Local Partnerships occupies a unique position in the public sector. Our purpose is to help organisations face the ever-increasing challenge of meeting rising demands for services with shrinking budgets.

In 2019-20, we built on the successes of recent years and delivered excellent results for our clients. The feedback we have received, captured later in this report, reflects the positive impact we make, fulfilling our mission and purpose. I am always inspired when I see the range and breadth of support we have provided reflected in positive testimonials from clients, old and new.

This year, we were commissioned to support important new national, regional and local programmes such as the Department for Digital, Culture, Media and Sport’s Outside-In superfast broadband programme and the establishment of the West Midlands 5G programme. We played a key role in the Future Place Programme, in partnership with the Royal Institute of British Architects, the Local Government Association...
(LGA), the Royal Town Planning Institute, the Chartered Institute of Housing and Homes England.

At the beginning of 2020, in partnership with the Greater London Authority, we successfully launched the fourth iteration of the Re:fit energy-performance framework. It helps public sector organisations accelerate, develop and deliver long-term capital programmes that also bring short-term and strategic benefits towards minimising the carbon footprint and improving the performance of existing and newly-created assets. The Re:fit framework helps authorities to address the climate emergency, at scale and pace, and work towards local, national and European organisational targets to reach net-zero carbon emissions.

We supported the development of BlueLight Commercial, a new organisation for police forces across England and Wales. It was established to strengthen commercial activity and shared services. We were engaged, following a competitive procurement, to support policing and the Home Office to set up the company.

We supported five councils to evaluate whether the refinancing of their Private Finance Initiative (PFI) projects would generate a material gain. We achieved financial close on the refinancing of three PFI projects, generating savings to the public sector in excess of £10m.

During the course of the year, we marked the tenth anniversary of Local Partnerships’ incorporation in July 2009. I would like to reaffirm my gratitude to Lord Porter of Spalding and Cllr James Jamieson who, with Mark Lloyd at the LGA, have been consistent supporters and provided kind words alongside Mike Burton of The MJ, and countless others who attended our celebratory events.

Since the beginning of the pandemic we have received commissions to support colleagues in the LGA, the Ministry for Housing, Communities and Local Government (MHCLG), the Department for Transport, the Welsh Government and dozens of authorities seeking assistance and guidance with new procurement rules. We provided expertise in key areas such as supplier distress, waste management, homelessness, and green recovery.

I thank our excellent staff who remain committed to helping the public sector accomplish the successful delivery of vital services. I thank my Board colleagues for the wisdom and insights they bring to the strategic direction of the organisation.

2020-21 will be a year like no other, with ongoing restrictions and the need to support recovery from the global COVID-19 emergency. Local Partnerships will continue to stand beside its public sector clients, providing tangible, efficient and dynamic support where it is needed most.

David
INTRODUCTION

WE ARE VERY PROUD OF THE SUCCESSES WE HAVE HELPED OUR CLIENTS ACHIEVE OVER THE LAST 11 YEARS. WE REMAIN DEDICATED TO HELPING LOCAL, REGIONAL AND NATIONAL GOVERNMENTS DELIVER SERVICES EVEN MORE EFFICIENTLY AND EFFECTIVELY

Prior to the COVID-19 pandemic, this would already have been an extraordinary year, with a new Prime Minister, a general election, and the UK’s exit from the EU. The new Chancellor’s Budget took place on 12 March 2020, against the backdrop of a mounting global crisis. The Budget set out plans for a major increase in public infrastructure spending. Events since that time have been unprecedented.

It was also the year in which most major authorities and devolved administrations declared a climate emergency, marking a step-change in awareness and reflecting communities’ desire to address the climate crisis.
with protest groups such as Extinction Rebellion finding their voices and gaining mainstream support. In 2019, Local Partnerships appointed a new Strategic Director for Climate Response. We have made a statement of intent: to provide urgent and expert support to authorities who have declared emergencies and are reassessing their strategies for responding to the climate crisis.

Whilst many organisations have focussed on carbon reduction, we have complemented our existing environmental expertise by drawing in partners to assist the public sector with climate response measures such as adaptation, resilience and investment in renewable energy production. I am grateful for the support of the LGA and our media partners, The MJ and The LGC, with whom we have collaborated to broaden our offer, to provide advice and guidance where it is of most value.

In July 2019, I was asked to join a group of five non-executive advisors to assist Birmingham City Council, working alongside the Council’s management team as part of a new model of “progressive assurance”. The Strategic Programme Board has met quarterly, maintaining regular contact with service leads and reporting to MHCLG regularly.

Local Partnerships’ involvement with Birmingham and other councils’ Projects Boards and Commercial Boards are examples of how we provide strategic support to individual authorities, the LGA and the wider public sector with their improvement and efficiency agendas. These engagements will be invaluable in helping us shape our support to authorities when the government publishes its devolution white paper for England.

In Wales, I am delighted that we have continued to support the government and local authorities across a wide range of new and evolving services, including work commissioned for a new client, the Welsh Revenue Authority. Our Public Private Partnership teams have worked hard to support the Welsh Government with major infrastructure procurements, including the 21st Century Schools and Colleges Programme and the A465 Heads of the Valleys £500m dualling scheme, financed through the Mutual Investment Model. The results of the procurements are on track and should be announced in the summer of 2020.
Whilst the pandemic resulted in some reprioritisation in the last two months of the 2019-20 financial year, I believe we have responded well to councils, regional authorities and central government departments grappling with the need for the specialist advice, guidance and expertise we provide. I remain ever-appreciative of the extraordinary efforts our staff have made to support councils under pressure and impacted heavily by COVID-19, and the measures imposed by authorities to control the pandemic. I pay tribute to colleagues who lost loved ones to the virus and have had to deal with bereavement that could not be mourned in customary ways because of social distancing restrictions.

I am mindful of the reaction and protests provoked by racial prejudice and systemic discrimination which have been highlighted by the #BlackLivesMatter movement. This has led me to reflect soberly that our leadership and governance are distinctly homogenous and do not reflect the diversity of the UK workforce. I am grateful to my colleagues and our Board for supporting the radical action plan and targets we have set to ensure we make a difference. Local Partnerships’ values are not in question, but we cannot claim to be upholding them unless we focus on making change happen. This impact report includes contributions from across the organisation and provides wonderful evidence of the positive outcomes we have achieved for our clients, their organisations and the communities they serve across England and Wales. It has been a tough end to the year, but we remain agile and resilient. We have responded in the true spirit of the public sector: by supporting organisations and adding capacity, capability and confidence. I am proud of Local Partnerships’ achievements and successes in 2019-20 and hope that you will enjoy reading about them in more detail.
Local Partnerships is jointly owned by the Local Government Association, HM Treasury and the Welsh Government.

**OUR PURPOSE**

is to help public sector organisations face the ever-increasing challenge of meeting rising demands for services, with shrinking budgets.

**OUR TEAM OF SPECIALISTS**

brings a formidable combination of public and private sector experience, offering the highest quality and most effective support to the public sector. We are a hands-on organisation and work collaboratively for the benefit of our clients, often sitting alongside project teams, rather than providing advice from afar. We provide capacity and capability where it is needed.
OUR SUPPORT

is especially relevant in helping local and combined authorities with their responsibilities to shape and create place-based growth. This includes the increasing requirements for housing delivery, and the planning and funding of social, digital and enabling infrastructure. We work with authorities to develop their commercial capabilities, helping them achieve and maintain financial resilience.

LOCAL PARTNERSHIPS OCCUPIES A UNIQUE POSITION IN THE PUBLIC SECTOR

We facilitate change by working impartially and collaboratively across all parts of central, local and regional government, and devolved administrations.

We are very proud of the successes we have helped our clients achieve over the last 11 years.

WE REMAIN DEDICATED

to helping local, regional and national governments deliver services even more efficiently and effectively.
Local and combined authorities began to declare a climate emergency in November 2018 and within 12 months 65% had made such statements. The speed and scale of recognition of the need to act was unprecedented. Local Partnerships appointed a Strategic Director in October 2019 to help shape our support in this key area for councils. Climate response work has significant synergies with longstanding Local Partnerships activities, especially Re:fit, energy and air quality. We focused on defining, implementing and raising awareness of the support we provide.

Our work has included developing strategic relationships that will enable us to deliver a high quality and comprehensive range of climate crisis-related services. The start of this process has identified synergies with both Cenex and Oxford University's UK Climate Improvement Partnership (UKCIP) and we explored opportunities to work together to help the public sector tackle the challenges climate crisis presents.

We worked in partnership with the LGA to help develop this key area for councils. We have supported a number of LGA projects including drafting questions on climate response for its annual member survey. We delivered good practice guidance for renewable energy development and purchase agreements.

We supported several local authorities develop their action planning in response to climate emergency declarations. We reviewed Portsmouth City Council’s climate emergency strategy and undertook a review of assets to identify potential for renewable energy development.

We worked with the newly-forming Buckinghamshire Council to audit and establish a clear emissions baseline, thus aligning the reporting of the five former authorities. This will enable the Council to create clear targets to achieve net-zero carbon emissions.

Link to more information on our website
OUR IMPACT
WASTE – ENGLAND

We supported the Department for Environment, Food and Rural Affairs (Defra) in the delivery of its Waste Infrastructure Delivery Programme that helped 26 authorities manage their operational waste Private Finance Initiative (PFI) contracts with direct one-to-one support. We helped Defra support 40 authorities via its network groups and undertook contract management reviews and contract management training to help the public sector secure value for money from the contracted services.

We supported local authorities to prepare for the expiry of their PFI contracts and the re-procurement of facilities, and supported Defra with the review of projects that have met particularly complex contract challenges.

We undertook strategic waste management system reviews for councils within combined authority areas, which manage 24% of the municipal solid waste in England. This work identifies the potential service and environmental performance improvement and savings opportunities that arise from greater collaboration, consistent with the Resources and Waste Strategy and the EU Circular Economy aspirations. It drives a common understanding across local and central government and demonstrates that significant increases in recycling are possible for modest budget increases.

Our work with the Tees Valley councils showed that the joint procurement of a new energy recovery facility would provide long-term benefits. Waste from Newcastle City Council and Durham County Council increase the scale of the project and reduce annual project costs by a further £100m over the project term, illustrating the substantial benefits of collaborative working.

Link to more information on our website
The final facility in the Welsh Government’s Waste Infrastructure Procurement Programme, the 190,000 tonnes per annum Parc Adfer Energy from Waste facility in North East Wales, reached full service commencement in December 2019. We provided commercial and programme management support to help complete the delivery phase of the programme that comprises two Energy from Waste and five anaerobic digestion facilities. We supported the 17 local authorities in the food waste programme and the 14 local authorities in the residual waste programme. This support, which includes commercial advice, contract management reviews and contract team training, aims to ensure the public sector’s investment in the programme is safeguarded.

In order to facilitate reduced frequency residual waste collections and achieve higher recycling rates the Welsh Government is prioritising the collection and treatment of absorbent hygiene products. With our co-ordination, and capital funding provided by the Welsh Government, 16 of the 22 local authorities in Wales have now agreed to collect this waste-stream separately. Working in partnership with the Welsh Government, participating local authorities and the Welsh Local Government Association, we have established a new governance and delivery structure to procure and deliver a treatment solution that demonstrates the benefits of local partnership and collaboration.

We supported the first sub-regional project for wood waste treatment. It seeks to create a cost-effective route for local authority wood waste to be recycled at scale rather than being sent to biomass incineration thus increasing overall recycling rates.

We have worked with the Welsh Government, local authorities and fleet manufacturers to establish the viability, cost and environmental benefits of a move towards an electrically-powered waste and recycling collection fleet.

Link to more information on our website

REACHED FULL SERVICE COMMENCEMENT OF 190,000 TONNES PER ANNUM ENERGY FROM WASTE FACILITY IN NORTH EAST WALES IN DECEMBER 2019
We directly supported over 30 councils and combined authorities, helping them realise their housing delivery ambitions. Having previously coordinated a successful £6m bid to the Housing Infrastructure Fund, we supported Wirral Council to sign funding agreements and thus commence work at Wirral Waters, the largest regeneration project in the country. This will deliver 13,500 new homes on the left bank of the Mersey.

We conducted a review of the programme for the development of the Athletes’ Village at Perry Barr for the 2022 Commonwealth Games for Birmingham City Council. This £500m development aims to deliver 1,400 new homes after the Games.

We reviewed West Yorkshire Combined Authority’s opportunities for a pipeline of sites that will meet the future housing needs of the area. This informed the recently announced devolution deal, which includes £3.2m of funding from central government to support housing development.

We supported Salford Council with the preparation of a business case for redevelopment of Swinton town centre, including a refurbished town hall with new office wings and 428 new homes on council land.

We advised several councils (including Coventry, Vale of Glamorgan, and Wirral) on options for delivery of their housing growth objectives in the future. We supported various cross-boundary council partnerships (including Greater Exeter, Lincolnshire, and North Northamptonshire) in the development and alignment of their proposals for housing growth, across local authority boundaries. In total the authorities with which we worked have an annual growth target of over 10,000 houses.

We supported the Welsh Government through research on the private rented sector, to support legislation banning most lettings agents’ fees in the sector. The legislation came into effect on 1 September 2019.

Link to more information on our website
We worked with the 10 local authorities in Greater Lincolnshire to agree a shared vision for the area. This was underpinned by a prioritised infrastructure plan that sets challenging growth targets whilst delivering high quality new communities, environmental protection and long-term resilience. The work centred on an agreed vision for Greater Lincolnshire that pulled together all of the issues relating to place including economy, infrastructure, growth and communities. A key success was the consensus built around shared elements of the vision and agreed outputs.

Under the Future Place Programme, and alongside the Royal Institute of British Architects, the LGA, the Royal Town Planning Institute, the Chartered Institute of Housing and Homes England, we worked with five Greater Exeter local authorities, the North Northamptonshire Joint Planning team (covering five local authorities) and Great Yarmouth, Gateshead and Barnsley councils on a range of place-based issues ranging from viability to governance. The work in Greater Exeter is continuing with the development of a delivery model and a bid to MHCLG as part of its Locally Led Development Corporation competition.

Link to more information on our website
Poor air quality is a huge environmental problem and is believed to be responsible for more than 40,000 premature deaths per year in the UK. Nitrogen dioxide (NO₂) is a toxic pollutant derived from combustion processes and, most notably, produced by diesel and petrol vehicles. National monitoring data identified 33 towns and cities in England that were potentially in breach of the legal limits for NO₂. In 2017, Defra and the Department for Transport set up the Joint Air Quality Unit (JAQU) to help address the issue.

Since that time, we have provided expert support to help the relevant local authorities develop detailed plans to reduce the NO₂ levels in their urban areas, as directed by JAQU. We have worked with JAQU since its inception and supported each of the local authorities on the programme. We have assisted with the development of business cases for the local authorities’ air quality improvement plans. This included the commercial, financial and management cases, undertaking quality assurance reviews and providing advice as the schemes progress into procurement.

We supported JAQU’s Delivery and Impacts Independent Review Panel (DIRP). It reviews the outline and final business cases developed by local authorities setting out their proposals for reaching emissions targets within timescales. Owing to Local Partnerships’ role in the air quality programme, a strict ethical wall has been maintained between our representative on DIRP and the wider air quality team.

Link to more information on our website
OUR IMPACT

ENERGY – ENGLAND

Since 2014, total capital expenditure on completed projects under the Re:fit programme totals £23.8m, making financial savings per annum of over £5m and carbon savings (per annum, not adjusted for decarbonisation) of 10,000 tonnes (tCO₂). There is a further £77m of capital investment in development, at the end of the current Framework period.

Four new Re:fit Energy Performance Contracts were awarded in 2019-20 which include a wide range of energy efficiency measures and renewable energy projects.

We helped Cambridgeshire County Council with the further development of its smart grid, ground mount solar energy and heat network projects as these progress through the design stage.

We supported Medway Council and Dudley Metropolitan Borough Council through the procurement and appointment of Re:fit Service Providers, and the initial design and appraisal stages have commenced.

We helped councils introduce Re:fit as a key component in developing the first stages of climate response action plans to reach net-zero carbon emissions. We supported Milton Keynes Council with the development of a wide programme of activity in relation to energy projects and its net-zero carbon emission aims.

We provided quality assurance services to the Re:fit Cymru programme, reviewing mini-competition and contract documents. We provided technical and commercial quality assurance on project design documents to 10 public sector bodies across Wales.

The Re:fit Energy Performance Contract Framework was procured for a further four year period with our partners, the Greater London Authority. This is the fourth version of the Framework, demonstrating the strength of the programme. The Framework will continue to be available to public sector bodies in England and Wales, with both programmes supported by Local Partnerships.

Link to more information on our website
OUR IMPACT
ENERGY – WALES

Welsh Government Energy Services (WGES) was established in 2018 to provide support to the Welsh public sector to improve the energy efficiency of its buildings and increase the amount of renewable energy generated on its estate. It recently broadened its scope following the Welsh Government's declaration of a climate emergency and ambitions for a carbon neutral public sector by 2030 to include the full transition to an ultra-low emission public sector transport fleet.

As part of our support to WGES we engaged with the senior managers within local authorities, health boards, universities and regional groupings such as the city deals, to raise the ambition and commitment to invest in a range of cleaner, greener and carbon-reducing energy projects. We supported the development of green energy strategies and the planning and delivery of complex energy projects. We provided expert guidance on commercial approaches and effective governance.

We supported the successful procurement of three solar farms on former landfill sites with a combined capacity of 12.5MW. We supported the establishment of an energy sub-group of the North Wales Ambition Board to drive the delivery of low-carbon projects across the region. We supported the development and delivery of solar arrays at two health boards in south west Wales with direct powering of the hospitals via private wires.

We advised on the feasibility of three wind farms in south east Wales with a combined capacity between 20MW and 45MW (depending on land availability). We worked with Cardiff Capital Region on embedding low carbon decision criteria into its £1.2bn investment fund.

To date, WGES has delivered 83 green energy projects that will save or earn the public sector £118m over their project lifetimes and will reduce carbon emissions by about 260,000 tonnes.

*Link to more information on our website*
We supported central and local government by advising on key contractual processes including benchmarking, market testing, insurance risk share, contractual variations, refinancing and termination.

We supported five councils to consider whether the refinancing of their projects would generate a material gain. We achieved financial close on the refinancing of three projects: Barnsley Building Schools for the Future (Phase 3), Norfolk and Suffolk Joint Police Custody Centre, and Coventry Streetlighting, generating savings to the public sector in excess of £10m.

We supported councils as they consider and implement the termination of their PFI contracts. Our work is to ensure that a robust business case is delivered and, where the termination progresses, there is effective negotiation of the termination sum to minimise the council’s financial exposure.

We assisted two councils to challenge the insurance risk share, resulting in repayments to the public sector of £670,000.

We have been developing the most effective approach to support PFI contracts that are due to expire over the next decade. In tandem with the Department for Education, we advised a pathfinder schools PFI project that will be used as a test case to determine the approach for all schools’ PFI contracts. Our work relates specifically to ensuring that the PFI facilities are in an appropriate condition, and there is a credible plan for continuity of service provision at the point of handback. Working closely with the Infrastructure and Projects Authority and sponsoring departments we help to ensure that, where possible, this is consistently applied across other sectors.

Link to more information on our website
OUR IMPACT

MUTUAL INVESTMENT MODEL

Our multidisciplinary team of Public Private Partnership experts leads the procurement and delivery of the Welsh Government’s 21st Century Schools and Colleges programme. It incorporates a pipeline of revenue investment in the education estate across Wales under the Mutual Investment Model (MIM), with a value of £1.5bn. In July 2019 we launched a competitive dialogue public procurement for a private sector delivery partner to enter into a corporate joint venture with the Welsh Government that will deliver new schools and further educational facilities.

The final intensive dialogue meetings were successfully managed and conducted entirely remotely owing to the COVID-19 pandemic. This resulted in bids being submitted on time and in accordance with the requirements of the original programme.

We supported the A465 Heads of the Valleys road project, which was the first Welsh Government MIM project to enter procurement. The competitive dialogue procedure focused on enabling bidders to deliver proposals that offer value for money, whilst maintaining the appropriate risk allocation to ensure the project remains “off balance sheet”. It has had to navigate the impact of the UK’s exit from the EU by providing a mechanism to manage exchange rate and tariff risks. The procurement required bidders to provide innovative solutions to maximise the use of existing structures whilst striking the balance of risk on the reuse of structures between the private and public sectors.

We managed a large, predominantly consultant-led, team through a complex statutory and regulatory process, working with multiple bidders and solutions.

Link to more information on our website
Our impact

Infrastructure

Working across sectors such as highways and transport, flood risk protection and 5G implementation, we helped our clients deliver the infrastructure to help unlock housing development, foster economic growth and contribute to the development of high quality, sustainable places.

We undertook a peer review of the procurement of a new highways’ services contract for Surrey County Council. We assessed whether the key objectives set out in the contract were likely to be met and recommended actions the authority could take to help achieve them. We assessed the key procurement risks and advised how they could be managed by the council. As a result of our work, the Council was able to proceed in its procurement with confidence that its assumptions were correct and the outcomes it required were likely to be achieved.

We supported Cardiff City Region develop its business case and assessment process for its Wider Investment Fund. This £495m city deal is designed to improve economic outcomes in the region whilst leveraging public support with private sector investment. We provided an impartial evaluation of some high-risk business cases. This gave Cardiff City Region confidence that the overall project development process was robust and would also satisfy the requirements of its funding partners.

£495m Deal

Designed to improve economic outcomes for the region of Cardiff City Whist leveraging public support with private sector investment

Link to more information on our website
OUR IMPACT
DIGITAL INFRASTRUCTURE

The UK government is committed to achieving 100% gigabit capability by 2025. The West Midlands was selected to become the innovative home to the UK’s first multi-city 5G test bed. This is expected to pave the way for the future rollout of 5G across the UK, making the region the first in the UK ready to trial new 5G applications and services at scale.

We supported West Midlands 5G Ltd. (WM5G) develop its final business case for the 5G Application Accelerator Project. The West Midlands Combined Authority applied to the DCMS for a grant to provide infrastructure to test and develop business solutions using this new technology. We supported WM5G develop business cases that led to a final business case that resulted in WM5G successfully being awarded funding of £7m.

In the spring 2020 Budget, the commitment to get gigabit-capable broadband into the hardest-to-reach places was reiterated. Having supported DCMS’ Local Full Fibre Networks programme, we were commissioned to support the Superfast Broadband and “Outside-In” programme. This programme has been designed to ensure that gigabit-capable connectivity across all areas of the UK is achieved at the same time. Its focus is on the 10%-20% of premises where gigabit capability is not commercially viable.

Link to more information on our website
We worked closely with government departments through the Departmental Assurance Coordinators’ forum to support assurance within the public sector.

We analysed nine Department for Transport grant-funded major transport reviews. We provided a lessons learned report with recommendations for ways to provide improved support to authorities. The reviews showed that more time is often needed at the early stage of project development, though this can be difficult owing to limited funding. We found that when project costs rise and programmes are delayed, the underlying cause may track back to a need for more analysis at the outline business case stage. We also noted a need for more consideration of how to mitigate risks, more planning ahead and identifying robust alternatives before problems occur. More information and sharing of best practice is needed, so we have proposed the establishment of regular national network meetings to allow discussion on areas of common interest and accelerate shared learning.

At the beginning of the COVID-19 pandemic we quickly and successfully adapted our review process to deliver virtual reviews effectively and successfully in lockdown conditions which has ensured no review needed to be postponed or cancelled.

Link to more information on our website
We expanded our Health and Social Care programme and supported partners in local health and care systems to improve outcomes through closer collaborations.

We worked closely with the LGA’s Care and Health Improvement Programme and developed the “Sizing the Prize” offer, a tool to help identify where resource shifts could support investment in improved health outcomes. In a Midlands authority, this resulted in the potential to reduce the cost for hospitalisation from falls for its elderly population by over £4m per annum.

We worked with health and care systems on a series of estates assignments. We advised Surrey Heartlands Integrated Care System on suitable vehicles to deliver health and care estate consolidation and renewal. We assisted Central Bedfordshire Council prepare a business case for its development of extra care housing and residential care in support of its elderly persons’ strategy. This assessed the case for the Council developing extra care, residential care and accommodation for short breaks and day care, demonstrating economic benefit to the public purse of circa £4m.

We supported the Welsh Government in the application of its Integrated Care Capital Fund. This fund was established to support housing projects delivering monetary and wider benefits to health and/or social care. Our work reviewed the current operation of the fund and made recommendations for how, in the future, it could maximise the benefits of health, care and housing integration.

We worked with City of Bradford Metropolitan District Council reviewing the operation of children’s placements. Our analysis identified potential savings of up to £500,000 in the procurement of placements, as well as the opportunity to accommodate young people in settings where they will achieve better outcomes.
OUR IMPACT
COMMERCIAL INITIATIVES

We supported the development of BlueLight Commercial, a new organisation for police forces across England and Wales. It was established to strengthen commercial activity and shared services. We helped take the project through the entire journey from concept (including the full Treasury Business Case cycle) to implementation. We were engaged, following a competitive procurement, to support policing and the Home Office to set up the company. This involved formally establishing the company, its governance, target operating model, budgets, recruiting staff, accommodation, and developing policies, operational toolkits and systems.

BlueLight Commercial seeks to establish a new delivery model and embed culture change. Wider benefits include improved resilience, greater interoperability and cost avoidance, to deal better with potential market failures or national issues such as COVID-19.

Whilst delivering savings is not the primary goal, there is a healthy anticipated net benefit to policing of £20m per annum.

We supported the Police National Commercial Board providing project management support and savings analytics. Our work has contributed to the delivery of over £38m savings this year.

We carried out a strategically important review to explore the delivery mechanisms of national policing capabilities (such as the National Police Air Service), assessing current approaches and identifying alternative delivery options.

We undertook a range of activities in support of councils’ commercialisation agenda. We supported Suffolk County Council’s Commercial Board, including support to develop their commercialisation strategy further. We supported Denbighshire County Council’s senior leadership team and cabinet to develop a corporate commercialisation approach. We also undertook a commercial review for Cornwall County Council in relation to bus retendering.

Link to more information on our website
COUNCILS continue to focus on maximising joint working opportunities with their local partners to enhance value for money and improve accountability for their citizens. We supported councils on a range of related activity. Birmingham City Council designed an innovative improvement model based upon appointing a set of non-executive directors each with specialisms aligned to the Council’s priorities. Our chief executive is part of that appointed non-executive team helping support the Council with its improvement journey.

We worked with the Centre for Public Scrutiny to produce a handbook for councillors, particularly those with responsibilities for scrutiny, to provide advice and guidance about how they can execute their role in an increasingly commercial and financially pressured environment for their organisations.

Our ability to switch between strategic and operational advice has been demonstrated with our support to the Dorset and Devon and Cornwall police forces. We provided them with advice on how to navigate the journey to harmonise the terms and conditions of staff working across their strategic alliance programme.

We spent time this year with the High Street Task Force helping support local authorities respond to the national opportunity to reform and revitalise their key local economic assets. We delivered a series of workshops and presentations, drawing on our considerable experience of local economic development and infrastructure issues to advise councils on how to structure and present their cases to government.

Link to more information on our website
In March 2019 Birmingham City Council considered how best to continue its service improvement and transformation journey and agreed a model of “progressive assurance” through the establishment of a quarterly Strategic Programme Board (SPB).

The SPB was designed to maintain impetus around key areas of improvement activity, allowing the council to continue benefiting from external experience, and secure the trust and confidence of local stakeholders and government. The SPB includes all members of the Council Leadership Team and five specialist external Non-Executive Advisors (NEAs). Each NEA provides advice and input to the council on key areas of improvement activity. The members and areas of responsibility are thus:

– Sean Hanson, Local Partnerships: Waste management and industrial relations
– Javed Khan, Barnardos: Outcomes for vulnerable adults and children
– Rob Whiteman CBE, CIPFA: Financial resilience
– Max Caller CBE: Risk management
– Donna Hall CBE, NLGN: Good governance, culture change and peer support

The SPB submits voluntary update reports from the Council Leader to the Secretary of State in order to provide assurance that the model genuinely adds value and that sustainable progress is being achieved. The NEAs’ final report will be produced in July 2020, following the last quarterly SPB meeting.
JULY 2019 MARKED OUR TENTH ANNIVERSARY AND WE LAUNCHED AN IMPACT REPORT TO DEMONSTRATE THE SUPPORT WE PROVIDED TO LOCAL AND COMBINED AUTHORITIES AND GOVERNMENT DEPARTMENTS

We celebrated the successes we help our clients achieve at receptions hosted by Lord Porter of Spalding in the House of Lords and Sir David Wootton in 18 Smith Square. Alongside our Board members, the events welcomed colleagues across the civil service, the LGA, industry media and chief executives and Leaders from a wide range of authorities across England and Wales. Speakers praised the calibre of our staff, quality and relevance of our work.

As part of our activities at the LGA conference we developed an interactive touch table for the exhibition stand to demonstrate key areas of our work. Its content explored five key areas of congruence between the conference themes and our work: air quality, commercial initiatives, person-centred services, place, and waste and recycling. We hosted insight sessions in the main exhibition hall that explored areas such as creating healthy homes.
Our LGA conference reception celebrated local authorities’ achievements as demonstrated through The MJ Awards. Mark Lloyd, LGA chief executive spoke alongside Mike Burton, editorial director, The MJ, our chief executive Sean Hanson and the winners of the digital transformation category we sponsored: Stockport Metropolitan Borough Council. We were joined by outgoing and incoming LGA Chairmen Lord Porter and James Jamieson alongside other senior conference delegates.

Reinforcing our commitment to sharing our intellectual capital freely for the benefit of the public sector as a whole, we published guidance and toolkits available on our website. We contributed thought pieces, blogs and articles across many partner organisations such as Adass, the NLGN and Localis. We spoke at a wide range of conferences and events hosted by organisations such as The LGC, InsideGov, MIPIM UK and the Westminster Social Policy Forum.

Our experts’ opinions have been sought and published across a range of media outlets. For example, our waste work was covered by Let’sRecycle, the Chartered Institute of Waste Management and the Energy Managers’ Association. In the early part of 2020, we contributed a series of 10 columns to The MJ focusing on our work helping councils explore and develop their responses to the climate crisis. We announced our support for The LGC Climate Change 2020 conference and worked with them to help explore content and themes for the event.

Across multiple digital media platforms we saw a significant increase in followers, especially LinkedIn and Twitter, and traffic to our website. This helped us to disseminate ever more widely the services we provide.

In collaboration and with the support of Mike Burton and Heather Jameson, we developed a new category for The MJ Awards 2020: leadership in responding to the climate emergency. This reflects our focus on helping authorities tackle the issues they face in addressing the climate crisis. We supported the commercial category for the Civil Service Awards, won by the Voluntary Pricing and Access Scheme negotiating team. These activities helped raise the profile of our work across both local and central government, helping key stakeholders understand more about the support we offer.

At the beginning of the COVID-19 outbreak we refocused all our communications activity on disseminating information about the emergency projects our commercial and legal experts were deployed to support. These included how to maintain vital services where contracts or contractors were in distress. We also offered assurance of our continued work to help local and combined authorities deliver services efficiently and effectively during the pandemic.
HIGH LEVEL OBJECTIVES

To meet the aims and vision for Local Partnerships we will challenge ourselves to achieve the following:

- **MAKE A POSITIVE IMPACT**
  - AT THE LOCAL LEVEL,
  - ACCELERATING DELIVERY AND
  - OPTIMISING OUTCOMES

- **BE HUMBLE**
  - ABOUT OUR CONTRIBUTION AND
  - PROUD OF OUR RESULTS

- **PRODUCE**
  - HIGH QUALITY WORK

- **PROVIDE**
  - VALUE FOR MONEY

- **DELIVER**
  - TANGIBLE POSITIVE RESULTS

- **BE APPROACHABLE, VISIBLE,**
  - **TRANSPARENT AND FLEXIBLE**
  - IN THE WAY WE WORK

- **LISTEN**
  - TO OUR CLIENTS AND
  - OUR OWNERS AND
  - ADAPT TO THEIR PRIORITIES

- **PROVIDE A**
  - **FULFILLING AND**
  - **SUPPORTIVE WORK ENVIRONMENT,**
  - **APPRECIATING**
  - **COLLABORATION AND**
  - **VALUING DIVERSITY**
During the course of the year we reinforced our quality assurance processes both in terms of proposals and assignment deliverables and changed our method of requesting feedback to be dynamic and current. The responses to the client survey demonstrate the continued high regard our clients have for the quality of our work and illustrates our success in consistently meeting, or exceeding, client requirements.

- **97%** of clients surveyed said local partnerships was good or excellent at fulfilling their role.
- **91%** of clients surveyed said local partnerships was good or excellent in meeting requirements for their engagement.
- **100%** of clients surveyed rated the quality of support from local partnerships as good or excellent.
- **100%** of clients surveyed would recommend local partnerships.
- **100%** of clients surveyed would ask for support from local partnerships again.

**The quality of our work and resulting customer advocacy remain our most powerful marketing tools.**
CLIENT FEEDBACK

...they were very flexible, even at short notice...

We had really good communication with Local Partnerships, and they were very knowledgeable and professional throughout. They carried out what Welsh Government wanted them to do, and when we asked for further information, they turned it around really quickly. Everything was done within time, and they were very flexible, even at short notice. We would definitely ask for support again: they helped us to cut out some of the red tape, which made it easier to get through the process.

Jane Purnell, Adran Polisi Tai / Housing Policy Division Y Grwp Addysg a Gwasanaethau Cyhoeddus / Education and Public Services Group Llywodraeth Cymru / Welsh Government

...provides an important check on our delivery approach and helps us assess our major infrastructure projects...

We have regularly made use of the Local Partnerships assurance programme. It provides an important check on our delivery approach and helps us assess our major infrastructure projects at key milestones. Their review teams provide robust challenge; their report and feedback are always prompt and detailed. I strongly recommend the use of Local Partnerships assurance reviews.

Bryn Griffiths, Assistant Director Infrastructure and Waste Growth, Highways and Infrastructure Directorate, Suffolk County Council

...reinforced our insight into the many challenges and outlined specific opportunities...

We appreciate the excellent piece of work undertaken by the Local Partnerships team. Your contributions have provided a valuable resource to inform our improvement journey. It has reinforced our insight into the many challenges and outlined specific opportunities to support improvement of the service. In particular, the action plan has already proven to be a very useful aid in planning how we move forward and at pace.

Irfan Alam, Deputy Director Children’s Social Care, Department of Children’s Services, City of Bradford Metropolitan District Council
...their input to the Housing PFI Best Practice Group was invaluable...

The support provided by Local Partnerships was very helpful and reassuring. We welcomed the review, challenge and support they provided. This is especially true in light of tight budgets: having a sounding board is crucial.

The team was proactive in supporting us assess the potential to refinance our PFI portfolio and to consider issues around PFI schools converting to Academies. Their presentation and input to the Housing PFI Best Practice Group was invaluable.

Joanne Cooke, Contracts Manager – Legal, Leeds City Council

...access to the pool of diverse, high-level expertise was a standout factor...

We found the Local Partnerships team to be really easy to work with, flexible, responsive and creative. Our approach was a long way from the “traditional” business case, and the team helped us find a middle ground to get it across line and secure business support.

The access to the pool of diverse, high-level expertise was a standout factor as to why the council would want to work with Local Partnerships again.

Ian Hanton, Development and Commissioning Manager, Central Bedfordshire Council

...an excellent means to assess major infrastructure projects and gain valuable advice...

Essex is a strong advocate of the Local Partnerships assurance programme and we regularly commission reviews. The Local Partnerships assurance reviews are an excellent means to assess our major infrastructure projects and gain valuable advice. I have also taken part as a Local Partnerships reviewer on other project reviews and strongly recommend this as an excellent way to network, gain invaluable insights and observe good practice. Local Partnerships reviews provide robust challenge; the reports and feedback are always well considered and add significant value.

Chris Stevenson, Head of Network Development, Highways and Transportation, Place and Public Health, Essex County Council
Foreword

Introduction

Purpose of our work

Our impact

Raising our profile

High level objectives

Maintaining the quality of our work

Client feedback

Governance and risk

Transparency

Our people

Corporate social responsibility

Financial performance

LGA grant

Proposed grant-funded activity in 2020-21

Contact details

Local Partnerships’ ability to quickly identify the underlying issues impacting on our projects has been of great value to us. They are personable and empathetic in their approach, often working across different parts of the Council, handling stakeholder feedback impartially and sensitively. They quickly adapt to the needs of individual projects in order to provide greater insight into the issues and provide a sounder platform on which to move forward.

Local Partnerships’ overall approach is always well-executed and they have provided practical solutions which we have been able to implement to speed up housing delivery across the district.

Lorraine Wright, Principal Housing Development Manager, City of Bradford Metropolitan District Council

We’ve worked a lot with Local Partnerships over the last year, in particular supporting the Council to understand its climate change emissions and options for reaching net-zero and supporting our Housing Infrastructure Fund bid and delivery of new electricity distribution capacity to support clean growth. Throughout this I’ve been impressed with how Local Partnerships ensured that the strategic goals of our work are not lost amongst the detail, and their support and advice have helped us to adapt our approach as circumstances have changed.

Edward Barlow, Head of Energy Planning, Growth and Sustainability Buckinghamshire Council

Local Partnerships ensured that the strategic goals of our work are not lost...

...Local Partnerships ensured that the strategic goals of our work are not lost...

...they’re often our first port of call...

...provided practical solutions which we have been able to implement...

...Local Partnerships ensured that the strategic goals of our work are not lost...
Local Partnerships have provided, and continue to provide, valuable external support to local authorities who are part of our 2017 Air Quality Plan to tackle roadside nitrogen dioxide emissions. They have used their experience in local government, assurance and review processes, conflict resolution and procurement to assist these local authorities in conducting feasibility studies and then developing and delivering their local plans and now, for some, providing support as they work to deliver Charging Clean Air Zones. Local Partnerships has been particularly helpful in providing advice and support to local authorities in the areas of procurement and commercial awareness. The support Local Partnerships offers to local authorities is flexible and is tailored to local needs. They have also provided support to JAQU to enable us to understand issues faced by local authorities and enable us to constructively challenge delivery of their plans. Local Partnerships has also been a “critical friend” to us in Defra, identifying gaps in our own knowledge and expertise and challenging some of our assumptions where appropriate.

Andrew Jackson, Joint Air Quality Unit, DfT/Defra

Understanding what other authorities are doing is invaluable to enable us to benchmark our approaches, but it is time consuming. Local Partnerships work provided an excellent understanding of the different approaches and the different priorities that would have been impossible for us to achieve on our own.

Mickey Green, Managing Director, Somerset Waste Partnership

Local Partnerships were very professional and well-informed about the waste industry. They were able to reassure us, describe the approach of the methodology used and find solutions to our specific challenges. We hope to use them again to help explore the carbon impact of the services we offer.

Bryony Rothwell, R.E.C.A.P. Partnership Manager, Cambridgeshire County Council

...Local Partnerships has also been a “critical friend” to us in Defra...

...provided an excellent understanding of the different approaches...

...we hope to use them again to explore carbon impact...
Our Board
Terms of reference and the responsibilities of our Board and Committees are set out in our Members’ Agreement and Governance Framework.

The Board has authority for the overall supervision of the organisation including setting the strategy and monitoring performance against the annual business plan on behalf of the Members who retain several reserved matters.

The Board members for 2019-20
Sir David Wootton Chair (Independent Non-Executive)
Susan Johnson Chair Audit Committee (Independent Non-Executive)
Barry Quirk Senior Independent Non-Executive
Gerald Vernon-Jackson LGA appointee
Graham Chapman LGA appointee
Kevin Bentley LGA appointee (Resigned 31 July 2019)
Steve Count LGA appointee (Appointed 1 August 2019)
Tony Saffell LGA appointee
Philip Duffy HMT appointee
Simon Ridley HMT appointee
Stephen Dance HMT appointee
Steve Davies Welsh Government appointee
Claire Holloway Welsh Government appointee
Sean Hanson Chief Executive

The Board has delegated certain duties to the following Board Committees:

- The Audit Committee assists the Board in monitoring the financial reporting, internal controls and risk management.
- The Executive Remuneration and Nominations Committee is responsible for the remuneration strategy for the organisation as well as the appointment and remuneration of the Board members and senior executives.
Principal risks and uncertainties

We maintain a corporate risk register that is used both by the management team and the Board to record our approach to identifying and managing business risks.

The three principal risks facing Local Partnerships in 2019-20 were:

1. **QUALITY**
   
   High quality and relevant outputs are critical to delivering positive impacts, building client relationships and maintaining the profile of Local Partnerships.
   
   We have an established quality assurance regime, including:
   
   - senior staff review of delivered outcomes
   - regular client surveys
   - senior liaison with key clients

2. **FINANCIAL SUSTAINABILITY**
   
   Our status as a Teckal (ECJ C-107/98) company, means our income is consistently generated from a relatively small pool of organisations.
   
   Local Partnerships continues to mitigate this risk by closely monitoring opportunities, income and cost trends.
   
   At 2019-20 year end, 85% of our work across the previous three years was carried out for “owner” organisations. 100% of our work was carried for the benefit of the public sector.

3. **INTERNAL CONTROLS**
   
   There is a risk that the internal controls of Local Partnerships do not offer sufficient protection against errors, fraud, bribery or non-compliance of regulations.
   
   Local Partnerships has sought to mitigate this risk through a variety of means throughout the year, improving Freedom of Information reporting, strengthening internal systems and developing policies and procedures.
TRANSPARENCY

OUR COMMITMENT TO TRANSPARENCY GOES BEYOND OUR ESTABLISHMENT AS A PUBLIC SECTOR COMPANY. AS WE HAVE GROWN FROM A SMALL TO A MEDIUM-SIZED ORGANISATION, WE HAVE RECOGNISED THAT WE NEED TO BE OPEN AND TRANSPARENT ABOUT OUR WORKING PRACTICES AND ESTABLISHMENT.

In 2019, we published our Members’ Agreement and Governance Framework as part of our scheme of delegation. We created an area on our website dedicated to Freedom of Information.

We also published, voluntarily, our analysis of our gender pay gap, to be followed shortly by up-to-date analysis of other protected characteristics.

Local Partnerships does not retain intellectual property rights for the toolkits that we produce or the lessons that we learn from our activities, making all such information available to relevant public sector bodies as part of our public service mandate.
OUR PEOPLE

AT LOCAL PARTNERSHIPS WE ARE PROUD OF OUR PEOPLE. WE ARE COMMITTED TO RECRUITING, DEVELOPING AND INCENTIVISING OUR STAFF TO BUILD OUR ORGANISATIONAL CAPABILITY, CAPACITY, AND CONFIDENCE.

Capability
We are committed to creating an inclusive workplace and culture where everyone can reach their full potential. We nurture and develop our employees, providing training opportunities for all.

By considering these factors we endeavour to:
- empower our employees
- increase self-awareness of personal attributes
- improve confidence to flex attributes
- improve effectiveness
- increase team collaboration
- maximise our performance

In 2019 we successfully completed a Leadership Development Programme that included 13 senior leaders.

Capacity
Attracting employees with the right skills is essential to building our organisational capacity and strengthening our ability to deliver our strategic objectives.

In order to recruit the best people, we offer greater flexibility of working options. This helps employees maintain a healthy work/life balance. This has been especially appreciated as we have coped with distancing and restrictions on movement as a consequence of the COVID-19 pandemic which affected the last two months of this financial year.
Confidence
We build confidence in our employees and strive to be a responsible and respected employer. We appreciate the experience and opinions of our people as well as insights we gain from their feedback. Individual differences are valued and respected.

Over 50% of current employees have been here for over five years, demonstrating that they have confidence in who we are and what we stand for.

High levels of employee engagement, job satisfaction and a safe, supportive working environment have directly contributed towards our success. In the staff survey in the autumn of 2019, engagement and satisfaction scores were 70%-91% across a wide range of metrics.

Internal communications
As a geographically dispersed organisation internal communication is critical. Through numerous channels we ensure key messages are communicated to employees and foster an open, inclusive and collaborative environment.

Towards the end of the year we increased our communication channels to include Skype, Microsoft Teams and Zoom for formal meetings and Yammer for pastoral and informal activities.

Monthly meetings bring all staff members together to share experiences and learning, brainstorm new ideas and network. Over the whole year, we have successfully run a number of meetings as virtual meetings, thus saving both time and money.

Each year we host an away day for all employees. Previous years have been hosted in Nottingham, Cardiff and London. Bringing everyone together for 24 hours, in a different environment, away from the distractions of the office and clients, helps us to focus on strategic priorities for the year ahead. In 2019-20 we hosted our away day in Leeds and included an inspirational talk from Alastair Campbell.

We are acutely aware that our dispersed model of operation can contribute to feelings of isolation and we were keen to hear from Alastair about his experience of dealing with mental health issues. This has been particularly relevant with enforced isolation that has been essential towards the end of the year with the COVID-19 pandemic.
**Be well, work well**

We are committed to ensuring our people's health and wellbeing remains central to our culture and we strive to foster a healthy workplace. In 2019-20 we made Benenden healthcare accessible for all our employees, to ensure our people have access to the support that they require, on all physical and mental health needs.

**Equality and diversity**

Our intention is to sustain a diverse workforce and an inclusive environment that respects all of our people equally.

As at 1 June 2020, Local Partnerships employs seven BAME employees and 53 white employees, out of a total population of 60. The proportion of BAME to white employees in 2020 is 11.7% to 88.3%.
Our Board has agreed a comprehensive action plan which has been shared with our employees and has set five targets for more inclusion and diversity at Local Partnerships. The targets are:

**TARGET 1**
By 1 April 2024
Local Partnerships will achieve 50:50 female to male balance in its workforce.

**TARGET 2**
By 1 April 2024
Local Partnerships will achieve a zero percent gender pay gap in its workforce.

**TARGET 3**
By 1 April 2022
Local Partnerships will achieve and maintain a target of having 15% BAME employees across all roles in its workforce.

**TARGET 4**
By 1 April 2022
Local Partnerships will recruit or promote a minimum of two BAME employees into line management or leadership roles.

**TARGET 5**
By 1 April 2024
Local Partnerships will recruit or promote a minimum of four BAME employees into line management or leadership roles.
LOCAL PARTNERSHIPS HAS BEEN SUPPORTING CHARITABLE ORGANISATIONS THROUGH VOLUNTEERING AND FUNDRAISING SINCE WE WERE ESTABLISHED IN 2009.

Our Corporate Social Responsibility (CSR) committee facilitated a session in which staff collectively selected two charities, whose principles align with Local Partnerships’ core values and objectives, with whom to partner for the year:

Reverse Rett

Stephen Lawrence Charitable Trust

Reverse Rett works to find a cure for Rett Syndrome, which is a rare genetic disorder that affects brain development in children. We have supported Reverse Rett in a fundraising capacity, with colleagues raising monies to help fund the organisation’s scientific research.

We have run events throughout the year including bake sales, bingo, raffles, a “best in brand” and a Christmas jumper competition. Total monies raised by staff for Reverse Rett amounted to £1,205.
Stephen Lawrence Charitable Trust
We supported the Stephen Lawrence Charitable Trust in a mentoring capacity. The Trust’s aim is to tackle inequality, working with young people from disadvantaged backgrounds to gain knowledge, skills, and qualifications needed to support progression through the early stages of their career.

Local Partnerships colleagues have volunteered as workshop facilitators on the Trust’s “Schools Programme”, helping students understand career opportunities and the skills needed for success in the workplace.

Further activity included the Trusts’ mentoring scheme and a “Careers Carousel”, which aims to build confidence, interest and aspirations for a range of careers by introducing students to different professionals. We have received excellent feedback from the Trust, with 100% of students saying they felt more confident regarding their career options.

Crisis at Christmas
We sent a Christmas e-card instead of paper cards and donated £519.66 to fund 18 places at a Crisis at Christmas centre.
2019-20 business plan
The Board agreed a target turnover of £10.3m and a surplus of £0.5m.

Financial performance
IN 2019-20 WE ACHIEVED A TURNOVER OF £10.5M

In 2019-20 we achieved a turnover of £10.5m (excluding exceptional income of £4.7m). This included £0.8m of LGA grant.

This compares to £10.0m including £0.9m of LGA grant in 2018-19.

We made a net surplus after all operating and financing costs* of £1.0m which equates to a 9.7% net margin (2018-19: £0.7m: 6.7%).

The exceptional item of £4.7m related to the WOSP. It means the full recorded turnover for the year was £15.2m and surplus £5.7m.

Financial performance 2019-20

<table>
<thead>
<tr>
<th>Revenue category</th>
<th>2019-20*</th>
<th>2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>LGA grant</td>
<td>£800,000</td>
<td>£900,000</td>
</tr>
<tr>
<td>External income</td>
<td>£9,730,000</td>
<td>£9,081,000</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>£10,530,000</td>
<td>£9,981,000</td>
</tr>
<tr>
<td><strong>Total cost</strong></td>
<td>£9,538,000</td>
<td>£9,346,000</td>
</tr>
<tr>
<td><strong>Net surplus</strong></td>
<td>£1,026,000</td>
<td>£666,000</td>
</tr>
</tbody>
</table>

*unadjusted for exceptional items  ** after financing activities
Balance sheet
Unadjusted net assets at year-end were £8.8m (2018-19: £8.1m) of which cash and equivalents represented £6.0m (2018-19: £6.1m).

Audit
At the time of writing our external auditors PKF Littlejohn are still in the process of reviewing the statutory accounts for filing. Therefore the figures on previous page are indicative only.

Our internal audit services in 2019-20 were provided by Mazars LLP.
LGA GRANT
LGA Grant 2019-20 results and 2020-21 activities

Since its creation, Local Partnerships has received a grant from the LGA drawn from the grant it receives from the MHCLG under the Memorandum of Understanding.

**Principles and value**
The principles agreed with the LGA on how this grant should be utilised are:

- activities that are predominately free at the point of delivery to English councils
- alignment with LGA priorities
- assistance with the development of new programmes/services with the potential to add significant value to local government
- for every £1 spent, £12 is saved by councils

**Local Partnerships’ LGA grant activities in 2019-20**
The tables on the following pages summarise the scope and range of activities we have undertaken in 2019-20. As in previous years, we have sought to achieve a blend of activity that:

- helps councils save money and in so doing meets our overall £10.8m savings target
- meets our owners’ priorities
- assists in the development of new services/programmes with the aim of creating a pipeline of future revenue streams

**The remainder of this report:**

- provides detail of how Local Partnerships has used its 2019-20 grant
- outlines the broad areas of activity that we plan to undertake in 2020-21
## PPP I PFI

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Number of councils</th>
<th>Savings achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>PFI refinancing</td>
<td>We advised on the refinancing of the Barnsley MBC Building Schools for the Future Phase 3 and the Coventry City Council streetlighting projects. We are also currently supporting two projects through the early stages of the refinancing process. We also supported three councils consider whether their projects were viable to be refinanced.</td>
<td>7</td>
<td>£6.9m</td>
</tr>
<tr>
<td>PFI insurance</td>
<td>We supported two local authorities to realise insurance cost savings successfully within their PFI contracts and are continuing to support 10 local authorities regarding insurance issues.</td>
<td>12</td>
<td>£0.7m</td>
</tr>
<tr>
<td>PFI helpdesk</td>
<td>We provided helpdesk support to authorities on key issues with their operational contracts, to ensure that the contractor is fulfilling its obligations. We provided initial guidance and advice to local authorities on procurement and contracting issues resulting from COVID-19.</td>
<td>20</td>
<td>n/a</td>
</tr>
</tbody>
</table>
### Re:Fit Programme Delivery

We supported 18 local authorities across England (outside London) on the development and procurement of their Re:fit Energy Performance Contracting projects.

At the end of 2019-20 we had 17 active Re:fit clients delivering 21 separate projects at various stages of project delivery currently receiving support from Local Partnerships.

There were four mini-competitions concluded in 2019-20 in England (outside London), including Milton Keynes Council, Dudley Metropolitan Borough Council, Medway Council.

During the year, the new Re:fit 4 Energy Performance Contracting Framework was successfully procured, launching on 24 April 2020, and running for the period up to April 2024.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Number of councils</th>
<th>Savings achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re:fit programme delivery</td>
<td>We supported 18 local authorities across England (outside London) on the development and procurement of their Re:fit Energy Performance Contracting projects. At the end of 2019-20 we had 17 active Re:fit clients delivering 21 separate projects at various stages of project delivery currently receiving support from Local Partnerships. There were four mini-competitions concluded in 2019-20 in England (outside London), including Milton Keynes Council, Dudley Metropolitan Borough Council, Medway Council. During the year, the new Re:fit 4 Energy Performance Contracting Framework was successfully procured, launching on 24 April 2020, and running for the period up to April 2024.</td>
<td>18</td>
<td>Annual cost savings of £5.2m per annum</td>
</tr>
</tbody>
</table>

Annual carbon savings of 10,000 tonnes per annum

Annual energy savings of 25.9m kWh
## WASTE

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Number of councils</th>
<th>Savings achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working within combined authority areas</td>
<td>We worked with the Cambridgeshire and Peterborough waste partnership (R.E.C.A.P.), undertaking a strategic whole waste system review to identify service efficiencies and performance improvements, including in relation to increased recycling performance. Leveraging Defra and council funding, together with LGA grant, we have been able to start strategic waste reviews for the geographic areas covered by West Midlands Combined Authority, West of England Combined Authority and Sheffield City Region Combined Authority.</td>
<td>26</td>
<td>Work in progress</td>
</tr>
<tr>
<td>Contract management reviews and training</td>
<td>We undertook one contract management review and one contract management training event. These have strengthened the contract management capabilities of clients facing contractual difficulties.</td>
<td>2</td>
<td>n/a</td>
</tr>
<tr>
<td>Regional waste efficiency study</td>
<td>Publication of the ninth and final case study, focused on the South West, to identify efficiencies and innovations made by authorities in waste services.</td>
<td>25</td>
<td>n/a</td>
</tr>
<tr>
<td>Defra Resources and Waste Strategy</td>
<td>We undertook a review of the sub-regional options for food waste treatment, and anaerobic digestion capacity across Devon and Cornwall.</td>
<td>12</td>
<td>n/a</td>
</tr>
</tbody>
</table>
### AIR QUALITY

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Number of councils</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development and implementation of clean air business cases</td>
<td>We worked with councils who are exceeding the statutory air quality standards, supporting the development and implementation of clean air business cases. The first Clean Air Zone schemes were due to go live in July 2020. However, this has been pushed back to 2021 by the COVID-19 pandemic.</td>
<td>33</td>
</tr>
</tbody>
</table>

### ASSURANCE

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Number of councils</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project delivery training</td>
<td>Local authority officers from over 20 authorities took part in our assurance reviews and an additional 30 were trained as reviewers. Reviewers see the work being carried out in other authorities and can thereafter share learning and best practice. There has been increased appetite from council officers to be trained to act as reviewers.</td>
<td>20</td>
</tr>
</tbody>
</table>
### COMMERCIALISATION

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Number of councils</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of commercial initiatives</td>
<td>We continued to support Suffolk County Council’s Commercial Board. We worked with the Centre for Public Scrutiny on a publication “Commercialisation and scrutiny: a practical guide for councillors” to help prepare councils adapt their approach to enable them to capitalise on commercial opportunities by building good governance into the heart of the system in a proportionate way.</td>
<td>1</td>
</tr>
</tbody>
</table>

### DIGITAL TRANSFORMATION

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Number of councils</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project and delivery capacity evaluation</td>
<td>We undertook a gap analysis for the West Midlands Combined Authority/ West Midlands 5G, on the outline business case for their application accelerator pathfinder project, to ensure that their final business case successfully secured DCMS funding.</td>
<td>12</td>
</tr>
</tbody>
</table>
### HEALTH AND SOCIAL CARE

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Number of councils</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and housing</td>
<td>We are providing support to the Norfolk Warm Homes Fund partnership as part of a two-year project which aims to help fuel-poor households across Norfolk. We have developed a “theory of change” and are helping Broadlands and South Norfolk councils develop an approach to evaluation to support the case for further investment. We worked with the LGA and the One Public Estate programme to scope a Sustainable Transformation Partnership in the Midlands. This will involve collaboration amongst health and local authority partners on driving more value from their collective estate.</td>
<td>8</td>
</tr>
<tr>
<td>Children’s services</td>
<td>We worked with Suffolk County Council to help develop a business case for the re-provision of one of the council’s residential children’s homes, working in partnership with one of the district councils. As part of their wider review of children’s residential services, we continue to work with them on a project to help develop a multi-agency strategy for vulnerable adolescents, which should be replicable to other councils. We worked with Bradford Metropolitan District Council to review the children’s placement process within the Children’s Service. Our recommendations helped them make progress with a wider review of sufficiency of placements for their looked after children.</td>
<td>3</td>
</tr>
</tbody>
</table>
**HOUSING**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Number of councils</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliver housing on publicly-owned land</td>
<td>We were engaged to support a number of councils, combined authorities, and other local authority partnerships, in meeting their housing growth aspirations and unlocking stalled sites. We supported the West Yorkshire Combined Authority in strategic investment planning. Working collaboratively with four partner councils and Homes England we developed a dynamic costed strategic housing pipeline which assisted the Combined Authority’s negotiations with MHCLG for a devolved budget to support housing delivery, and will continue to be used to inform future investment strategy. In Redcar &amp; Cleveland, we supported the regeneration of the town centre by developing a challenges and opportunities report that identified a number of housing projects which could be taken forward for development. This work fed into the preparation of a town deal investment plan, incorporating a range of proposed seafront housing and regeneration projects, including both “quick wins” and more radical proposals.</td>
<td>6</td>
</tr>
</tbody>
</table>
## Housing

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Number of councils</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unlocking small sites</td>
<td>In North Northamptonshire, and linked to the Future Place Programme, we identified five stalled sites located in three local authority areas and prepared site capacity layouts, market assessments and financial appraisals. We engaged with landowners/agents and registered providers to understand why sites had stalled. We identified a range of delivery mechanisms and interventions which could help to unlock the sites, which could also be applied to other stalled sites. To disseminate best practice and learning, we have advanced the development of collateral to advise councils on small sites delivery including the application of a commercial approach to site sifting and selection, the range of suitable funding sources available, best practice from elsewhere and delivery routes which may be applicable.</td>
<td>3</td>
</tr>
<tr>
<td>Urban intensification</td>
<td>In Salford, we addressed the issue of land use pressures around urban centres and the opportunities provided by council-owned industrial estates. We provided best practice guidance and highlighted exemplar projects.</td>
<td>1</td>
</tr>
</tbody>
</table>
PROPOSED GRANT-FUNDED ACTIVITY IN 2020-21

WASTE

LGA grant will be used to support local authorities explore the implementation issues associated with Defra’s Resources and Waste Strategy. This work is likely to involve:

– synergies and implementation issues associated with collection and disposal infrastructure
– understanding demand for large-scale infrastructure such as anaerobic digestion facilities, sorting facilities and processing
– transitional arrangements across various contractual models
– roll-out issues across purchasing and the supply chain
– special arrangements across care homes, schools, high rise flats

Defra’s Resources and Waste Strategy is likely to drive significant changes across England. We propose to continue with strategic waste reviews across selected combined authority areas. This work spans the whole waste system (collection and disposal) and will demonstrate the regional commercial opportunities (potential for joint working, savings and improvements in environmental performance) that are possible.

Savings and efficiencies achievable are typically 5%-10% of the total waste budget and improvements in recycling performance are typically 3%-6%.

INFRASTRUCTURE

We will utilise grant to develop a new model for infrastructure strategy and an improved infrastructure resilience offer.
CLIMATE RESPONSE

We will build a toolset to enable us to embed carbon accounting into local authorities’ existing systems, with feeds automated from other systems. We will develop tools, and will produce a dashboard of data for local authorities’ use.

We propose to subscribe to the Aurora Energy Research¹ forecasting service for one year. Aurora has agreed to allow us to use its data in our financial models so that we may share the outputs freely (but not the data) with all local authorities. If the authorities wish to proceed with their projects, they can purchase a one-off set of data from Aurora at a much reduced price. This will provide significant insights into the energy industry and will enable us to suggest areas to the LGA where it may want to consider policy developments.

We propose to use grant to update and co-brand the UKCIP climate adaptation tools² (which are still recommended by ADEPT) and training of our staff to facilitate plan preparation with local authorities. We intend that the tools will be free for councils to use.

RE:FIT

Re:fit energy performance contracts deliver guaranteed financial savings and carbon reductions to client authorities. Grant will be utilised to support business development to generate a pipeline of Re:fit 4 local authority projects, to update guidance documents and key material and to update templates and toolkits.

¹ auroraer.com/about
² ukcip.org.uk/wizard
PPP | PFI

An increasing number of authorities are considering refinancing of their PFI or PPP projects that reached financial close between 2008 and 2013, where material gains can be realised for local authorities. We will support these operational projects through undertaking initial assessments to understand whether there is potential for a refinancing gain, and then supporting clients throughout the refinancing process.

We will undertake insurance reviews, supporting clients to ensure that the public sector receives the appropriate share of insurance premium risk share.

We will develop an offer for providing contract expiry support, offering guidance and assistance to local authorities to achieve optimum performance from projects nearing expiry, how to approach expiry, and looking beyond expiry to potential re-procurement and the future management of assets.

HEALTH AND SOCIAL CARE

We propose to use grant in the following areas:

– Health, care and housing:
  This will include work with Norfolk Councils on the Warm Homes Programme

– Children’s services:
  This will include continuation of current work with Bradford and Suffolk Councils

– Health and estates/One Public Estate activities

– Prevention/wider determinants of health activities
HOUSING AND REGENERATION

We will support housing growth and bringing forward sites in left-behind areas, including social aspects of regeneration. We will focus on urban and town centre regeneration. We have recently experienced an increasing demand for our support in the area of regeneration, typically concentrated in urban areas, and specifically town centres, where this is driven by a number of factors, including the declining importance of retail within town centres, the increasing demand for housing growth in town centres, and the sustainability benefits of town centre living.

We will assist councils to take forward their proposals for the remodelling of town centres, particularly where housing is a key component, to meet these challenges and opportunities.

We will review progress/lessons learned with housing delivery vehicles and assessing how these could be scaled up.

COVID-19

A proportion of our LGA grant funding will be earmarked to help local authorities respond to the impacts of the COVID-19 pandemic across specific service areas and to support them through the recovery stage.
Local Partnerships is a joint venture between the Local Government Association, HM Treasury and the Welsh Government.

We occupy a unique position in the public sector. We facilitate change by working impartially and collaboratively across all parts of central, local and regional government, and the devolved administrations.

**We work solely for the benefit of the public sector.** Our experts provide trusted, professional support and advice over multiple disciplines, helping local and combined authorities make best use of limited resources as demand for services continues to rise.

**Local Partnerships is proud to be part of the public sector family.**

We bring public and private sector experience that provides **confidence, capability** and **capacity**, helping councils and combined authorities achieve and maintain **financial resilience**.