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Local Strategic Partnerships in England: The continuing search for collaborative advantage, leadership and strategy in urban governance.

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[7822 words including references]

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Abstract

Local Strategic Partnerships are being established in England to provide an inclusive, collaborative and strategic focus to regeneration strategies at the local level. They are also required to rationalise the proliferation of local and micro-partnerships set up by a succession of funding initiatives over the last 25 years. This paper explores their remit, resources and membership and discusses how this initiative relates to theoretical work on urban governance, community engagement and leadership. It concludes by debating whether urban policy in England is now entering a new and more advanced phase based on inter-organisational networks with a strategic purpose. But questions remain about whether the institutional capacity is sufficient to deliver strong local leadership, accountability and community engagement.

Introduction

Since the early 1990s in Britain, as elsewhere in Europe, there has been an exponential growth in the number of partnerships at regional, district and local levels, not least because of the profusion of government initiatives in delivering regeneration strategies. One of the main reasons for the growth in the number of partnerships has been the ad hoc and piecemeal approaches adopted by both central and local government in devising new mechanisms for policy delivery. As part of a broader aim to target resources on the most deprived sections of the population, to develop a more strategic approach to policy delivery and to 'rationalise' the number of partnerships, central government has devised a new form of macro-partnership called Local Strategic Partnerships (LSPs) and has provided additional resources to support them.

LSPs operate at the local authority district or borough or county levels and are designed to focus on areas demonstrating high levels of deprivation based on the analysis of deprivation indices for England, published as the *Indices of Local Deprivation* (DETR 2000).

Since LSPs are still in their formative stages it is too early to fully evaluate their performance or impact on regeneration policy. However, it is possible to explore this new initiative in the light of theoretical literature on urban governance, community involvement and leadership in inter-organisational networks. It is also possible to identify the main challenges facing LSPs as new and more complex organisational arrangements between the public, private and community-based sectors.

The argument being advanced here is that the establishment of LSPs represents a new and more advanced stage in the development of urban policy in England. They aim to provide a more strategic approach than the previous decade (1991-2001) where partnerships were set up often in very localised areas under a series of piecemeal and unfocused policy initiatives. These so called area based initiatives (ABIs) have proliferated to the point where new policy initiatives from all government departments with an area focus need to be approved by the Regional Co-ordination Unit. A recent report (RCU 2002) has reviewed all ABIs and made recommendations about merging and discontinuing a number of sets of partnership bodies.

It is suggested that LSPs have all the characteristics of inter-organisational networks where three core objectives are addressed. First, key stakeholders are being engaged in devising and implementing a strategic approach to regeneration at the local

authority level. Second, it can be argued that LSPs represent a further development towards devolving decision-making away from central government with greater emphasis placed on promoting local leadership structures. Third, LSPs are required to work to an integrated and locally agreed community strategy, which includes targeting areas of deprivation and rationalising single-policy partnerships. However, a number of uncertainties remain about the institutional capacity of the system to develop a coherent strategy, engage leaders with the capacity to deliver it, target areas of greatest deprivation, and integrate both mainstream funding agencies and existing area-based initiatives. Further evidence from a Select Committee of the British House of Commons suggests that the performance of LSPs has so far been uneven and that considerable uncertainty remains about accountability, the scrutiny process and their role in relation to local and sub-regional partnerships (House of Commons 2003: 26).

This paper is divided into four sections. The first part reviews the theoretical literature on urban governance, community involvement and leadership. The second part explores the origins and context in which LSPs operate and sets out the objectives, funding and accreditation procedures drawn from the policy guidance provided by government. The third section examines some examples of different approaches to setting up LSPs and highlights some of the challenges they face in doing so. The paper concludes by drawing on the theoretical context, policy guidance literature and examples to suggest the key challenges facing LSPs in the future.

Theoretical Considerations

Urban Governance

Much has been written about the shift in the British state over the last forty years from a system of hierarchical government to one of *governance* (Kooiman 1993; Rhodes 1997). There has been a rapid increase in relatively unaccountable state agencies delivering services at central and local levels and there are proponents of the 'hollowing out of the state' thesis (Rhodes 1994: 138-9). In the modern western state policy-making used to be the preserve of traditional hierarchies but now this process occurs through the interaction of 'stakeholders'. As Kooiman observes:

> These interactions are…based on the recognition of (inter) dependencies. No single actor, public or private, has all knowledge and information required to solve complex dynamic and diversified problems; no actor has sufficient overview to make the application of needed instruments effective; no single actor has sufficient action potential to dominate unilaterally in a particular government model. (Kooiman 1993: 4)

Rhodes argues that, as a result of complex changes in systems of government after 1979 in Britain, 'central government is no longer supreme' and that 'there is no longer a single sovereign authority'. 'In its place there is this: the multiplicity of actors specific to each policy area; interdependence among these social-political-administrative actors; shared goals; blurred boundaries between public, private and voluntary sectors; and multiplying and new forms of action, intervention and control.

Governance is the result of interactive social-political forms of governing' (Rhodes 1997: 51).

In the context of developments in British government, Rhodes suggests that 'governance refers to self-organising, inter-organisational networks' (Rhodes 1997: 53). He lists the characteristics of governance as:

1. 'Interdependence between organisations. Governance is broader than government, covering non-state actors. Changing the boundaries of the state meant the boundaries between public, private and voluntary sectors become shifting and opaque;

2. Continuing interactions between network members, caused by the need to exchange resources and negotiate shared purposes;

3. Game-like interactions rooted in trust and regulated by rules of the game negotiated and agreed by network participants;

4. A significant degree of autonomy from the state. Networks are not accountable to the state; they are self-organising. Although the state does not occupy a sovereign position, it can indirectly and imperfectly steer networks.' (Rhodes 1997: 53)

There has also been a considerable amount of research on policy networks carried out in the Netherlands (see for example Kickert *et al.* (eds.) 1997). Kickert and

Koppenjan, for example, note that policy networks are often criticised for being 'non-transparent, inpenetrable structures of interest representation which block essential, broad-based policy innovations and constitute a threat to the effectiveness, efficiency and democratic legitimacy of government performance' (Kickert & Koppenjan 1997: 59). They argue that:

> 'Often, however, there are more positive reasons for joining a network or adopting network management strategies. Networks frequently offer the prospects of results which could not be obtained by government's go-it-alone strategies. Negotiating government and network management are forms of steering in which the public sector is highly dependent on other actors and where the alternatives, market and hierarchy, encounter normative or practical difficulties.' (ibid, p.59)

This discussion of governance through policy networks has many of the hallmarks of the system represented by LSPs. They are collaborative arrangements between different agencies and sectors which can only achieve their objectives through game-like interactions between network members. They are relatively autonomous from the state and are specifically charged with developing a strategic approach to meeting locally defined needs. Perhaps Rhodes underplays the extent to which central government defines the 'rules of the game' by setting targets, requiring the preparation of strategies and delivery plans, and by ensuring that LSPs only become eligible for additional resources if their membership and other criteria are met through a process of accreditation. In other words, they are a top-down intervention aimed to

achieve local network formation. This paradox may help explain why some LSPs have found it difficult to achieve a lasting impact at the local level.

In the British context, and in England in particular, the trend towards urban governance at the local level can be seen in historical terms at least in part as a response to the dramatic upheaval in policy brought about by the Thatcher Government after 1979 (Stoker 2000). The removal of both powers and finance from local government reinforced a highly centralised state that, in the early stages, stifled local leadership through the imposition of government-appointed agencies, such as the Urban Development Corporations (Raco 2002). Into the vacuum then evident at the local level were drawn some of the early experiments in public-private partnership (Bailey *et al*. 1995). These were at first tolerated because of the involvement of the private sector, and then encouraged by the more corporatist Conservative Government after 1990. The City Challenge programme was perhaps the first example of this (ibid: 64). For the next decade almost every funding regime required the involvement of partnerships for the delivery of regeneration programmes. As a consequence, since the early 1990s, there has been an increasing tension in central government between the desire to target resources on the areas of greatest need to achieve maximum impact and the wider objective of developing an integrated, joined-up and strategic approach to regeneration (RCU 2002)

Community involvement

The growing importance of urban governance has been linked closely with a more structured approach to community involvement. Much effort has gone into identifying and encouraging the full representation of communities of 'place' and 'interest'.

Many justifications have been put forward for increasing and sustaining community engagement in regeneration (Taylor 2000). This has in turn led to an extended debate about community networks and social capital and the creation of political opportunity structures (Stoker 2000) to increase the network capacity for engagement. These arguments cannot be rehearsed in full here but capacity building for community groups has been funded through regeneration programmes for some years. This emphasis on capacity building has been inverted so that many now argue that public sector employees and local politicians need 'capacity building' as much as community representatives, since many lack the skills of facilitation and the ability to work in partnership (Taylor 2000: 1026).

An important issue for Local Strategic Partnerships is the nature and extent of community representation. One component of this question is the proportion of community representatives to be included and the nature of the organisations from which they are selected. Maloney *et al* (1994) discuss the engagement of different kinds of organisations in consultations with government in terms of the insider/outsider model. Government tends to favour engagement with those 'insider' organizations that support the status quo and speak the right technical 'language'. 'Outsider' organisations either do not, or choose not, to adopt these conventions and often represent more radical, protest-orientated stances. A second component concerns issues of representation and succession. Individuals from community organisations often become highly skilled in participating and appear to dominant organisations, such as local authorities, to be 'unrepresentative'. Likewise, to the community organisation, representatives can appear unresponsive to the membership and unwilling to report back. Many also suffer burn-out and disengage. Taylor argues

that 'The effective engagement of communities in governance also requires the development of robust structures which can stimulate and act as a channel for the views of different communities, command the trust of different parts of neighbourhood communities and be accountable for the role they play in engaging with other partners' (Taylor 2000: 1032). The establishment of community fora and networks helps promote a critical mass of engaged individuals and organisations so that new opportunities for engagement open up and those who act as representatives on LSPs, and similar bodies, do not become isolated and divorced from their communities.

Leadership

Whilst the study of urban governance has tended to emphasis the importance of inter-organisational collaboration whereby policy 'emerges' through transformation and consensus, recent attention has focused on the nature of leadership (Huxham and Vangen 2000; Hambleton *et al* 2001). In central government, there has also been heated debate about the impact of elected mayors and the importance of 'strong local leadership' from local government (DTLR 2002).

Identifying what constitutes effective leadership is itself a difficult issue. In situations where agencies from different sectors are brought together to 'join-up' policy delivery there may well be few signposts towards goals, objectives and processes, and no predetermined lead agency or individual. As Huxham and Vangen point out, *collaborative inertia* can be the outcome in contrast to the preferred (and often assumed) outcome of *collaborative advantage* (Huxham & Vangen 2000: 1160). In

their view, leadership can be ascribed to both individuals as well as occurring 'through collaborative structures and processes' (ibid. p.1160).

Huxham and Vangen identify three 'media' which influence the practice of leadership – structure, process and participants. These factors are often integral to a particular collaborative arrangement and become taken for granted, but can have a considerable influence on the way leadership is exercised.

Leadership through structure is important to inter-organisational working because it has a strong influence on the interactions between member groups. A relatively loose structure where meetings are open to those who wish to attend allows wide access to the agenda. Representatives from different sectors may also bring different cultural assumptions about how business should be transacted and may have different levels of commitment to attending and participating. In contrast, 'a tightly controlled membership structure with, for example, a designated lead organisation, a small, well-defined number of core member organisations, an executive committee, and a set of working groups that report to the committee, may be more able to gain agreement and to implement its agenda, but it may exclude stakeholders from accessing the agenda' (ibid. p.1166). In many cases, such as with LSPs, some guidance is externally imposed by government, although a considerable degree of discretion remains at the local level.

Leadership through process refers to the modes of communication between representatives and the extent to which common understandings are developed through shared information. Members will enter the collaborative arena with different

skills and knowledge. Capacity building may be required to enable all to participate equally. Tight agendas and the use of technical language may have the effect of excluding certain groups from playing a full part. External forces, such as tight deadlines, reporting schedules and funding requirements can often be used by dominant partners to force through decisions and restrict the exploration of alternatives.

Leadership through participants. In most collaborative partnerships, positional leaders emerge either as the representative of a designated lead organisation, or as a member of a dominant group which can offer the most resources. In the case of LSPs, local authorities are required to take the lead in setting up the organisation and are responsible for the first year's funding through dedicated funding sources. Clearly the style of leadership (and management) adopted by the leader, or designated Chair, can have a big influence on how the organisation operates, how members are selected or invited to participate, and how meetings are run. Weak leadership may leave the partnership confused and directionless; overbearing leadership may favour dominant organisations and lead to conflict and non-attendance by weaker partners.

Research carried out at the University of the West of England into leadership styles in three cities (Bristol, Glasgow and London) identified a threefold model of leadership attributes:

> 'Designated and focused leadership provides a clear vision of future direction, a firm manifesto and a dedicated budget. The leader is high profile, imposes influence and leverage on others, relies on a dedicated staff, offers patronage to supporters, holds office by virtue of personal election or appointment,

derives authority from position, and is directly accountable to a constituency of followers.

Implied and fragmented leadership provides a consensual (and often confused) view of direction, operates on an implicit rather than explicit forward plan and puts together packages of resources through joint funding arrangements. Leadership is virtually invisible, depends on a team of secondees or temporary staff, often has a shifting membership, derives authority from collective sanction, and is less transparently accountable.

Emergent and formative leadership relies on implementation to shape policy, reflects pragmatism in developing future direction, uses ad hoc resources to make progress, emphasises learning as the basis for further action, derives authority from getting things done, is accountable for what is done not what is said'. (Hambleton *et al*. 2001).

The importance of leadership, then, cannot be underestimated in the current rather confused and fragmented arena of regeneration agencies. All kinds of tensions exist between competing government policies and prescriptions to deliver joined-up, effective and measurable benefits to local communities. There are tensions between the need to engage and involve disparate sectional interests and the need for decisive leadership; the need to prioritise and target resources on what is achievable; and the need to integrate multiple tiers of government and executive agencies, each with their own priorities and accountabilities.

In reviewing the role of community leaders in local regeneration partnerships, Purdue (2001) found that leaders emerging from local communities needed to develop mutual trust with both community groups and networks and with a variety of public and private sector stakeholders. Fragmentation and a lack of trust in government initiatives 'made it hard to gain the trust of a wide range of local residents' (ibid. p.2221). On the other hand, 'all too often they were expected to trust their powerful partners without reciprocation' (ibid. p.2222). In consequence, the role of the community leader can be extremely stressful in that by being nominated or elected to a management board they can become divorced from the wider residential constituency, while also very often having only limited power and influence at the decision-making table. This issue of differential stakeholder power has rarely been addressed in government guidance on partnership working.

National Policy Guidance on LSPs

The idea that regeneration policy needed to be delivered strategically at the local level first emerged at the beginning of the new millennium when the English government reviewed intervention in deprived areas undertaken as part of the annual Spending Review carried out by the Treasury in 2000 and presented to Parliament by the Chancellor of the Exchequer. This concluded that, in future, core public services such as education, health and the police service needed to play a bigger part in tackling deprivation in the most deprived neighbourhoods. The concept of the Local Strategic Partnership emerged as the preferred mechanism for bringing together the growing array of centrally funded agencies, local authorities, existing partnerships and local people, and in providing a collaborative approach to neighbourhood renewal. LSPs are therefore designed to:

- Bring together at a local level the different parts of the public sector as well as the private, business, community and voluntary sectors so that different initiatives, programmes and services support each other and work together;

- Be a non-statutory, non-executive organisation;

- Operate at a level which enables strategic decisions to be taken and is close enough to individual neighbourhoods to allow actions to be determined at the community level;

- Be aligned with local authority boundaries. (DTLR 2001: 10).

LSPs are also seen as an important delivery mechanism in other central government policy statements. The government's major urban policy statement in 2000 (the Urban White Paper) portrayed them as 'the key to our strategy to deliver better towns and cities' (DTLR 2000: 34) in that they would have the task of producing Community Strategies under the Local Government Act 2000. This Act requires each local authority to prepare a community strategy which will demonstrate how they will improve the economic, social and environmental well-being of their area. A further influence on the creation of LSPs was experience from the Local Government Association's pilot programme, known as New Commitment to Regeneration (NCR). A total of 22 'pathfinder' local authorities were selected for NCR to work closely with central government and the Local Government Association in order to agree strategies for targeting deprivation within the context of the delivery of mainstream spending programmes (Russell 2001).

The Social Exclusion Unit (SEU) was set up in 1997 in order to co-ordinate government policy towards the most deprived areas of England. In preparing its National Strategy (SEU 2001), the SEU had also identified LSPs as playing an important role in tackling the 10 per cent most deprived neighbourhoods in England. LSPs were charged with developing local strategies to reduce deprivation through the preparation of Local Neighbourhood Renewal Strategies in the 88 most deprived local authority areas. These would:

- Set out an agreed vision and plan for positive change in as many neighbourhoods as are in need of renewal;

- Have the agreement and commitment of all the key people and institutions who have a stake in the neighbourhood, or an impact on it; and

- Clearly set out a strategic level framework for action that responds to neighbourhood needs and puts them in the context of the area as a whole. (SEU 2001: 46).

The government's intention is that LSPs will also initially be set up in the 88 most deprived local authority areas in England, although many other areas have set them up, albeit without being eligible for additional funding at this stage. The expectation was that leadership would come initially from local government, but other sectors were not excluded. Support from central government would primarily come from the newly established Neighbourhood Renewal Unit, but the Government Offices for the Regions would act as facilitators, mediators and accreditors. The Government Offices

are charged with accrediting the 88 LSPs based on guidelines prepared by the Neighbourhood Renewal Unit (NRU 2001). In addition, funding is being made available to the 88 most deprived areas through the following programmes:

i. The **Neighbourhood Renewal Fund (NRF)** is intended to help LSPs achieve national 'floor targets' in education, employment, health, crime and housing. It can also be used to reach locally agreed targets such as community development and involving local communities in decisions about public services. In the first year (2001-02), local authorities were given considerable discretion on how the funds were to be used. From April 2002 local authorities will have to show that they are working with an LSP accredited by the Government Office for the Region. A 'Statement of Use' of the NRF will have to be agreed with the whole LSP and submitted with a local neighbourhood renewal strategy. The NRF budget is currently £200m ($300m) in 2001-02; £300m ($450m) in 2002-03; and £400m ($600m) in 2003-04;

ii. The **Community Empowerment Fund** provides resources to enable the voluntary and community sectors to be involved in decision-making at a strategic level through LSPs. In the region of £60m ($90m) will be available between 2001-06 to set up networks in the 88 LSPs receiving NRF funding and will be administered by local authority-wide organizations which represent the voluntary and community sectors;

iii. **Community Chests** will provide small grants (up to £5000 ($7500)) to support community and voluntary groups at the neighbourhood level. (Urban Forum 2001). The intention is to merge the Community Empowerment Fund and the Community Chests into a single funding stream.

In March 2002 it was announced that 87 Local Strategic Partnerships had been successfully accredited (Walsall was the exception). In order to access NRF funding for 2002-03, local authorities had to be part of an accredited LSP, needed to submit a further Statement of Use and had to be in the process of agreeing a Local Neighbourhood Renewal Strategy with the LSP.

In order to achieve accreditation from the Government Office, LSPs had to carry out a self-assessment of their progress towards six criteria:

i. Strategic

They are effective, representative, and capable of playing a key strategic role;

ii. Inclusive

They actively involve all the key players, including the public, private, community and voluntary sectors; at the strategic level; more widely; with community and voluntary sectors; with black and ethnic minority communities; with the private sector;

iii. Action-focused

They have established genuine common priorities and targets, and agreed actions and milestones leading to demonstrable improvements against measurable baselines;

iv. Performance managed

Members (organisations) have aligned their performance management systems, aims and objectives, criteria and process to the aims and objectives of the LSP;

v. Efficient

They reduce, not add to, the bureaucratic burden;

vi. Learning and developmental

They build on best practice from successful partnerships by drawing on experiences of local and regional structures, and national agencies. (NRU 2001).

Local authorities were given the task of deciding which stakeholders should be represented and in arranging meetings. The guidance made it clear that 'The membership, structure and size of an LSP should reflect both its aims and the breadth of issues that fall within its scope. The precise membership of any partnership will depend on local circumstances and priorities; but LSPs will only be effective if their core membership includes the public, private, community and voluntary sectors' (DTLR 2001: 12). If LSPs are to be representative, the total membership will be large. The Social Exclusion Unit lists in its guidance 13 central government agencies, six local government departments, as well as local councillors, community groups and the private sector as likely members (SEU 2001: 45). Examples of emerging LSPs identified by the Local Government Association also suggest a membership of at least 30 organisations with the majority coming from the public sector and voluntary organisations. The private sector and community organisations tend to be less well represented (LGA 2001b).

Most LSPs are chaired by a senior local authority elected representative, while a limited number are experimenting with rotating nominations (LGA 2001b, ALG 2003). Officer support comes predominantly from the local authority. The advice from government is that each LSP must decide which sectoral interest is best placed to occupy leadership positions:

> "A good leader of an LSP needs to express and inspire vision and commitment from other partners and amongst local communities, and ensure that all

partners have an opportunity to play a full and active part in this work".
(DTLR 2001: 12).

In particular, LSPs need to 'exhibit leadership and exercise leverage'. They should: 'take a strategic view; speak with authority; reflect the priorities and goals of their organisation/constituency; and exert influence within their organisations in order to shape decisions…' (ibid, p.12)

Thus as the 88 LSPs became bedded down and began their third year of funding in April 2003, the expectations were high that they would be able to co-ordinate a series of existing inter-organisational relationships, exert strategic influence over the interrelationships between central, regional and local spending programmes and target the most deprived neighbourhoods. However, complaints had already arisen about the lack of community representation. In the London Borough of Hackney members of the LSP, Hackney 2020, had threatened a vote of no confidence in the LSP because there are currently only two representatives of community organisations, compared with 10 in neighbouring Newham (*Regeneration and Renewal* 29 March 2002: 2). In London, two of the more successful LSPs have a majority of voluntary and community sector representatives. Lambeth has 15 from this sector out of a total membership of 28, and Newham has 18 out of 38 (ALG 2003: 11).

Some Examples of Emerging Local Strategic Partnerships
Most LSPs used the first year (2001-02) to become established and to determine roles and responsibilities. Many held conferences and other events to publicise their existence and engage with the community and voluntary sectors. Leadership in the

early stages was largely provided by senior elected representatives and local authority officers, although some deliberately sought independent chairs. In addition, a 'network of networks' has been established to provide coherence to the large number of voluntary and community-based organisations. These provide a sounding board for those subsequently selected to sit on the LSP. In implementing the community strategy, a key issue has been seeking ways of integrating regeneration policies (largely from central government), local authority services and other mainstream funding agencies so that the most deprived areas are targeted. A recent report from the Local Government Association (2002) highlighted some different approaches to these issues.

The following section briefly reviews progress in two examples drawn from different regions of the UK and with contrasting economic and social conditions. The first example is the City of Gloucester in the South West region, which does not receive any NRF funding. The second is the City of Manchester, the second largest city in the North West region. Space will only allow a brief review of the progress made in these two cases, as well as a discussion of some of the issues they face in the future.

The Gloucester Partnership

Gloucester is a relatively prosperous and expanding town in South West England with a population of 110,000. Deprivation levels are relatively low and it is not in receipt of an allocation from the NRF, although it has two wards in the ten percent most deprived wards nationally. The City Council works closely with the County of Gloucestershire, which has responsibility for strategic services such as highways and

education. The County Council has also established a LSP to cover the whole county so that for the citizens of Gloucester there is a two-tier arrangement of LSPs.

The Gloucester Partnership was set up in October 2001 after a community strategy conference earlier in the year. This event was open through invitation to the key service providers in the city and resulted in the selection of 12-14 organisations to form a steering group. Over 300 organisations were consulted about the formation of the LSP with the lead being jointly shared by Gloucester Council and Gloucester Council for Voluntary Services (CVS).

Over 50 organisations are signed up to the LSP with about a third representing the voluntary and community sectors. The executive body is made up of 23 members. Of these, 12 places are allocated to representatives of the public sector, nine places go to the voluntary and community sectors, and two places to the private sector. The executive is chaired by a cabinet member from Gloucester City Council and the two vice-chairs come from the voluntary sector representatives and the local Chamber of Trade and Commerce respectively. The executive holds open meetings, meets every three months and has delegated responsibility for taking decisions on behalf of the main partnership. All decisions are reported back to the main Partnership. There are two action groups covering a priority area with high levels of deprivation, Westgate Ward, and a social priority: young people. In both cases there are good prospects that additional funding can be secured from the regional development agency and central government.

The Partnership is severely limited as far as resources are concerned because it is not eligible for NRF funding. The City Council provides the secretariat function for partnership meetings (LGA 2002: 10) and an additional £25,000 has been raised for one year to cover incidental expenses and the organization of conferences. This means that the Partnership's primary function is to provide a forum for local stakeholders. Anything more than this is severely limited by resource constraints.

The Gloucester Partnership has faced real difficulties in establishing workable collaborative arrangements but now feels that the Executive has settled down and is working effectively together. While providing a forum for a variety of stakeholders, it is open to the accusation of being a 'talking shop' because of the very limited resources it has at its disposal. Without NRF, or other sources of central government funding, its effectiveness is substantially curtailed. In addition, there are issues of accountability to be resolved in terms of the relationship of the partnership with the City Council as well as the extent to which members of the LSP are able to represent and take responsibility for the actions of their member organizations. A further set of issues relate to devolution. As noted above, the Gloucester Partnership must also work closely with the larger LSP covering the County of Gloucestershire and there are also the problems all LSPs face in creating their own policy space and exerting influence without duplicating or undermining the activities of the City Council.

Manchester Local Strategic Partnership

Manchester is the second largest urban centre in the North West region of England and in 2001 had a population of 393,000. The inner core has substantial concentrations of deprivation and is a major focus for regeneration activity. The

Manchester LSP was set up by the City Council in January 2002 as a new organization by the City Council, after extensive publicity and community consultation in the city. The LSP has a multi-layered structure:

- An all-inclusive Manchester Conference;

- A steering group, which sets the strategic development and is the main decision-making body for the partnership;

- A support and delivery group, which seeks to engage key public agencies in a commitment to work together in support of the strategic direction set by the Manchester Community Strategy and LSP steering group;

- Thematic partnerships/working groups and area-based partnerships, which deliver the priorities of the community strategy and LSP steering group. These will address: economic competitiveness and local employment; children and young people; housing; crime and disorder; health; transport; culture.

The steering group sets the strategic direction for the partnership and has a membership of 41, 11 of whom come from the voluntary and community sectors. There are also five elected members of the Council and representatives of the private sector. The leader of the council was elected chair of the steering group for the first year and the council also provides secretariat services and paid for community consultation. The steering group has set up a series of thematic working groups based on policy areas in Manchester's community strategy. These are: economic competitiveness and local employment; children and young people; housing; crime and disorder; health; transport; and culture.

A Community Network has been set up to improve communications between members of the voluntary and community sectors in the city. It is intended to be both comprehensive and strategic and is divided into seven geographical networks and 22 'communities of interest'. It is developing a representative core group, the Community Network Strategy Group, which will feed into the deliberations of the LSP.

Initially, misunderstanding was caused by the failure of the local authority to involve the community in early deliberations about the formation of the LSP. The sector first became involved at the 'consultation stage' when plans were already well advanced. It also held its own consultation event and submitted a report on the LSP proposals, containing a series of 12 recommendations. Each of these recommendations has been addressed and some significant changes have been made to the LSP process as a result. These include:

- The right of the Community Network to select its own 8 LSP steering group participants from a pool of 15 who can attend meetings;
- The provision for a community and resident engagement strategy for all aspects of the LSP;
- A more integrated approach to the learning and development programme for the LSP;
- A more explicit focus on tackling poverty and social exclusion;
- A commitment to a full consultation process concerning plans for a Manchester Regeneration Fund. (LGA 2002: 42)

As in other locations, the LSP has taken longer than expected to establish itself and to resolve disagreements over the structure and membership of the LSP. It has provided an opportunity to formalize relationships between the voluntary and community sectors and other public and private agencies. It has also provided an opportunity to develop a strategic approach across the community and voluntary sectors. However, major disagreements have arisen over demands for equal representation between this and the public sector. At present about a quarter are from the voluntary/community sectors.

Conclusions

Over the past decade, British urban policy has been charactersised by the development of partnerships for both bidding for funding and delivering regeneration strategies. Partnerships, or in Rhodes' more appropriate description, 'self-organising, inter-organisational networks' (Rhodes 1997), have been evolving in a piecemeal fashion and have been multiplying rapidly as several government departments use the same approach in developing area-based initiatives. These networks have been broadly successful in engaging disparate stakeholders in urban governance but, because of the multiplicity of initiatives, have been unable to effectively 'join-up' parallel initiatives in different policy areas. One major division of responsibility has resulted from the setting up of the Regional Development Agencies (RDAs) in nine regions in England. The RDAs' primary function is economic development and skills training but they have taken on responsibility for the Single Regeneration Budget and also have responsibilities relating to physical regeneration, such as the restoration of brownfield sites. On the other hand, the social, community and housing agendas

remain the responsibility of the Office of the Deputy prime Minister and the Government Offices for the Regions.

Successive British Governments have experimented with different approaches to partnership working. From the Inner City Partnerships in the 1970s, to Urban Development Corporations in the 1980s, leading to City Challenge and the Single Regeneration Budget Challenge Fund in the 1990s, governments have brought together different combinations of stakeholders to develop and manage regeneration strategies. At the same time, political scientists (Rhodes 1997; Kooiman 1993; Kickert *et al.* 1997) have highlighted the increasing trend towards inter-organisational or policy networks in almost all aspects of government.

In the field of urban policy, successive initiatives have fluctuated between launching new, and often short-term, pilot projects to be followed soon after by administrative reforms which merge initiatives and combine budgets in order to 'join-up' policy strands and reduce bureaucratic complexity. In addition, there has been a tension between the desire on the part of central government to formulate rules of engagement and provide direction from the centre, and the equal but opposite pressures to devolve decision-making and encourage regional and local leadership.

Since 1997, the government has increased the number of area-based initiatives in urban policy while also setting up new institutions such as the Regional Development Agencies and LSPs to exert greater strategic influence over economic development and the wider regeneration agenda. Many of the criticisms of the Audit Commission (1989) made more than a decade ago about the complexity of regeneration funding

still hold true, although recent steps have been taken to rationalise area-based initiatives and to reduce the number of funding streams from central government departments (RCU 2002).

LSPs represent an attempt at the formalisation of informal alliances and loose, collaborative arrangements between sectors and other local interests which already exist in many areas. From this perspective, central government is merely providing ground rules for the further development of existing networks engaged in local development and regeneration. Many of these lacked community representation in the past and therefore the inclusion of these groups represents a significant advance. Yet much depends on LSPs attracting community leaders with sufficient time, motivation and the capacity to play a full part. Early reports suggest that experience has been mixed and in some areas community representatives feel under valued and, as with some previous initiatives, bypassed or co-opted into decisions promoted by more powerful stakeholders. This was the case in Manchester in the early stages of the LSP.

The development of LSPs also raises many issues of accountability and control. It has been noted earlier in discussing the policy network literature (Kickert *et al* 1997) that significant criticisms have been voiced about the lack of transparency and accountability. A major challenge for LSPs is to devise effective systems of representation, accountability and reporting back so that recipients and other local interest groups feel they have some influence over the internal working of the LSP. Inclusivity of community interests is important but a total membership of 41, as noted in the case of Manchester, may be too large for effective decision-making. It appears in the nature of such networks that they may be technically representative of different

stakeholders but have no formal mechanism for being accountable for their actions, except very indirectly through funding bodies and the accreditation process.

A further issue hardly addressed by the policy guidance and where there is also little discussion in the theoretical literature is the requirement for LSPs to operate effectively as strategic bodies at the local level. In general, partnership agencies are often better at developing consensual approaches to policy making where significant conflicts between stakeholders are glossed over or airbrushed out of policy documents. To be effective, LSPs will need to operate strategically and develop in Huxham & Vangen's (2000) words, collaborative advantage. The danger is that LSPs are unable to develop an effective strategy and become just another channel for disbursing Neighbourhood Renewal Fund and related funding *in parallel* to the local authority and localised partnerships. This would be an example of implied and fragmented leadership (Hambleton *et al.* 2001).

It is too early to draw final conclusions about whether the development of LSPs represents a more advanced phase of urban policy, whereby the previous ad hoc area-based initiatives are being required to work as a network with a clearer organisational structure and greater strategic focus. Evidence is inconclusive at this stage and structures, practices and impact varies in different parts of the UK (ODPM and DoT 2003). Certainly, a recent investigation by a House of Commons committee of Members of Parliament found that 'we have received no evidence to suggest that LSPs add value to the regeneration process' (House of Commons 2003: 26). This judgment might be a little premature since there is evidence from Gloucester, Manchester and other examples that diverse stakeholders are collaborating often for

the first time and local leadership structures are being encouraged to develop

community strategies targeted on the most deprived areas, while fully engaging local

communities and the voluntary sector. Yet uncertainties remain about how far

institutional capacity can be raised to the required level through government fiat

alone, when network management requires different inter-personal skills and

organizational 'steering' (Kickert & Koppenjan 1997: 58); processes which are

currently under-developed in the public sector. Moreover, as indicated in the

Gloucester example, substantial amounts of additional funding are needed to leverage

both public and private sources. In advancing a system of inter-organisational

networks, where 'central government is no longer supreme' (Rhodes 1997: 51), the

most significant outcome in the longer term may be a gradual transfer of power from

the centre. If this occurs it will represent one of the most significant departures in 30

years of urban policy in England.

Note

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