



Office of the  
Deputy Prime Minister  

---

Creating sustainable communities

# *Research Report 22*

The National Evaluation of  
Single Local Management Centres



Neighbourhood  
Renewal Unit

Research report by Eileen Lepine, Lucy Grimshaw, Craig Johnstone,  
Hilary Russell and Murray Stewart

The findings and recommendations in this report are those of the consultant authors and do not necessarily represent the views or proposed policies of the Office of the Deputy Prime Minister.

The Office of the Deputy Prime Minister  
Eland House  
Bressenden Place  
London SW1E 5DU  
Telephone: 020 7944 4400  
Web site: [www.odpm.gov.uk](http://www.odpm.gov.uk)

© *Queen's Printer and Controller of Her Majesty's Stationery Office, 2006*

*Copyright in the typographical arrangement rests with the Crown.*

*This publication, excluding logos, may be reproduced free of charge in any format or medium for research, private study or for internal circulation within an organisation. This is subject to it being reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright and the title of the publication specified.*

*For any other use of this material, please write to The Office of Public Sector Information, St Clements House, 2-16 Colegate, Norwich NR3 1BQ. Fax: 01603 723000 or e-mail: [bmsolicensing@cabinet-office.x.gsi.gov.uk](mailto:bmsolicensing@cabinet-office.x.gsi.gov.uk).*

Further copies of this publication are available from:

ODPM Publications  
PO Box 236  
Wetherby  
West Yorkshire  
LS23 7NB  
Tel: 0870 1226 236  
Fax: 0870 1226 237  
Textphone: 0870 1207 405  
E-mail: [odpm@twoten.press.net](mailto:odpm@twoten.press.net)  
or online via [www.odpm.gov.uk](http://www.odpm.gov.uk)

ISBN 13-978-185112-849-5  
10-1-85112-849-2

Printed in Great Britain on material containing 75% post-consumer waste and 25% ECF pulp.

March 2006

Reference no. 05NRU03678

# Contents

<b>Executive Summary</b>	<b>2</b>
<b>PART ONE</b>	<b>7</b>
<b>1 Introduction</b>	<b>7</b>
1.1 The National Evaluation of SLMCs	7
<b>2 Methodology</b>	<b>8</b>
2.1 Research method	8
2.2 Framework of Analysis and Research Questions	8
2.3 Case studies	9
<b>PART TWO</b>	<b>11</b>
<b>3 Purpose and Strategic Objectives</b>	<b>11</b>
3.1 The SLMC approach	11
3.2 Individual SLMCs	12
<b>4 Organisational Structures</b>	<b>14</b>
<b>5 SLMCS in Action</b>	<b>17</b>
5.1 Reduction of bureaucracy	17
5.2 Strategic Frameworks	20
5.3 Realigning Resources	23
<b>PART THREE</b>	<b>27</b>
<b>6 Impacts and Outcomes</b>	<b>27</b>
6.1 Reduction of bureaucracy	27
6.2 Strategic Frameworks	29
6.3 Realigning Resources	33
<b>7 Effectiveness and Learning</b>	<b>36</b>
7.1 Governance	36
7.2 Drivers and barriers	38
7.3 Learning and dissemination	39
7.4 Replicability and sustainability	40
<b>8 Findings and Lessons</b>	<b>42</b>
8.1 Findings	42
8.2 Lessons	44

# Executive Summary

An evaluation of Single Local Management Centres (SLMCs) has been undertaken by the University of the West of England, Bristol and Liverpool John Moores University. The evaluation aimed to establish the contextual factors against which SLMCs emerged and the issues/problems they sought to address; to evaluate the outputs, outcomes and impact of SLMCs; to consider the potential, in principle and in practice, of replication and roll out of any lessons learned from SLMCs; and to report on and disseminate materials emerging from the evaluation. This final report, together with four Issues Papers, reflect fieldwork and analysis up to July 2005.

Designed as an approach rather than a prescriptive initiative, SLMCs aimed to provide an opportunity to explore and test out, from a bottom up, local, perspective, opportunities for a rationalisation of initiatives and for a reduction in bureaucracy. Established to explore whether innovation and success in reducing bureaucracy is possible without guidance, direction and resources from central government, they were an opportunity for those who faced bureaucratic burdens to generate proposals and take forward fresh approaches. Government Offices were to have a role in identifying and supporting SLMCs. The RCU was also to offer support, including the possibility of brokering change, if local initiatives led to demands for changes at other levels.

The SLMC approach was initially developed in twelve localities – Aston/Handsworth, Bolton, Cornwall, Derby, East Manchester, Hastings, Luton, Sheffield, South Westminster, Sunderland, Tees Valley, and Wolverhampton/Herefordshire – with the later addition of the Combined Audit national pilot (based in Birmingham) and the South Yorkshire Network.

As SLMCs developed, their objectives were concerned with the reduction of bureaucracy, but also with the role and capacity of organisations involved in delivery, and the strategic capacity of partnerships. Efficiency savings were not a central concern of any SLMC. Action also developed which reflected purely local concerns.

SLMCs operated at a variety of spatial levels – sub-region, county, borough, or neighbourhood – with each SLMC adopting its own organisational structure. SLMCs therefore offered a range of models all of which proved to have something to contribute to the ‘reducing bureaucracy’ agenda. Some tested control/management responsibility vested in a single organisation. Others worked through partnerships. Several focused on small areas, close to the delivery of services and their users. Others again forged networks, allowing for the expansion of and the sharing of information.

The flexibility of SLMCs has been a benefit where areas have been able to develop at a spatial scale and through organisational structures which fit the local context and existing arrangements. However, whichever organisational structure was chosen and regardless of spatial level, some SLMCs came across barriers to implementation which were beyond their control. One of the central lessons from SLMCs is, therefore that local organisations can only go so far in joining up initiatives on the ground before coming up against the need to negotiate and agree changes to or within established national or regional systems.

SLMCs have made a contribution to a succession of policies and programmes, culminating at present in Local Area Agreements, which aim to reduce bureaucracy and rationalise ABIs. Some SLMCs were able to identify and pursue tangible gains which fall under three broad headings:

- **Reducing Bureaucracy.** A number of SLMCs were able to simplify systems in ways which brought tangible benefits in the appraisal, monitoring and audit procedures of programmes at a local level and began to free up time and effort for delivery. Examples included Derby, where the Regeneration Arena provides a sustainable structure and systems for simplifying bureaucracy and for integrating multiple funding streams and the Combined Audit SLMC which offers the potential for integrating the audit frameworks and practices of a range of funding agencies. (See also Issues Paper 2.)
- **Strategic Frameworks.** SLMCs have responded to national or local strategic contexts, have contributed to strategic capacity in LSPs and elsewhere, and have supported the development of spatial strategies (often at a small area level). Examples include Cornwall where the SLMC has contributed to the strategic capacity to deliver the LAA, South Westminster, and South Sheffield where the SLMC has supported decentralised and devolved area based working. Also, in Aston/Handsworth initiatives to counter the threat of 'guns and gangs' has evolved on the one hand into a Birmingham/Sandwell cross-boundary strategic Collaboration Board addressing the integration of investment plans, and on the other hand into an effective mainstream programme and budgeting mechanism within the Birmingham Community Safety Partnership.
- **Realigning Funding.** A number of SLMCs have contributed to the improved management of multiple (often external) funds, and to the exploration of the possibilities of single pots. For example, in number of areas – including Derby, Hastings and most recently Luton – resource mapping exercises have been an important aspect of SMLC work, which has aimed to support more strategic approaches to funding.

Progress has also been made in other ways. For example, in South Yorkshire the SLMC led to the establishment of a network (SYReN) which has been found to be helpful in sharing information, dissemination and learning across a sub-regional network of over 150 ABI managers. A number of SLMCs explored the reduction of bureaucracy in terms of how it might assist the community and voluntary sectors on whom excess administration has a disproportionate impact and who are often marginalised in new initiatives. Single pot funding, a single gateway, joint appraisal, single monitoring forms, combined audit, all offered potential benefits. In Wolverhampton, the single gateway for voluntary/community sector funding has been closely linked to the local authority and LSP mechanisms for incorporating an explicit community/voluntary element in to the LAA.

While work of substance has been done in those areas which fully engaged with the SLMC approach, for some there were perceived barriers to action which were frustrating and disappointing; and in some areas there was little progress. Although a central element of the SLMC approach was the avoidance of central direction, so allowing 'bottom up' solutions to flourish, some areas at least felt unclear about the parameters for action. Government Offices were not required to adopt a uniform

approach, and their input was in practice variable, thus exerting a heavy influence on the energy and commitment put into the SLMC approach locally. Exchange and dissemination of experience were given some support, but nonetheless learning between and beyond SLMCs has been limited, partly because of their diversity. Overall, our conclusion is that the system of governance chosen did not, in practice, offer the most helpful balance of 'bottom up' initiative with 'top down' direction or support.

In those SLMCs where progress has been most marked there have been a number of **positive drivers** for change.

- Strong leadership, political and professional has proved a necessary feature of establishing, maintaining and learning from new initiatives.
- Multi-agency involvement has been a key feature in those that have made most progress.
- Rewards in the form of recognition or better relations with government rather than concrete resources represented a significant incentive for some.
- 'Going with the flow', that is building on, consolidating but extending existing priorities, was often helpful.
- A (small area) focus – offering the possibility of bringing partners together and of linking service delivery improvements to a community based approach – was important to a number of SLMCs (and is of particular interest given the current focus of the Local Area Agreement agenda on the wider local authority level).

Conversely where progress has been limited the **barriers** to change have included:

- Lack of clarity/lack of trust.
- Funder resistance and other barriers to realigning resources.
- Lack of resources and lack of 'return' for their efforts which some saw as a disincentive.
- Lack of energy or capacity among local stakeholders.
- Lack of thought about, or progress in, vertical connections. Many SLMCs were able to find useful local room for manoeuvre, and to both use and strengthen horizontal connections with partners, but ran into greater difficulties where the changes they sought depended on action outside their area of control or influence.

More detailed lessons for policy and practice are contained in the overall report and issues papers which focus on Funding Streams, Project Appraisal, Combined Audit and Organisational Structures. In more general terms, SLMCs can be summarised as a bottom up approach, which met with varying degrees of commitment at both GO and local level, with the consequence that there has been very variable progress and achievement. On the positive side, there have been some influential impacts on practice and some useful learning, although the transferability of learning has yet to be addressed. SLMCs have represented only one stage in the reduction of bureaucracy, rationalisation of ABIs and development of multi-agency working. In some places they paved the way for LAAS; in other areas they were simply overtaken by LAAS; elsewhere again work is underway to integrate the learning.

Several SLMCs have offered evidence of practices that either have been, or could be, sustained and mainstreamed.

- Cornwall – where strategic capacity to deliver the LAA continues to be built across public, private and voluntary/community sectors
- Derby – where the establishment of the Regeneration Arena represents the establishment of sustainable structures and systems for simplifying bureaucracy and for integrating multiple funding streams.
- Wolverhampton – where the single gateway for voluntary/community sector funding has been closely linked to the local authority and LSP mechanisms for incorporating an explicit community/voluntary element in to the LAA and Herefordshire, where the processes established are being linked to the emerging LAA.
- Aston/Handsworth – where initiatives to counter the threat of guns and gangs has evolved into a Birmingham/Sandwell cross-boundary strategic Collaboration Board
- Combined Audit – which offers the potential for integrating the audit frameworks and practices of a range of funding agencies and contributing to capacity building in the community and voluntary sector
- South Yorkshire – where the establishment of a network (SYReN) has been found to be helpful in sharing information, dissemination, and learning across a sub-region.
- South Westminster, and Manor and Castle, which, in very different local contexts, have developed area based frameworks beneath the local authority which foster and support decentralised and devolved area based working.

Overall the SLMC experience suggests that innovations in policy and practice require a combination of commitment, direction and support from the top, and willingness from the bottom up to innovate, experiment and alter behaviour. Here, the intended light touch left at least some SLMCs unclear about what was expected of them and what they might expect from central government. This argues not for central prescription but for room for manoeuvre within a framework in which mutual expectations are clearly defined, but do not dictate, nor stifle, locally developed responses. In playing their part in new initiatives, there needs to be a clear statement of GO roles, the demands on their time, skills, and above all commitment. Without clarity over such factors, and the related issues of ownership, legitimacy, and accountability from political and professional leadership, innovations in reducing bureaucracy and realigning resources are unlikely to be sustainable.

The four Issues Papers offer a wide range of findings/lessons. From this range it is possible to identify a number of key lessons which are relevant both to the general Reducing Bureaucracy agenda and, to a greater or lesser extent, to the more specific LAA Agenda.

- Innovations in policy and practice require a combination of commitment, direction and support from the ‘top’ and willingness from the ‘bottom’ up to innovate, experiment and alter behaviour. In retrospect, whilst SLMCs were designed to allow bottom up approaches to emerge unimpeded by central direction or

guidance, the majority of evidence from regional offices and localities indicates that greater direction and support from the centre would have been welcomed as part of the design of SLMCs from the outset. The research team believes this would have assisted rather than inhibited impact. Clear frameworks established by the centre need neither dictate nor stifle locally developed responses.

- A clear framework for action may also empower the intermediate regional level to operate more effectively. If Government Offices are to play a central part in the roll-out of new initiatives there needs to be clear statement of their roles, the demands on their time, skills and, above all, commitment.
- Without clarity over ownership, legitimacy, and accountability from political and professional leadership, innovations in reducing bureaucracy and realigning resources are unlikely to be sustainable.
- Bureaucracy weighs heavily on the voluntary and community sectors. Whilst in Herefordshire, Wolverhampton, Derby and the Combined Audit, SLMC working addressed the needs of these sectors, their needs are often marginalized. Continuing attention needs to be given to making voluntary/community engagement in programme planning and delivery much simpler.
- Placing new initiatives within a clear strategic context, whether national or local, gives focus and makes them less likely to be overtaken by changes in political taste or professional fashion.
- Many of the barriers to more flexible working locally are perceived – sometimes correctly, sometimes incorrectly – to stem from rigidities in the procedures established centrally for allocating, monitoring and accounting for resources.
- Clear timetables need to be created for decisions about exactly how much is to be allocated to particular pots or blocks of funding, and over the time period to which those allocations will apply.
- Pooled or realigned funding does not in itself remove red-tape or address issues of bureaucracy, and attention needs to be given to the rationalisation and reduction in the arrangements for appraisal, approval, monitoring, inspection, accountability reporting and audit of multiple funding streams.
- Where departments, agencies and non departmental public bodies are unwilling – for good or bad reasons – to relinquish autonomy, control and accountability for funding streams, the transferability of special initiatives to mainstream programmes becomes problematic.
- It is important in the incorporation of multiple funding streams within a single pot and in the development of combined or compatible systems for appraisal, monitoring, and audit to avoid any shift towards application of the most onerous requirements.

# PART ONE

## 1 Introduction

### 1.1 The National Evaluation of SLMCs

Following research which highlighted the proliferation of area based Initiatives (ABIs)<sup>1</sup> the Regional Co-ordination Unit's Review of Area Based Initiatives proposed that the RCU should 'sponsor a series of "single local management centres" in each Government Office region where local stakeholders will work together to simplify local management arrangements for existing regeneration schemes in their area'.<sup>2</sup> These would aim to 'identify and address the bureaucratic burdens to programme delivery from the bottom up and to streamline management arrangements in each selected area'.<sup>3</sup> By mid 2003 a dozen local areas in each region of England had begun to develop proposals.

In August 2003, the Neighbourhood Renewal Unit, within the Office for the Deputy Prime Minister, commissioned the Cities Research Centre at the University of the West of England, Bristol (UWE), in partnership with the European Institute for Urban Affairs at Liverpool John Moores University (EIUA), to undertake an evaluation of SLMCs.

The research project aimed to:

- establish the contextual factors against which SLMCs have emerged and the issues/problems they seek to address
- evaluate the outputs, outcomes and impact of SLMCs
- consider the potential, in principle and in practice, of replication and roll out of any lessons learned from SLMCs
- report on and disseminate materials emerging from the evaluation.

This report falls into three parts.

Following this introduction, Section 2 sets out the methodological approach – methodology, framework for analysis and research questions – and includes a brief introduction to the case studies.

Part 2 of the report provides a primarily descriptive overview of the work that has been undertaken through the SLMC approach. Section 3 sets out the overall objectives of SLMCs – nationally and locally – and their more specific operational objectives and activities. Section 4 looks at the organisational structures adopted in SLMC localities, whilst Section 5 sets out the activities undertaken within SLMCs.

In Part 3, the final part of the report, Section 6 looks at the impacts and outcomes of the approach and Section 7 at key issues of effectiveness and learning. Section 8 provides an overall assessment, offering key findings and main lessons.

<sup>1</sup> Regional Co-ordination Unit/Neighbourhood Renewal Unit (2003) *Collaboration and Co-ordination in Area based Initiatives* London: RCU/NRU

<sup>2</sup> Regional Co-ordination Unit (2002) *Review of Area Based Initiatives* London: RCU

<sup>3</sup> Regional Co-ordination Unit (2003) *Area Based Initiatives: Progress Report on Impacts and Outcomes* London: RCU

# 2 Methodology

## 2.1 Research method

The project has involved four overlapping elements – a scoping study, fieldwork, analysis and dissemination.

The work began with a scoping study, to establish the current position through a review of current SLMC progress, provide a literature around integration, establish the relationship between this research and other ODPM work, and propose options for more detailed work. The period for this scoping work, initially planned as mid to late 2003, was extended to March 2004, and a report on this phase was published on the RCU website in autumn 2004.

The scoping phase has been followed by further fieldwork, which has involved both *locality case studies*, (to assess the development of activities in SLMC localities) and *issue studies* (to examine across all SLMCs a number of thematic topics). The data gathered has been subject to analysis. Dissemination, to localities, to Government Offices, and to the NRU and RCU, has included workshops, five Issue Papers, and an SLMC workshop in October 2005.

## 2.2 Framework of Analysis and Research Questions

To understand the aims, processes, and impacts of SLMCs the research team developed a framework which recognised both the diversity of SLMC intentions and experience and the need to structure material around emerging common themes (see the interim Evaluation Report).<sup>4</sup> Following fieldwork throughout 2004-05 the framework was modified to reflect more clearly the themes which were emerging. Diagram 1 overleaf illustrates the final framework – a framework around which the remainder of this report is structured.

- **Purpose and strategic objectives** – problem identification, analysis and diagnosis, together with definition of purpose and objectives.
- **Organisational structures** – the local organisational arrangements for working together to take the SLMC approach forward
- **SLMCs in action.** The operational objectives and activities undertaken within individual SLMCs. – development of strategic frameworks, the establishment of task forces, the review of performance management targets, the realignment of resources (pooling budgets, joint funding, shared resources, etc.), or the removal of red tape. These are organised within three main headings – reducing bureaucracy, strategic frameworks and realigning resources.
- **Impacts and outcomes** – the impacts of SLMC working and identifiable outcomes from this work, again arranged under three main headings of reducing bureaucracy, strategic frameworks and realigning resources.

<sup>4</sup> *Single Local Management Centres, Interim Report*, UWE and EIUa, October 2004, RCU, <http://www.gos.gov.uk/rcu/docs/238395/254108>

- **Effectiveness and learning** – factors which need to be taken into account in assessing the effectiveness of SLMCs and the extent to which lessons can be learned. Factors included are value for money, governance, drivers and barriers, dissemination and learning, replication and sustainability.

In the light of the scoping phase a number of key themes were developed from the evaluation framework, as the basis for continuing field work. The remainder of this report is structured around these questions.

SLMCs in action

Impacts and outcomes

Effectiveness and learning

### 2.3 Case studies

Fieldwork was undertaken in all the SLMC areas. A brief outline of each SLMC is given below, to familiarise readers with the areas and issues which are the subject of more detailed discussion in later sections of the report (and in the five separate Issues Papers), and to identify those SLMCs which, by the completion of the national evaluation fieldwork had withdrawn from the SLMC, several in order to engage in the LAA process.

- **Aston/Handsworth**, originally covering the Aston and Handsworth wards in Birmingham with a wide range of ABIs and later expanded to cover the Housing Market Renewal Area in Birmingham and Sandwell, initially involved a special task force of key partners in regeneration – in effect a mini LSP for the area – but has evolved into a strategic co-ordination board for the HMRA Urban Living area.
- **Bolton SLMC** works through East Bolton Regeneration (EBR), which is responsible for co-ordinating regeneration across five neighbourhoods and three (fairly coterminous) ABIs. It aims to streamline structures and delivery of existing ABIs and to secure further funding for the regeneration of the area.
- **Cornwall SLMC**, known as Solutions Kernow has set out to address the acknowledged problems associated with multiple funding streams in the county, through developments within West Cornwall and across the county, including the appointment of a Social Inclusion Coordinator, working across the county.
- **Derby SLMC**, known as the Regeneration Arena, works through the Derby City Partnership, its External Funding Management Group and the City Council's External Funding Unit to maximise regeneration funding, and identify and overcome barriers to effective direction and use of such funds.
- **Hastings SLMC**. In Hastings, where a proliferation of initiatives raises particular difficulties in the context of a small borough council, the SLMC was initially seen in terms of its potential for reducing red tape, more effective management of streams of funding and aligning funding with LSP objectives. It later focused on work with its community safety partnership.
- **London – South Westminster – SLMC** involves the Cross River SRB partnership, Westminster Council, local voluntary organisations and two ABIs – Sure Start and

a Healthy Living Centre, as partners in the development and delivery of a renewal plan for the area, supported by the appointment of a renewal coordinator. There has also been action on the coordination of the two ABIs.

- **Luton SLMC.** An initial brainstorming has led latterly to a resource mapping exercise designed to align funding streams against community strategy priorities, following the decision by the LSP to develop a Funding Management Board.
- **East Manchester SLMC** covered a priority area for Manchester, in which work on relevant issues predates the SLMC initiative, NDC pathfinder status having offered an opportunity to identify barriers to programme delivery. SRB and NDC programmes have for some time been managed as one initiative – Beacons for a Brighter Future.
- **Sheffield – Manor and Castle Development Trust – SLMC.** MCDT covers a number of wards in South Sheffield and has been the accountable body for several funding streams. Its aims through the SLMC have been to allow more rapid and responsive local decision-making and to produce greater impact and better returns from investment.
- **Sunderland SLMC** led by Sunderland City Council Regeneration and Housing Department had the overall aim of the creation of a single accountable body with integrated appraisal, monitoring, performance and financial management measures and procedures. It is also aimed to co-ordinate the management and delivery of regeneration programmes on an area-basis.
- **Tees Valley SLMC** was made up of five local authorities (Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, and Stockton on Tees). Its aims included the rationalization of partnerships, better partnership working, harmonization of systems, simplifying processes, joining up funds and creating single application, monitoring, appraisal and evaluation systems. The sub-regional level has to some extent given way to separate SLMC style developments in the five districts.
- **Wolverhampton and Herefordshire SLMC** – has involved a Single Pot (Spot) initiative developing a single gateway to voluntary and community sector funding (Wolverhampton) and the attempt to establish and manage a single funding pot for community organisations (Herefordshire).
- **South Yorkshire Regeneration Network (SYReN)** joined the SLMC initiative in 2004, having been developed by the South Yorkshire Coalfields Partnership in response to the ODPM CABI research and the RCU ABI review. It aims to improve co-ordination and encourage collaboration between ABIs through networking.
- **Combined Audit** – a Birmingham based national pilot working to develop audit processes which can satisfy the needs of multiple funders and make life easier for voluntary and community organisations. The pilot has moved through an audit of audits, generation of agreement from funding bodies to participate in the exercise, checking with recipients of funds how they experience audit processes, and piloting a combined approach in Birmingham. Testing in the field is to be undertaken in the period autumn 2005-spring 2006.

# PART TWO

## 3 Purpose and Strategic Objectives

### 3.1 The SLMC approach

The SLMC approach was driven by the view that bureaucratic barriers were most easily recognised at the front line, and that a bottom up approach, building from initiatives identified and developed at the local level, would be one useful element within the overall reduction of bureaucracy programme. Opportunities for such reduction could best be managed at the regional level, and hence – consistent with the findings of *Reaching Out*<sup>5</sup> – Government Offices should be given the opportunity to take the approach forward. A particular focus for the approach was also the multiplicity of ABIs; hence it is possible to identify the key characteristics of the approach as being the reduction of bureaucracy; the reduction of overlap and duplication between ABIs; the benefits of a bottom-up approach to identifying and reducing bureaucracy; and the appropriateness of Government Offices as the main governmental support for SLMCs.

In early 2003 Government Offices were invited to identify appropriate initiatives to test out the SLMC approach. Primary responsibility for implementation of SLMCs has lain with Government Offices, which either established new local arrangements or more often worked with local partners for whom structures already existed for collaboration across agencies. Oversight, co-ordination, monitoring, sharing of experience, and reporting to ODPM and Cabinet Office lay with RCU. No additional resources were available for SLMC working, either in Government Offices or in the localities themselves (although the NRU Skills and Knowledge programme was able to support staffing and/or consultancy work in a number of localities amounting over the financial years 2003-06 to over £250,000).

Government Offices took different approaches to the request to identify and manage SLMCs. Some chose to nominate an area in which work was already in progress with SLMC status allowing Government Offices to consider and review the work more closely. Others looked to areas where there had already been interest and developments in relation to LSP management of external funds (Derby), ABI rationalisation (Bolton), or ABI proliferation (Cornwall).<sup>6</sup> Others viewed SLMCs as being of lower priority and took longer to identify the specific focus which should be given to SLMC working. The local partners (e.g. from local government, voluntary sector, regeneration agencies), became engaged because the approach fitted with what was happening anyway, because being an SLMC might lead to more resources in the future, or because SLMC seemed to offer the opportunity to work with the GO on something innovative.

<sup>5</sup> *Reaching Out: The Role of Central Government at Regional and Local Level*, Cabinet Office's Performance and Innovation Unit, February 2000

<sup>6</sup> See map of ABIs in Cornwall, p.2 in Regional Co-ordination Unit 's (2002) *Review of Area Based Initiatives* London: RCU

## 3.2 Individual SLMCs

Although, as they developed, SLMCs took various forms and pursued different approaches, many began with very similar broad objectives and sought similar outcomes. Some of these were directly concerned with the reduction of bureaucracy, a core part of the SLMC agenda.

For example, SLMCs aimed to:

- simplify management arrangements for existing ABIs (Derby)
- challenge bureaucracy whilst also taking account of the need to properly account for and justify the use of public resources (Sheffield – MCDT)
- remove confusion for community and voluntary groups (East Bolton, Wolverhampton and Herefordshire)
- reduce bureaucracy and excess paperwork for practitioners (East Bolton)
- simplify arrangements for accounting and auditing (Sheffield – MCDT, Combined Audit).

For some, there was also a focus on developing the role and capacity of the organisations or partnerships involved in the delivery of regeneration. EBR for example hoped to gain greater delegated control over expenditure and to become a delivery vehicle for all new, non-mainstream, regeneration initiatives in its area. There was a focus too on building relationships – developing closer ties with the local authority (for example, East Bolton), or developing links between particular programmes (many SLMCs).

Some SLMC's initial objectives showed limited concern with securing efficiency savings through bureaucracy reduction; instead the focus was on streamlining systems. However, SLMCs did aim to improve the efficiency and effectiveness of delivery, increasing impact and improving the targeting of available funds, for example by identifying and disseminating best practice, allowing more rapid and responsive local decision-making or identifying barriers to effective use of additional financial support to deprived neighbourhoods. Some saw in SLMCs the potential to bring in additional resources.

A concern with enhancing strategic capacity was often evident and, in a number of SLMCs there was a focus on LSPs and some interest in the creation of single pots. Objectives included:

- agreement on a coherent and set of outputs and outcomes to be delivered (Sheffield – MCDT);
- allowing funding to be used to meet ... outcome based targets, reflecting consensus at the LSP and identified in the community strategy (Hastings);
- moving towards a single pot capable of management through the LSP, ensuring that funding follows LSP strategic decisions (Cornwall);
- development of a single pot and/or single gateway for voluntary and community sector funding.

The problems associated with multiple ABIs were well known to SLMCs – as already noted, the RCU’s review of ABIs had illustrated its case with information about the number and range of initiatives in Cornwall<sup>7</sup> and the South Yorkshire Regeneration Network was a response to the ODPM funded research on Area Based Initiatives.<sup>8</sup> A number of SLMCs informed the direction of their work through meetings of stakeholders or wider consultation, but on the whole they did not begin by establishing a detailed baseline against which progress would be measured. Not all SLMCs moved from the early statement of overall objectives to a clear agenda for action. For some that did, involvement in a national pilot was seen as important – giving status and impetus to local work, or allowing an area raise its profile and to lobby for national changes. However, the detailed agendas of individual SLMCs were shaped mainly by local factors. The structures adopted and activities undertaken are discussed in the following two sections of the report.

<sup>7</sup> See map of ABIs in Cornwall, p.2 in the Regional Co-ordination Unit’s *Review of Area Based Initiatives* London: RCU, 2002

<sup>8</sup> See Section 6, Networks, pp 91-99 in *Collaboration and Co-ordination in Area based Initiatives*, London: RCU/NRU, 2002

## 4 Organisational Structures

The proliferation of area-based initiatives has led to the need for complex management arrangements, in terms of geography and of organisational structure. Since there are many ways and many spatial levels – regional, central, local, neighbourhood – at which it is possible to co-ordinate and reduce bureaucracy, the Regional Co-ordination Unit (RCU) was not prescriptive about the approach local areas should take. Single Local Management Centres (SLMCs) chose to operate through different organisations and at different spatial levels. Most have relied on existing organisational structures (albeit sometimes with a change in responsibilities) whilst some tried to find new ways of organising.

The organisational structures used to develop SLMCs fall into three main categories – partnerships, single focus bodies, and networks – between which there is often overlap.

### **Partnerships**

There are two types of partnership approach to SLMCs. One focuses on small areas or neighbourhoods (for example, East Bolton, East Manchester, South Westminster, Manor and Castle, Sheffield and Aston/Handsworth) while the other focuses at a more strategic level, either directly or indirectly.

Small area partnerships provide the possibility of co-ordinating delivery at a neighbourhood level. The SLMCs operating at this level bring together a number of area-based initiatives within one partnership and have worked to streamline bureaucracy and increase collaboration between ABIs. However they have also linked to wider structures such as LSPs and the local council.

In a number of areas, the SLMC is seen as an important strand of LSP development. In Cornwall, the county-wide SLMC aims to support the LSPs of both the districts and county. In Derby, the SLMC is linked to one of two major sub-groups of the LSP which means that LSP members are involved and engaged in the external funding issue. In South Westminster, the SLMC steering group acts as a channel for Neighbourhood Renewal funding from the LSP. The Aston/Handsworth initiative has stimulated and informed discussion about the role of mini LSPs between city and neighbourhood levels.

### **A Single Focus**

Some SLMCs used the External Funding Unit or Team within the local council as a focus for SLMC activity (Derby, and to a certain extent Sunderland and Tees Valley). Such units have a distinct identity, structure and specific responsibilities and objectives, within the overall council structure. They often manage and deliver several external regeneration funding streams whilst also providing an Accountable Body role to small area partnerships. They offer the opportunity to streamline and simplify processes for those bidding for and delivering externally funded projects.

In other cases, voluntary sector or ‘third’ sector organisations have had a key role. For example, Herefordshire Voluntary Action and Wolverhampton Network consortium were part of the Single Pot Pilot, which sought single pot and/or single

gateway approaches to funding through rationalisation of existing processes, (as discussed in Issue Paper 1 – Funding Streams).

Manor and Castle Development Trust spans at least two organisational forms and is both a small area partnership focusing on ten neighbourhoods in South Sheffield (combined with a wider sub-regional role) and a single organisation – a not for profit company limited by guarantee – which has some of the accountable body responsibilities of an External Funding Unit, as outlined above.

## **Networks**

Networks offer ‘less’ structure and are governed by informal rules and processes. Practitioner networks are a key part of the SLMCs in Derby, South Yorkshire and the Combined Audit and bring together people from similar professions – regeneration practitioners and auditors.

- The South Yorkshire Regeneration Network (SYReN) is a network of ABI managers, and draws specifically on previous research on the role of networks in co-ordination of ABIs.<sup>9</sup> The aim of the network is to build relationships, perhaps as a forerunner to reducing bureaucracy but also to enable practitioners to build relationships and develop their skills and knowledge about project and programme management. SYReN is also exploring the possibility of common management processes for ABIs.
- The Derby network – Project Arena – run by the External Funding Unit is one of various structures/activities within the SLMC. The aim is to bring together those receiving external funding and to improve communication, to enable learning from within and outside Derby and to share information about external funding and key issues affecting the LSP and the city.
- The Combined Audit initiative has evolved into a network, now with a web forum for pilot partners, within which members agree and pursue common procedures. This approach, whilst not adopting any legal form, nevertheless binds partners together in a structure, which sets relationships, procedures and mutual obligations.
- In Wolverhampton, the Wolverhampton Network Consortium brings together sixteen geographical networks across Wolverhampton and works with the Community Empowerment Network/Community Chest programme to support community capacity building. Like the Combined Audit initiative, it is perhaps an example of a network moving towards formal partnership as it carries out specific tasks regarding the reduction of bureaucracy.

## **Emerging findings**

The flexibility of SLMCs in terms of choice of spatial scale and organisational form has been a benefit, and areas have been able to develop their own organisational structures according to local context and existing arrangements. Equally the SLMC initiative has worked well where organisations have chosen to pursue the SLMC approach because of its perceived ‘added value’. The ‘added value’ has usually been seen in terms of lobbying power and the possibility of influencing change at regional or national level or within funding agencies. In some areas the SLMC

9 RCU/NRU (2002) *Collaboration and Co-ordination in Area based Initiatives*, London: ODPM

coincided with organisations' own agendas and provided an additional impetus to their work; elsewhere the timing and perceived lack of profile of SLMCs meant that they carried on with what they 'would have done anyway' without explicitly labelling their work 'SLMC'.

At small area level, partnerships can be responsive to the needs of partner organisations, including the voluntary and community sector and are closer to what is happening 'on the ground' and closer to the delivery of services and their users. Focus through a single organisation offers greater control over and management responsibility for funds which made it easier to make changes to bureaucratic systems.

Most of the achievements of networks have not been about reducing bureaucracy and funding streams but about pulling together and sharing information (for example through events and in monthly newsletters), increasing individuals' contacts and building relationships. They have been seen as a forerunner or complement to joining up and reducing bureaucracy.

Whichever organisational structure was chosen and regardless of spatial level, SLMCs came across barriers to implementation which were out of their control. They have thus needed the active support of, and strong links to, local councils, Local Strategic Partnerships (LSPs), regional agencies and funding agencies in order to make changes. In addition one of the central lessons from SLMCs is that local organisations can only go so far in joining up initiatives on the ground. Some SLMCs identified the need to negotiate – at regional or national level – the rules and requirements which they perceived as inhibiting change, a process which was time consuming and in some cases resulted in the decision to proceed without change.

# 5 SLMCS in Action

## 5.1 Reduction of bureaucracy

SLMC effort to reduce bureaucracy has focused on systems for appraisal, monitoring and audit. The work on appraisal in a number of SLMCs is the subject of Issues Paper 2. The Common Audit pilot is examined in detail in Issues Paper 3. This section therefore offers a summary of this aspect of the SLMC approach.

### **Appraisal – coordination and simplification**

In a number of SLMC areas, changes in appraisal systems have been a feature of attempts to coordinate the use of funds to meet the needs of particular communities and the shared or complementary objectives of different funding regimes or partnerships – this was the case, for example, in West Cornwall, East Bolton and East Manchester, in MCDT's work in South Sheffield and in Derby.

- In West Cornwall, the systems for approval of SRB6 and Neighbourhood Renewal funding have been brought together and the LSP, West Cornwall Together, now has a single Funding Group – considering both funding streams. Single forms were not developed as SRB funding was largely committed at this point. Further changes are underway as a commissioning approach is developed.
- In East Bolton, action on appraisal has focused on the creation of a clear, single, process for the RDA funds for which EBR is directly responsible; work on this predated the SLMC initiative. A single application form and appraisal checklist is in use, introduced firstly for all SRB funding and now also used for another RDA fund. The form is in plain English and available in an interactive format.
- In East Manchester, appraisal became a focus for local action following the launch of the NDC programme and here the Beacons partnership was able to develop a workable appraisal system for both NDC and SRB funding prior to SLMC status. GONW and NWDA agreed that the partnership could use a single, internally produced, appraisal form for these funds at quite an early stage, but separate systems remain for European funding and some other programmes locally.
- MCDT had made some progress with regard to appraisal prior to its SLMC status, with single application and appraisal processes for some initiatives. Its arrangements involve the development of plans by local forums, followed by an initial assessment of proposals for funding, using a simple form. A more detailed appraisal follows, in which Objective 1 requirements, which are the most rigorous, are applied. At approval, MCDT decides on the split of funding between the programmes.
- In Derby, URBAN II and SRB programmes for a particular neighbourhood had been run as matching programmes since 2001 and a commissioning approach has been developed in which bidders complete DCP forms, which meet the requirements of both programmes and cover the areas that would otherwise require submission of a business plan for European funding – the requirement to complete a business plan is one that many applicants were said to find particularly daunting. (While the system has been simplified for applicants, the need to complete ERDF forms has not been removed – these are completed by the Council's External Funding Unit (EFU). The EFU aims to roll this system out

to other funding programmes but, for the moment, has a number of separate, although broadly similar, systems for the other funding regimes it manages.

### **Appraisal and small grant funding**

In some SLMC areas, action on appraisal has been associated with work to establish a single pot for small grant funding to the voluntary and community sector. (A more detailed discussion of this aspect of SLMCs can be found in sections 5.3 and 6.3 of this report and in Issues Paper 1, Funding Streams.)

- In Wolverhampton, the Wolverhampton Network Consortium, in conjunction with other partners, has worked on the establishment and operation of systems which offer simplified access to small grants from various funders, through a single gateway (linked to the longer term aim of establishing a pot from which such support might come. The appraisal process operates in a number of distinct phases, beginning with an initial check on eligibility and with later phases dependent on the size of grant. Appraisers are trained community volunteers.
- In Herefordshire, Herefordshire Voluntary Action (HVA) has developed an appraisal system for a single pot and has established a team of trained appraisers. In developing a new system HVA drew on existing systems which they found open and robust and aimed for a close fit with the requirements of potential contributors to the pot. HVA found that systems had much in common and the marking sheet now used reflects this, covering typical, core requirements of appraisal. Although referred to as a single pot, what has been created is not a single, completely pooled fund, with an entirely common set of criteria against which applications are to be judged. Instead, agreed grants are allocated to one of a number of mini-funding streams within the pot and conditions which apply to them have to be taken into account in appraisal.
- Small Change, Derby City Partnership's small grants scheme was created in response to an evaluation of a number of different small grants pots, which showed that community and voluntary groups found the existing system confusing. Different application forms and appraisal systems also made comparison across the pots difficult. Small Change distributes funding from several programmes, using a single application form, appraisal system and approval body.

### **Monitoring and audit**

Several SLMCs have set out to simplify monitoring systems, alongside their work on appraisal. At MCDT (South Sheffield), by the time the SLMC initiative started, the delivery plans of two SRB schemes had been merged and some streamlining of monitoring systems for these schemes had taken place. EBR now uses a single monitoring system for the funds it manages – the same form is sent to all projects and only one form has to be completed, even if a project receives funding from multiple sources. In Derby, the SLMC is piloting a single monitoring form and single grant claims for half a dozen programmes, including European funds. It is now also working towards single funding agreements and single audit.

A number of SLMCs have responded to concerns about the impact on voluntary and community organisations of the frequency and intensity of monitoring requirements, and the varying timescales, formats and definitions used by multiple funders. The Combined Audit pilot is response to such problems and aims to

pursue the FABRIC principles (performance information which is Focused, Appropriate, Balanced, Robust, Integrated, and Cost effective). It is the intention as part of the pilot to establish a common reporting and performance management framework for all participating funders. This will include core information on activities, services delivered, and funding, together with additional information on specific activities/schemes which can be added on a modular basis to a core monitoring form which should be compatible with other more specialised systems. A key element in such a combined monitoring system would be common definitions of terms, and the pilot plans to adopt a set of agreed definitions. It is therefore collaborating with other pilots considering approaches to monitoring, and national partners such as NCVO and the Charity Commission.

The pilot aims to reduce the burden of monitoring, evaluation, and audit for funded organisations and their funders, to free time for service delivery and to identify, share and develop best practice in monitoring, evaluation and audit. More details of its operational objectives and outcomes can be found in Issues Paper 3. The pilot is working towards a single audit process covering the work of at least five statutory funders of the voluntary and community sector and encompassing a range of funding types and levels. It is managed by GOWM and has involved ten funders and several voluntary and community sector network organisations.

Voluntary and community organisations funded by two or more participating funders will be invited to participate in the Combined Audit process which involves a series of stages:

- a group of funders prepare an annual plan specifying audit content for jointly funded organisations;
- funders agree who audits whom, singly or jointly, according to current resources;
- liaison with funded organisations formalises arrangements for audit;
- information on funded organisations is shared prior to audit, and results are shared post-audit;
- there is joint working to deliver capacity building where necessary;
- the plan is reviewed quarterly.

Risk assessment is central to all audit work, and the pilot has therefore set out to develop a system which reflects the varying degrees of risk experienced by individual funders, allowing each funder to feel confident about the audit process, without introducing complexity and confusion for funded organisations. Within the Combined Audit risk will be assessed/managed through a combination of likelihood and impact and a green/amber/red classification will reflect an overall risk rating and this will determine the frequency and intensity of the audit process. Regular funders' meetings will discuss and agree the risk rating to be applied to individual organisations; in the case of failure to agree, the default rating will be at the highest level identified by any one funder in the group. Audit is based on an assessment framework which sets out the performance and standards expected of an organisation receiving public funding. The framework involves a set of core requirements and, for some circumstances, additional requirements, and can be individually tailored to the work of each funded organisation.

A central feature of the Combined Audit pilot is a reduction in the burden which separate audit visits, from a number of funders, place on voluntary and community organisations. Decisions about which funders will lead on the audit visit (and which other funders will take part) will be based on the extent of funding provided, the need to balance the use of audit resources across the organisations, and the monitoring information provided by funded organisations. Auditors are to receive training prior to the roll out of the pilot (due to take place) in autumn 2005. Following the audit an audit report will be circulated to all funders with outcomes couched in terms of green (acceptable, no action), amber (acceptable, with action) or red (unacceptable, immediate action). Systematic failures will require further action from some or all funders but more generally organisations may benefit from capacity building support based on the findings of the monitoring and audit process and linked to Change Up programme.

## **5.2 Strategic Frameworks**

Much SLMC working has focused on ways in which, at the very local level, changes could be made which would make life simpler for public and/or voluntary sectors, and which would produce better outcomes for services users. Nevertheless such bottom-up local initiatives are often set within, or contribute to, the development of some sort of strategic framework.

There are four distinct but interrelated strategic functions have been pursued in the various SLMC initiatives.

- responding to the strategic context
- building strategic capacity
- recognising spatial strategy
- contributing to strategic learning.

### **Responding to the strategic context**

The primary strategic focus pursued by all those SLMCs which made progress was in relation to the national reducing bureaucracy agenda, led by the Cabinet Office and linking to the national Reducing Bureaucracy Task Force. Responses to this agenda included action on the rationalisation of multiple initiatives and the bureaucracy associated with them and on the better management of funding streams, aspects of SLMC action which are explored in Issues Paper 1 and 2 and the related sections of this report. From the perspective of the RCU and the need to respond to Reaching Out, another general contextual influence was the need to provide opportunities for enhancing the role of Government Offices in taking a more positive role in managing area based initiatives and responding more strategically to local issues and circumstances. The SLMC experience in several areas (e.g. Derby, Wolverhampton and Herefordshire and Cornwall) illustrates how an active Government Office can be involved with and support new ways of working.

For some SLMCs a particular local context was significant. Thus in Derby for example, where the Regeneration Arena was embedded in the context of both LSP and City Council working this drove forward the approach. Easing the burden on the community/voluntary sector provided an additional strategic focus for several

SLMCs – in Derby, and Sheffield-MCDT for example, but also in Herefordshire and Wolverhampton, where the Single Pot pilot, even if not realising all the hoped for benefits, was a direct response from GOWM to concerns about the voluntary and community sectors. Towards the end of the period, the relationship with Change Up and the role of the community and voluntary sectors in Local Area Agreements (LAAs) were emerging as important issues.

### **Building strategic capacity**

The ‘multiple initiative’ issue – highlighted in the RCU review of ABIs<sup>10</sup> was significant in Cornwall with 40 strategies and over 100 different partnerships placing pressure on a relatively fragile infrastructure. Solutions Kernow emerged as a virtual SLMC with the capacity to maintain more effective collaboration across the county and between the county LSP and district partnerships. The appointment of a strategic social inclusion co-ordinator and a focus on Inclusion Kernow provided the basis for working towards a county wide, strategic, inclusion-oriented business plan.

Derby illustrates the close links between an SLMC and a Local Strategic Partnership, with SLMC working given commitment and status from the highest levels. From the outset, the SLMC – known as the Regeneration Arena – was driven forward by Derby City Partnership, and in particular by the External Funding Management Group, by the City Council and by the Government Office of the East Midlands (GOEM). DCP is a mature partnership and its role as a key driver in the SLMC initiative has helped embed the principles of the SLMC approach and raise its profile within Derby. The Regeneration Arena has been used provide strategic management of the bureaucracy associated with external funding as well as to raise Derby’s profile at national level and lobby for national changes.

In Aston/Handsworth one spin-off from initial Aston/Handsworth Strategy Group has been the establishment of broader strategic arrangements for the Housing Market Renewal Area. The HMRA – *Urban Living* – has its own structures with responsibility for developing and submitting the prospectus and later for delivery. A new Collaboration Group was formed which addressed cross boundary, Birmingham/Sandwell issues by promoting best practice and improved collaborative working, and which later evolved into a new cross-authority Partnership Board. The driver for the new Board was the fact that a variety of cross boundary initiatives such as Urban Living, the Arc of Opportunity Regeneration Zone, and Health 2010 programme had resulted in collaboration between Birmingham and Sandwell as both authorities sought to address the range of common economic, environmental and social issues.

For the Sheffield Manor and Castle Development Trust the SLMC approach forms part of overall strategic planning, embodied in the 2004-09 Business Plan which includes reference to the SLMC in relation to reduction of red tape and which is now the ‘single strategic’ plan for all funding streams for which MCDT is the Accountable Body. For Hastings the proliferation of regeneration and renewal initiatives presented particular difficulties in the context of a small council, difficulties exacerbated by the emergence of the SEEDA Area Investment Framework. Strategic though AIF issues were they covered a wider area than Hastings, and the decision – strategic and tactical – was taken to pursue SLMC aims not at the AIF or LSP level, but within a thematic area – community safety – where there was a

10 Regional Co-ordination Unit (2002) *Review of Area Based Initiatives* London: RCU

well-established and successful partnership. In Luton, the Luton Forum (the LSP) commissioned a mapping and information gathering exercise on funding coming into the area, to identify gaps and duplication and examine the strategic fit between the funds used in Luton and the Community Plan. In Bolton, East Bolton Regeneration is a sub-partnership of the Bolton LSP. The Manager of East Bolton Regeneration (EBR) has done presentations to the LSP, all LSP members are on EBR circulation list and some individuals are on the EBR Board and the LSP.

### **Recognising spatial strategy**

Three SLMCs – SYReN, Cornwall and Tees valley operated at a **sub-regional** level. The Tees Valley SLMC – made up of five local authorities – initially planned to take action at this spatial level since the several unitary authorities involved multiple ABIs, a number of which overlapped across locality boundaries. The Tees Valley case, however, illustrates the challenge of introducing the SLMC approach at a wider spatial level than that of a single authority, and the strong identities of the separate boroughs led – inevitably perhaps – to the fragmentation of the sub-regional intention. In contrast SYReN, operating as a network rather than an organisation, has worked successfully across four metropolitan boroughs and contributed to a sub-regional agenda. The Cornwall SLMC has been a helpful and useful catalyst to joint working in terms of **county wide** issues and in the development of the LAA (Cornwall was a first round pilot). It generated strategic benefit even if it cannot as yet be argued to have been a crucial mechanism for handling the delicate issues involved in two tier relations across the whole county. By contrast Hastings – a district authority within East Sussex county in local government terms – found itself to be a relatively small actor in a complex field of strategic planning involving county, county LSP, SEEDA, and several other key actors whose perspective was not that of a district.

SLMCs also operated at the level of a **single district, unitary or metropolitan authority**. The Derby, Herefordshire and Wolverhampton and latterly Luton SLMCs all attempted to ensure that the SLMC approach fitted an authority wide view – whether this be ABI rationalisation and integration of funding streams (Derby), support for the community sector (Herefordshire and Wolverhampton), or the development of community planning (Luton). In addition, the fragmentation of the Tees Valley SLMC into a number of district-based initiatives (see 4.3.1 above) reflected the fact that the identity necessary to build effective collaboration and reduce bureaucracy often lies at the city/district level.

A number of SLMCs operated at the **small area or neighbourhood** level focusing on a neighbourhood or group of neighbourhoods. This appeared to offer an opportunity to examine whether an ‘area’ approach provides the basis for an effective spatial scale for intervention. This fitted also with the local government decentralisation agenda, with emerging thinking about Local Public Service Agreements (LPSAs) and Local Area Agreements, with the Innovation Forum’s work on Local Public Services Boards and with the latest Treasury/Cabinet Office report on devolved decision making.<sup>11</sup> This small area focus – also described in Issues Paper 4 Organisational Structures – was seen in South Westminster, the Manor and Castle Development Trust (MCDT), East Bolton Regeneration, East Manchester, Aston/Handsworth and Wolverhampton.

11 HM Treasury (2004) *Devolving Decision Making*, Cabinet Office/Treasury, London: March 2004

## Contributing to Strategic Learning

The South Yorkshire Regeneration Network (SYReN)<sup>12</sup> is a network of over 150 ABI managers in the sub-region aiming to develop new ways to better co-ordinate and encourage collaboration between ABIs and their managers. The aims of the network are to identify matched funding opportunities, identify opportunities for joint processes and working arrangements amongst regeneration programmes, spread best practice, enable skills development on common management processes, and provide a framework within which new programmes can be co-ordinated with existing activity. Networking was also an important component of the Derby SLMC. In the Government Office for Yorkshire and the Humber there was exploration of the possibilities of rolling out SLMCs beyond those formally approved, for example to Kirklees. Elsewhere the Combined Audit pilot has identified some possible areas for wider roll out. SYReN, has had limited direct links to LSPs, even if the network is an 'offshoot' of the South Yorkshire Partnership and is linked to the LSPs through its Steering Group which is made up of representatives from all boroughs and ABIs.

In terms of learning across all SLMCs nationally, regular telekits involved Government Offices, who were expected to disseminate any useful information from the telekits to individual SLMCs. [see comments re info to add and re tone] An initial national conference (September 2003) stimulated interest in the initiative. Two workshops were held as part of the national evaluation research. A number of case studies of progress were placed on the RCU web-site.

### 5.3 Realigning Resources

In some SLMCs there has been a focus on aligning funding streams and, in some cases, on the creation of single pots. This aspect of the SLMC approach is discussed in greater detail in Issues Paper 1, Funding Streams.

Several SLMCs have set out to merge programmes and funding streams, or at least to improve coordination and simplify arrangements for them and some of the gains and difficulties in these areas are discussed in sections of this report dealing with reducing bureaucracy. These efforts have often had a neighbourhood focus.

- Derby's External Funding Unit has linked two programmes covering a particular neighbourhood (Urban II and SRB).
- East Bolton has recently secured funding from NWDA's Single Financial Framework, which it now manages as one pot with funds from different SRB funding rounds.
- In East Manchester, Beacons has for some time managed both SRB and NDC funding in a coordinated programme for its area.
- Manor and Castle Development Trust has used the SLMC initiative as the basis for pressing for a 'single pot' approach to integrating major funds (SRB, Objective 1, RDA) for the neighbourhoods it covers and for rationalising the management of ABIs. In 2005, a 'moving from concept to reality' study was commissioned from Price Waterhouse, in relation to MCDT's work, with the aim of identifying and removing obstacles to the operation of a single pot and single monitoring framework.

<sup>12</sup> See also Issues Paper 4 *Organisational Structures* for a fuller discussion of SYReN

- The Single Pot managed a variety of local funds through a single gateway in Wolverhampton, using a single application form, along with support for potential applicants, and a community based appraisal process. Some funds were secured for the pot in Herefordshire, but there was never the likelihood that local expectations about a wider range of funding for distribution through this channel would be realised.

Interest in aligning funds is not confined to neighbourhood level and in some areas there are particular connections between this agenda and developments in relation to LSPs and, recently, Local Area Agreements.

- In Luton the Luton Forum (the LSP) commissioned a mapping and information gathering exercise on funding coming into the area to identify gaps and duplication and examine the strategic fit between the funds used in Luton and the Community Plan. This work is linked to the LSP's interest in creating a Funding Management Board and now to the Luton LAA.
- In Hastings, there was initial interest in creating a virtual funding pool for ABI funding, allowing it to be used to meet outcome based targets, reflecting consensus at the LSP and identified in the community strategy – essentially an LAA. Later a thematic area – crime and community safety – was chosen as the focus for SLMC work; the introduction of the 'mini-LAA' for these funding streams then became the focus of attention locally. Hastings is now part of the East Sussex LAA.
- Derby's efforts to coordinate funding have been at city/LSP level, through the work of its External Funding Unit. Derby was a round one LAA pilot and here SLMC working has informed LAA thinking about freedoms and flexibilities and the LAA agreement identifies a number of benefits from maintaining the capacity developed within the Regeneration Arena.
- In Cornwall, links are now being made with the LAA and the Social Inclusion Coordinator, whose role has included support to the Solutions Kernow (SLMC) approach, is closely involved in LAA development.
- The Combined Audit pilot, which is based in Birmingham, made links to the emerging LAA pilots in the West Midlands, where the potential for using the same framework is under discussion.

In Cornwall work on the LAA has overtaken discussions which were underway about a 'passport' system which would 'improve local performance by allowing more flexible use of resources between partners in order to achieve shared outcomes and a genuine further devolution of responsibility.' The proposals under discussion in 2005 were for developments in several stages – moving from standardised appraisal checks (stage1), to common application forms across ABIs (stage 2), pooled funding – essentially a local agreement (stage 3) and action to secure long term sustainability and to develop a system whereby practices and policies as well as projects could be mainstreamed (stage 4).

In several SLMCs work on realigning resources has been particularly concerned with simplifying funding arrangements for support to the voluntary and community sectors.

- The Derby Regeneration Arena has amalgamated a number of community chests into one Small Change grant programme, aiming to make access easier for

groups, speeding up the process, making sure small groups get funding, and sharing information about funds and biddings systems. A 'Small Grants Arena' was set up to share information about DCP partners' small grant programmes, to avoid duplication and ensure that grants are complementary.

- In Herefordshire and Wolverhampton the Single Pot pilot (initiated and supported by GOWM) is particularly concerned with simplified funding arrangements for support to the voluntary and community sectors. There were two related elements in this SLMC – a Herefordshire project involving the development of a single pot and, in Wolverhampton, a single gateway, offering a simplified application and management process for funding streams which remain separate.

The overall objectives of the SLMC approach in Herefordshire and Wolverhampton have been to:

- develop a 'strategic investment' approach to funding the voluntary and community sector
- produce a more effective and sustainable impact on the local community
- develop funding criteria which will satisfy both national objectives and local needs
- involve the sectors in determining the objectives of both single pot and single gateway approaches and in the management of the schemes
- develop a 'single door' to funding streams for the sector
- attract non-governmental funding streams into the single pot.

In Herefordshire, the early prospects were that contributions to a single pot might come from a number of funders. For much of the time since October 2003 the energy of the Steering Group has been directed both to attracting funds to go into the pot and to generating current resources to cover the development and running costs of setting it up. A number of funders were unable to provide funding, with firm commitments being dependent on decision processes elsewhere which in the event did not deliver to the pot. While contributions to the pot have been disappointing, the operation of the pot has brought benefits – a simple application process, a mixed and trained-up appraisal team involving community voluntary/community members and the engagement of funders in the grant decision process. In the first round, those accessing the new pot were largely established organisations, but improved publicity and word of mouth communication, together with clearer guidelines, have begun to shift the balance towards new and smaller organisations. The working of the grant process locally, in terms of responding to local needs and the impact of the grants, is the subject of a local evaluation, the interim report from which offers reinforcing evidence on the operation of this SLMC.

In contrast to Herefordshire, where the lack of significant external funding generated the demand for a dedicated single pot, Wolverhampton is well resourced from European and UK regeneration funding, from a range of Neighbourhood Renewal programmes, and from a number of ABIs. Here, in the single gateway approach, Wolverhampton Network Consortium and partners have established and operated systems which offer simplified access to a set of SRB, neighbourhood renewal, HAZ and city council small grants, for voluntary and community organisations. This

was, however, also linked to the aim of establishing a single pot from which such community related support might come. Attempts to integrate Advantage West Midlands funding for social and community objectives with Wolverhampton Council and Neighbourhood Renewal funding were unsuccessful, due in part to the inflexibility of funding rules and systems at a time of pressure on budgets. The lack of success here also reflected the difficulties of reconciling initiatives with differing spatial boundaries since AWM's Regeneration Zones reflect their view of functional interdependence rather than local government administration. Nevertheless it has now become possible to create a cross-cutting 'Community Involvement' block within the Wolverhampton Local Area Agreement, combining Single Community Programme, Neighbourhood Renewal and European Regional Development funds in a block amounting to £1.1m in 2005-06. (The Single Community Fund element of the pot is wholly passported to voluntary and community sector partners, for the initial year.)

In Wolverhampton, the Single Gateway work has been integrated into a broader programme of work at neighbourhood/community level with central government and local authority interest and commitment reinforcing the role of the voluntary sector as a key partner. This contrasts with the comparative absence of such pre-existing structures and grant regimes in Herefordshire, with the consequent absence of a regeneration or similar context to which single pot might link and the resulting isolation of this initiative from wider support structures outside the voluntary sector itself. Herefordshire Council, undertaking a review of its own voluntary sector funding, has maintained a distance from the single pot and despite efforts by the RCU a contribution to the pot from Change Up could not be managed.

# PART THREE

## 6 Impacts and Outcomes

### 6.1 Reduction of bureaucracy

The SLMC approach has focused mainly on two areas where there seemed to be potential for reductions in bureaucracy – appraisal and monitoring, particularly audit.

A number of SLMCs report that efforts to simplify systems are worthwhile. Changes in appraisal were reported to bring tangible benefits in the operation of programmes at a local level, through systems which:

- provide greater clarity for applicants
- improve relationships with partners
- improve decision making – allowing for speedier and more consistent decisions
- save time for both applicants and funder
- free up time and effort for delivery.

One of the questions examined in Issues Paper 2, on appraisal, was whether there were perverse effects of attempts to reduce red tape and streamline systems. The SLMC experience does suggest that action on appraisal has tended to involve working around the demands of various regimes, with some ‘drift’ therefore towards the most onerous requirements (which appear to be the European requirements where these European funds are involved) and some risk that the systems created may be cumbersome for funders and onerous for applicants.

There is some evidence that changes in monitoring systems also involve a similar shift towards the highest common denominator and may be difficult for project managers to cope with, particularly if they manage multiple projects. Of course, while changes are underway, there will be new forms and altered requirements to get used to – and while one might assume that less frequent monitoring would be universally welcomed, one project manager anticipated problems in reporting every six months rather than quarterly, as projects can go significantly off track in six months. Here reduced monitoring was felt to reduce support. Another comment on the same changes, however, was more positive – the need for highest common denominator forms was accepted and the relationships found to be more supportive – working together had become more of a joint exercise.

It should be noted too that increased rigour in systems is not generally seen as a negative development by SLMCs. More rigorous systems for appraisal, for example, were seen as beneficial for funder and applicant, provided projects were supported in meeting their requirements.

For those SLMCs which have actively pursued efforts to reduce bureaucratic burdens, this remains work in progress and there is an intention to do more than

has yet been achieved – to include additional funds or to develop more streamlined systems, for example. Several SLMCs report frustration about the pace of the progress they have been able to make and, in relation to time limited funding, where changes have taken a long time to agree, their practical value has been reduced.

In several cases, the responsibility of a single organisation for a number of funding streams has been an important driver. As one might expect, it certainly appears that having a single, overarching partnership or a single organisation responsible for a variety of funding streams has been helpful – both in identifying the need for, and in carrying out, some simplification of systems. However, the continued existence of multiple funding streams presents difficulties at various points, depending on the systems in place. One project manager pointed out that using a single monitoring and claim form for reporting did not remove the need to keep separate, internal, records for projects funded from multiple sources, in order to ensure that the requirements of differing funding agreements were met and the organisation itself was clear about its financial position. As noted in section 5.1, in relation to appraisal, while Derby has been able to simplify systems for applicants, the need to complete ERDF forms has not been removed – these are completed by the EFU.

For SLMCs then, it appears there has often been limited room for manoeuvre at the level where action is being taken – Derby’s EFU, for example, has not been able to establish a single streamlined system, but instead operates a number of similar systems alongside each other to accommodate the requirements of different programmes. SLMCs report continuing difficulties with requirements to report with greater detail and frequency than they believe to be necessary and effective. Differing timescales and requirements amongst funders complicate matters and it can be difficult to tease out just where requirements stem from – for example, in relation to European funding, whether something is a European requirement, or a UK interpretation of – and perhaps addition to – a European requirement. The key issues, however, appear to be simply the need to report on multiple funding streams and the focus of funders on outputs rather than outcomes.

One of the issues explored in relation to appraisal has been whether common ground between systems had proved a helpful starting point for action and whether there was agreement, in practice, on core requirements for appraisal, which has assisted the development of new/improved systems. Here the evidence seems to be mixed. SLMCs do find this common ground, but funders appear to hold tightly their particular requirements, in spite of it. Concerns were raised at the funding streams workshop about the persistent tendency for government departments to work in silos and for there to be an output rather than impact or outcome focus for funding.

In relation to audit, problems have arisen, where a number of statutory funders fund the same voluntary and community organisations, each conducting its own audit, often covering many of the same systems and practices within the funded organisation. At best these separate audits give rise to additional monitoring, evaluation and audit processes; at worst they may cause funded organisations to expend time and energy which diverts them from delivery and generating beneficial outcomes for end users. SLMC action on this, through the Combined Audit National Pilot, outlined in section 5.1 (pages 18-20), has made major progress in

moving towards a workable scheme. The key question on which more work now needs to focus, is whether Combined Audit can produce reductions in bureaucracy and lower transaction costs, for both auditors and voluntary and community organisations. These issues are discussed more fully in Issues Paper 3, which, in summary, finds that:

- In relation to roll-out and mainstreaming, whilst there is much support for the combined approach there may be genuine difficulties confronting the transferability of the combined audit experience, and funding departments, agencies and non departmental public bodies will find it hard relinquish autonomy and control over the audit process.
- Combined audit has the potential to enhance the quality of audit and the skills/experience of auditors, and already there are encouraging signs – a shared vision amongst funders of freeing time for delivery, a general consensus on what is important within the audit framework, a process which seems workable, and some realisation of the potential for best practice and learning.
- Challenges to an improved audit process include maintaining funder commitment, and developing and maintaining a common language and mutual trust.
- There remains the need for reconciliation between the possible conflicting demands of a rigorous independent audit and the building of mutual and trust between participants.
- Common and shared definitions of terms (outputs, clients, users etc.) might make monitoring and audit more acceptable, more useful, and more user friendly for voluntary and community organisations, but, if insensitively applied, might also prove something of a straitjacket constraining the development of bottom up measures of activity, outputs and outcomes.
- A common approach to audit from funders is likely to encourage better performance management amongst funded organisations and assist the more effective monitoring and evaluation of integrated service delivery, thus pointing the way towards innovative thinking about the commissioning of integrated services and the generation of positive outcomes.
- Progress to date suggests that further thought needs to be given by government to the most appropriate ways of ensuring that the lessons from Combined Audit be accepted/legitimised and become transferable to main programme audit.

## 6.2 Strategic Frameworks

The most obvious **strategic context** was that of the national Cabinet Office/ ODPM/RCU reducing bureaucracy agenda and the detail of SLMC responses to this agenda is discussed elsewhere in this report. A second contextual influence was the changing role of Government Offices and the devolved government agenda. SLMCs offered Government Offices the opportunity to address the reducing bureaucracy agenda in locally appropriate ways as well as to take a more positive role in managing area based initiatives. The SLMC experience in some areas illustrates how an active Government Office can be involved with and support new ways of working, but some Government Offices, pressured by ever increasing demands on their resources, chose not to respond so actively, and the SLMC

experience suggests that a clear framework for action is needed to empower the intermediate regional level to operate more effectively.

If the national agendas were important it was also clear that individual SLMCs also responded to local contexts and priorities. Whilst in some areas the SLMC was identified with a particular agenda (for example, inclusion in Cornwall and community safety in Hastings and Aston/Handsworth), SLMCs were generally not engaged with specific client group or functional policy agendas (e.g. older people or advice services). Elsewhere the focus was upon a small area approach. Whatever the focus, however, where the SLMC was placed within a clear strategic context this clearly appeared to give more coherence to activity.

Attempts to ease the burden on the community/voluntary sector through reductions in bureaucracy provided an important strategic context, explored in Wolverhampton and Herefordshire in particular through the Single Pot/Single Gateway, but also in Derby, Sheffield, and Cornwall and in the Combined Audit. In Derby the rationalisation of bureaucracy and the Small Change grant scheme has brought significant benefit as has the Wolverhampton Single Gateway and the visibility of the community/voluntary sector in the Wolverhampton LAA. In Herefordshire by contrast, whilst an innovative system, engaging the community sector in appraising and allocating a single pot, was established, the objective of establishing a sizeable pot to which a number of agencies might contribute proved frustrating and disappointing – an illustration of the difficulties facing the voluntary and community organisations in attracting funding.

In terms of *building strategic capacity*, some SLMCs (Derby, Cornwall, South Westminster, Hastings and latterly Luton) were, formally or informally, tightly or loosely, tied into the local structures for addressing strategic issues and most obviously to LSPs. SLMCs were also the starting point for generating ‘collaborative commitment’ from stakeholders – the sharing of and agreement to strategic direction – for example, in the strategic response to Housing Market Renewal through addressing cross-boundary collaborative structures between Birmingham and Sandwell, or in relation to emerging LAAs (in several areas). In Cornwall, the evidence is that the SLMC, linked to the social inclusion agenda, proved the catalyst for building a ‘collaborative capacity’ which, rather than being overtaken by LAAs, paved the way for constructive LAA working. The Luton resource mapping exercise also appears to be offering the opportunity for a more radical examination of resource flows than would have been possible without the mapping exercise. Derby, above all, illustrates the close links between an SLMC and a Local Strategic Partnership. The Regeneration Arena provided the opportunity both for a clear role for the SLMC (in relation to the acquisition and management of external funds), and an appropriate oversight relationship for the Derby Partnership which saw the Arena as an important element of its capacity to manage its strategic business.

In terms of *recognising spatial strategy* most SLMCs were seen as a mechanism for closer integration between activities/initiatives/organisations at a ‘single local’ level and were the vehicle for horizontal integration at a specific spatial level. This proved less successful at the sub-regional level (Tees Valley) where the local authorities, all with individual ABIs, pursued the SLMC approach in separate ways, albeit all with some focus on external funding. Cornwall SLMC, operating in a two

tier area achieved some useful benefits in generating a county perspective on ABI rationalisation and on social inclusion, and drew together stakeholders from across county and district councils and from agencies. In Hastings the adoption of a community safety focus provided a clearer focus than the more amorphous sub-regional context of the Area Investment Framework.

At the level of a single unitary or metropolitan authority, Herefordshire, Wolverhampton, Derby, Hastings and Luton all attempted to address issues of integration. Their experience varies. In Derby, close links with the LSP ensured that a borough-wide strategic context provided the umbrella for more detailed management of external funding. In Luton resource mapping was used to explore the implementation for realigning resource flows in the context of the Community Strategy. In Wolverhampton, the Single Gateway work was integrated into a broader programme of work at neighbourhood/community level with central government and local authority interest and commitment reinforcing the role of the voluntary sector as a key partner. This contrasted with the comparative absence of such pre-existing structures and grant regimes in Herefordshire, with the consequent vacuum in terms of a regeneration or similar context to which the single pot might link. The result was the isolation of this initiative from a wider support structure outside the voluntary sector itself.

All this experience emphasises the importance of linking new initiatives into a pre-existing structure of existing stakeholders and organisations and into the strategic context which these stakeholders are confronting. In articulating and exploring strategic issues and engaging local stakeholders, effective leadership is crucial in generating this engagement.

A number of SLMCs operated at the small area or neighbourhood level and the experience in these areas provides evidence about the potential for generating inter-agency collaboration on both planning and delivery at an area that is smaller than the authority itself but large enough to offer at least the potential for efficiency gains, even if the SLMC experience did not demonstrate the existence or otherwise of such gains. There is also evidence of the difficulties of generating strategic integration (as well as bureaucratic simplification) where the spatial responsibilities of departments and agencies do not coincide. Thus programme integration, budget alignment, and single potting are more difficult where different departments and agencies operate at different spatial scales.

The lessons are not new but are worth repeating. Whatever level is appropriate for an initiative, clear connections should be made upwards (e.g. to regional, sub-regional or county level) and downwards (to sub-authority or neighbourhood level). Such vertical integration between the often hierarchical levels of government is crucial. Ideally an approach such as that of the SLMC might best be seen as a point of interaction between the horizontal axis which brings agencies together at the locality level, and the vertical axis which reflects the working of multi-level governance and which in principle brings integration between centre, region and locality and neighbourhood.

In relation to *contributing to strategic learning* – sharing experience, dissemination and mainstreaming lessons into wider strategic thinking, with two exceptions there

was little shared systematic learning between SLMCs. The Derby experience was exchanged widely, with Redcar, Hastings, and Luton all drawing from the experience, whilst the Combined Audit has also engaged in extensive exchange. The full learning from such exchange has yet to emerge, and there remains scope for exploiting potential links with the evolving modernisation of local government, with Best Value or Beacons for example.

Some SLMCs have yet to reveal their potential, most obviously the Combined Audit for which fieldwork testing is in progress at the time of writing, and dissemination of results will clearly follow rather than precede this national evaluation. Nevertheless the research team view is that dissemination during the programme has been modest, leaving the question of longer term learning and sustainability as yet unresolved. For the future, in addition to completion of the Combined Audit pilot, there might be merit in pursuing the continuing experience of Derby, Cornwall, Luton, Sheffield and Wolverhampton – SLMCs where it is possible to see a strategic context to the pursuit of the core agenda of reducing bureaucracy.

The main findings in relation to strategic frameworks are, therefore:

- Where the SLMC was placed within a strategic context this gave more focus to work; where context was absent or vaguely expressed, or in some cases where the SLMC was simply badged onto something already in progress there has been little if any progress. Lack of strategic focus in some SLMC areas contributed to the failure to generate momentum with the result that some SLMCs became becalmed, or were overtaken by events (and by the emergence of LAAS in particular).
- A minority of SLMCs – Derby, Cornwall, South Westminster, and latterly Luton – made a contribution to building local capacity for articulating and exploring strategic issues confronting local stakeholders.
- SLMCs had little contribution to make at a ‘sub-regional’ level but in some localities had an impact at the county or city/district level. The most helpful spatial perspective linked small area/neighbourhood strategy to community focused planning and delivery and to the rationalisation and better management of ABIs.
- A strategic approach – to programme integration, budget alignment, and ‘single potting’ – is more difficult where different departments and agencies operate at different spatial scales. Whatever level is appropriate for an initiative, clear connections should be made upwards (e.g. to regional, sub-regional or county level) and downwards (e.g. to sub-authority or neighbourhood level).
- SLMCs might best be seen as a point of interaction between a horizontal axis of integration which brings agencies together at the locality level, and a vertical axis which reflects the working of multi-level governance and which in principle brings integration between centre, region and locality and neighbourhood.
- Despite the use of a range of communication to foster exchange and dissemination the diversity of SLMC experience made learning difficult. If benefit is to be obtained from this experience still more will need to be done by RCU and/or by Government Offices to stimulate the exchange and dissemination of experience.

### 6.3 Realigning Resources

A key problem in seeking the realignment of resources has long been recognised as the multiplicity of funding streams, which have arisen as a consequence of the establishment of numerous area based initiatives (ABIs) over the past decade, generating a number of problems of co-ordination. These arise at central government and regional levels, in terms of tracking such initiatives and their funding streams, and at the local level in terms of receiving, using and accounting for them. Local Area Agreements are a response to these issues and connections are being made between SLMCs and LAAs. For example, in Derby, where the SLMC has made much of the running on identifying the range and variety of funding streams with which the Derby City partnership was confronted, the SLMC continues alongside the LAA. Here the view is that there is still benefit in managing a number of existing ABIs through the Regeneration Arena (SLMC) which has offered valuable experience in more effective management of regeneration and ABI programmes in terms of appraisal, the development of commissioning, the introduction of single monitoring and grant claim forms and the amalgamation of small grant streams into a single pot. SLMC working has informed LAA thinking about freedoms and flexibilities here and the LAA agreement identifies a number of benefits from maintaining the capacity developed within the Regeneration Arena.

For the community and voluntary sector the impact of multiple funding streams is demanding in terms of expertise, draining in terms of staff effort and energy, and diversionary in terms of focus on programme delivery. Some SLMC effort has been devoted to addressing these issues for the voluntary and community sectors. In the evaluation of SLMC work on funding streams, as on appraisal, some attention has been given to whether there may be perverse effects of the changes being pursued, for example, for these sectors. It seems possible, for example, that the creation of single pots may not be seen as entirely beneficial by applicants. In spite of the irritations of separate systems, applicants might welcome the opportunity to apply to more than one funder and perhaps to secure increased resources overall, or to succeed with one having failed with another, because of a better fit with particular criteria. Different funding streams can enable varied work programmes and reduce dependency on a single funder. There may be concerns that a single grant will add up to less than several smaller ones might have done. Another area of possible concern for applicants is that the total set of requirements for single pots will be more onerous than those applying to some or all of the separate funding streams being brought together. While scrutiny is clearly necessary, discussion at the Funding Streams SLMC Workshop highlighted a need for care in making inappropriate demands, particularly on smaller groups at which funds such as the single pot and single gateway funds may be targeted.

There is limited information on these issues from the SLMCs. However, in Herefordshire, where a separate local evaluation of the single pot is underway, it seems that the scale of resources in the pot and therefore the size of grants available via a single application is the crucial factor for applicants. The key problem with multiple applications does not appear to be mainly that each application process is complex, and the simplicity of a single appraisal process for a single pot, while welcome, is not the key benefit. Organisations would simply prefer to get the maximum funding from a single application, rather than many (and this is partly

because the subsequent administration of multiple funds is a significant burden for small organisations). The Derby experience illustrates ways in which the burden on community and voluntary sector organisations can be lightened by a simplified application and monitoring process.

The Herefordshire experience illustrates a general point about the pooling of funding streams. Unless there is clear instruction to agencies to participate in a pooling or aligning process, then organisational pressures and changing agency and departmental priorities, together with the rules surrounding existing funding streams, may combine to dilute the commitment to joining up resources. All the evidence, therefore, appears to the evaluation team to reinforce the findings and conclusions of our interim report, that there must be greater encouragement to, and willingness from mainstream departments and agencies to approach their budget and resource management processes more flexibly than they currently do.

In summary the major issues emerging from the analysis of funding streams were:

- Frequent changes and a lack of continuity in the existence, nature and responsibility for grant regimes inhibit the development of simpler and more integrated management of such streams.
- Departmental Public Bodies are less likely to engage with or remain in, arrangements which reduce their capacity to manage resources in a way which delivers deliver the outcomes required by their parent departments.
- Changes in the alignment of resources between local partners are made more difficult where the funding streams involved are applied at differing spatial levels or are directed at differing themes
- Some regional and sub-regional agencies, with non coterminous boundaries and differing programme priorities, are less easily willing or able to align their resources with those of others operating at a more local level.
- European funding is a valuable element of many local programmes, but there remains much scope for rationalising and reducing the numerous and varying English generated procedures associated with EU funding.
- The movement from bidding for funds (and project appraisal) to commissioning (through project specifications) has important implications for the way in which resources are allocated and approved locally.
- The incorporation of multiple funding streams within a single pot may bring drift towards a funding management system which either incorporates the needs of all funders or is based on the requirements of the most demanding funder.
- Accountability structures for partnerships remain unclear, and without clear commitment from political and professional leadership, innovations in budgeting pooling/aligning are unlikely to be sustainable.
- Shared ownership of programmes and the pooling/aligning of funding streams can spread risk (and hence lessen the need for frequent or in depth audit), but may also increase risk because funders have less influence on the outcomes achieved from specific funding streams.

- There is little evidence as to whether pooling/aligning produces efficiency gains through reduction of transaction costs and/or generates greater benefits to service users.
- Unless funders – individually and collectively – recognise the importance of the smaller, community focused organisations, the capacity to support such smaller organisations may be lost amidst moves towards pooling/aligning budgets and towards commissioning.

# 7 Effectiveness and Learning

In the light of the impacts and outcomes identified in Section 6 above, this section looks at a number of factors which need to be taken into account in assessing the effectiveness of SLMCs and the extent to which lessons can be learned.

These factors are:

- Governance
- Barriers and drivers
- Learning and dissemination
- Replicability and sustainability

## 7.1 Governance

The governance arrangements were briefly identified in Section 3.1 above. Primary responsibility for implementation of SLMCs lay with Government Offices which worked with local partners either through new structures or structural arrangements already existing for collaboration across agencies. Local arrangements are described in fuller detail in Section 4. Oversight, co-ordination, monitoring, sharing of experience, and reporting to ODPM and the Cabinet Office lay with the RCU and, given the experimental and bottom up nature of the SLMC approach, were exercised with a light touch. SLMCs were but one element within a much wider reducing bureaucracy programme, and (despite occasional Ministerial interest) did not demand the strongest attention or resource input from RCU, especially as LAAs came onto the scene.

Given the pressures under which they operated at the time, Government Offices (for whom the SLMC initiative had been seen as an opportunity following the *Reaching Out* report), reacted with varying degrees of enthusiasm dependent on (pre)existing priorities, the pressure on staff resources, and the perceived importance of the chosen SLMC topic. Some Government Offices chose to move forward with work already in progress, badging it as an ‘SLMC’ (but sometimes using a different name locally.) The SLMC label was sometimes attached to initiatives which required immediate attention. Others looked to areas where there had already been interest and developments – in relation to LSP management of external funds, ABI rationalisation, or ABI proliferation, for example.

In some regions the SLMC was seen as being of lower priority with the consequence that when the interest and commitment of local stakeholders began to fade, the SLMC approach itself also faded. In others areas action relevant to the SLMC agenda was pursued without a strong, continuing connection to the national SLMC initiative. Turnover of staff – in both Government Offices and local partner organisations – meant that in some areas there was little continuity in the initiative. In addition, since responsibility for regeneration funding lies with Regional Development Agencies in some regions (for example the North West, West Midlands, and South East) the capacity of the Government Office to influence appraisal, or rationalisation of funding streams was limited.

The RCU offered support to Government Offices and to those SLMCs which requested it, especially in attempting to broker responses from other departments. The opportunities and difficulties faced by RCU and Government Offices in doing this are illustrated by the contrasting experience of the Derby and Herefordshire SLMCs. In Derby a strong and active LSP was seen by GOEM as a base for reinforcing an existing mechanism (the External Funding Unit) to address the issue of multiple ABIs with the help of NRU funding and a part-time GOEM secondment. Here the SLMC has generated both strategic and operational outcomes, providing part of the evidence base for LAAs and introducing specific reductions in bureaucracy. In Herefordshire, where GOWM and RCU were engaged throughout, application of the SLMC approach was characterised by a mix of understandings. Local optimism was buoyed up by factors including initial aspirations, positive early negotiations and continuing efforts by government at central and regional levels to encourage contributions to the pot. This optimism co-existed with different view held within both GOWM and the RCU – which recognised that, for a variety of reasons, the initiative was unlikely to attract the level of funding required to create the ‘sizeable’ pot that early estimates had suggested.

The ongoing context for the Herefordshire SLMC was, that of testing an approach which, if successful, could help local community and voluntary sector partners to access funding more easily. Some important issues have emerged about both the autonomy of non departmental public bodies and executive agencies (and the discretion available at regional and local levels within them), and secondly about the need for government departments to clarify just what decisions – and in particular budgetary decisions – can be made at regional/local level to test out new approaches. What also emerged, however, despite continuing GOWM involvement and support at the local level, were challenges in managing the aspirations of partners engaged in the pilot, the timescales involved in agreeing new processes and funding contributions, and the need to balance differing views in development the pot.

Towards the end of 2004 RCU attempted to clarify through Government Offices the specific targets being pursued by individual SLMCs in order to bring greater clarity about what objectives were being pursued. For those SLMCs that already knew what they were doing this brought a clear restatement of local purpose. For those SLMCs which had hitherto been unclear about purpose and function, little further information emerged.

In retrospect it is possible to recognise a system of governance for SLMCs which in a very positive way offered room for local stakeholders to develop their own approaches to reduction of bureaucracy and joined up working. Government Offices were left with the discretion about the energy and resources they wished to put into the approach. This freedom and flexibility, however, left individual SLMCs and the approach as a whole without sufficient coherence, and the findings of this research suggest that in the future, ‘bottom up’ experiments or pilots such as SLMCs will require a degree of direction and support from the ‘top’ which in this instance many SLMCs felt to be lacking.

## 7.2 Drivers and barriers

In terms of explaining the development and implementation of SLMCs, and in drawing out lessons for the future it is necessary to identify the drivers and barriers which may have supported or alternatively hindered implementation. Amongst these driver/barrier factors influencing implementation of SLMCs, the evidence points to:

### Drivers

- Strong leadership – political and professional – is a necessary feature of establishing, maintaining and learning from new initiatives. Within the SLMC approach there has been relatively little political presence, but the role of key individuals such as seconded staff, appointed officers and in some cases GO staff has been of major importance.
- Multi-agency involvement and local/regional/national commitment to SLMCs has been a key feature in those that have been most successful – LSPs in particular but also the major stakeholders and inevitably the local authority.
- There were few immediate incentives or rewards for participating localities, but there is no doubt that initial engagement and continuing activity from those who stuck with the approach was driven by a view that being one of a dozen SLMCs brought intangible reward – being part of a national programme, being recognised as being innovative, having greater access to the RCU and Whitehall, better relationships with the GO, the possibility of resources in the future. No SLMC felt that the efficiency gains from reducing bureaucracy were what the approach was all about.
- The momentum of change nationally was about a new Local Government Modernisation Agenda, about joint working, about realignment, and latterly about Local Area Agreements. Some SLMCs were therefore driven by the feeling that they were going with the flow and that what was being tried in the SLMC was very much in line with what they would have wanted to do or were being required to do anyway.
- For some, a small area focus offered the possibility of bringing partners together and of linking service delivery improvements to a community based approach. Small areas may be particularly appropriate for joint working where providers and users have a shared sense of identification with an understandable locality.

### Barriers

At the same time SLMCs were confronted with a number of barriers (in some senses the reverse of the drivers discussed above).

- Lack of clarity/lack of trust. One partner argued that 'in the setting up of initiatives the benefits to all partners should be made clear from the outset. Before engaging local partners in pilot schemes Government should be clear about what it wants ... This can bring more effective partner engagement and ensure that the compromises and agreements that may be needed ... can be achieved quickly and coherently'.
- Funder resistance and other barriers to realigning resources. Some funders are resistant both to the delegation of authority for allocating funds and to joining up/pooling. Other funders by contrast welcome approaches which mean that

they can make their funds work better for the communities that they serve and are thus content to look towards delegation and/or closer working between funders. Collaboration is welcome and easier where the objectives of funding are compatible and joining up funds by funding theme (as in LAAs) may be as useful as using a single pot. There remain questions about the principles and the practice of a single funding pot – criteria for granting, the flexibility attached to the use of funds, accountability.

- Whilst some SLMCs were able to see benefits, however intangible, others regarded the lack of resources and lack of ‘return’ for their efforts as a disincentive.
- Whilst locally chosen levels of operation were generally appropriate to the range of initiatives involved and to local capacity, inevitably they had to engage and negotiate with others to get things done. It was in the timeliness of vertical rather than horizontal linkages that engagement and negotiation proved most difficult and time-consuming.

### **7.3 Learning and dissemination**

An early (September 2003) event attracted most SLMC participants whilst a formal (October 2005) event marked the end of the national evaluation. Most SLMCs expressed regret that – other than two workshops held as part of the national evaluation – there were few opportunities to exchange experience or learn lessons. There were some bilateral visits, and in the consultancy work undertaken in some SLMC areas connections were made with work elsewhere. Some case study material was placed on the RCU web-site. There was also within the Combined Audit pilot a web based forum for test team auditors, and a training programme for those taking part in the pilot.

Within SLMC areas, there are examples of SLMC support to local learning. The South Yorkshire Regeneration Network, for example, has a SYReN web-site, initially set up as a forum and used to disseminate a newsletter and information about events. SYReN has also run a series of events (as has Derby) for those involved in ABIs and wider policy/service areas, and has undertaken a survey of ABI managers/practitioners and their training needs. Elsewhere, the Cornwall SLMC provides a basis for district and county interests to come together, whilst the Wolverhampton and Herefordshire SLMC incorporates two very different localities with the aim of developing mutual learning. Combined Audit has a web based forum for auditors and a training programme for those undertaking pilots.

Other than a Herefordshire and Wolverhampton local evaluation undertaken by Aston University (from which an interim report informed Issues Paper 1) there has been no local evaluation, although several SLMCs were informed by consultancy reports in their early stages, although Derby undertook reviews of some elements of the Regeneration Arena (e.g. the Small Change fund). At national level, progress in SLMC working was regularly reported to an RCU managed ‘telekit’ involving Government Offices. In August 2005 RCU introduced a newsletter to run until the end of the evaluation in December 2005.

The progress of SLMCs was fed regularly into the Government's machinery for Reducing Bureaucracy, both as an input to the ODPM Bureaucracy Reduction team and thence to the Cabinet Office. The most striking learning from SLMCs, however, was the Derby mapping of multiple ABIs. This mapping exercise not only won an ODPM award in 2004 but more importantly became the foundation for Whitehall wide discussion about the further integration of initiatives and ultimately for the emergence of Local Area Agreements. Early suggestions from the national evaluation of SLMCs were fed into the LAA policy development process in late 2004. A number of the lessons drawn at that time have been reinforced by the later stages of SLMC evaluation and will be discussed in Section 8 below.

#### **7.4 Replicability and sustainability**

One of the main questions asked of experimental or pilot programmes is about their transferability, replicability and sustainability. Are the lessons from an initiative capable of being transferred – either to other parts of the same locality or to other localities? How far does the specific local political, social, and administrative context explain the success or failure of a pilot in one area and indicate whether it is likely or not to work elsewhere? How far can the experience of special, often area-based, initiatives be mainstreamed and become sustainable for the longer term future?

The evidence suggests that in most SLMCs some of the key elements which typically support replication, mainstreaming and sustainability – learning, dissemination, strong leadership, governance, for example – were not central to the SLMC approach. The diversity of the SLMC pilots, the varied interest and commitment of Government Offices, and the relative absence of direction for the programme as a whole inevitably militated against systematic mainstreaming towards sustainability. Nevertheless several SLMCs have become firmly linked into the mainstream and have offered evidence of practices that either have been, or could be, sustained and mainstreamed.

- Cornwall – where strategic capacity to deliver the LAA continues to be built across public, private and voluntary/community sectors
- Derby – where the establishment of the Regeneration Arena represents the establishment of sustainable structures and systems for simplifying bureaucracy and for integrating multiple funding streams.
- Wolverhampton – where the single gateway for voluntary/community sector funding has been closely linked to the local authority and LSP mechanisms for incorporating an explicit community/voluntary element in to the LAA and Herefordshire, where the processes established are being linked to the emerging LAA.
- Aston/Handsworth – where initiatives to counter the threat of guns and gangs has evolved on the one hand into a Birmingham/Sandwell cross-boundary strategic Collaboration Board addressing the integration of investment plans, and on the other hand into an effective mainstream programme and budgeting mechanism within the Birmingham Community Safety Partnership.
- Combined Audit – which offers the potential for integrating the audit frameworks and practices of a range of funding agencies (potentially within LAAs) and contributing to capacity building in the community and voluntary sector.

- South Yorkshire – where the establishment of a network (SYReN) has been found to be helpful in sharing information, dissemination, and learning across a sub-region.
- South Westminster, and Manor and Castle which, in very different local contexts, have developed area based frameworks beneath the local authority which foster and support decentralised and devolved area based working within these two localities.
- Luton – where a recent but important resource mapping exercise provides an entry into resource realignment towards meeting Community Strategy objectives.

At the same time a number of the lessons from SLMCs have yet to be tested. A number of the issues relating to the potential reduction of bureaucracy – project appraisal, monitoring, audit, for example – remain to be applied more widely than a single SLMC, and the roll out of LAAs will offer the opportunity to assess the extent to which the best SLMC practice is transferable to, and sustainable within, the Local Area Agreement process. The SLMC experience suggests that for the achievement of reductions in bureaucracy, the establishment of LAAs may be necessary but is not sufficient. LAAs do not in themselves remove some of the bureaucratic obstacles which DETR/DTLR/ODPM research has documented over the years as inhibiting joined up working. Perhaps the main lessons from the SLMC experience are on the one hand the intransigence of many of the issues surrounding the reduction of bureaucracy, and on the other the potential for improvement which the Derby and Cornwall experience has demonstrated to exist.

# 8 Findings and Lessons

## 8.1 Findings

SLMCs have made a contribution to a succession of policies and programmes, culminating at present in Local Area Agreements, which aim to reduce bureaucracy and rationalise ABIs. Some SLMCs were able to identify and pursue tangible gains which fall under three broad headings:

- **Reducing Bureaucracy.** A number of SLMCs were able to simplify systems in ways which brought tangible benefits in the appraisal, monitoring and audit procedures of programmes at a local level and began to free up time and effort for delivery. Examples included Derby, where the Regeneration Arena provides a sustainable structure and systems for simplifying bureaucracy and for integrating multiple funding streams and the Combined Audit SLMC which offers the potential for integrating the audit frameworks and practices of a range of funding agencies. (See also Issues Paper 2.)
- **Strategic Frameworks.** SLMCs have responded to national or local strategic contexts, have contributed to strategic capacity in LSPs and elsewhere, and have supported the development of spatial strategies (often at a small area level). Examples include Cornwall where the SLMC has contributed to the strategic capacity to deliver the LAA, South Westminster, and South Sheffield where the SLMC has supported decentralised and devolved area based working. Also, in Aston/Handsworth initiatives to counter the threat of 'guns and gangs' has evolved on the one hand into a Birmingham/Sandwell cross-boundary strategic Collaboration Board addressing the integration of investment plans, and on the other hand into an effective mainstream programme and budgeting mechanism within the Birmingham Community Safety Partnership.
- **Realigning Funding.** A number of SLMCs have contributed to the improved management of multiple (often external) funds, and to the exploration of the possibilities of single pots. For example, in number of areas – including Derby, Hastings and most recently Luton – resource mapping exercises have been an important aspect of SMLC work, which has aimed to support more strategic approaches to funding.

Progress has also been made in other ways. For example, in South Yorkshire the SLMC led to the establishment of a network (SYReN) which has been found to be helpful in sharing information, dissemination and learning across a sub-regional network of over 150 ABI managers. A number of SLMCs explored the reduction of bureaucracy in terms of how it might assist the community and voluntary sectors on whom excess administration has a disproportionate impact and who are often marginalised in new initiatives. Single pot funding, a single gateway, joint appraisal, single monitoring forms, combined audit, all offered potential benefits. In Wolverhampton, the single gateway for voluntary/community sector funding has been closely linked to the local authority and LSP mechanisms for incorporating an explicit community/voluntary element in to the LAA.

Whilst there was widespread recognition that bureaucracy imposes high transaction costs and generates inefficiencies, no SLMC had specific targets in relation to cost reduction and efficiency. There is little evidence from SLMCs as to whether the pooling or aligning of resources produces efficiency gains through reduction of transaction costs and/or generates greater benefits to service users. SLMCs tended to emphasise effectiveness – for example better use of staff time – if freed from the burdens of monitoring or being monitored, rather than efficiency savings. Where SLMCs involved new or reorganised activities – the Herefordshire Single Pot or Combined Audit for example – the setting up and developmental cost of these was significant. Inevitably, there have been disappointments – for example, when the single pot pilot failed to secure the full range of funding it sought. In some areas, little progress was made through the SLMC approach, for a variety of reasons. For some, this approach to ABI rationalisation came at a time when key local initiatives were coming to an end and rationalisation was of limited value. For others, a combination of mainly local factors limited progress. In some cases there seems to have been little clarity or understanding as to what the initiative was for and why it should be taken forward. In one case, the initially proposed SLMC turned out to be set at an inappropriate spatial level. In another – the single pot – it was never likely that the level of funding early estimates suggested would be attracted. The Combined Audit, where there is potential for significant benefits, has yet to be fully tested in the field, with results due in March 2006.

Variations in the achievements of SLMCs can be understood partly in terms of the drivers and barriers which have been explored in more detail in Section 7 of this report. In summary, key drivers have included strong leadership, multi-agency involvement, perceived rewards in the form of recognition or better relations with government, a 'fit' with existing priorities and a small area focus. Significant barriers have included failings in clarity, trust, and commitment. Horizontal connections have often been strong; vertical connections have sometimes been weak, to the detriment of effective action.

The system of governance for SLMCs offered room for local stakeholders to develop their own approaches to reduction of bureaucracy and ABI rationalisation, and Government Offices were left with discretion about the energy and resources they wished to put into the approach. In retrospect, the purpose of the SLMC approach may have been insufficiently clear to Government Offices and/or local partners with the name and the aims confusing to some localities. Minimal resources (not just in terms of specific funding but of staff time) were available to support innovation in working, and the SLMC approach was explicitly designed without direction or control from the centre. While some SLMCs were able to make progress, essentially within existing resources, in many localities initial development of the approach was slow and in some commitment was weak throughout; some decided to withdraw.

The progress of SLMCs has been highly dependent on the energy and engagement of Government Offices and on the understanding and commitment of local partners – both of which varied widely across regions. Government Offices held a crucial position. Some drove the approach forward and were heavily engaged; others held a different view and did not regard SLMCs as a priority. Although a central element of the SLMC approach was the avoidance of central direction, our evaluation

concludes that the approach would have had more impact had there been more clarity from the 'top down', particularly in the early stages, to generate understanding of, commitment to, and engagement from Government Offices, from government departments and from a number of regional non departmental government bodies. At the same time the lack of progress in some SLMCs was also attributable to local factors. At local level, it is clear that some areas lacked the leadership, will, imagination or capacity to take advantage of what was then a new government approach, while others made the most of an opportunity to develop or extend new ways of working.

Whilst several SLMCs offered opportunities for exchange, dissemination and learning on delivery issues, most have been relatively inward looking, with few lessons drawn from their collective experience, other than in relation to LAAs (notably in Derby where the mapping of multiple ABIs was influential in policy development, but also latterly in Cornwall, Luton, Stockton, and Wolverhampton),<sup>13</sup> and potentially in relation to Combined Audit. There has been arrange of exchange and dissemination activity – on the RCU web-site and elsewhere – but the diversity of SLMC experience goes some way to explain why drawing general lessons is difficult. There remains much scope for further exchange, sharing and dissemination of experience. This evaluation report and its associated issue papers are a contribution to that dissemination.

In summary, in many areas, SLMCs connected with a developing agenda of action in relation to joint working, aligned funding and initiative rationalisation. The emergence of LAAs brought to the forefront ideas which, whilst relatively new when SLMCs started off in mid 2003, were in widespread currency by the end of 2005. SLMCs can therefore be seen as one element in a changing policy context. In one locality the SLMC approach has clearly paved the way forward; elsewhere the SLMC built on and extended existing activity towards rationalisation and more effective systems. In other areas the SLMC approach stood still and was simply overtaken by events, notably the emergence of LAAs.

## **8.2 Lessons**

Some of the SLMC lessons have been learned. Some are still to be tested – most notably the Combined Audit. In others, the issues relating to the potential reduction of bureaucracy, in project appraisal or monitoring for example, remain to be applied more widely than a single SLMC. A number of the SLMCs have been incorporated into LAA working, and the roll out of LAAs will offer the opportunity to assess the extent to which the SLMC experience is transferable to and sustainable within wider Local Area Agreement processes.

The four Issues Papers offer a wide range of findings/lessons, which are reproduced in the various sections of this report. It is possible, however, to identify a number of key lessons which are relevant both to the general Reducing Bureaucracy agenda and, to a greater or lesser extent, to the more specific LAA agenda.

- Innovations in policy and practice require a combination of commitment, direction and support from the 'top' and willingness from the bottom up to innovate,

13 In autumn 2004 the SLMC evaluation team offered a paper on lessons from SLMCs for LAAs to the ODPM LAA development group.

experiment and alter behaviour. In retrospect, whilst SLMCs were designed to allow bottom up approaches to emerge unimpeded by central direction or guidance, the majority of evidence from regional offices and localities indicates that greater direction and support from the centre would have been welcomed as part of the design of SLMCs from the outset. The research team believes this would have assisted rather than inhibited impact. Clear frameworks established by the centre need neither dictate nor stifle locally developed responses.

- A clear framework for action may also empower the intermediate regional level to operate more effectively. If Government Offices are to play a central part in the roll-out of new initiatives there needs to be clear statement of their roles, the demands on their time, skills and, above all, commitment.
- Without clarity over ownership, legitimacy, and accountability from political and professional leadership, innovations in reducing bureaucracy and realigning resources are unlikely to be sustainable.
- Bureaucracy weighs heavily on the voluntary and community sectors. Whilst in Herefordshire, Wolverhampton and Derby SLMC working addressed the needs of these sectors, their needs are often marginalized. Continuing attention needs to be given to making voluntary/community engagement in programme planning and delivery much simpler.
- Placing new initiatives within a clear strategic context, whether national or local, gives focus and makes them less likely to be overtaken by changes in political taste of professional fashion.
- Many of the barriers to more flexible working locally are perceived – sometimes correctly, sometimes incorrectly – to stem from rigidities in the procedures established centrally for allocating, monitoring and accounting for resources.
- Clear timetables need to be created for decisions about exactly how much is to be allocated to particular pots or blocks of funding, and over the time period to which those allocations will apply.
- Pooled or realigned funding does not in itself remove red-tape or address issues of bureaucracy, and attention needs to be given to the rationalisation and reduction in the arrangements for appraisal, approval, monitoring, inspection, accountability reporting and audit of multiple funding streams.
- Where departments, agencies and non departmental public bodies are unwilling – for good or bad reasons – to relinquish autonomy, control and accountability for funding streams, the transferability of special initiatives to mainstream programmes becomes problematic.
- It is important in the incorporation of multiple funding streams within a single pot and in the development of combined or compatible systems for appraisal, monitoring, and audit to avoid any shift towards application of the most onerous requirements.

ISBN – 13: 1-85112-849-2  
ISBN – 10: 978-185112-849-5

Price £12