



Building Schools for the Future

A Toolkit for Effective Local
Education Partnerships

Practitioner Note 1:
Local Authority Strategic Planning

June 2009

partnerships for schools

building schools for the future

Local Authority Strategic Planning

Introduction and purpose

This Practitioner Note is one of nine that make up a Toolkit to support the successful set-up and operation of a Local Education Partnership (LEP). This note covers Local Authority Strategic Planning.

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Local Authority Strategic Planning

Executive summary

Good local authority strategic planning will result in a Local Education Partnership (LEP) with a well-defined scope and with a clear understanding of how it fits in with existing authority service delivery structures.

The lifeblood of a successful LEP is a managed and sustainable flow of projects which are delivered to the required quality at the right price. The ability to manage and sustain a flow of relevant projects is driven by the effectiveness of the local authority's strategic planning process and the outcome it produces. The interface of this with the LEP business planning process is crucial to achieving a set of shared objectives.

In this Practitioner Note we focus on ten key elements that contribute to effective local authority strategic planning; when and how they should happen; and who will be involved.

These ten steps to effective strategic planning are:

1. **Ensure that effective corporate leadership** exists for developing the role and scope of the LEP. This will provide direction and momentum to develop the LEP model and will identify potential links between departments, projects and initiatives.
2. **Be clear on the vision** for a successful, operational LEP and what it will be doing 6 months, 12 months and 5 years after it has been set up. Set key milestones and associated activities.
3. Have a **wide-ranging but realistic discussion about the LEP role**, which focuses on projects or programmes that are capable of being delivered.
4. Within the project development and procurement timetable set aside **sufficient time to work through the scoping issues**.
5. Ensure **effective internal and external consultation** takes place with the relevant stakeholders at the right time. This will include potential partner organisations, including other public sector bodies or agencies.
6. **Engage with sponsoring member(s) early** in the planning process to ensure that the LEP's plans fit with the strategic objectives of the local authority.
7. **Be clear about the services required** from the LEP to ensure that there is consensus around the type of partner to be procured.
8. During the set-up phase, **establish the link between the local authority's strategic planning cycle and the LEP's Business Plan**. This should include Strategic Partnering and Continuous Improvement targets.
9. Ensure mechanisms and processes exist that allow the **local authority and SPB to monitor the progress of the LEP** in delivering against the plans and objectives.
10. **Ensure continued corporate engagement** within the local authority planning cycle on how the LEP can continue to deliver to the local authority's priorities using private sector partner expertise and experience from elsewhere, where it is relevant and adds value.



Following these steps should identify any potential for the local authority to integrate the LEP into its broader priorities. By identifying wider LEP business opportunities at an early stage, the local authority should find it easier to select a business partner that can not only meet the immediate BSF programme of activity, but also maintain an effective longer term relationship which delivers against those priorities.

The importance of long-term planning at the outset of the BSF process

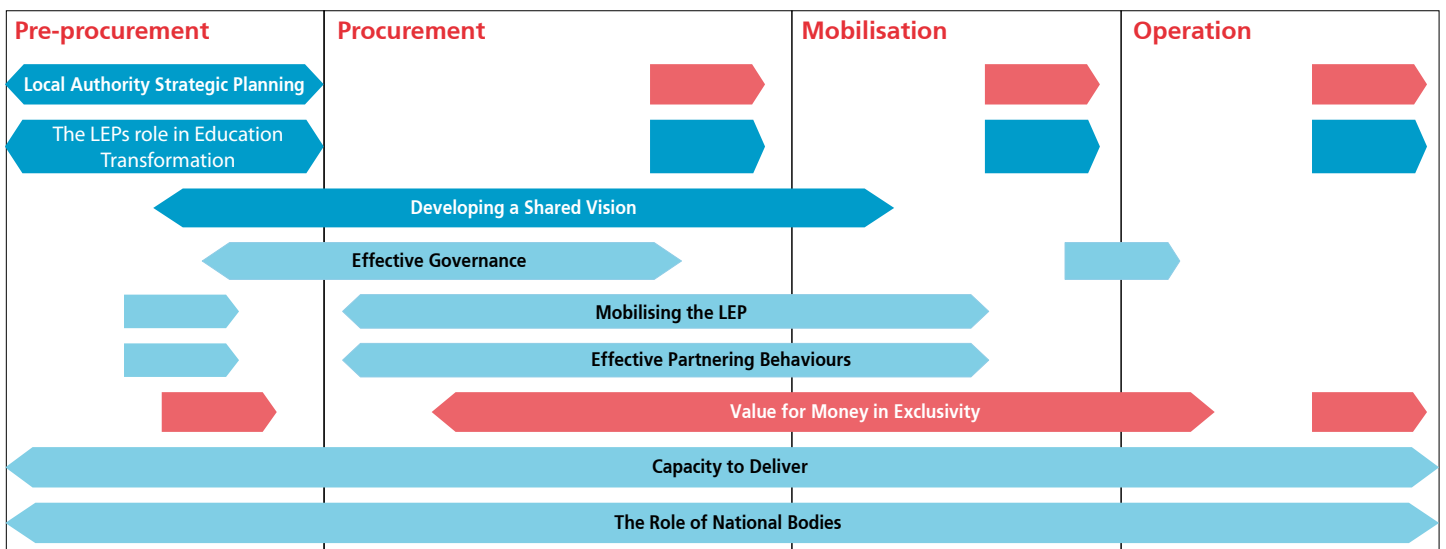
As noted on page 3, effective local authority strategic planning will result in a LEP with a well-defined scope and with a clear understanding of how it fits in with the local authority's

service delivery and existing structures. Clearly, such planning needs to take place at the outset of the Building Schools for the Future programme, but it is important to recognise that the plans will need to be revisited as the partnership progresses. As the diagram below shows, strategic planning must inform each of the four phases of the BSF process.

Strategic planning in the pre-procurement phase of BSF will ensure that the local authority and associated stakeholders maximise the value for money delivered through the LEP through the selection of the most appropriate private sector partner. Effective strategic planning should therefore inform the procurement process.

This planning needs to take into account the authority's broader long-term strategy, since it is feasible that a LEP may also deliver other local projects in areas such as leisure, health and regeneration. While it is accepted that a successful LEP should focus its initial efforts on delivering the core education programme that is set out in a local authority's Strategy for Change (SfC), an awareness by both the authority and potential bidders of the longer-term potential of the venture will make it more likely that the right type of partner and scope is procured.

As the LEP develops, therefore, its performance will need to be reviewed against the strategy on a regular basis, as the diagram indicates.



Key planning inputs in the BSF process

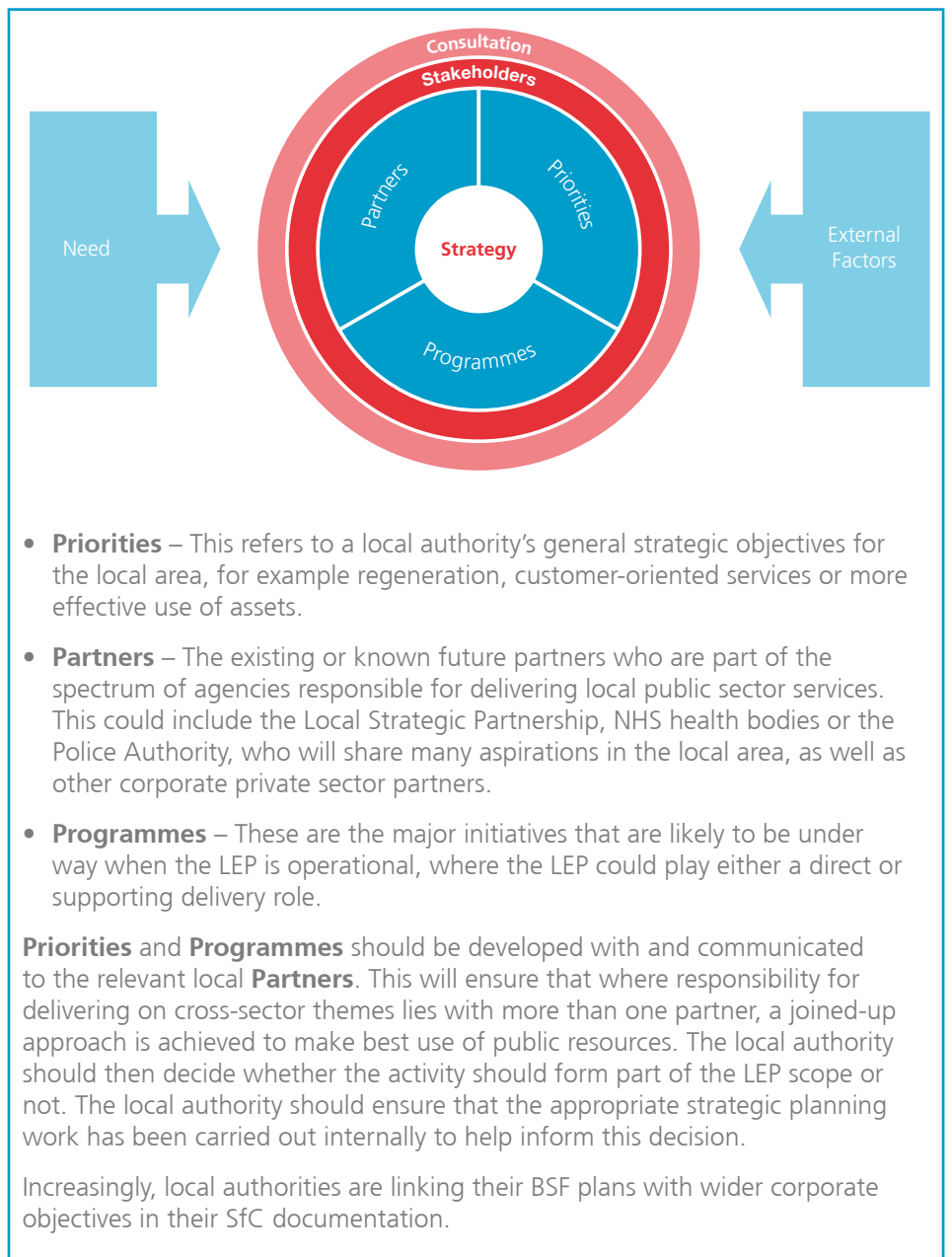
There is no “right” way to plan, since each LEP will have its own priorities and approach. However, research among existing operational LEPs has identified some key planning inputs for each phase of the BSF programme process.

Stage	Actions	
Pre-procurement	Local Authority <ul style="list-style-type: none"> Review the timing of the local authority strategic planning process and ensure the outcome includes forthcoming BSF programme. Review the sequence of Corporate and Service Planning to ensure it addresses cross-sector issues that could affect the programme of activity to be delivered by the LEP. Ensure that the appropriate internal stakeholders (for example finance, estates, property, regeneration, health and leisure etc.) are involved in the strategic planning process. Identify the relevant external stakeholders and ensure the Corporate and Service Planning processes allow for appropriate consultation. Obtain appropriate member sign off. Produce financial plans that reflect the cross service nature of the outcomes of the planning process and demonstrate the flow of funds to the responsible services. Prepare OJEU advertisement to reflect the requirements of the local authority strategy. 	
Procurement	Local Authority <ul style="list-style-type: none"> Build in the opportunity for some early conversations around the local authority strategy and its impact upon the programme of activity. Provide opportunities for stakeholder representatives from each organisation to meet in a structured discussion which can help establish criteria for bidder assessment. Capture and discuss throughout bid submission processes the resources required to deliver the BSF programme so that all those involved know what is expected of them. Create a resource management model identifying the roles required to mobilise and operate the LEP and the skills that exist in the LA to help fulfill it. 	Bidders <ul style="list-style-type: none"> Demonstrate you have the capacity, skills and expertise to deliver the programme. Be prepared to demonstrate track record through real examples of success to date on other projects. Bring experience from other projects as to how the programme of activity may be structured. Challenge the local authority to understand the completeness of the programme of activity and how it has been developed.
Mobilisation	Local Authority <ul style="list-style-type: none"> Continuous communication with the LEP to assist it in creating a business plan that appropriately reflects the local authority's expectations. 	Partner <ul style="list-style-type: none"> Develop a LEP business plan that reflects the local authority's strategic plans, describes the likely programme of activity and sets out how it will be delivered. Make sure that the LEP comprises individuals with the ability to deliver the programme. Appoint a LEP General Manager of sufficient calibre to act as a strategic thought partner to the local authority Chief Executive Officer.
Operational	Operational LEP <ul style="list-style-type: none"> Ensure that local authority financial plans and subsequent funding flows are organised to support the delivery of the BSF programme in full and in line with relevant timescales. Be clear about what the BSF delivery programme is and the specifics of what the LEP will do. Ensure the relationships of the LEP with other current and future delivery partners are defined and understood by all parties. During review of strategic plans, ensure that the needs and requirements of all geographical areas under the control of the local authority are considered and understood. When reviewing strategic plans ensure all members of the Strategic Partnering Board and additional relevant internal and external stakeholders are consulted. 	

The strategic fit of the LEP with the overall strategic planning of the local authority is developed during the pre-procurement phase. However it is important that planning remains flexible so that the LEP can react to changes in priorities or direction and respond to unexpected opportunities that may arise during the BSF process. Effective communication between all parties throughout the process is essential and is covered in detail in Practitioner Note 6: Effective Partnering Behaviours.

Developing the strategic plan for the LEP

It is tempting to over-reach, particularly when developing a long-term plan that will, almost inevitably, need to be adjusted as circumstances change and priorities evolve. When defining the scope of the LEP it is essential that local authorities strike a balance between setting challenging aspirations and maintaining realistic expectations. The diagram below shows the key factors influencing the local authority strategic planning process.



Identifying common priorities

A LEP will not exist in isolation. There may be opportunities for it to complement or augment other services across the local authority's remit or to link with other public sector agencies. For the planning process to be effective, the local authority will need to think thematically to identify common priorities, activities or processes that could be achieved and delivered across services through the LEP. There may be immediate opportunities in terms of co-location of services, for example.

The diagram below illustrates some of the common activities and processes that exist across local authority services. In each case, the local authority should consider how they are currently delivered and whether opportunities exist for achieving better value for money in service delivery through the LEP.

Co-ordination across functions is essential to ensuring that service delivery is maintained through any transition from existing structures to delivery through the LEP. While individual functions will provide specific insights, all authority services

and functions will need to have a full understanding of priorities and how they will be met.

As an education-based project, there are also specific requirements to involve external agencies that have an interest in child welfare. Children's Services can act as a catalyst in the early stages of the process to engage wider local authority services and other public sector agencies. The other services and potential partners (including health bodies and blue light services) need to understand how the authority views the remit of the LEP and what it would like to achieve.

		Authority Services						
		Secondary/ Special	Children's Services	Libraries / Leisure	Adult Services	Housing & Regeneration	Corporate	Environment Services
Authority Functions	Infrastructure	PFI Refurbishment	Primaries Early years	Co-located New provision	Sheltered Accommodation Care	PFI Housing	Offices	Waste Highways
	Operational Services	Facilities management Asset management Lifecycle	Facilities management Asset management Lifecycle	Facilities management Asset management Lifecycle	Facilities management Asset management Lifecycle	Facilities Management Asset Management Lifecycle	Facilities management Customer access strategy	Operations Collections
	ICT	Learning Platform Managed service	Learning Platform Managed service	Learning Platform Managed Service	MIS	MIS	MIS SAP Contract Hire	Planning Customer Contact Routing software
	Other Support Services	Finance Human Resources Legal	Finance Human Resources Legal	Course provision revenue	Support Services	Support Services	Finance Human Resources Legal	Procurement Support Services



Identification and consideration of potential partners

There are several types of partner that might be suitable for delivery of a LEP and it is only through effective strategic planning at the outset that the authority will be able to establish meaningful criteria that can be applied when making its selection.

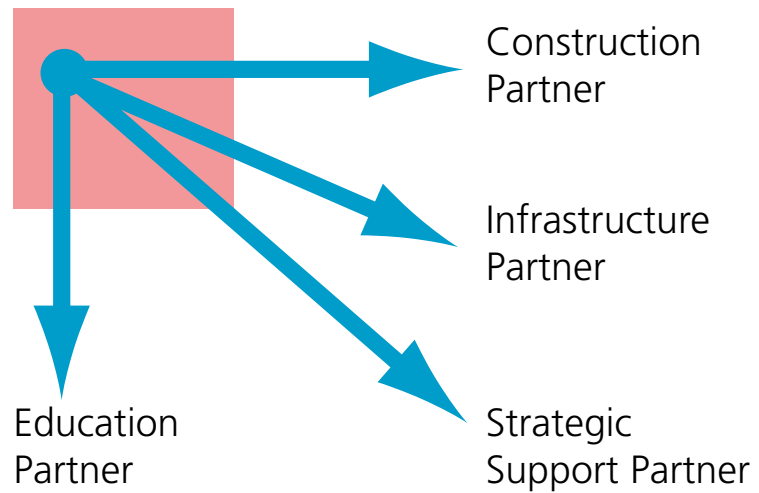
Taking a thematic view across all services will:

- allow the authority to start considering how funding flows will follow the services delivered by the project, both internally and from partner organisations; and
- enable the authority to begin to identify the type of partner needed to support wider service investment or development corporately.

This type of clarity of long-term partner requirements is useful for both the local authority but also for the bidder market.

The diagram on the right shows that the core activity of the LEP and the type of partner that may be suitable for delivery. Thorough scoping of the LEP at the pre-procurement stage is the approach most likely to ensure that the appropriate type of partner is procured from the outset and the benefits of the longer-term relationship are realised. The risk of selecting the partner before the scoping is complete is that the successful bidder is unable to meet the

CORE



requirements or, indeed, that there is a misalignment between the authority's objectives and those of its partner, thereby jeopardising the LEP's chances of success.

It is also important to consider how the LEP will work with the local authority's other partners in the local area. For example, as an authority thinks about its strategic focus over the medium-term, there are some obvious agencies with which it may wish to deliver infrastructure or services.

The **Learning and Skills Council (LSC) and local Further Education (FE) colleges** – whilst the role of the LSC is changing due to some funding streams passing directly through the local authority, it remains likely to be a partner in terms of ensuring that the broader education curriculum can

be delivered. Local Primary Care Trust (PCT) and health services to provide holistic support, particularly to the most vulnerable children and their families. Police authorities where investment may, in part, be designed to focus on social disorder or specific problems such as substance misuse. Development agencies where the local area is undergoing population expansion or regeneration with an investment need around housing, commercial or public infrastructure.

The local authority may also have other existing strategic partners that will need to interface with the new LEP. It is therefore worth considering the scope of these partners at an early stage and assessing how these will connect with each other to deliver local objectives. The introduction of a new

LEP organisation may also encroach upon some of the existing roles of local authority partners. To avoid confusion, and possible gaps in service delivery, these instances must be identified in advance so that all understand the LEP's scope during the procurement process.

Throughout, the aim should be to avoid overlaps and provide clear differentiation between the respective roles and responsibilities of existing partners.

Developing a programme of activity

The priority for local authority strategic planning is to ensure that a core programme of BSF activity can be delivered. This core programme would normally include the LEP provision of school construction, ICT provision and facilities management to support education transformation. But the LEP creates wider opportunities for schools and learning centres to become resources for the wider local community, beyond the school day and school term time. In planning the LEP, the authority should also take into account the requirements of the wider Children's Plan and consider how the LEP can help meet them.

Additionally, there may be further opportunities to maximise value for money within the local area by using the LEP to deliver a broader range of projects. Indeed, part of the rationale for developing a coherent programme of activity for the LEP is also to ensure that proposed schemes attract good competition, which will be an integral part of the long-term value for money to be generated through the LEP model.

In assessing these opportunities, the authority's SfC is a good place to start. This will identify key priorities for educational improvements and new opportunities that might be achieved through BSF within the local area. This should be developed in parallel with schools. The SfC should link with a wider strategic plan that considers all of the local authority's social infrastructure and has, by its nature, involved integration with the broader range of local authority departments.

For example the core services sought through a BSF programme can be extended in several directions:

- within the service area but to include an increasing number of cross-cutting functions (i.e. other support services); and
- across the service areas (e.g. primaries and children's centres).

Some local authority assets may already be dual use and could therefore immediately be located within the core programme of BSF activity. Any additional activities carried out by the LEP are likely to be specific for each local authority but there may be similarities across authorities of different types (e.g. Unitary, Metropolitan, County).

Examples of different types of scope might be:

Example scope 1	Example scope 2
<ul style="list-style-type: none"> • Secondary School estate • Co-located health, libraries and leisure facilities • Projects with a regeneration impact around town centres, housing and retail development • Links to LSC projects to support and develop provision of the 16+ curriculum • Working with other public sector agencies to develop projects which support Local Area Agreement Priorities. 	<ul style="list-style-type: none"> • Secondary School estate • Creation of community facilities that serve the local area • Links to ICT solutions to deliver Local authority customer focused services • Transport and infrastructure initiatives.

Unitary and Metropolitan Councils or smaller County Councils may also be able to add value to the strategic planning process through joint authority or multi-agency working with other public bodies (such as PCT) to deliver projects that address local demand for wider services across boundaries more efficiently.

It is crucial that the LEP does not attempt to run before it has proven that it can walk. It must demonstrate a consistently good performance in delivering the core BSF programme (including possible co-located services) before expanding its activities into broader areas. At the same time, all parties need to consider how LEP capacity and that of the participating stakeholders may need to adjust to meet the future programme. Again, making these discussions part of the early planning process will mitigate problems at a later stage.

Project management issues to consider in reaching an agreed strategic plan for the LEP

So far, this Practitioner Note has identified the key factors for developing a strategic plan for the LEP to arrive at a defined scope and understanding of the type of partner to procure. Alongside this, good project management is essential to the delivery of these outcomes.

The experiences of those LEPs that are already operational suggest several key elements of project management that can ensure effective delivery. These include:

Identification of project sponsors - strong leadership at corporate and member level within the authority will ensure direction is provided and ownership exists over the project and its activities.

A well programmed plan for the strategic planning process – the strategic planning process is complex due to the number of partners involved. It is imperative to develop a plan for the process with milestones that recognise relevant sign off and approval processes.

Good consistent regular communication – the development of a communications plan for the strategic planning process will ensure all stakeholders and partners are involved and communicated to at the right time.

Timely and effective consultation with internal and external stakeholders – early buy-in to the planning process will result in a LEP whose scope is inclusive and increases the value for money achieved for the local population.

Effective risk management – it will be important for the risks to be identified and understood when starting the process of scoping the LEP. The project team should identify the risks and understand how they are going to be mitigated to ensure the outcome is a programme of activity that is realistic but achievable.

Sound project management processes will be instrumental in achieving a good strategic plan. However, once the strategic plan is developed, communicating its content to all parties is imperative in order to set realistic expectations amongst the partners and stakeholder groups. It will also be key to the development of the LEP business plan.

How do we assess how well we are doing on strategic planning?

Achieving a good consistent strategic plan is reliant upon the communication of a clear project timetable and involving the right stakeholders at the right time. Managing internal and external stakeholders is complex and at times there will be conflicting priorities or differences of opinion about priorities. However, if the authority wants to maximise value for money from the LEP, and in parallel provide joined-up community services within

and across its boundaries, it is essential that these issues are addressed early on in the pre-procurement phase and revisited once the LEP is operational.

This means that the authority must formally review its progress on a regular basis to ensure that strategic planning is effective.

In assessing its progress, the following questions will be useful to consider.

1. Is the strategic planning process clearly set out and understood? Is it doing what it was designed to do?
2. Is there a good interface between the local authority and the LEP at a strategic level to support learning from the private sector provider's experience?
3. Are the interfaces between internal and external stakeholders well-established and working effectively?
4. Are the right people with the right skill sets and experience in the right roles?
5. Is there a nominated Member appointed to support the programme delivery?
6. Are processes in place at the local authority to monitor the performance of the LEP against the local authority's expectations and the LEP Business Plan?
7. Is the process to identify, rectify, manage and resolve issues coherent and transparent?
8. Does the LEP business plan reflect the priorities of the authority?
9. Do the people involved feel that they are getting the information that they need or that they should receive?
10. Are expectations of the LEP, and what constitutes successful delivery, consistent across the relevant stakeholders?
11. Do the local authority and LEP clearly understand how the LEP will interface with existing authority private sector partners?

What do we do if our strategic planning is not as effective as it could be?

Where the local authority, SPB or LEP believe that the answers to some of the questions outlined above indicate that the strategic planning process is not as good as it could be, or needs to be, an open or structured dialogue needs to take place to identify the issues. Depending upon the severity, the following points may be considered:

1. Consider whether available local authority resource, such as Internal Audit or Partnership Management groups, can be used to provide expert assistance.
2. Use a LEP diagnostic or partnering health-check tools to carry out a self-assessment of any possible issues.
3. Devote some time for the local authority and the LEP to consider the consistency of expectations of the BSF programme. It may be sensible to undertake this exercise on a yearly basis to ensure a continued joined up approach, possibly as part of the Annual Track Record Test.
4. Facilitate a workshop to review the planning process: consider what works and what doesn't and the different perceptions of the issues. Consider the practical ways that changes can be made.
5. Use the knowledge networks being established by PfS and BSFI, as well as experience of other partnerships such as 4ps, to bring external objectivity to local issues.
6. Consider external third party support, such as a 4ps review, to identify and address the issues, if it is too difficult to address them from within the partnership.

The need for clear communication within and between all parties is a recurring theme in the strategic planning process. Although effective communication of the local authority's strategic requirements is essential to ensure that the LEP is correctly set up to make effective delivery achievable, the authority should also ensure mechanisms are put in place to monitor progress against the plan and to communicate amendments if or when priorities move. This will support the necessary flexibility within the LEP to ensure that all parties are able to respond consistently to change and help enable effective delivery of services across the authority communities.

