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Welcome to the seventh edition of *Partnering & Procurement News*. Published by the ODPM Modernisation and Efficiency team (MEt) and The National Procurement Forum in partnership with PricewaterhouseCoopers, this market intelligence newsletter is available on a bi-monthly basis.

To receive a copy of Partnering and Procurement News, please e-mail:

met@odpm.gsi.gov.uk

If you have any comments or wish to submit content to this newsletter, please e-mail: met@odpm.gsi.gov.uk

The views expressed in this newsletter are not necessarily those of the Modernisation and Efficiency team (MEt), the Forum, the ODPM or Government ministers

The Modernisation and Efficiency team (MEt)

The previous Newsletter (Issue 6) reported on the final work of the Strategic Partnering Taskforce (details of the research study work and the final report can be found on www.odpm.gov.uk/ssdp). The programme closed on the 31st March 2004. The recommendations from this work will be taken forward along with other work closely connected within a new team in the Office of the Deputy Prime Minister (ODPM) to be known as the Modernisation and Efficiency team (MEt). Derek Collins of the newly established team explains further.

MEt began its work on the 1st April. The work streams will cover procurement and partnering, trading and companies, pay and workforce and the outcomes from the current efficiency review (which will form part of Spending Review 2004).

The new team comes under the direction of Geoffrey Tierney, Head of Local Government Efficiency and Modernisation Division.

The Steering Group of the team comprises a range of skills and experience to suit the resource requirement of the work streams and combine staff with a balance of experience in local government and the private sector as well as central government.

The members of the team and the areas upon which they will major are:

- | | |
|--------------------|---|
| • Geoffrey Tierney | Head of the team |
| • Derek Collins | Strategic Partnering and central government engagement |
| • Helen Style | Procurement Strategy and the Regional Centres of Procurement Excellence |
| • Husna Mortuza | Pay and Workforce Strategy |
| • Mark Holder | Strategic Partnering and communications |
| • Melvin Hughes | Trading and company law and regulations |
| • Sue Reid | Efficiency Review outcomes and private sector engagement |

Although the team will major on the areas of work as set out above it is accepted that a number of the work streams will run alongside each other and also come together at times and therefore each member will have a working knowledge of common aspects and issues.

This newsletter (this is the seventh in the series) will continue to be published on a bimonthly basis and in future will feature articles covering the full range of work streams for the MEt.

The email address for comments in respect of the newsletter and articles is now:
Met@odpm.gsi.gov.uk and the telephone contact point is 0207 944 4214.

Issue 6 of Partnering & Procurement News (March 2004) featured an article entitled Valuing People - a New Strategy for Learning Disability for the 21st Century. The contents page was incorrectly referenced and should have repeated this title. Apologies for any misunderstanding.

The Case for Joined-up Procurement

The Procurement Agency for Essex (PAE) was created following a study commissioned by the Association of Essex Chief Executives in December 2002. The PAE comprises fifteen public sector organisations in the County and facilitates a collaborative approach to strategic procurement. In March 2004, the Agency launched a jointly funded guide called "The Who's Who Guide to Procurement Advice" This article gives a flavour of why this is such an important issue and calls for a more "joined up approach" to the way information is provided.

Procurement has definitely come of age in the last year. The private sector has identified that when carried out effectively it can contribute directly to the bottom line as well as improve the quality of services provided to customers. The public sector has rediscovered some twenty years after the first report to the Prime Minister in 1984, which led to the creation of the Central Unit of Purchasing (forerunner of OGC), that effective procurement can help free up resources that can be re-directed into public services.

The main challenge now is to convince senior managers that procurement is more than buying routine products and services and that they should invest time and resources into taking it seriously. Many will be saying, "but there are lots of information sources out there, they need not look far to convince themselves." The role for procurement information for the public sector must be to raise the understanding of procurement and provide a consistent, achievable framework for effective implementation. There are numerous sources, but what is the quality of the information like, is it complete and easily accessible and more to the point is it capable of convincing a sceptical audience that procurement is more than a passing fad?

Research for the PAE guide found that:

- Very few organisations are solely procurement focused. The main ones were Chartered Institute of Purchasing & Supply (CIPS), Society of Purchasing Officers (SOPO) and the Office of Government Commerce (OGC)
- Of the websites that are solely procurement focused, the CIPS and SOPO websites have members' only areas where the better information is to be found. Naturally this is to encourage subscription payments and income generation
- There is very little cross referencing of information between public sector organisations; for example between central government, local government, health, higher education and defence
- The quality of information where specific topics are covered, such as construction or private finance and partnering, is significantly higher than in websites which cover procurement more generally
- Many of the public sector websites duplicate resources and information; on e-Procurement for example where both central and local government produce papers and guidance
- When considering the scope of procurement, including issues such as policy, people skills and

organisational structures, there are many gaps

In summary, the overall impression that public sector procurement gives to an outsider is one of each element (central, local government, health etc) working in isolation. It is difficult to locate papers and information even on some of the more popular websites¹.

So why does any of this matter? It matters for two reasons. Firstly, there is a chronic shortage of top class people to take forward the concepts and ideas of strategic procurement, which will mean more managers having to adapt and learn. Secondly, procurement is competing for resource and attention, notwithstanding the outcome of the Gershon review. The public sector is awash with initiatives and procurement has to compete with them to obtain dedicated resources and ongoing commitment. At a practical level, the guide is packed with information sources and reviews, which will help an interested senior manager or researcher to quickly gain access to some very good sources of information.

For further information, please contact Ken Cole, Acting Director of PAE, either by e-mailing him at ken@strategicps.co.uk or calling 07721 556537 (M). Copies of the booklet can be ordered at a cost of £25 from the Procurement Agency for Essex website www.paessex.gov.uk.

¹ The National Procurement Forum is bringing a lot of this advice and information together as part of the National Procurement Strategy for Local Government, working closely with the Office of Government Commerce

Scrutiny and Procurement

The overview and scrutiny function in local government has emerged as one of the most challenging and potentially rewarding roles for elected members since the implementation of new political management arrangements in 2001. The Centre for Public Scrutiny (CfPS) is a new advisory body within the Improvement and Development Agency, created to support this new function and has recently published a briefing guide to scrutinising strategic procurement. Gareth Wall of CfPS examines further.

Since publication of the Byatt report in June 2001, the role of elected members in local authority procurement practice has rightly focussed on strategic procurement. This position is reinforced in recent guidance published by the 4ps and IDeA.

An effective overview and scrutiny function is crucial to the successful development and implementation of a procurement strategy since it provides 'critical friend challenge' to executive members and officers.

Overview and scrutiny can also have a constructive input to the management of strategic procurement through:

- Conducting inquiries into new models of service delivery
- Reviewing areas of high spend to identify opportunities for improved value for money
- Challenging the progress of major procurements
- Reviewing the performance of partnerships, and
- Ensuring that lessons are learned from major projects and partnerships

One London Borough established a 'green procurement scrutiny commission' in advance of the adoption of the council's procurement strategy and prior to the establishment of a strategic procurement unit. This provided an opportunity to influence the strategy at an early stage. Also, it was felt that 'greening' culture of the council could lead to cost savings, earn the respect of the community and have a positive effect on the local environment.

CfPS has developed an online library of scrutiny reviews, with examples from scrutiny bodies across the country at all levels of government. To find examples of procurement scrutiny and submit your own, please visit www.cfps.org.uk.

Further reading is suggested below. Please follow the hyperlinks for details of how to order copies.

- [Good Scrutiny Guide](#), CfPS
- [In the Spotlight: Scrutinising Strategic Procurement](#), CfPS
- [Members' Guide to Procurement](#), IDeA

Further details are available from Gareth Wall, Research and Information Manager at the Centre for Public Scrutiny. Telephone 020 7296 6595 or email gareth.wall@idea.gov.uk.

What's New?

IBM Deal to Save £50 Million

Surrey CC has signed a 10-year deal with IBM to transform business support services with a view to a saving of £50 million for re-investment in front line services.

Working practices in finance and procurement, HR and payroll, property management and ICT will be streamlined and paper-based and fragmented IT systems across the council will be replaced with an integrated SAP solution.

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Good News from Lewes

Lewes DC has signed a £100,000 contract with Midland HR & Payroll solutions for its integrated Trent system.

By implementing all Trent modules the authority will be able to meet the requirements of the 2005 e-government deadline.

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Consortium Mixes It Up

Brighton & Hove councillors have chosen a consortium involving Hyde and Wilson Bowden and the Chichester Diocesan Housing Association to redevelop the site of the former Preston Barracks with a mix of homes and commercial uses.

The proposal, which will link with the wider regeneration of the East Brighton area, will create more than 1,000 jobs and 412 homes, and 20,000 sq ft of business accommodation.

Also involved in choosing the scheme were the Brighton and Hove Regeneration Partnership and The South East England Development Agency.

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Harnessing Purchasing Power for Sustainability – Sustainable Procurement Toolkit

Local Authorities spend around £40 billion a year buying goods and services. To address this, sustainable development charity, Forum for the Future, has developed a new tool with

input from a network of 20 procurement and sustainable development officers from 15 Local Authorities.

The tool is designed to help officers make more sustainable procurement decisions on a day-to-day basis and in developing large tenders and contracts. The tool has been successfully tried and tested by members of the Sustainable Procurement network on a range of specifications and contracts ranging from furniture and IT to new schools and cleaning.

The tool is designed to be short and simple to use and includes 4 steps:

- questions on how significant the activity is;
- a simple needs analysis;
- a generic sustainable procurement assessment template that can be tailored for use by individual authorities; and
- signposts to developing more specific product/service specification strategies where needed

The tool is available from the [Forum for the Future website](#).

Forum for the Future
30/03/04

Regional Centres of Procurement Excellence - Update

Issue 6 of Partnering and Procurement News featured an official press release by the ODPM, launching the Centres of Procurement Excellence. This article provides further details about the centres.

The Centres are based in the 9 English regions and will be hosted by the following local authorities:

- East of England – Norfolk County Council (working closely with Suffolk and Essex)
- East Midlands – Nottinghamshire County Council (working closely with Derbyshire)
- London – Association of London Government with Westminster and Hammersmith and Fulham of behalf of the London Boroughs
- North East – Gateshead Metropolitan Council
- North West – Tameside Metropolitan Borough Council (working with Liverpool and AGMA)
- South East – Kent County Council (with Surrey, Hampshire and the Berkshire unitary authorities)
- South West – Dorset County Council
- West Midlands – Worcestershire County Council (working with Birmingham and WMLGA)
- Yorkshire and Humberside – Leeds City Council (with Sheffield and North Yorkshire)

Each Centre has been allocated £400k per annum over the next 2 years to invest in improving and developing procurement capacity and capabilities across local government and delivering the targets set out in the National Procurement Strategy.

4ps will be working with Councils in the regions, the IDeA, the ODPM and LGA to support each Centres set up and operation during 2004. The current focus of the programme is:

- Agreeing the governance arrangements for each Centre to enable effective management and delivery in each region and to ensure all Councils in each region have a say in the work and direction of their Centre;
- Starting the recruitment process for staffing each of the Centres and the overall programme management;
- Developing an initial 2 year business plan setting out how each Centre will work towards building procurement capacity in the regions;
- Developing a Communications strategy for each Centre and the overall programme.
- Gathering information on procurement spend and activity within each region and bringing forward initial proposals for improved regional co-ordination of procurement activity

As a result of Regular meetings between key stakeholders and the Centres of Procurement Excellence significant progress has already been made. A standard governance model is emerging, templates for recruitment and business planning have been developed and the recruitment process has begun. Launch events are confirmed or planned during May, June and July in all 9 regions.

Once the Centres are established the focus will switch to implementing the business plans and supporting Councils in delivering their targets as outlined in the National Procurement Strategy. Key themes include providing leadership and building capacity; partnering and collaboration; doing business electronically; and stimulating markets and achieving community benefits.

The work of the Centres will link in closely with the findings of the Government's Efficiency Review enabling local government to respond positively and effectively to it. Task groups will look at procurement and delivery of service improvements and efficiency savings in key local government sectors.

More information can be found at: www.odpm.gov.uk www.lga.gov.uk www.4ps.gov.uk www.idea.gov.uk or contact Paul Kelly, 4ps Senior Executive on 0207 808 1483 or email paul.kelly@4ps.gov.uk. Alternatively email the Modernisation and Efficiency team at met@odpm.gsi.gov.uk.

Centre of Procurement Excellence for the North West

"So I've read all about the new Regional Centres of Excellence for Procurement, but what actually are you going to do".

This is a common theme coming from councillors, managers as well as procurement specialist. We can talk about the desired outcomes from the regional centre of excellence i.e. the significant reductions in the cost of procurement; providing better value for money in goods, services and construction and how they will help support local economies – all this is great but what are the deliverables. In the North West this is starting a dialogue with all stakeholders about what organisations within the region need from a Regional Centre of Excellence. We are at an early stage of discussion, but it is worthwhile sharing what has been suggested so far.

- **Call off contracts** for goods and services, construction, consultancy which any member can use without having to go through EC/tendering processes. These contracts will require specific reference to their use across the region by councils and other public bodies at the outset. They will derive from the individual and existing consortia contracts initially and from innovative proposals from the private sector.
- **Regional vetting/accreditation of suppliers and shared information on performance.** This has some synergy with the work of the Office of Government Commerce.
- **Concordat with the voluntary and community sector** at a regional level with a blue print for local arrangements.
- **Concordat with SMEs** - blue print for a local concordat in line with the National Concordat.
- **Templates** for Council Procurement Strategies, for procurement exercises, for gateway reviews and for "Selling to the Council" guides.
- **A North West Procurement Fitness Test** and a list of accredited consultants to assist with the work accessible via a regional call-off contract. This will fulfil the health check requirements of the National Strategy but will also be used to produce a practical action plan for improving a council's procurement.
- **A seminar programme** and newsletter (electronic) for the dissemination of good practice.
- **A website/extranet/portal** for dissemination of good practice, templates, frequently asked questions, contacts and procurement intentions. This will facilitate via a private portal discussion

groups, notices of procurement intentions and information on supplier performance.

- **Scoping work for consultancy** with access to a call-off contract for such work.
- **Staff development and secondment brokerage.** This will provide pointers to suitable training and development with user evaluations and in due course training material provided via a virtual learning environment. The latter will require collaborations across the FE sector. Staff secondments may be to the Centre but also between authorities.
- **Collaborations for service delivery.** This could be initially based on existing organisations which have geared up for taking on work for others, supplemented by new ones based on a gap analysis. Some support would be required for a seller's pack including outline strategic risk assessment and a business case for existing centres. Some process of market stimulation will be required for new ones.
- **Specific advice on the telephone** from the Centre, either directly or by referral to expert practitioners.
- **Electronic tendering and procurement including e-auctions.** This will provide a range of 'e-service' solutions which will link into regional and national contracts but which will also provide for the local market place. This will involve work with the ODPM's National e-procurement project to assist councils in selection and implementation and work with the Regional Development Agency and the National Project to determine the impact on SMEs.
- **Methodology for partnering** with the private sector. Accumulated knowledge of the process of partnering either strategically or with best of breed, including defining and quantifying objectives and baselines and establishing business/investment plans.
- **Options Appraisal.** A template for the make or buy decision as part of performance improvement.
- **Area-wide Public Service Agreements**

Further information is available from Steve Pleasant, Tameside MBC. Telephone 0161 342 305

Housing PFI Procurement Pack

In October 2003, 4ps and the Office of the Deputy Prime Minister (ODPM) appointed a team of advisers to develop a social housing PFI 'Procurement Pack' intended to represent the next level of guidance and advice for local authorities and private sector bidders. 4ps are delighted to be jointly commissioning and funding the Housing Procurement Pack with ODPM. It gives a strong message to local authorities and bidders that Government is determined to see a step change in the time taken and cost of the development and delivery of housing PFI transactions. Steve Trueman, Director of Housing at 4ps considers details further.

The Procurement Pack approach has been successful in a number of other service areas and 4ps have now produced Packs for street lighting, schools, social services, leisure and waste. Packs for highways maintenance and joint service centres as well as housing are currently in production. The

Packs are intended to guide local authorities through the PFI procurement process from Outline Business Case to the operational phase of the contract, including both narrative and model documentation. The Housing Pack is no different and will follow the same basic format as the other packs; it will consolidate existing experience and best practice into a single point of reference for local authorities.

Our adviser Team – lawyers Pinsents, financial advisers PricewaterhouseCoopers and technical advisers Hunters – are very experienced and are working on a range of housing and other PFI projects on both the authority and bid sides. The advisers have however looked more widely than their own personal experiences at the project documentation from all the housing projects currently in development or procurement; there's no monopoly on good ideas after all. The model documentation will therefore represent the best of what is currently out there in the market but, at the same time, will not cherry pick from the various projects.

The key model documents were issued as consultation material at the end of January 2004 to a wide range of advisers, funders, contractors and RSLs. In addition the material was issued to all the local authorities currently on the PFI programme and to those 19 authorities who have expressed an interest in the next round of housing PFI. The consultation material comprised a model payment mechanism and output specification including both Property Management Standards (PMS) and Service Performance Standards (SPS) together with a Risk Issues table.

The PMSs denote the elemental standards which apply to the properties themselves in order for them to be continuously 'available' and attracting no payment deductions – PMSs describe for example kitchens and bathrooms, heating and hot water systems. The SPSs describe the level of performance to be achieved in carrying out tenancy management and associated services – rent collection, repairs and maintenance and so on.

The Risk table includes a commentary on the key risk areas for housing PFI – access to dwellings to carry out works, latent defects and decanting for example – and then recommends how the risk should be managed between the public and private sector. The Risk table will form the basis in turn of the model Project Agreement.

The consultation exercise was informed by two dedicated consultation workshops held at the beginning of February; one for the private sector and one for local authorities. In total around 100 people attended the workshops and heard detailed presentations from the adviser team and had the opportunity to ask questions. The model documents have now been revised in the light of responses and a full and final consultation version of the Pack has been compiled which is currently available from the [4ps website](#). Ultimately the aim is to have a finalised Pack in place by the time the next round of housing PFI authorities is announced by the Housing Minister Keith Hill so that the Pack can have the maximum impact on the development and procurement of these new projects.

We're not saying that there will never be a need to produce any further guidance for housing PFI. Until there are a significant number of signed deals, recommending best practice will continue to be an iterative process and we will need to revisit our assumptions and recommendations to be sure they continue to reflect the positions achieved through negotiation. The Procurement Pack is a very important step however and 4ps, ODPM and our advisers are confident that the Pack can have a demonstrable effect on housing PFI procurement; enabling schemes to progress to contract signature more quickly and at less costs to both sides.

Further details are available from the 4ps website at www.4ps.gov.uk.

Knowledge Source

Each publication of Partnering & Procurement News will feature organisations that are active in the area of partnerships and procurement. Our featured sources for this edition is the New Local Government Network (NLGN). This article explains their current agenda and examples of their work.

The procurement and partnership agenda is vital to the work of the New Local Government Network (NLGN), as it links in with the two agendas we are most concerned with. On the one hand, the modernisation of local government and local services; on the other, New Localism, the decentralisation of central government and a shift of power to local government and communities.

NLGN have been doing a significant amount of work recently on partnership and procurement issues and are about to embark on another exciting project called **New Ways to Modernise** (sponsored by Accord, CEA, Jarvis, PwC and Vertex) that will identify new trends and innovations in service delivery partnerships and the drivers for change. New models have arisen as a result of increasing development of the market, where players have started to learn from earlier partnership experiences and tried to address emerging difficulties or shortcomings. The project will examine incremental strategic partnering, new types of consortia, joint ventures, public interest companies and community interest companies. It will also try and develop models that would work in a future local government PPP market.

NLGN are also completing a project on **What Makes a Successful PPP?** in which they are moving away from considering partnerships from the strategic policy perspective. NLGN are analysing the findings of qualitative research among a forum of practitioners – these are senior managers drawn from a wide range of PPPs. Emerging findings from the project (sponsored by KPMG) suggest that a new, less contract-based understanding of ‘partnership’ emerges when practitioners’ perspectives are put to the fore. Findings will be fed back in the next edition of ‘Partnering and Procurement News’.

Other recently completed projects that have touched on similar issues are ‘Making Choices’ and ‘Procurement & Partnerships’. **Making Choices** (sponsors included the Audit Commission, ODPM, OPSR and PwC) has largely been the result of wanting to clarify the very complex discourse around greater user choice. Increasing choice is a tool to make services more responsive and user focused and eradicates concepts of one size fits all services. The research report in particular examined how greater user choice can impact on service delivery issues and the role the private and voluntary sector need to play in providing greater capacity to offer real choice to service users. The flexibility needed to introduce choice will greatly impact on contracts and procurement issues and greater flexibility is needed from providers when implementing choice schemes in partnership with local authorities.

Procurement and partnerships: Doing it right. Making it work (sponsored by Nabarro Nathanson) is an NLGN collection of essays providing a comprehensive examination of the procurement process and makes concrete suggestion on how procurement can be improved. With contributions from key figures within central and local government and the public, private and voluntary sectors, it seeks to help those working in procurement to get the best out of the process, get up to speed with the latest thinking on these issues and deliver better services.

For further details on the work of NLGN, contact Warren Hatter, Head of Research on 020 7015 1383 or at warren.hatter@nlgn.org.uk. Or visit www.nlgn.org.uk.

Case Studies

Business Transformation and Strategic Partnership – Birmingham's Experience so far

Birmingham City Council has a vision. It believes that a Business Transformation Strategic Partnership will "take Birmingham City Council to the people". It will do so by providing increased and cost-effective investment in the way the council works, to significantly improve services to customers and help Birmingham develop as a city of flourishing neighbourhoods. The partnership will help to bring about social and economic development, the development of connected communities and to build a successful, prosperous and healthy city that offers quality of life for Birmingham people, as well as value for money.

Birmingham began the process of entering into a partnership as a consultation exercise to find out what prospective partners could offer. A PIN notice was issued in early 2003 followed by an Industry Day where the Leader and Chief Executive outlined the vision for Birmingham and asked companies to respond, saying how they could help. Over 30 responses were received and were followed up by further discussion with a cross section of those who replied. We were particularly looking for innovative suggestions. The exercise was invaluable because it allowed members and senior officers the opportunity to consider the options available and make a valued judgement on the way forward.

At the end of the consultation, a 4P's Gateway Review (Gate 0) took place and this also assisted us in identifying possible problem and risk areas, particularly in gaining member and senior management buy-in to the process. The result was Cabinet approval in February of this year for a procurement covering Business Transformation, IT and our Contact Centre. The emphasis is on transforming what we do, but using IT and the Contact Centre as a catalyst to do it. Now, in early April we have issued an OJEU notice and PQQ, held an Applicant Evening and have now received responses from a number of companies. Evaluation is about to start to enable us get to a shortlist of about 4 to 6 bidders who will enter a negotiated procedure.

Timescales are tight. We are aiming to award a contract in mid 2005. Work is currently in progress on our Invitation to Negotiate (ITN) that we hope to complete for mid June of this year. While the IT and Contact Centre functions are well defined, the Business Transformation area could potentially cover all City Council services and we need to be more specific for our bidders. To do this we are conducting a Scoping Study to identify areas that could benefit from change, with the objective of preparing an outline business case for each one. Bidders will be asked to respond on how the service can be transformed. Current candidates are CRM and customer access, procurement, HR/payroll, mobile working, knowledge management and localisation. Bidders will be able to make additional suggestions on what might be included in their responses.

Birmingham is convinced that an incremental partnership is the right approach. Following IT and the Contact Centre, services will only be included within the partnership if there is a strong business case to so. This will ensure that we obtain the best solutions available, by working with our partners on a case-by-case basis, and give us the flexibility to support new initiatives as they arise.

Further information is available from Sue Shepherd, Strategic Partnership Co-ordinator. Telephone 0121 303 4770 or email sue_shepherd@birmingham.gov.uk

Leading Strategic Partnerships – The Role of Elected Members at Thurrock Council

The final report of the Strategic Partnering Taskforce recommended that a positive and long-term commitment is needed from an authority's elected members, chief executive and senior officers throughout the process of establishing a SSP procurement to give the necessary leadership and support to the project. Thurrock Council is in the process of procuring a strategic partnership for a range of customer, professional and support services linked to the Council's wider strategic objectives to improve access to services, promote the regeneration of the borough and create new employment opportunities particularly in white collar and professional services.

The Council was keen to ensure that the project was owned and indeed driven by the elected members from the outset. Thurrock identified that this was one of the critical success factors in delivering the partnership proposal. Elected members were rightly concerned about issues of governance and accountability particularly where long-term contractual arrangements are being put in place with a potential private partner for a wide range of important services. Thurrock has sought to build commitment from and address member concerns through the active engagement of councillors from both the Executive and the Scrutiny functions throughout the process.

At the start of the project the Council organised an Open Learning Event over 2 days for elected members, key senior officers and the trade unions. The event involved speakers from the ODPM Strategic Partnering Taskforce, the Council's business and legal advisers, the trade unions and APSE to explore all of the relevant issues relating to the creation of a SSP.

The Council also commissioned APSE to be its critical friend throughout the process with a special emphasis on looking at the SSP from a Member perspective. As part of this, APSE were commissioned to write a report for councillors appraising the relative merits, successes, failures, advantages and disadvantages of Strategic Service Delivery

Partnerships with particular reference to:

- Governance and accountability
- Service delivery
- Procurement and contractual matters
- Employment
- Regeneration and Investment

Councillors have had the opportunity to debate and examine all aspects of SSPs in an open and transparent way. Scrutiny has been involved in the process throughout - attending meetings and specifically at the long listing stage (scrutinising the process) as well as attending site visits with prospective bidders. Councillors have scrutinised all processes ensuring that they are consistent, open and fair.

As part of the project management arrangements the Council has set up a Strategic Service Partnership Working Group (SSPWG) which has approved key stages of the project and referred important matters including recommendations to the Executive at significant formal decision stages. SSPWG has involved members from both the controlling and opposition groups on the Council (including both leaders and deputy leaders of the groups). SSPWG is also subject to formal scrutiny

arrangements and scrutiny members sit as observers and are able to ask questions and make comments.

All Members have been offered visits to the three short listed companies customer contact centres and they have received the regular email briefings, which are also sent out to the whole authority (also posted on the Council's intranet) as part of an ongoing communications strategy. The 'Invitation to Negotiate' has emphasised the importance of stakeholder involvement and the role of elected members especially the need for governance involvement and ward related information on services provided and cases being dealt with.

Thurrock recognise that if partnering is going to succeed it needs to be a member driven process and that SSPs are more than just technical and business processes. Elected members have major responsibilities as community leaders and are ultimately accountable to citizens and service users. Councillors also have responsibilities to other stakeholders not least their staff who, ultimately, have to deliver improved quality services to the public.

Thurrock Council is still at the early stages of the procurement process for its strategic partnership. But the Council is intending to continue building upon its experiences and is always keen to learn from elsewhere and ensure that it is both achieving and developing best practice particularly in the area of involvement of Members in the leadership of the project.

Further information is available from Mark Bramah, Assistant Chief Executive, APSE
Keith Ireland, Head of Organisational Development, Thurrock Council

Surrey County Council: Re-aligning Procurement to Integrate Partnership Arrangements

Surrey's People First programme aims to achieve the best value services for citizens. Because we operate a mixed economy of service delivery, we are dependant on contracted services. Success in our public services therefore depends on quality procurement and this is why we set out to re-align procurement to integrate the partnerships we needed. As a result, Surrey boasts an excellent track record, having established partnerships with the private sector in education, care homes, highways, waste, transport, office accommodation and ICT. Andy Davies, Head of Procurement at Surrey CC explains further.

Surrey's CPA report said: "The council is using procurement and partnerships to build its capacity to deliver complex priorities... and as a result has been able to improve performance in key areas including waste management and education."

As the Government set out in its national strategy for local government procurement, future assessments will examine local authorities' demonstrable ability to:

- Provide leadership and build capacity
- Partner and collaborate
- Do business electronically

- Stimulate markets and achieve community benefits

Since 2000, we have steadily improved our procurement practices. We have secured political leadership and strategic-level accountability for procurement and implemented a regularly-reviewed and updated Best Value Procurement Strategy. We've modernised and simplified our procurement procedures and established procurement as a support function alongside HR, finance, ICT and property services. For the first time, procurement professionals have a clear career development path in the Council, and formal training has increased our Chartered Institute of Purchasing and Supply - qualified professionals from 4 to 17 in just two years. Procurement also plays a vital role in best value reviews.

We actively collaborate with our partners. We have built firm links with procurement functions in neighbouring authorities, establishing a sub-regional network for public procurement in Surrey and actively participating in the building of our regional centre of excellence in South East England. We have also implemented the 4Ps Gateway Review process for our high-risk projects in libraries and street-lighting.

We have concluded a Concordat with private sector social care providers to build good relations and stimulate market capacity. We're also close to finalising a Compact with voluntary sector organisations that are so vital to our public services.

We are launching an electronic procure-to-pay process as part of a wider enterprise resource planning implementation under an innovative risk-reward partnership. We have a mature payment card scheme and we are participating in the development of the IDeA electronic marketplace.

The challenge for procurement professionals in local government is whether they can bridge the gap that our lawyers and accountants can't, whether quality partnerships can be built of the kind we need, whether best practice can be delivered consistently and, perhaps most importantly, whether bureaucracy and old ways of working can be challenged.

Further details are available from Andy Davies, Head of Procurement at Surrey CC. Telephone 020 8541 8957

Technical Issues

NHS Local Improvement Finance Trust (NHS LIFT) is a procurement initiative, led by the Department of Health. It aims to procure and supply capital investment for both public bodies and other organisations delivering health or health related services to the public. LIFT has been recognised as a vehicle for enabling local authorities and other health care providers to join up service delivery for the benefit of end users and cost efficiency. Chrissy Wright, Partnership Manager at Barnsley LIFT offers a frontline perspective of the NHS LIFT initiative.

LIFT – Barnsley’s Perspective

Barnsley’s LIFT, (Barnsley Community Solutions), was established on January 30th 2004. Chrissy Wright, Partnership Manager at the Council, offers her view on the LIFT scheme.

Partnership working across the Health and Social Care environment is well established in Barnsley. There is maximisation of the Section 31 flexibilities of the Health Act (1999), with seven pooled budgets of £80 million gross. The lead commissioner is Social Services Directorate and lead provision is shared across the Primary Care Trust (PCT) and Social Services Directorate.

When we embarked upon the LIFT initiative three years ago our key local objective was to ensure that the principles and values of partnership working extended to the LIFT project group. The outcome has been that the Council has taken an equity stake in Barnsley Community Solutions and is an equal shareholder, 10% each, with Barnsley PCT. The Social Services Directorate and the Council are also tenants within the buildings for Children and Families’ Teams, Assessment & Care Management and the Council’s Community Information Strategy. We understand this is a unique position nationally.

So, how was it for us? What did we learn? What would we have done differently? Would we have done it at all?

Key Issues

- We underestimated the resource capacity required to project manage the establishment of the LIFT as a shareholder and to scope out the requirements for operational services as tenants
- It is important to ensure a good fit with Council strategic direction of travel
- Acknowledging the cultural differences between the Health Community, the Council and the Private Sector Partner is essential
- Change Management is critical
- We underestimated the time needed to reach commercial and financial close
- Barnsley Community Solutions is a long-term commitment

Lessons Learned

- LIFT is **not** P.F.I.
- **But** PFI credits apply
- Local Democratic Leadership is crucial
- Beware length of time to close on land issues
- Requires high level Council Legal representation
- Build into the timeline the Democratic Cabinet approval process

The first three LIFT Primary Care Centres are due to be open in November 2004. There is great satisfaction for all involved to see the buildings evolve from lines on a set of plans to buildings which will transform how Primary Health, Social care and Council services are provided to the citizens of Barnsley from, mainly, centralised to locality based services.

Further details are available from Chrissy Wright, Partnership Manager, Barnsley Metropolitan Borough Council. Telephone 01226 775634, or email chrissywright@barnsley.gov.uk.

Lessons from Europe

With the enlargement of the European Union on 1 May, it is appropriate to consider examples of partnering and procurement from across Europe. This section of the newsletter includes details of a multilateral partnership written by the Association of the Local Democracy Agencies, based in Strasbourg, a review of a partnership with a private sector company in Italy, an existing member state and a case study from Poland, new to the European Union. Coincidentally, the last two of these featured articles discuss combined heating power plants.

A Multilateral Partnership Between European Local Authorities in the Framework of the European Enlargement: The Experience of the Association of the Local Democracy Agencies

May the 1st initiated a new era for co-operation and partnership in Europe. The Enlargement of our 15 members to include 10 new member States from the East and South will change the political and social landscape of the next few years. The process is far from being understood and accepted by everybody and many citizens have expressed (either in the “old” Europe or in the “new” one) doubts and fears. Some of these are related to economic concerns but others are also linked to culture, identity and common values. The European Commission, in particular the Directorate General for Enlargement, is in charge of tackling these issues. It worked in preparation for the 1st of May but it will also be active in the following years, focussing not only on specific and technical aspects but also on promoting awareness and understanding of this particular momentum. In general, it is assumed that if the citizens have the opportunity to know each other and to work together, they won’t fear each other and they will identify opportunities for co-operation.

A programme that is supporting partnership and co-operation among European partners in order to promote the idea of the Enlargement is the programme PRINCE¹ – in the DG Enlargement –, dedicated to public service stakeholders throughout Europe. Non-governmental Organisations (NGOs) are active – targeting specific beneficiaries – to debate and make everyone aware of this process. A similar one has been already carried out for the EURO campaign.

The Association of the Local Democracy Agencies (ALDA) is one of the non-governmental organisations that is promoting partnership and understanding between European local governments. The programme was started in 2003 by EU Mayors and will go until the end of 2004. It includes partners from Ireland, France, Italy, UK, Poland and Lithuania². From the United Kingdom, we can

¹ Information Programme for the European Citizen, DGX

² Ireland : Carlow County Council and Association of Directors of Community and Enterprise, France : Suresnes and Cités Unies France, Italy : Reggio Emilia, Mogliano Veneto and the Association of the Italian Towns, Lithuania : Municipal Training Centre Kaunas, Poland : city of Bydgoszcz, Foundation in support of Local Democracy Training Center in Olsztyn

count on Kent County Council – partner of the Local Democracy Agency of Central and Southern Serbia and member of ALDA – and East Staffordshire Borough Council whose partner is Local Democracy Agency (LDA) in Montenegro and member of the Bureau of the ALDA. The focus is on developing a working partnership that debates and solves case studies together on specific issues, ie:

- a) public services
- b) relationship with citizens
- c) environment and
- d) decision making in local authorities.

A collection of case studies is already available on the website http://www.ldaonline.org/12-EUmayors/index_EUmayors.htm. The programme oversees a large awareness campaign with posters and leaflets all over Europe of interest to thousands of local authorities. The methodology adopted for this programme is the exchange of best practices between local authorities and joint problem solving.

For ALDA, the PRINCE programme is one step in the common objective to support the role of local governments and communities into the general process of building Europe, either towards new countries but also in the strengthening of values and methods in the existing structures. Through the membership of more than 80 local authorities and NGOs in Europe (including the members States), the Association is mainly supporting the work of Local Democracy Agencies (LDAs), which are based in South Eastern Europe³. They are all part of a next step that might enlarge the process towards the Balkans. The network encompasses about 200 stakeholders involved in capacity building programmes for local authorities and NGOs. The programme has the mandate to support democratic processes and social and economic development with the methodology of multilateral decentralised co-operation. It is strongly supported by the Council of Europe and its Congress of Local and Regional Authorities.

The local authorities from the United Kingdom involved in the programme are: East Staffordshire Borough Council and Kent County Council, Arun and Chelmsford (partner LDA Kosovo), Wolverhampton City Council (lead partner LDA Subotica, Serbia), the Local Government International Bureau. Newport city Council and Bristol City Council are interested in the future LDA in Georgia, the first pilot project of ALDA in the Caucasus.

Further information is available from Mrs Antonella Valmorbida, Director of the Association of the Local Democracy Agencies at the Council of Europe. Telephone 0039 335 5236341 or email antonella.valmorbida@aldaintranet.org.

Alternatively, please refer to the website of the Association of Local Democracy Agencies (ALDA), www.ldaonline.org.

³ Croatia, Bosnia and Herzegovina, Serbia and Montenegro and Former Yugoslav Republic of Macedonia

Partnerships in the Supply of Power and Heat to Reggio Emilia, Italy

This article describes the operation of a new power and heat plant that will supply a municipal town and (at certain times) the national grid system in the Emilia Romagna region of Italy. A newly-commissioned plant is complementing supply from an existing but ageing plant. The interest here is in the partnership and agreements made with the private sector supplier prior to commissioning in respect of pricing for users of the heat and power (produced from the existing and new plant).

Although there are a small number of Combined Heat and Power plants in the UK they are not common. However, the principles of establishing a good working partnership with a private sector supplier, as in this instance, is of course a universal theme

The generating of power and heat from the new plant is about to start. The construction period for the new plant has been sixteen months. In terms of the large power stations that one comes across in the UK, the plant at this site appears relatively compact and works by using General Electric turbo gas. This is able to supply 55 MW of electricity and 50 MW of thermal heat. The electric power is enough to satisfy 80% of the electricity demand of the principal town of the Municipality that has a 150,000 population and many commercial undertakings.

In respect of the thermal supply, the new power station stands side by side with the one that has been operational since 1983, and is thus integrated within the remote heating system for the complete town (i.e. it will use the existing heat transfer infrastructure - teleriscaldamento). Surprisingly the amount of thermal heat produced by the two power plants will be enough to cover 45% of the town's heating demand.

The new power plant has cost 46M Euro to build and 30% of this has been financed through non-recoverable grants by Regione Emilia Romagna and the remaining amount by AGAC (the private sector supplier) directly. The project has been independently developed within AGAC. This started from a feasibility study of the proposals and included analysis on the cost-benefits of the operation. Subsequent to this study, the company applied for the authorisations required by European and Italian Legislation (Municipality, Province and Region).

In consequence a comprehensive executive project has been designed. Tender acceptances have been issued on the basis of a European design-and-construct contract, for sole construction, turnkey methodologies and commissioning. AGAC will also be directly involved in the management and operation of the power plant. The methodology chosen for assessing tenders provided for not only the economic aspects (maximum reduction of costs) but also the quality of the technical equipment and plant engineering solutions offered. From the outset four syndicates of undertakings participated in the tendering process.

In respect of contract client relationships (for the district heating service) the company has agreed to apply the same tariffs (cost/calorie) as that which currently applies to the methane gas service which is also supplied and managed by AGAC. The company has also agreed not to generate competition between these two services that it supplies. There are different tariffs for different usage: domestic, productive and third sector consumption. The contracts have been drawn up by Servizio Commerciale AGAC in collaboration with the major customer protection associations, in order to make the contracts clear, fair and comprehensive for everybody. For a number of years and covering all types of client and for all major services, the company has complied with a Charter of Rights. This states through a

contract the minimum standards to be expected from the services supplied. In the event of the company failing in this respect, the citizen has a right to ask for and obtain compensation for damages and this is a penalty that AGAC imposes on itself.

In respect of the sale of electrical power, at present citizens can buy it only from Enel (an ex State body). The liberalisation of the market has until now only applied to major clients. For this purpose the company created Energia Srl (May 2003) last May for the sale and purchase of electrical power and for advisory services associated therewith for clients who consume at least 100.000 kWh/year. This offer will not be limited solely to basic energy supplies but will be integrated with a customised advisory service to enhance the potential of energy saving and for the better management of plants/installations and energy consumption optimisation.

Additional information can be obtained from the website: www.agac.it. Please note that information supplied is available in English translation.

Public/Private Co-operation in Poland

There are several state acts in Poland that regulate the principles of public/private co-operation. These are: the Public Finances Act, Trade Law Act, Community Services Act, public procurement law and voluntary organisation regulation.

The principles and forms of community services in local government are based on the Community Services Act 1996. Community services cover public utility services that aim to meet needs and expectations of the citizens. Local government decides about the selected model of community services and the payment system for them. Either budgetary units, limited companies or joined-stock companies, can provide the community services. The Public Finance Act applies to these budgetary units, which can only deliver the public utility services. Local government can establish, transform and liquidate communal budgetary units.

Local government can also create limited companies or joined-stock companies and become a shareholder. The Trade Law Act applies to these companies. The principles of community services provided by these companies are confirmed by the City Council. Local government can also sign an agreement with the private sector. The public procurement law applies in this situation. In March 2004, a new Act was introduced that embeds EU regulation into Polish law. Poland have various procedures for awarding public contracts: open and restricted tendering, negotiated procedure with or without publication, single-source procurement, request for quotation and electronic auction.

The Public Finances Act in Poland and a new Voluntaries Act that was introduced in April 2003 that allows local government to give the allocations for the units which don't belong to the public finance sector for delivering the public utility services (NGO). These units are not allowed to generate profits, however local government may provide assistance for non-government organisations that fully or partly finance the services provided by the NGO. The units collaborate and plan their activities over, establishing a one-year programme.



Different models of public–private services co-exist in Poland and are particularly evident in the City of Bydgoszcz, in respect of services such as water supply and sewage systems, central heating system and waste management system. The only company permitted by the Mayor to deliver water, pipe away sewage and collect fees in the city is called Municipal Water Supply and Sewage Systems Limited Company. The City of Bydgoszcz control 100% of shares of this company. The rates are established by the operating company, however they have to be confirmed by the City Council. There is no tariff system for the customers.

In the central heating system both public and private sectors co-operate. The heat is produced by two state-owned heat and power plants. The heat distribution in the City of Bydgoszcz and 4 other communes is provided by the Municipal Thermal Engineering Company Ltd. In 2001, this company was privatised and as a result a new professional operator joined the company. It is called MVV Poland and in the last few years MVV Poland joined with several Thermal Engineering Companies in Poland. The proportion of shares in that company is 55% of shares are owned by MVV Poland, 40 % of shares are owned by the City of Bydgoszcz, with the remaining 5% of shares owned by 4 other Communes. There is a tariff system for heat customers, although these are confirmed by the state Energy Regulation Office once a year and again have City Council involvement.

A final example of public and private sector co-operation is the operation of the waste management system. Waste collection from the citizens is operated by the private sector. A company that is selected in legal tender operates this system. There are two waste segregation plants in Bydgoszcz, the first being private with the other communal. Recycling as well as utilization of hazardous waste is currently controlled by a private company, with the City of Bydgoszcz paying specialized companies for its utilization. The waste collection payment system in the city of Bydgoszcz is based on the market rules, with citizens dictating their preferred choice of operator. The prices for waste deposited at municipal waste treatment plant are established by the municipal operator and have to be confirmed by the City Council.



Best Practice

Policy to Reality – Hammersmith and Fulham Children's Trusts

The London Borough of Hammersmith and Fulham is one of the 35 pathfinder Children's Trusts. With a population of about 165 000, Hammersmith and Fulham is one of London's smallest boroughs. More than 130 languages are spoken and 22 per cent of residents describe themselves as from an ethnic minority, including a significant proportion of asylum seekers. About 20 per cent of the population are under 19 years old. The borough is an area of social and economic extremes between those residents who are well housed and in paid employment and those who are socially excluded.

Hammersmith and Fulham Children's Trust will commission and provide a broad range of high quality services that will improve outcomes for children in the borough, through better co-ordination and integration of services, the efficient use of resources and earlier intervention. The initial focus of the Trust is vulnerable children.

In effect, the Trust will provide all the services currently provided by children's social services and some currently provided by the Primary Care Trust and Education Department. In addition, it will commission services, including services currently commissioned by the Primary Care Trust, from a range of other agencies such as hospital trusts, child and adolescent mental health services and the voluntary sector. In some cases, this will mean changes in service delivery, for example, with the formation of inter-agency teams.

The most immediate changes to service delivery will come with the development of integrated services for disabled children and a joint child protection and family support service. Significant progress has been made in these areas with staff and parent consultation and a series of project working groups. Health visitors, school health advisors and social workers are now based together in the same office forming the Joint Family Support Service. The feedback from workers has been extremely positive. It's much easier for them to contact each other and discuss families and ensure actions are co-ordinated. They have set up weekly case discussion meetings and are doing more joint visits and joint assessments.

The Information and Assessment Project is a key part of the Children's Trust development in the borough. It is raising awareness and offering training to improve information -sharing and develop a common understanding of assessment and risk factors. A Model of Vulnerability has been developed which is designed to define different levels of need in children and how this relates to service provision. This will promote a shared understanding of need/risk/vulnerability, encourage greater transparency about access to services and is a stepping stone to changes in practice that promote earlier identification of vulnerable children.

All Children's Trust services are accountable to the Children's Trust Partnership Board established in October 2003. It is chaired by a local councillor and has senior representation from the Council (Education, Social Care, Housing), the Primary Care Trust, police and voluntary sector. We are developing proposals to ensure children and families are effectively involved in the work of the trust. There is a Director of the Children's Trust already in post and the beginnings of an integrated commissioning unit.

There are many challenges ahead managing these changes whilst there are significant shortages of key professionals and serious financial pressures.

There is a high level of commitment to joint working in the borough and the Children's Trust is building on this good track record. There is a real willingness to consider new ways of working and a very positive approach from many frontline staff and managers.

The development of the Children's Trust in Hammersmith and Fulham reflects many of the aspirations of the policy set out in the Green Paper, *Every Child Matters and Next Steps*, the Children's Bill currently going through Parliament. The aim of developing partnership and integration at both the strategic level and at an operational level is well advanced, although clearly there is an enormous amount still to do. The flexibility of the policy is supporting the organic development of working together – the most important changes to be made are in the culture of the services and how staff deliver services to children and families.

A better focus on organising services to support childcare and families through a whole system rather than a series of unco-ordinated services will deliver progress towards the child and family-centred response that is the goal of working together – whole child, whole family, whole system.

Further details are available from Carole Bell, Head of Commissioning, Quality Assurance and Review. Telephone 020 8753 5784.

Publications

Employment and Partnerships – Technical Note

Prior to its disbandment, the Strategic Partnering Taskforce (SPT) published *Employment and Partnerships - Technical Note*. The guidance forms part of a series of technical notes produced by the SPT in relation to partnership issues.

The guidance is aimed at local authorities that have opted to proceed with a Strategic Service Partnership (SSP), but are still within the early stages of the process. The guidance covers the following issues:

- Managing Change - the key elements of a change programme that a SSP may involve
- Planning considerations - considers the matters which are required prior to developing any form of SSP
- Practical Preparation - considers the employee issues in setting up a SSP
- Working Together - considers the matters which require special care in a Public/Public arrangement, for example two public bodies working together
- Workforce Matters - considers the new legal duties on local authorities under s101 and 102 of the Local Government Act 2003

-
- Introduction to key legal issues
 - TUPE in the context of SSP arrangements
 - Pension issues
 - Alternatives to outright transfer (secondments etc.)
 - Redundancy modification order
 - Redundancy and early retirement

The guidance is available via the SPT pages on the [ODPM website](#). Hard copies are also available from ODPM Literature on 0870 1226 236.

The following documents from the Rethinking Service Delivery series, are available on the ODPM website:

- [*Volume 3: Public/Public Partnerships*](#)

This document provides guidance about how partnerships between public sector bodies can deliver strategic service partnerships either directly or through arrangements with the private sector

- [*Volume 4: Outline Business Case to Contract Signing*](#)

This document provides guidance about how to procure a private sector partner to deliver strategic service partnerships.

- [*Volume 5: Making the Partnership a Success*](#)

This volume of the series is designed to assist members and officers in the governance and relationship planning for partnership working once a deal is in place. It draws on the SSPs and previous researched work. It also seeks to introduce a new methodology for measuring the impact of partnership on the desired outcomes.

The following Technical Notes are also available on the ODPM website:

- [*Risk Management Technical Note*](#)

The purpose of this document is to help guide and structure local authorities' approaches to risk and risk management at the strategic and project level by allowing them to refer to one document that addresses the main issues of risk affecting major partnering contracts

- [*Payment Mechanisms Technical Note*](#)

This Technical Note has been developed to provide guidance to organisations embarking on the process of procuring and implementing a SSP. It focuses on the issues and considerations relevant to the development of a payment mechanism for the partnership and the ways in which payment can be linked to service performance.

All of the documents listed above are also available in hard copy from ODPM Literature on 0870 1226 236.

The Final Report of the Strategic Partnering Taskforce is now available in HTML format. Please refer to the [ODPM website](#) for a copy of the report.

Conference Reports

Rethinking Older People's Services – 1 April 2004

The conference held on 1st April, was organised by the Local Government Association, in association with the ODPM Strategic Partnering Taskforce (SPT), Association of Directors of Social Services (ADSS), Audit Commission and Better Government for Older People (BGOP). It highlighted the need for the development of strategic whole system approaches to delivering services for older people, as promoted in recent publications from national partners.

The conference and workshops focussed upon the practicalities and the issues surrounding this necessary step-change in strategy and service delivery. In addition, they provided an opportunity to explore the national policy framework that is requiring the shift in focus from the frailest elderly people to promoting the well-being of all older people.

The conference Chair - Councillor Joan Taylor (The LGA Older People's Champion) drew attention to the partnership approach to the organisation and introduced the format of the day's conference. She was encouraged that there was a move away from discussing traditional services for older people to looking at the whole agenda for older people. The timing of the conference itself was very useful following the LGA/ADSS publication *All Our Tomorrows* late last year, the Audit Commission and Better Government for Older People reports on Independence and Well-Being had been recently published, the Shared Priority on Older People was being scoped and the Department for Work and Pensions had started work on an UK Older People's Strategy.

Jane Carrier (Audit Commission) and Chris Paley (ADSS) opened the conference on the national perspective with a joint presentation which epitomised the partnership approach running throughout the conference. They highlighted the findings from the Independence and well-being study as well as the headline recommendations from *All Our Tomorrows*.

Local perspectives were given by Carolyn Downs (Chief Executive Shropshire County Council) and Louise Sutton (Assistant Director of Social Services Wigan MBC). They referred to what they're doing respectively - in Shropshire around commissioning arrangements with partner organisations and in Wigan in terms of partnership arrangements for delivering services for older people and an update on the work of the innovation forum work on reducing hospital admissions.

The keynote speaker – Malcolm Wicks, Minister of State for Pensions, spoke about his department's role in leading on issues affecting older people and ensuring better co-ordination across government departments. He referred to the development of joint teams and "Third Age Service". As the development of such integrated services takes place, the term "Third Age Service" is likely to change; however the concept is about developing more effective strategic and operational partnerships between existing organisations rather than any new single services being established.

Jeni Bremner (LGA) spoke about the challenges and implications for whole system strategic approaches and Nigel Druce (IDeA) focused upon what support IDeA can offer to help authorities in making the change in how they deliver services to older people. These might be around commissioning, governance issues and the skills base needed to deliver on this agenda. A Panel session on "Do public services treat older people as citizens of their community, or merely as

consumers of health and social care services? How will this need to change in the future?” concluded what was generally felt to be a very useful, stimulating and groundbreaking day.

There is a useful covering paper that draws together in 4 pages of A4 the common messages of the organisations featured at the conference - Public services for tomorrow's older citizens. This paper will shortly be available from the following websites: www.bgop.org.uk, www.adss.org.uk and www.lga.gov.uk

Partnering and Maximising Opportunities with the Prudential Code

PricewaterhouseCoopers (PwC) has been running a series of regional seminars looking at the modernisation of local government and the challenges surrounding managing and maximising capital whilst seeking innovative methods of procuring services. The most recent of these seminars was held at Northampton on 3 April 2004.

Stephen Clare, Head of PwC's Public Sector Assurance and Advisory Practice in the UK, opened the event and welcomed the attendees, who had travelled from a number of local authorities. He then introduced the first presentation entitled 'The Consortium Approach to Internal Auditing', by Jon Warlow, Acting Chief Executive of Northampton BC, David Gowing, Head of Consortium Audit and Guis Miah from PwC.

The speakers explained why they adopted a consortium approach to internal auditing and explored the key issues that made the partnership so successful. These included; leadership, a background to the legal arrangements and charges, management and reporting responsibilities, the quality of staff and the role of PwC in the private sector partner. Guis Miah went on to explain further the role of PwC in the partnership. An important message reaffirmed that the partnership must have a dual perspective, representing the needs of the authorities but also run as a business.

Enid Allen a former Executive of the Strategic Partnering Taskforce (SPT) went on to detail the lessons learnt and work of the SPT and how this is applicable to local authorities (for example by highlighting examples of best practice within examples of case studies etc). She highlighted differing types of SSPs, key messages for local authorities that are considering partnerships and lessons learned – stressing that preparation and affordability are essential when considering a partnership.

John Layton, a Director with PwC and also a former Executive of the SPT spoke of the new way of working agenda. He added that the challenge for district councils is to collaborate and work together – doing things differently was the key and the opportunity for change was now available. He added that it was important for local authorities to reflect on what they want/need and the new ways of working that can act as a vehicle for this.

Michael Kitts, of PwC, concluded the presentations by describing how to respond to the opportunities by means of the following:

- More joint working and better partnering
- Active asset management
- Increased value for money
- Income raising initiatives and innovative use of freedoms

He used case studies to illustrate these points and prompted discussion amongst the audience. The seminar ended with an open discussion to the panel of PwC representatives.



Useful Links

Modernisation and Efficiency team (MEt)

Office of the Deputy Prime Minister
3/A6, Eland House
Bressenden Place
London
SW1E 5DU
E-mail: met@odpm.gsi.gov.uk
Web: [Strategic Partnering Taskforce](http://www.strategic-partnering-taskforce.gov.uk)

Office of the Deputy Prime Minister

Eland House
Bressenden Place
London
SW1E 5DU
Tel: 020 7944 4400
Web: <http://www.odpm.gov.uk>

The Employers Organisation

Layden House
76-86 Turnmill Street
London
EC1M 5LG
Tel: 020 7296 6781
Web: <http://www.lg-employers.gov.uk>

Improvement & Development Agency and IDeA Knowledge

Layden House
76-86 Turnmill St
London
EC1M 5LG
Tel: 020 7296 6693
Web: <http://www.idea.gov.uk>
IDeA Knowledge: knowledge@idea.gov.uk

Ourpartnership

c/o NCVO
Regent's Wharf
8 All Saints Road
London
N1 9RL
Telephone number: 0207 520 2428
Web: <http://www.ourpartnership.org.uk/>
E-mail: info@ourpartnership.org.uk

4ps

South Entrance
7th Floor, Artillery House
Westminster
London
SW1P 1RT
Tel: 020 7808 1470
Web: <http://www.4ps.co.uk>

Audit Commission

1 Vincent Square
London
SW1P 2PN
Tel: 020 7828 1212
Web: <http://www.audit-commission.gov.uk>

The Local Government Procurement Forum

Office of the Deputy Prime Minister
3/H6, Eland House
Bressenden Place
London
SW1E 5DU
E-mail: procurement@odpm.gsi.gov.uk
Web: <http://www.odpm.gov.uk>

The Local Government Task Force

108-110 Judd Street
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WC1H 9PX
Tel: 020 7837 8286
Web: <http://www.lgtf.org.uk>
E-mail: info@lgtf.org.uk

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