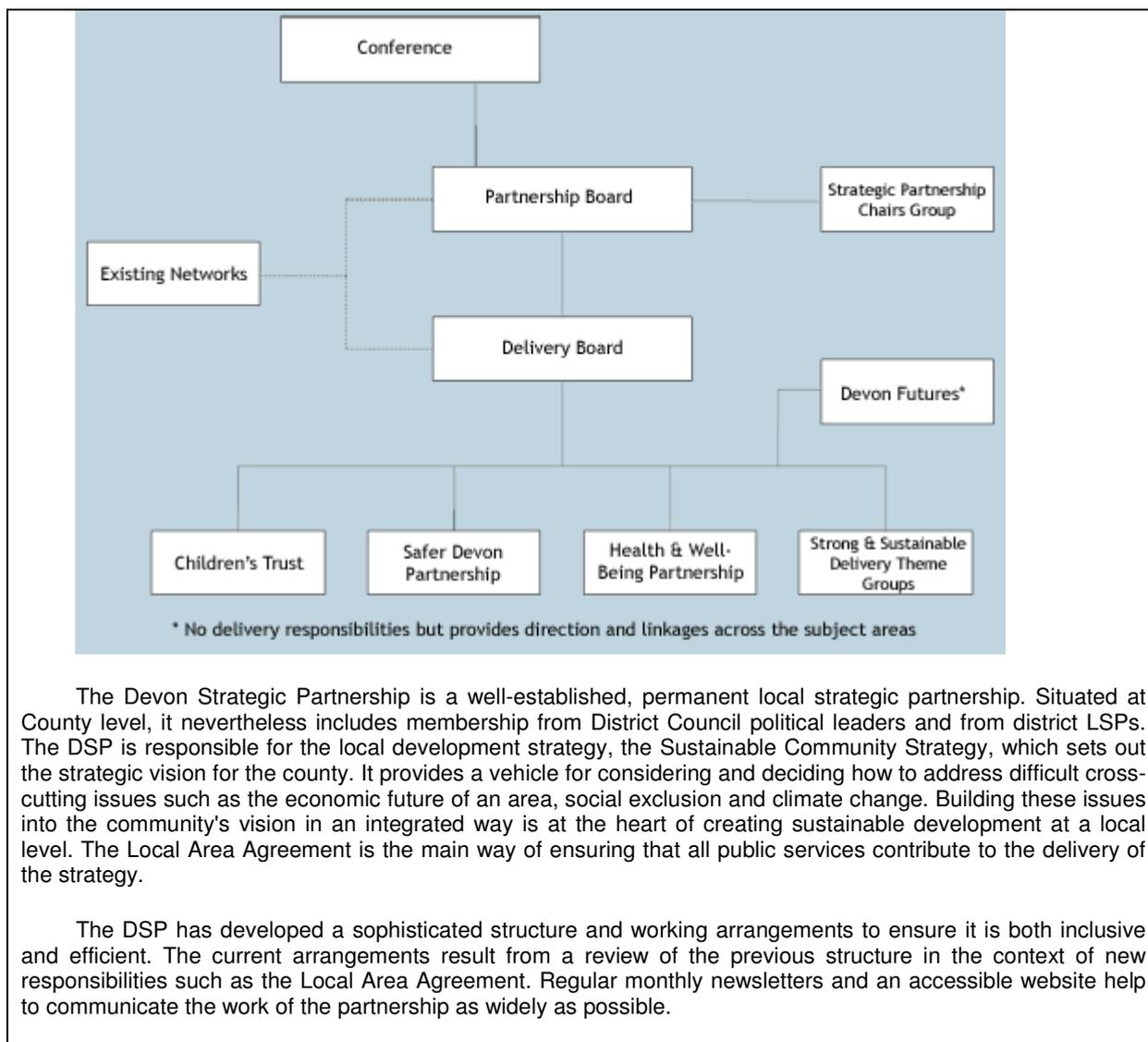The Devon Strategic Partnership illustrates many of the factors discussed in this section.

The Devon Strategic Partnership

Devon is a predominantly rural County in England, and the Devon Strategic Partnership is the local strategic partnership for the area. The Devon Strategic Partnership comprises public, private, voluntary and community sector organisations, all working together to improve the quality of life for those who live, work in and visit Devon. Their focus is on delivering real improvements to the issues that matter most to the people of Devon; working towards a joint aim to be "a County with safe, healthy and inclusive communities, a strong and diverse economy and a cherished environment". The partnership is responsible for the development and delivery of the Sustainable Community Strategy (the county strategy for the area) and for the Local Area Agreement which is an agreement between local agencies and national government to improve public services in Devon.

The DSP is an established and permanent partnership, with membership from the County Council (politicians and officials), other local public bodies, business, and voluntary and community organisations. As the diagram shows, partnership arrangements have a number of components:

- A Partnership Board with membership of all key partners (meets four times a year). This includes council leaders from the County and Districts.

- A smaller Delivery Board of chief executives and senior officials from key agencies responsible for the delivery of the County Community Strategy (meets monthly).

- A wider conference giving access to a broader group of interests and stakeholders (meets six monthly/annually).

- Themed partnerships for key issues such as services for children, crime and safety, health.

- A 'think-tank', the Devon Futures Group.

In addition, as Devon has two tiers of local government, a Strategic Partnership Chairs Group comprises the chairpersons of the second tier District partnerships.

Conference — Partnership Board — Strategic Partnership Chairs Group — Existing Networks — Delivery Board — Devon Futures* — Children's Trust — Safer Devon Partnership — Health & Well-Being Partnership — Strong & Sustainable Delivery Theme Groups

* No delivery responsibilities but provides direction and linkages across the subject areas

The Devon Strategic Partnership is a well-established, permanent local strategic partnership. Situated at County level, it nevertheless includes membership from District Council political leaders and from district LSPs. The DSP is responsible for the local development strategy, the Sustainable Community Strategy, which sets out the strategic vision for the county. It provides a vehicle for considering and deciding how to address difficult cross-cutting issues such as the economic future of an area, social exclusion and climate change. Building these issues into the community's vision in an integrated way is at the heart of creating sustainable development at a local level. The Local Area Agreement is the main way of ensuring that all public services contribute to the delivery of the strategy.

The DSP has developed a sophisticated structure and working arrangements to ensure it is both inclusive and efficient. The current arrangements result from a review of the previous structure in the context of new responsibilities such as the Local Area Agreement. Regular monthly newsletters and an accessible website help to communicate the work of the partnership as widely as possible.

Building partnership capacity

A partnership needs to have a structured approach to acquiring the skills and capacity it needs and keeping this under review as needs change and new skill gaps may develop. In particular, experience suggests the importance of a learning plan which identifies the skills and knowledge development needs of the partnership team.

Partnership working demands a different balance of skills and competencies compared to those required in working within a specific organisation or sector. Experience in the EU EQUAL programme suggests that partnership working involves five main phases: preparatory work; initiation; development and testing; mainstreaming; and planning for future action. While these phases are characteristic of a particular type of local development partnership (time limited, focussed on the local delivery of a wider programme) and in others the 'lifecycle' may be different, it is nonetheless relevant, as has been done in EQUAL, to recognise that these different phases require a different mix of skills and competencies. The boxes below show the skills identified in EQUAL for two of these phases – preparatory work and mainstreaming (for details of skill needs in all five phases, see the *EQUAL Guide for Development Partnerships, European Commission, Employment and Social Affairs, 2004).*

Key skills for preparatory work

The preparatory phase is seen as crucial to the development of a robust partnership, requiring sensitivity to local context and programme requirements, identification of partners, liaison with wider stakeholders.

Skills	Tasks
Assimilation	Dealing with bureaucracy; understanding meanings; discerning between what is said and what is meant
Awareness raising	Sharing experience of indicative work; working with programme support structures
Brokering	Bringing partners together
Capacity building	Assisting, training and supporting partners who lack skills, finance or confidence to work in partnership so that they are able to work more efficiently and effectively
Communication	Listening to others; clearly communicating the case for partnership
Facilitation	Managing early discussion between potential partners
Leadership	Being a subtle leader; having sensitivity and awareness and an open and inclusive attitude
Motivating	Encouraging engagement; giving an exciting vision of what is possible; energising
Networking	Identifying potential partners, mainstreaming possibilities and wider stakeholders
Persuasion	Finding arguments to encourage potential partners
Research	Prospecting: selecting new partners through positive and negative criteria research: 'big picture mapping' of wider context
Time management	Keeping things on track; allowing a balance for experiment and enquiry with practical tasks

Key skills for mainstreaming

Mainstreaming means embedding and institutionalising results of partnership work; ensuring they can be replicated and scaled up to have wider impact. A systematic approach is necessary to ensure that results are sustainable. This will involve developing and building upon contacts within, between and across other initiatives, networks, programmes and institutions at local, regional, national and transnational level.

Skill	Tasks
Communication	Telling the story of your partnership; being able to communicate the benefits of a partnership approach to wider audiences as well as within, between and across institutions
Creative thinking	Thinking innovatively about opportunities for long-lasting change within, between and across organisations
Leadership	Taking a key role in scaling up and transferring good practice
Management	Managing opportunites for spreading the partnership message and capitalising on connections and opportunities for this.
Networking	Developing and maintaining learning networks where good practice can be shared; involving key mainstreaming targets and multipliers
Persuasion	Persuading others of the advantages of a partnership approach with the commitment and energy to push this forward

Local partnerships will benefit by developing their own capacity-building strategies aimed at augmenting the knowledge base, skills and competencies available to them. Such strategies are likely to have a number of dimensions:

- **Training and development,** both of members of the existing partnership team, and for individuals from partner organisations contributing to the partnership's capacity.

- **Recruitment** of new members of the partnership team. This may include new personnel in posts **jointly funded by partners.**

- Utilisation of **external resources,** ranging from government support to private consultancies.

- **Networking** with other partnerships to exchange and incorporate good practice.

- A capacity building strategy should address both **existing gaps in skills and competencies** and **emerging new needs** as a result of changing circumstances.

There are several key issues which a capacity building programme may focus on, including:

- Support for leading actors in local partnerships. Leadership in partnerships may come from a number of quarters – local politicians, senior officials, active individuals from civil society and NGOs. The following box illustrates how leaders from civil society can be supported.

The Community Empowerment Fund

In England it is recognised that civil society organisations have a key role in local partnerships, but by their nature they tend to have inadequate resources to enable them to take leading roles. The Community Empowerment Fund provides such resources to support community engagement in local strategic partnerships. In particular, the Fund helps to enable local Community Networks to be set up, bringing together key individuals from the local voluntary and community sectors to ensure strong, representative and accountable involvement of the sector on LSPs.

- Technical support for partnerships. Councils and municipalities (along with other partners) will need to ensure that partnerships have access to the capacity and the range of skills and expertise necessary in a local partnership support team.

- Organisational and cultural change. Partnership working can prove to be a major challenge for local politicians in leadership positions in a partnership because it requires a very different leadership style. It is also, though, a challenge for many officials, senior and junior, who need to adapt to a more collaborative way of working rather than the traditional hierarchies of local government. Partnership requires both managers and front-line workers to work more closely with both partner agencies and with citizens, and programmes of organisational and cultural change and development may be needed to assist this.

The Leadership Academy

The Leadership Academy is a national programme in England supporting local councillors in adapting and updating their skills and knowledge as local government is modernised. Senior councillors can opt in to the programme which provides a structured framework for learning over a period of a year or more. As the title of the programme suggests, leadership is regarded as the core competence of a senior councillor, including leadership within the context of partnership working which is a major component of the modernisation of local government. The programme mixes inputs from academics, policy makers and practitioners with sessions addressing the specific problems and issues faced by participating councillors.

- Enhanced capacity for performance management, monitoring and evaluation is a specific need for which partnerships are likely to look towards partners such as counties and municipalities.

One example of a local partnership capacity building strategy comes from the Coventry Partnership, UK.

The Coventry Partnership Learning Plan

The Coventry Partnership has a Learning Plan, which is designed to support the widely varying and rapidly changing needs of individuals and organisations working in or with the Partnership on neighbourhood renewal. This includes members of the Coventry Partnership, staff in the various partner organisations, the many voluntary and community sector organisations in the city and residents who are involved, or who would like to be involved, in the Partnership's activities. Activity coming under the Plan framework is managed by a Steering Group of human resource specialists from partner agencies, and the Partnership is appointing a 'learning champion' to ensure that these issues are given priority. The Plan is very broadly based and results from a cross-sectoral survey of the needs of over 1000 people from the public, private, voluntary and community sectors. It is to be delivered through a range of training, learning and development programmes.

Networking can be a very effective way of learning about good practice in building capacity. One example of a networking approach which is currently attracting interest is peer review. Peer review is a structured process in which organisations can learn from their peers. An example is the 'Peer Challenge' developed in the UK for Local Strategic Partnerships.

Peer challenge for local strategic partnerships (LSPs) in England

In England, the new partnership agenda has proved very challenging. Various forms of support to local partnerships have been made available. One of the more innovative forms of capacity building support is a 'peer challenge' programme.

The LSP peer challenge uses a specially constructed benchmark of an ideal local strategic partnership. The benchmark examines a number of issues in relation to how local strategic partnerships operate and can be used to track improvement.

The peer challenge team are not inspectors but 'critical friends', and adopt a flexible approach to suit the circumstances of the LSP. The challenge helps the Partnership identify its current strengths as well as areas for improvement.

Each peer challenge takes place on site over two days and is conducted by a team of five people including:

- a council chief executive or other senior officer ;
- a council leader or other leading councillor ;
- an independent facilitator who acts as team leader;
- two people from other agencies represented on LSPs – eg police, voluntary or community sector.

The peer challenge quality benchmark contains clear indications of the characteristics of a well functioning, high impact LSP and the sort of evidence needed to demonstrate that these are in place. It covers:

- strategy;
- leadership;
- governance and management;
- relationships;
- performance management;
- achievements and impact;
- learning and development.

Prior to peer challenge, the LSP is asked to produce a self-assessment against the benchmark. The self assessment is completed jointly with all of the agencies participating in the LSP.

During the visit a variety of methods are used to gather information including interviews, focus groups, site meetings, participation in partnership meetings.

Following the assessment the team will:

- hold a short informal feedback session;

- produce a written report covering all areas of the benchmark and both strengths and areas for improvement;

- ensure that the sector as a whole benefits from the 'learning' associated with individual peer reviews.

Conclusion: Adding value

If partnerships can meet these challenges, they are likely to be adding significant value to efforts to promote local development. Adding value implies that the benefits of partnership working outweigh the transaction costs – 'proportionate value'. It is important that benefits must accrue to partners, not just the partnership itself. Performance management and evaluation, discussed below, should ensure that a partnership can identify the value it is adding.

CHECKLIST
Does your partnership include the partners you need?
Do partners contribute effectively?
Do you keep membership under review?
How does the partnership ensure it works inclusively?
How does the partnership ensure it works efficiently?
Is there effective partnership between different levels of sub-national government – municipalities, counties, regions?
Is the leadership of the partnership strong but not over-dominant?
What role do councilors play? Is the partnership democratically accountable?
Is there a good balance of debate and action?
Does the partnership have a clear and agreed strategy, and does the strategy drive decision-making? Do partners feel ownership of the strategy?
Does the partnership have access to the human and financial resources it needs?
Is there a strategic approach to building partnership capacity?

3. NATIONAL SUPPORT FRAMEWORKS

There is much that partnerships can do at local level to build their own capacity. But equally there are also good reasons why national and regional governments should play an active role in building the capacity of local partnerships:

- Local partnerships are often the institutions through which governments deliver national programmes.

- National governments may wish to ensure that there are common levels of institutional capacity at local level.

- National government is well placed to identify and disseminate good practice at local level.

Local partnerships need to rely on a supportive framework at national level if they are to become more firmly embedded in local governance and if they are to maximise their contribution to local development. The role of central government and its agencies is crucial in establishing a sufficient space for partnerships in legislation, providing policy guidance to establish the framework for local partnership, such as the national guidelines for local partnerships, and communication channels and mechanisms to enhance, manage and monitor local partnership performance.

The following key findings and overall policy recommendations resulted from an OECD review of local partnerships and governance in Croatia in 2007, and are of wider relevance:

- Increase co-ordination and integration between different policy areas at national level, concerning local development, and allow, for example through the establishment of an intermediary body, for a greater communication and exchange between local partnerships and central government institutions. Clear guidance for the work of partnerships, while maintaining the necessary flexibility, will be a pre-requisite for more effective partnerships.

- An effective partnership depends upon a close collaboration between agencies and stakeholders at local level, but all the same also effective co-ordination within and between line ministries is of crucial importance to the work and performance of local partnerships. Innovation in policy can only match with the different stages of the policy processes, if procedures and regulations are flexible enough to allow for a contribution of local agencies to established local priorities, when implementing national policies and programmes against a set of national targets. Overcoming disconnections between the ministries and the regional and local authorities will therefore be a major development task. Local partnerships can be the context for this to happen.

- The supportive role of national government would also need to include the provision of adequate financial and human resources for local partnerships. As experiences in OECD countries reveal a solid, sustainable financial basis for operation, covering the partnership's overhead costs, is key to enabling partnerships to take a long-term view on local issues and problems and contribute fully to better policy outcomes. In order to secure this financial base from public or other sources, the partnership will have to demonstrate its ability to deliver and to be innovative in contributing to local development.

- It is important to create fluid and effective links between policies and strategies at national and local level. In a number of OECD countries co-ordination and support are not provided by ministries, but by an intermediary agency which has been assigned with the responsibility to provide support to local partnerships. The efficacy of an intermediary organisation would depend from its status within government and from functioning communication channels that would allow the intermediary to bridge and accommodate between government and local partnerships and what might be very different interests, expectations and demands. To increase both vertical and horizontal communication and co-ordination takes time and requires consistency. An intermediary will have to change processes skilfully while ensuring delivery of assigned tasks and demonstrate progress made against overall objectives and goals. The concepts of partnership, participative governance, local capacity building will however not be translated into practice without some commitment of resources both at the partnership level and at the level of an intermediary organisation.

The Irish agency, POBAL, is an example of an intermediary agency which both manages and supports local partnerships.

Pobal, Ireland

Pobal is a national agency set up by the Irish government in 1992. Its main object is, 'the delivery and management of programmes, which promote social inclusion, reconciliation and equality through integrated social and economic development within communities'.

Pobal manages 17 programmes funded by the Irish Government and the EU which distributed €380m in 2007. It works with 4,400 communities and voluntary groups and organisations including a range of local partnership- based structures. The programmes which it manages cover many policy areas, including:

- Local development;
- Community Development;
- Childcare;
- Peace building and reconciliation;
- Service integration and co-ordination;
- Integration of immigrants;
- Access to education, training and lifelong learning;
- Labour market measures and supports;
- Social economy/enterprise.

Partnership, social inclusion, participation and empowerment are common elements of these programmes.

Pobal has several roles in the management of programmes on behalf of Government Departments. These include:

Development and strategic support to partnerships:
- Provision of guidelines and models of best practice;
- Capacity building for boards and staff;
- Training in many areas: financial, governance, social analysis, strategic planning, research.

Management and monitoring of finance and performance
- Allocation of resources;
- Managing budgets and cash flows;
- Audit and verification checks;

- Monitoring performance, outcomes and impacts.

Reporting and information functions

- Fulfilling formal reporting requirements to the relevant authorities;

- Maintaining information flows horizontally and vertically with stakeholders;

- Promotional activities.

Supporting learning, analysis and evaluation

- Documenting good practice;

- Facilitating networking and shared learning;

- Supporting local research and undertaking studies;

- Initiatives to ensure local implementation and policy is informed by learning.

The establishment of Pobal represents a recognition that local development is a complex process in which multi-level and multi-sectoral coordination across the governance process is essential, and that co-ordination can best be provided by an agency which is distanced from specific sectoral interests.

Local partnerships should be strategic and at the same time in close contact with beneficiaries and the wider community to contribute effectively to the local development agenda. Finding the right level for their operations tends to be difficult for local partnerships, especially when local government consists of two tiers. In OECD countries with two tier local government systems, local partnerships are often being established at both levels. This might create uncertainty about respective roles and responsibilities, which bare risks of overlap, duplication or competition. Also, political tensions both within and between local authorities can inhibit local partnerships and lead to a total blockage of activities or a doubling of efforts through the establishment of a parallel body assigned with a similar repertoire of tasks. The provision of guidance in the distribution of roles and responsibilities, through national government, or, if existent, through an intermediary organisation, can be useful in the settlement of disputes and may lead to an optimised task allocation. However, the right level for operation needs to be decided by the partnership itself.

| CHECKLIST |
|---|
| Does national government provide clear but flexible guidelines for local development partnerships? |
| Is there effective co-ordination between national ministries to support local partnerships? |
| Does national government provide adequate support to local partnerships in terms of financial and human resources, capacity building, learning and dissemination of good practice? |
| Would an intermediate organisation be helpful in managing and supporting local partnerships? |

4. PERFORMANCE MANAGEMENT AND EVALUATION

Performance management

Local partnerships need to ensure that they can effectively manage and evaluate their performance. This involves thinking about four linked questions.
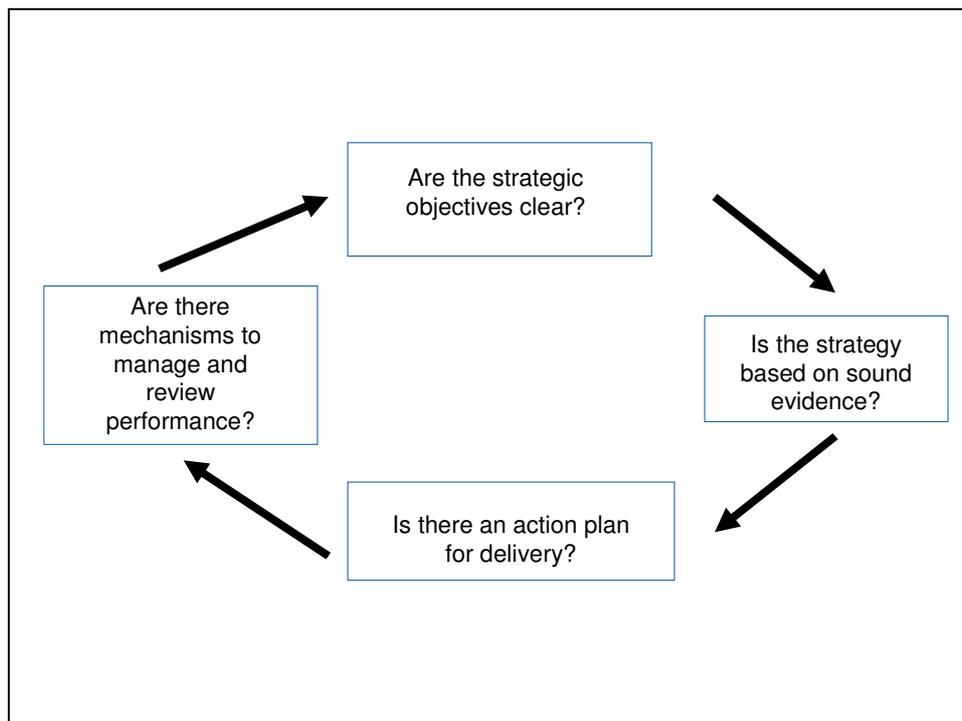
A performance management system is a structured mechanism to enable partnerships to focus on questions such as:

1. Strategic priorities

- Are the strategic objectives of the partnership's work clear? Are local partners signed up to them?

- Is the strategy aligned with national and European strategic priorities (and funding sources)?

- How are potentially conflicting local goals – such as economic competitiveness vs social inclusion, growth vs environmental sustainability - reconciled?

- Is the partnership's strategy evidence-based? This requires an evidence base linking problems, trends, baselines, targets, actions, indicators and outcomes.

Performance management can help to avoid some common problems:

- Unambitious or overambitious objectives and targets.

- Limited relationship between problems, interventions and desired outcomes.

- Poorly specified targets and indicators – and often too many.

Targets and indicators contributing to the strategy should be SMART:

- **S**pecific.

- **M**easurable.

- **A**chievable.

- **R**esourced and **R**ealistic.

- Within a specific**T**ime.

2. Reviewing performance

Performance review has a number of linked elements:

Reviewing delivery

Reviewing partnership working

Improvement planning

Evaluation
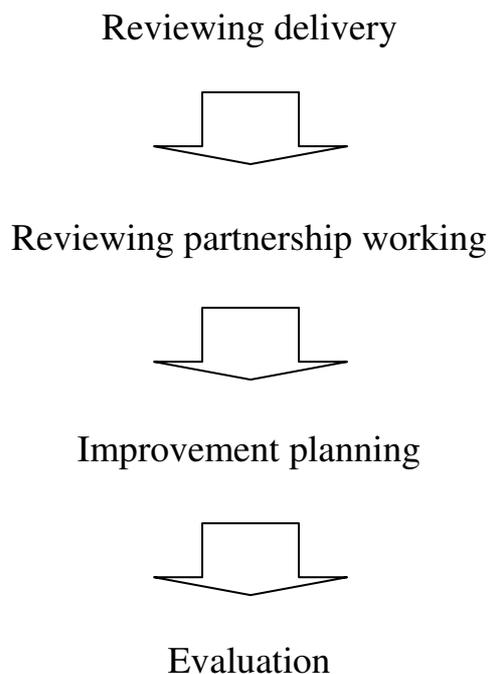
3. Reviewing delivery involves measuring action and progress against targets and outcomes at project and strategy level, to provide an assessment of performance and identification of areas for improvement/adjustment. It should answer questions such as:

- What resources are we putting in? What are we delivering with these resources?

- Are projects and initiatives contributing to strategic objectives?

- Are we hitting our targets? Are we doing so cost-effectively?

- Is the strategy influencing partners' and stakeholders' policies and programmes?

4. Reviewing partnership working means asking whether the partnership is fit for purpose. Is it:

- Strategic?

- Inclusive?

- Efficient?

- Action focussed?

5. The next step is then **improvement planning,** using the findings from the review process. An improvement plan should:

- Identify key actions to deliver on targets.

- Identify possible modifications to strategy or action plans.

- Identify actions to improve partnership working.

- Identify necessary resources.

Appendix 1 provides a detailed example of a performance management system developed and used by English local partnerships.

Evaluation

Performance management is normally undertaken by the partnership itself, although often external support may be useful. On the other hand, evaluation should provide an objective, autonomous assessment of the partnership's work.

The benefits of evaluation

Evaluation can help local partnerships by providing evidence on a number of issues:

- Identifying **what** works, **how** and **why,** in order to **i**mprove effectiveness. A key issue on which evaluation can offer objective evidence is 'did it work?' Did a specific local development intervention deliver the intended outputs and outcomes? But further crucial questions for local partnerships concern how and why interventions succeed or fail. If they succeed, it is important to know the processes by which they worked, so that consideration may be given to whether a specific initiative can be mainstreamed and replicated elsewhere. If an intervention failed to deliver, it will be important to establish what exactly went wrong.

- Identifying and understanding **problems** and **unintended consequences.** Local development partnerships exist in complex and often fast changing environments. A local employment strategy may be faced by the sudden collapse of a vital local employer. Major social and demographic changes may occur, altering patterns of need. Evaluation which helps local development projects to understand, and possibly predict, changes in their environment, may help to mitigate the consequences of such problems.

- **Accounting** for how resources have been used and demonstrating **value for money**. A common question – which too many local development projects find it difficult to answer – is 'where has the money gone'? A basic function of evaluation is to track resource utilisation. However, if

knowing where the money has gone is the first issue, then being able to demonstrate it has been well spent is the second. Evaluation can contribute to identifying value for money by assessing the effectiveness and efficiency of resource utilisation.

Components of an evaluation strategy

All evaluation relies on a robust information base. For local partnerships, this is likely to include four main elements:

- Macro-level data on economic and social trends.

- Meso-level data on activity and performance of firms, public bodies, NGOs.

- Micro-level data on needs and perceptions of individuals and communities.

- Managerial data on programme and project performance.

Meso data on performance of businesses, public bodies	**M**acro data on economic and social trends	**M**icro data on needs and views of citizens

Managerial data on programme and project performance
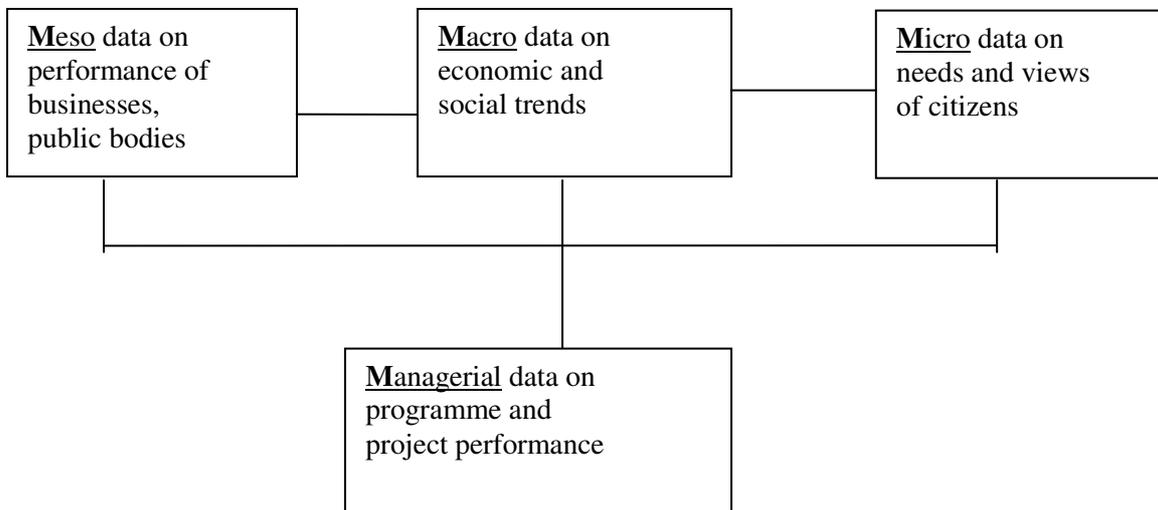
Partnership teams may collect some data themselves; source some from existing sources, including that held by partners; and may need to commission further studies externally. It is essential that the partnership can draw on the skills needed for these tasks.

A robust evaluation strategy will involve a combination of formative and summative, ex-post, mid-term/in-itinere and ex-ante elements.

Prior assessment

Prior assessment refers to that process which supports the preparation of proposals for local development interventions. Its purpose is to gather information and carry out analyses that:

- help to define **objectives;**

- ensures that these objectives are **feasible;**

- that instruments used are **cost effective;**

- and that subsequent evaluation will be **robust.**

Prior assessment can:

- Identify **gaps** in a local development strategy, help to fill them, and show how this will help to deliver better outcomes.

- Question **fixed ideas** which local stakeholders may have, by exploring alternative possibilities in an evidence based way.

- Create **linkages** between individual projects and programmes on the one hand, and wider strategic goals on the other.

- Ensure that local priorities are consistent with **national policies**.

- Support a **bottom-up** approach to strategy development which may prove more successful in identifying resources and enablers for endogenous growth.

A guide to prior assessment prepared by the OECD provides detailed information about how to undertake a serious prior assessment, including:

- Defining strategic objectives.
- Identifying the options for intervention.
- Assessing expected impacts.
- Making use of the results.
- Establishing the framework for intervention.
- Setting up an information system.

Following prior assessment, evaluation can be of two broad types – formative and summative:

Summative evaluation is concerned with *results*. Within a wider evaluation framework, summative evaluation tends to be more important towards the end of the life of a local development strategy, when the question of outcomes is crucial. The purpose of summative evaluation is to provide an objective picture of the outcomes and impacts of a local development strategy. There is sometimes a view that summative evaluation can be undertaken 'ex post', but it will be much more effective if a summative evaluation methodology is established as part of the prior assessment process and is in place throughout the life of a project.

Summative evaluation depends on a robust framework of baselines, targets, performance measures and indicators.

Baseline: the starting point of existing conditions which the local development strategy aims to alter and against which subsequent activities and achievements must be assessed.

bjectives and targets: the aspirations and objectives for local development set out in the strategy and the specification of them quantitatively and qualitatively. For example, an objective is frequently to lower the rate of unemployment, and this would lead to a target to reduce unemployment by a defined amount during the period of implementation of the strategy.

Outputs: the direct results of activity generated by the application of resources by the strategy. Examples related to the reduction of unemployment would include jobs created, training and skills enhanced, new business start ups assisted, etc.

Indicators: the set of quantitative and qualitative indicators through which to measure progress and

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> achievements against objectives and targets. Indicators of unemployment would include numbers and percentages of working age people on 'out of work benefits', if possible disaggregated by gender, age, geographical location etc; numbers in employment, etc.
>
> **Outcomes**: longer term changes in socio-economic or physical conditions which are due to the local development strategy. In relation to unemployment, this would mean assessing the extent to which changes in levels of unemployment could be shown to derive from actions undertaken as part of the strategy.

Summative evaluation is thus centrally concerned with how resources are applied, whether outcomes and impacts are achieved and benefits accrue to the intended beneficiaries, whether interventions deliver value for money, and also with questions such as which elements of a local development strategy can be replicated (locally or in other localities) and, if the programme is coming to an end, what the lessons are for future policy and subsequent interventions

In contrast, **formative evaluation** is more concerned with *processes.* As the term suggests, the primary purpose of formative evaluation is to help *form* the strategy and its delivery as they develop. Thus **formative evaluation** is often concerned with questions such as:

- How effective are the structures and working practices through which the local development strategy is developed and delivered? Are there effective processes for stakeholder engagement? Does the project team have, or have access to, the skills it needs? Are partnership relationships supportive of the strategy? Do other similar initiatives suggest ways in which the local strategy might be delivered more effectively?

- As the process of implementing the strategy proceeds, are interventions and projects and also resource deployment contributing to the agreed targets and to strategic objectives? Are there any changes in the external environment which need to be considered? Do the initial objectives and targets remain valid, or does experience suggest some modification of the initial strategy?

Commissioning evaluation

Local partnerships have a number of options when it comes to deciding who should undertake evaluation. Each option will have advantages and disadvantages.

In the first place, there is a choice between doing evaluation in-house, or commissioning an external evaluator. This will be partly a matter of skills – are there evaluation skills available within the project or, within one of the major partners? In many cases, such skills are often in short supply as evaluation is a relatively specialised activity. However, if a local project wants to conduct extensive evaluation, there may well be a real choice between hiring external consultants and using the money to employ – or upskill – project staff. There is much to be said for creating evaluation capacity at the local level. Evaluation undertaken within a local development agency can, at the very least, permit useful self-evaluation as part of a wider evaluation strategy. If the decision is made to do evaluation in-house, then it is important to ensure that the internal evaluation team has sufficient autonomy for it to be able to present findings which may be challenging, while at the same time having sufficient status to ensure that findings are acted upon.

If the decision is made to commission an evaluation externally then the kind of choices most frequently faced are whether to choose consultants or academics, and whether to favour local or nationally/internationally respected experts. This will partly boil down to a question of cost, but there are other considerations. Consultants may be more expert than academics in working with practitioners, but may perhaps sometimes be less rigorous methodologically. Local experts may offer a greater familiarity with the local context of the strategy, but have less knowledge of best practice elsewhere. However, such 'typecasting' is simplistic, and the real advice is that all the feasible options should be considered in commissioning the evaluation. This emphasises the importance of good practice in commissioning. A robust commissioning process is likely to involve:

- A clear and well thought through specification of the evaluation required.

- A wide scan of possible options – in-house or external; consultants or academics; local or not, to arrive at a list of potential suppliers.

- A competitive and well designed tendering process designed to assess the strengths and weaknesses of alternative suppliers.

An increasingly important issue for local partnerships concerns the involvement of local people. In more traditional approaches to evaluation, local people would normally be regarded as one of the *objects* of evaluation. This prioritises questions such as whether the objectives of the strategy are specified in a way which reflects local needs, and whether these needs are being met through project outputs. But, in a similar way to that in which citizens and citizens' groups are now likely to be actively involved in local development strategies, rather than merely being the external beneficiaries of them, there is a growing recognition of the potential benefits of involving local people in evaluation. This can take a number of forms:

- Local citizen participation in managing evaluation projects, for example as part of 'oversight committees'.

- Involvement of citizen groups and community activists in specific elements of the evaluation, such as undertaking local surveys.

- Training of local people to play a wider role in evaluation, thus combining their local knowledge and experience with more expert, technical skills.

The involvement of local people in evaluation needs to be carefully managed. But it can have a number of benefits, including widening the sense of local ownership of the evaluation, and providing people with new skills.

Finally, there is growing interest in forms of evaluation undertaken neither in-house nor by external contracting but within *networks*. Networks of local development agencies or partnerships are now commonly seen as an important way of sharing experience of local development issues. These may be local, national, or cross-national. Some of these networks have developed *peer review* processes, in which the activities of each agency or partnership is reviewed by their peers in the network. If the peer review process is robustly constructed, this can prove to be a cost-effective approach to evaluation, which may be particularly useful in comparing the performance local development initiatives operating in different contexts.

However evaluation is undertaken, it is important that it becomes part of the culture of a local partnership, not an afterthought or add-on but an integral part of the way the partnership works.

CHECKLIST	
Key questions	**Actions**
Are the partnership's strategic priorities clear and are partners signed up to them?	Review strategy to focus better on priority issues
Does it demonstrate how delivery will be achieved?	Develop a stronger action/delivery plan
Does it clearly show how local and national priorities will be delivered?	Review the strategy to focus on priority issues
Are there mechanisms to drive, manage and review progress and delivery?	Improve performance management arrangements
Is there provision for objective evaluation?	Develop an evaluation strategy

31

APPENDIX 1. A PERFORMANCE MANAGEMENT FRAMEWORK

Characteristics of successful performance management	Questions to ask	GREEN Clear evidence of characteristic	AMBER Some evidence of characteristic with plans to address weaknesses	RED Little or no evidence of characteristic. No plans in place to address weakness
Agree Strategic Priorities		**Best Case**		**Worst Case**
Mark your current position and check at your next review whether you have made progress ➤				
Strategic priorities are based on evidence of local circumstances	• How have communities been engaged at all levels relevant to local needs? • Are priorities described in a clear and understandable way? • Is there evidence that the priorities respond to key problems in the local area?	Communities have been involved in the development of the strategic objectives and share a clear vision and the priorities There is local consensus on the strategic priorities across all partners Priorities are linked by evidence to the problems faced by the local area		• There are unresolved conflicts over priorities based on party or territorial divisions • There is ittle evidence of community engagement in determining priorities • Everything is a priority • There are no clear Priorities in the LAA • The priorities are too detailed to be strategic prioritie • There is little evidence that the priorities are based on local needs.

WHAT ARE YOU GOING TO DO TO IMPROVE?   _____

WHO WILL LEAD THIS ACTION?   _____

WHEN WILL IT BE COMPLETED?   _____

DO YOU HAVE THE RESOURCES TO COMPLET THIS ACTIVITY? YES/NO

HOW WILL YOU KNOW WHEN IT HAS BEEN SUCCESSFULLY COMPLETED? _____

Characteristics of successful performance management	Questions to ask	GREEN Clear evidence of characteristic	AMBER Some evidence of characteristic with plans to address weaknesses	RED Little or no evidence of characteristic. No plans in place to address weakness
Ensure Strong Leadership		**Best Case**		**Worst Case**
Mark your current position and check at your next review whether you have made progress ➤				
There is leadership and buy-in at the highest level – political and official – from all partners to strategic priorities and related targets,	• Is there a clear strategic vision, informed by evidence and consultation that has resulted in a set of priorities? • Is there formal approval to the priorities and targets by politicians and officers at the highest level? • Is there buy-in and cooperation across all sectors represented in the partnership? • Is it clear how the voluntary, community and business sectors have been involved in the development of the priorities and and the delivery of the actions and targets?	• There is honesty about what are not priorities • There is tangible and visible collaboration • There are signed letters, with evidence of cross-partner participation. • There are examples of pooled budgets & joint use of resources • Joint business planning and commissioning takes place • The partnership as a whole is taking responsibility • Voluntary and community sectors have been actively involved at all levels of the development of the priorities and the delivery of actions and targets..		• Politicians have their own agenda and pet projects • There is officer agreement with no evidence of political buy-in • There is no evidence of formal agreements • Parters' plans are not connected either to each other or to the strategic priorities • There is no evidence of shared resources or pooled funding • There are institutional and or territorial conflict with no plans for resolution • There is no evidence of voluntary, business and/or community sector involvement at any level of development or delivery

WHAT ARE YOU GOING TO DO TO IMPROVE?   _____

WHO WILL LEAD THIS ACTION?   _____

WHEN WILL IT BE COMPLETED?   _____

DO YOU HAVE THE RESOURCES TO COMPLET THIS ACTIVITY? YES/NO

HOW WILL YOU KNOW WHEN IT HAS BEEN SUCCESSFULLY COMPLETED? _____

Characteristics of successful performance management	Questions to ask	GREEN Clear evidence of characteristic	AMBER Some evidence of characteristic with plans to address weaknesses	RED Little or no evidence of characteristic. No plans in place to address weakness
Ensure Clear Accountability		Best Case		Worst Case
Mark your current position and check at your next review whether you have made progress ➤				
There is clear agreement between partners about who will deliver actions which will address the strategic priorities.	• Is there evidence of agreement showing the who, what and when in e.g. minutes of meetings • Is there clear responsibility for who is responsible for delivering the priorities against targets? • How have conflicts been handled? • Where necessary are the strategic priorities and related actions being used to redesign how services are delivered between partners? • Is there accountability for delivery?	• Clear actions have been agreed by partners that will deliver improvements against the strategic priorities • Where conflicts have arisen in agreeing actions, the final plans reflect an agreed position • There is a clear map of accountabilities that is accepted across the partnership which shows who is responsible for delivering the actions against the priorities.		• There is lip service with no real change in working practices • There is reluctance to contribute to delivery of the priority actions. • The priorities and actions are simply overlain on existing arrangements with no attempt to rationalize them. • It is not clear who is responsible for delivering the actions.. • Partners are not working together on priority actions. • There are obvious omissions in key local improvement issues

WHAT ARE YOU GOING TO DO TO IMPROVE?   _____
WHO WILL LEAD THIS ACTION?   _____
WHEN WILL IT BE COMPLETED?   _____

DO YOU HAVE THE RESOURCES TO COMPLET THIS ACTIVITY? YES/NO

HOW WILL YOU KNOW WHEN IT HAS BEEN SUCCESSFULLY COMPLETED? _____

Characteristics of successful performance management	Questions to ask	GREEN Clear evidence of characteristic	AMBER Some evidence of characteristic with plans to address weaknesses	RED Little or no evidence of characteristic. No plans in place to address weakness
Ensure clear links between international, national, regional, local and neighbourhood/district priorities wherever possible		Best Case		Worst Case
Mark your current position and check at your next review whether you have made progress ➤				
Key national regional and local priorities have been negotiated and agreed by all parties and are reflected in the priorities and targets	• How far are national, regional, and local priorities covered ? • Is there a coordinated approach involving all levels of activity for applying priorities, targets, and success indicators locally? • Have disadvantaged neighbourhoods/districts and groups been identified with actions and measures agreed to reduce inequality wherever possible?	• Key national, regional and local priorities are reflected in the priorities, actions, targets and success indicators. • National and regional targets are supplemented by local ones to take account of local priorities. • Priority neighbourhoods /districts and disadvantaged groups are identified with actions and differential targets agreed to reduce inequality wherever possible		• Thre is a mechanistic or "top down" approach to adopting national indicators and targets, with no evidence of local application • There is no evidence that account has been taken of inequity or disadvantage and no targets have been set to reduce inequality

WHAT ARE YOU GOING TO DO TO IMPROVE?   _____
WHO WILL LEAD THIS ACTION?   _____
WHEN WILL IT BE COMPLETED?   _____

DO YOU HAVE THE RESOURCES TO COMPLET THIS ACTIVITY? YES/NO

HOW WILL YOU KNOW WHEN IT HAS BEEN SUCCESSFULLY COMPLETED? _____

Characteristics of successful performance management	Questions to ask	GREEN Clear evidence of characteristic	AMBER Some evidence of characteristic with plans to address weaknesses	RED Little or no evidence of characteristic. No plans in place to address weakness
Agree clear success indicators and targets		**Best Case**		**Worst Case**
Mark your current position and check at your next review whether you have made progress ➡				
Clear success indicators and targets have been selected and agreed for each priority linked to clear information which can be used to assess performance at regular intervals	• What does the partnership as a whole do about agreeing success indicators, targets and data? • Are the success indicators selected, good measures for tracking progress against the priorities? • Is the data used robust, appropriate, timely and relevant? • Is data available at the right geographical level?	• There is a clear evidence based connection between performance on the success indicators and the strategic priorities. • Partners can easily understand the success indicators and the data. • The data is available at the right intervals to track performance • Targets are plausible, achievable, and realistic in terms of track record analysis of trends		• Inclusion of success indicators with little relevance to strategic priorities • No evidence that the data is robust and useful, • Data is available infrequently, and at unreasonably long intervals • Targets are un-quantified open-ended intentions , or implausible given recent track record of partners • Communities and other stakeholders have little or no understanding or the partnership's progress in delivering its programme

WHAT ARE YOU GOING TO DO TO IMPROVE?   _____
WHO WILL LEAD THIS ACTION?   _____
WHEN WILL IT BE COMPLETED?   _____

DO YOU HAVE THE RESOURCES TO COMPLET THIS ACTIVITY? YES/NO

HOW WILL YOU KNOW WHEN IT HAS BEEN SUCCESSFULLY COMPLETED? _____

Characteristics of successful performance management	Questions to ask	GREEN Clear evidence of characteristic	AMBER Some evidence of characteristic with plans to address weaknesses	RED Little or no evidence of characteristic. No plans in place to address weakness
Monitor performance and report to stakeholders		**Best Case**		**Worst Case**
Mark your current position and check at your next review whether you have made progress ➡				
Partners are able to bring performance information together to monitor the priorities and targets across the LAA, and are able to report this information clearly and simply to stakeholders	• Are there agreed roles and responsibilities for the monitoring of performance against strategic priorities? • Is there joint performance review of information? • Can reports be understood by decision makers and other stakeholders? • Is mainstream funding targeted at priorities?	• There is a shared system or process between partners for reporting on progress, with clear accountabilities of partners • Reporting is timely and as frequent as necessary • There is evidence of spend targeted at priorities and selected success indicators • There is clarity of data and the message it conveys about progress on priorities to all stakeholders • There is an effective and challenging joint mechanism to regularly review LAA performance as a partnership		• Opportunities to rationalise reporting are not taken • There is no evidence of spend targeted at priorities and selected success indicators • There is evidence of behaviour which distances those who are accountable from monitoring information and prevents accountability. • There are gaps in the reporting cycle • It is unclear who should receive monitoring information and who is accountable for actions resulting. • Data reported is unintelligible to stakeholders • There is no dedicated performance forum: the LSP does not take decisions based on performance trends

WHAT ARE YOU GOING TO DO TO IMPROVE?   _____
WHO WILL LEAD THIS ACTION?   _____
WHEN WILL IT BE COMPLETED?   _____

DO YOU HAVE THE RESOURCES TO COMPLET THIS ACTIVITY? YES/NO

HOW WILL YOU KNOW WHEN IT HAS BEEN SUCCESSFULLY COMPLETED? _____

Characteristics of successful performance management	Questions to ask	GREEN Clear evidence of characteristic	AMBER Some evidence of characteristic with plans to address weaknesses	RED Little or no evidence of characteristic. No plans in place to address weakness
Manage performance and agree actions to improve.		Best Case		Worst Case
Mark your current position and check at your next review whether you have made progress ➡				
There are regular, robust and frequent processes in evidence for identifying locally when performance is succeeding or failing Local partners are clear who is responsible for which priority and there is agreement between partners on possible actions to correct continued under-performance .	• How quickly can decision –makers respond in partnership to information on success or failure? • What processes are in place to identify performance trends? • Is it clear who does what when about variations from agreed performance? • Is there a coordinated, robust improvement plan which describes the actions that will be taken to improve performance?	• Performance variations are reported early to partners who respond quickly • There is clear senior political involvement by leading elected members • Accountabilities about action on performance are clear • There is a robust improvement plan which describes the actions that will be taken to improve the partnership and its performance		• There is no regular mechanism for tracking progress against plans or performance trajectories • Information is considered to be part of a monitoring arrangement rather than useful for managing performance • Accountabilities about action on performance are unclear • There are no clear plans in place to improve either the partnership or its performance

WHAT ARE YOU GOING TO DO TO IMPROVE? _____

WHO WILL LEAD THIS ACTION? _____

WHEN WILL IT BE COMPLETED? _____

DO YOU HAVE THE RESOURCES TO COMPLET THIS ACTIVITY? YES/NO

HOW WILL YOU KNOW WHEN IT HAS BEEN SUCCESSFULLY COMPLETED? _____

Characteristics of successful performance management	Questions to ask	GREEN Clear evidence of characteristic	AMBER Some evidence of characteristic with plans to address weaknesses	RED Little or no evidence of characteristic. No plans in place to address weakness
Produce SMART delivery plans		Best Case		Worst Case
Mark your current position and check at your next review whether you have made progress ➡				
Strategies have been developed into realistic delivery plans within each organisation and the partnership as a whole, with timescales, milestones, attached resources and responsible owners. There are processes in place at both the constituent organisation and partnership levels for tracking progress against operational plans.	• Is there a clear process and framework for cascading the strategic vision and priorities into SMART delivery plans and actions? • Is there a shared and integrated approach to learning from experience and reviewing performance? • Is the partnership actively seeking external challenge and support where necessary?	• Partnerships have asked for strategic priorities to be embedded in partners' action plans • Processes are in place to track progress at partnership level • The partnership is actively seeking external challenge and support where necessary. • There is a shared approach to learning from the experience of performance review		• Middle managers do not buy in to what their top members /managers have agreed • Front Line staff have no idea about the delivery plans and have not been involved in reviews. • Business plans and progress tracking remain the sole remit of individual bodies or agencies • Delivery issues are ignore or masked and there is resistance to seeking external support or challenge

WHAT ARE YOU GOING TO DO TO IMPROVE? _____

WHO WILL LEAD THIS ACTION? _____

WHEN WILL IT BE COMPLETED? _____

DO YOU HAVE THE RESOURCES TO COMPLET THIS ACTIVITY? YES/NO

HOW WILL YOU KNOW WHEN IT HAS BEEN SUCCESSFULLY COMPLETED? _____

RATING CRITERIA

	Most characteristics in place with plans in place to address weaknesses
	Some characteristics in place with plans to address weaknesses
	Few characteristics in place with few or no plans to address weaknesses

Name of Partnership _____

Overall Rating _____

IMPROVEMENT PLANNING TEMPLATE

LIST THE IMPROVEMENT OBJECTIVES THAT YOU WILL ADDRESS OVER THE NEXT 12 MONTHS, HOW YOU WILL ADDRESS THEM.

Partnership: _____

Date of Plan: _____

Approved by: _____ (Name of Responsible Group) on _____ (Date)

Review Date: _____

Priorities that the actions below are designed to improve   _____

Improvement Actions

Improvement Objective	Action	Lead	Completion Date	Result	Agreed Support

APPENDIX 2. FORUM ACTIVITIES – 2004/2008

Documentary base. Information and data on partnership initiatives in OECD Member and non-member countries

Forum Document Database website: http://www.forumpartnerships.net

Successful partnerships – A guide (2006). The guide aims at assisting partnerships in their further development and help countries learn from existing experience

Downloadable at: http://www.oecd.org/dataoecd/42/49/36279186.pdf

Annual Brochure. With its Annual Brochures, the OECD LEED Forum on Partnerships and Local Governance releases a set of information sheets on area-based partnerships in the European Union, South-East, North America and Asia Pacific showing methods, tools and results achieved. Additionally, the 2006 issue introduced several single partnerships' initiatives in Latvia, Poland and the Russian Federation demonstrating the importance of establishment of partnership structures that in turn stimulate economic development, social cohesion and enhance people's quality of life.

Forum Annual Brochure 2005 downloadable at:
http://www.oecd.org/document/27/0,2340,en_2649_34455_35350107_1_1_1_1,00.html

Forum Annual Brochure 2006 downloadable at:
http://www.oecd.org/document/32/0,2340,en_2649_34455_37731936_1_1_1_1,00.html

Electronic newsletters and E-Bulletin. Quarterly issues e-newsletters cover topics such as cross-border partnerships co-operation activities, partnerships influencing policy, multi-level and multi-sectoral co-operation, financing partnership structures and so on. The E-Bulletin is providing information in a short and informative way. You can find brief summaries of events, insights into OECD LEED research and policy advice activity, library items, forum discussions and more, all related to local governance & partnerships and local development. Electronic newsletters and E-Bulletins are downloadable at:

http://www.oecd.org/document/63/0,2340,en_2649_34455_33835327_1_1_1_1,00.html

Forum meetings.

First Forum Meeting, 26 - 27 April 2005, Vienna, Austria. The aims were to bring together partnerships and exchange views and experiences on their development, operational activities, implementation of national strategies, management structures, use of policy recommendations and evaluation methodologies. 139 participants from 33 OECD members and non-members countries attended the event.

Second Forum Meeting and International Partnership Fair, 13 – 15 February 2006,, Vienna Austria. The aims were to bring to light current capacity building approaches and to share experiences with the use of performance indicators. 240 participants from 33 OECD members and non-members countries attended the event. Download information about partnerships presented at the International Partnership Fair at http://www.oecd.org/dataoecd/42/51/36279168.pdf

Third Forum Meeting, 1 – 2 March 2007, Vienna Austria. The aims were to discuss current approaches to improve cross-sector and multi-level collaboration. 131 participants from 24 OECD members and non-members countries attended the event.

The Fourth Forum Meeting, 18 – 19 February 2008. It sought to identify the best ways for partnerships to contribute to the design and implementation of skills development strategies which can boost competitiveness and make the economy more inclusive. More than 130 partnership practitioners, managers, national co-ordinators of partnership networks, and policy makers from OECD Member and non-member countries joined fruitful debates.

**FOR MORE INFORMATION ABOUT
THE OECD LEED FORUM ON PARTNERSHIPS AND LOCAL GOVERNANCE
VISIT THE OFFICIAL WEBSITE
http://www.oecd.org/cfe/leed/forum/partnerships**

CONTACT DETAILS

Capacity Building Activities at the OECD LEED Trento Centre

PARTNERSHIPS AND LOCAL GOVERNANCE

Andrea-Rosalinde.Hofer@oecd.org
Tel. : +39 / 0461 / 277 616
Fax.: +39 / 0461 / 277 650

Elisa.Campestrin@oecd.org
Tel. : +39 / 0461 / 277 609
Fax.: +39 / 0461 / 277 650

OECD LEED Trento Centre for Local Development

Visiting Address:
Vicolo San Marco, 1
38100 Trento, Italy

Contact:
E-mail: leed.trento@oecd.org
Phone: +39 0461 277 600