



## Coordination practice LOCAL SERVICE BOARDS IN WALES

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*Local Service Boards (LSBs) are an example of a network-based coordination practice combining horizontal and vertical collaborative arrangements. LSBs provide joined-up leadership to help overcome recurrent and difficult problems that can only be tackled through partnership working. The local service providers participating in LSBs are senior managers from public and third-sector organisations in Wales. The policy projects agreed upon by LSBs are held under voluntary understandings between local partners and national and local tiers of governments. The projects are mainly defined by the local needs of the area in which the LSB partners have a direct geographical concern. The vertical arrangements are found in the relationship between the local partners of the LSB and a senior civil servant from the Welsh Government, whose expertise and knowledge helps local partners identify and share innovative ideas and who communicates government policies to the LSB and on-the-ground experiences to ministers.*



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## Preface

This coordination practice is a result of research within COCOPS Work Package 5: The Governance of Social Cohesion: Innovative Coordination Practices in Public Management.

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The COCOPS project (Coordinating for Cohesion in the Public Sector of the Future) seeks to comparatively and quantitatively assess the impact of New Public Management style reforms in European countries, drawing on a team of European public administration scholars from 11 universities in 10 countries.

The specific objectives of Work Package 5 are:

- To search and identify emerging coordination practices and related steering instruments in public management in European public sectors.
- To compile a case study catalogue of such coordination practices with direct utility to public managers and the research community.
- To analyse the functioning of such coordination practices and to assess their value in countering public sector fragmentation and delivering public value.

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## 1. THE COORDINATION LANDSCAPE

### Main country characteristics: WALES, UNITED KINGDOM

<p>General political-administrative structure</p>	<p>Wales is a small country which is part of the United Kingdom with over three million inhabitants and a total area of 20,779 km<sup>2</sup>.</p> <p>The UK is a territorially complex state, which is composed of four countries: England, Scotland, Northern Ireland and Wales. Over the past three centuries all were governed from the centre in London, but in the early 1990s devolution of powers to the territories started to take place as a result of political and nationalist party differences in Scotland, Northern Ireland and Wales.</p> <p>In 1999, the Welsh National Assembly was created, and it has acquired increasing legislative powers from the UK Government. While the Assembly has powers to design and implement policies on health, education, agriculture, economic development and local government, other areas, such as defence/security, policing, fiscal and monetary policies and international relations, remain competencies held by the UK Government. Devolved policies are designed and implemented by the Welsh Government, which works as the executive body, in collaboration with 22 local unitary authorities.</p> <p>One of the factors helping to maintain cohesion of the UK has been the civil service which has glued together the making and delivery of policy. However, as the different countries have developed their legislative powers and different political parties have started to govern them, the homogeneity in the civil service has become more differentiated. This in particular is more noticeable in the relationship and policies regarding local government. Local government has been central for the devolved administrations in delivering public services.</p>
<p>Coordination discourse</p>	<p>The Welsh Government has developed a distinctive approach to public service delivery which, it argues, responds to the specific opportunities and challenges associated with “small country governance”. In the mid-2000s, a key policy document called “Making the Connections” advocated collaboration between public service providers. The 2011 Welsh Programme for Government reiterates the importance of partnership working in order to strengthen local democracy, achieve continuous improvement in public services and develop more efficient and effective forms of service delivery. The theory is that competition between public services (of the kind which has been encouraged across the border in England) is unnecessary and wasteful in a small country and that an integrated public service is best placed to deliver improved outcomes for citizens.</p> <p>Evidence from a range of studies suggests that progress has been made in developing collaborative approaches in Wales across different policy areas:</p>

	<p>from education and social-care services to capital assets and procurement. Initiatives have promoted collaboration at different spatial scales. Regional Partnership Boards (RPBs) encourage joint working between neighbouring local authorities. Local Service Boards (LSBs) aim to integrate services within a local authority area. Communities First Partnerships (CFPs) promote engagement between service providers and disadvantaged communities in the country. However, performance has been patchy and organisations with their own distinctive missions, performance targets and lines of accountability have found it difficult to work together.</p>
<p>Policy area</p>	<p>The Welsh Government includes a First Minister (equivalent to a Prime Minister) and 13 other ministers responsible for the main policy areas devolved to Wales. The civil service is led by a permanent secretary with support from 10 director generals in charge of different services, which include economic development, health and social care, education and local government. Because of the size of Wales, the National Assembly and Welsh Government have had to depend more on local government for delivering services than their counterparts in England.</p> <p>In response to “Making the Connections”, Welsh local government had to create four statutory partnerships (Children and Young People, Health and Wellbeing, Community Safety and Community Strategy) which aim to address complex problems, such as crime and anti-social behaviour, obesity, long-term unemployment, climate change and care for older people, which cannot be tackled by single agencies working alone. These partnerships involve not only services provided by local government but also national and UK agencies such as the National Health Service in Wales and the police.</p> <p>Amongst the most relevant initiatives in local government policy are Local Service Boards (LSBs), which have been set up to improve coordination between all four partnerships and facilitate mutual understanding between Welsh Government ministries and local agencies. Other programmes of relevance have been the Spatial Plan, the Efficiency and Innovation Programme and, since 2011, Single Integrated Plans. LSBs have been used by the Government to promote these national programmes regarding local government policy.</p>

## 2. COORDINATION PRACTICE: Local Service Boards in Wales

### 2.1. Substance

Country	Wales, UK
Area	Central government of Wales
Main characteristics of the practice	<p>This coordination practice regards the design and implementation of LSBs in Wales. It is a network coordination practice that involves horizontal (between public and non-public organisations) as well as vertical (national-local tiers of government) collaborative arrangements. Local government policy is a devolved area of responsibility. This coordination practice does not involve any decision or steering from the UK Government in London.</p> <p>The LSB policy was rolled out by the Ministry of Local Government and Communities within the Welsh Government. The intention of LSBs is to provide the joined-up leadership required to help overcome recurrent and difficult problems that can only be tackled through collaboration and partnership.</p> <p>The local service providers participating in LSBs are senior managers (e.g. chief executives) from the main organisations operating in Wales:</p> <ul style="list-style-type: none"> <li>- local councils or authorities (22 in total);</li> <li>- local health boards, dependent on the National Health Service Wales (seven regions);</li> <li>- police force (four regions in Wales);</li> <li>- fire and rescue services (three regions in Wales);</li> <li>- the Environmental Agency (three regions in Wales);</li> <li>- local county voluntary councils (one in each local authority);</li> <li>- higher-education organisations (numbers vary in each local area).</li> </ul> <p>The private sector, although included in the policy design, is not a prominent partner.</p> <p>LSBs do not oversee all of the public service delivery issues in an area. They focus on a number of issues which local partners agree upon voluntarily and which deserve particular attention at a strategic level. The actions they agree to take are outlined in their local agreements, which are shared with the Welsh Government. The policy projects that LSBs choose to tackle are mainly defined by the local needs of the area in which the LSB partners have a direct geographical responsibility.</p> <p>Although instigated by the Welsh Government, LSBs are not mandated, so there is no legal framework which monitors or evaluates the performance of the boards. The Welsh Government initially encouraged LSBs to use a national performance-management system to track progress, but some boards preferred to rely on existing local performance measures.</p>

	<p>The vertical arrangements within LSBs are found in the relationship established between the local partners of the LSB and a Welsh Government representative (WGR) who is a senior civil servant sitting in the LSB. They use their expertise and knowledge to help local partners identify and share innovative ideas and good practice, and communicate government policies and priorities “downwards” to the LSBs and feed messages from the local partnerships “upwards” to their colleagues in national government (WAG 2008).</p>
<p>Background and initiation of the practice</p>	<p>In January 2007, the Welsh Government issued a consultation paper inviting views on the role, form and function of LSBs. Six local authorities (Caerphilly, Carmarthenshire, Cardiff, Gwynedd, Neath Port Talbot and Wrexham) volunteered to participate, and they formally started their work in April 2007. The original intention was that the pilot experiences would help to inform the activities of the boards in other potential areas. But by 2008, LSBs were established across the whole country, and in some cases non-pilot areas made more rapid progress than some of the pilots.</p> <p>The six pilot cases were appointed with a WGR who helped to set up the LSBs by communicating the purpose of the LSB initiative, encouraging local partners to work together and helping to identify government grants that could be useful to implement the projects identified by the LSB. The role developed by these six WGRs was later assessed in order to provide broad guidelines about this role to new WGRs substituting previous representatives or sitting in newly created LSBs.</p> <p>Initially, the Welsh Government allocated £50,000 per annum from a development fund to support each board. Some areas bid for additional resources from the Making the Connections Fund and/or the Invest to Save Fund to support specific activities and projects. In 2011, the Welsh Government, through European Structural Funding, was able to finance another 30 projects identified by the LSBs across the country over a period of three years.</p>
<p>Time frame</p>	<p>The LSB initiative was outlined in 2006 and began to be implemented in 2007 through the six pilot cases. In 2008, LSBs were established across all 22 local authorities, and more recently regional LSBs (where a few LSBs come together) have been formed. But regional LSBs have not yet substituted local ones.</p> <p>The LSB initiative is intended to be a long term practice in so far as the boards are able to find resources to keep their purpose and objectives on-going. The Welsh Government pump-primed the LSBs through an initial fund running from 2008 to 2010, but this was supplemented through European Structural Funding for the period 2011-2013. From 2014 onwards, LSBs are committed to be self-funded through pooling resources from all their partners and by applying to different national, UK or European grants, which do not necessarily have to come from the public sector. At the time of writing, the extent to which European funding would help LSBs to become sustainable was still unknown.</p>

## 2.2. Structure and actors

### Basic features

Most boards meet every 8 to 10 weeks, and they are typically attended by a core group of around six to 20 senior public service leaders, including the chief executives of the local council and health trust, senior officers from the police and the director of the local county voluntary council. In some cases, local politicians and senior officers from the fire and rescue service, environmental agency and higher-education institutions also attend.

Initially an LSB project was selected according to its likelihood of improving the quality of services for citizens. More recently, boards have also been seen as a means of improving efficiency and service integration by encouraging local service providers to share resources, processes and reduce duplication.

The scope of the LSB projects covers the administrative boundaries of local authorities in Wales. However, it is often the case that the police and health organisations, which are often members of the board, influence LSBs to broaden their scope of impact onto a regional scale. This is generally the territorial basis for planning and decision-making within national organisations which provide local services. Equally, some boards have also managed to emphasise the relevance of the neighbourhood scale, which has led to the police, health and third-sector organisations to restructure their processes and work more closely with the community at this level.

The identification of LSB projects has been bottom-up (middle-lower-ranking officers to senior officers) as well as top-down (senior officers to middle-lower-ranking officers). In several cases middle-ranking officers present the operational barriers to the senior leaders in the LSB and, because of their seniority, they are able to make immediate decisions that overcome organisational barriers which previously impeded effective and efficient joint-working. In many cases, priority projects respond to politically salient themes; so local partners have to work together in implementing the policy locally through discussions that build a shared understanding between LSB partners.

The majority of the arrangements which are agreed upon to implement priority projects are based on informal understandings between LSB partners. However, because the success of many of the projects relies on the personal skills and commitment of the different LSB leaders, some LSBs have realised the need to overcome the dependence on specific individuals to deliver results. Consequently, legal agreements have been developed where responsibilities are defined, salary scales across organisations are levelled and new staff-working protocols are formally stated. These types of arrangements have tended to happen between local health boards (which are part of the National Health Service) and social services (which are part of the local council).

	<p>The appointment of the WGRs in each of the boards runs on a voluntary basis, which means it adds responsibilities to these civil servants' official "day jobs". However, the specification of their role is very flexible and is based more on the senior official's skills and professional experience. The main activities that WGRs perform are threefold, they promote: (a) horizontal collaboration within the LSB (e.g. encourage collaboration between local partners), (b) horizontal collaboration within the Welsh Government in order to break siloed way of thinking between service departments across different ministries and (c) vertical collaboration such as explaining the government's priorities and policies to the LSB and raising awareness in government about problems facing the LSB in implementing national policies and programmes.</p>
Main tools	<p>Research on some of the most successful LBSs has indicated that in order for a project to be agreed upon by members it is important that leaders share a sense of purpose and willingness to trust each other. These elements provide commitment and peer pressure for all partner organisations to deliver. Then each partner is responsible for implementing the agreements reached in their own organisations in a compulsory way. The collaborative agreements reached by the LSBs tend to focus on joint working to become more efficient and effective in delivering services or on taking other partners' goals into account to reduce barriers in the delivery of a service.</p> <p>The structure built by LSBs and their local partners can be characterised as a network-type coordination instrument which helps to respond to dynamic changes in the environment and where collaboration between different local organisations seems to be the most convenient way to tackle complex problems such as crime, well-being and climate change. However, the incitation of the Welsh Government and the role of the WGRs raise questions about a potential hierarchical approach that this initiative may have in the future.</p>
Main actors	<p>During the first couple of years of their implementation, LSB priority projects have been generally led by two main public service organisations; for example, representatives from the police and local council; the local health board and the local council; or the Welsh Government (through the WGR) and the local council. The daily operations of the LSB have required a secretariat and an operational team implementing the projects.</p> <p>As the projects start to build momentum, they require the commitment of other LSB partners due to the degree of complexity of the problems that the projects tackle. The bi-lateral leadership begins to use its negotiating skills for other partners to "buy in" and potentially lead specific stages of the project. Generally, the type of stakeholder involved in the LSB projects are a group of managers from all the organisations committed to deliver services related to the project. In some cases, LSBs include local politicians, and in very exceptional cases citizens have been involved in the redesign of the services.</p>

	<p>Ministers have some awareness of an LSB project, especially if it concerns their policy area, but their participation in the development of the LSB project has been very limited. The main relationship that the LSB has with the Welsh Government is through the WGR, the LSB central team (in charge of appointing WGR and disseminating good practice) or secondments that help to build capacity in those LSBs which experience organisational shortages.</p>
<p><b>2.3. Impacts and effects</b></p>	
	<p>As of 2010, 90% of these boards have set their governance structures and started their operations after identifying their priority projects. Three quarters of the LSBs have actually implemented their priority projects, and a quarter has obtained successful and clear results. Implementation has taken longer than expected because of the lack of organisational capacity by some local council in responding to the needs of managing a network. Delays in implementation have also accentuated delays in the outputs and outcomes that can potentially be achieved.</p> <p>Projects developed by LSBs vary considerably in scope, focus and content. Few LSBs have so far carried out successful projects in terms of achieving some degree of change in the implementation or achievement of outcomes. There is evidence in some areas of success through the reduction of crime rates, victim assaults and delayed transfers of care. Although these results are positive, they are service-orientated and do not tell us much about overall outcomes such as improving well-being and reducing levels of poverty, which some of these LSB projects are focusing on. Furthermore, some LSB members are not entirely convinced that the efforts of their LSB have actually helped to achieve such results since a combination of other factors such as security- and health-policy reforms may have also contributed to the reduction of crime and an increase of independent living for older people. Nothing is known about the results that LSB projects generate in terms of equality, transparency, accountability, public satisfaction or social cohesion. Although these concepts are certainly relevant to LSBs, they have not been a priority.</p> <p>In terms of geographical scale, there are indications that the creation of regional LSBs has not been very successful in achieving clear processes and results; whereas national organisations (e.g. police and health) seem to be more adaptable in addressing the neighbourhood level in their strategies and programmes.</p> <p>The most effective LSB projects have resulted in more coordination and integration amongst public and voluntary organisations. In a context of limited financial budgets, where national policies emphasise the challenges of complex problems that cannot be solved by a single agency, the organisational structures offered by LSBs have given more room of manoeuvre in terms of making resources more accessible. The challenge of</p>

	<p>this approach has been in measuring achievements produced by LSB projects. This is partly the result of a lack of performance frameworks which allow the incorporation of multiple-agency objectives and the definition of adequate target populations. European funds financing some of the most recent projects will evaluate the development of these performance frameworks in order for LSBs to build a more systematic monitoring and evaluation of their projects.</p> <p>The collaborative agreements reached by LSBs have generally concerned the delivery of a public service; however, this may not necessarily benefit citizens directly. For example, building new statistical data to detect “hot spot” areas of trouble is primarily benefiting the knowledge of service-planning and implementation rather than directly benefiting the citizen.</p> <p>IT solutions have encouraged joint working through sharing information and assets (e.g. buildings, equipment). Other shared resources include staff through multi-disciplinary teams and virtual teams and the pooling of existing organisational budgets. Not all LSB projects share all these type of resources. Depending on the local context and partners, some resources are easier to share than others (e.g. buildings, rather than budgets).</p> <p>Another factor that has been identified as determining the success of an LSB is the steering and support provided by the Welsh Government, and in some cases through the WGR. This civil servant will alert the LSB of new funding and have political clout to make local partners reconcile and collaborate (e.g. by overcoming historical antagonisms between service providers). In very exceptional cases, the WGR has proved to have influence in changing the requirements set by the Welsh Government for local councils in a way that is advantageous to the LSB’s processes (e.g. simplification of statutory partnerships into a single integrated plan).</p> <p>Just as the other LSB partners, WGRs have to develop collaborative management skills such as being able to work across different organisational cultures to make connections between local partners and to know how to exercise influence through informal as well as formal channels. As senior civil servants, the WGRs have the position and political power to influence their peers, junior colleagues and ministers. The number of years working in the Welsh Government may be one determinant that helps to build influential connections. However, it is still unclear if other personal attributes and backgrounds are necessary in order to be successful vertical as well as horizontal managers.</p>
<p><b>2.4. Lessons learned and policy recommendations</b></p>	
	<p>LSBs have realised that their existing performance measures are not sufficient to monitor and evaluate collaborative outcomes. Since 2011, they have begun to use Results Based Accountability models which are a systematic way of embedding outcome-based decision-making into planning, delivery and accountability for partnerships to achieve shared</p>

	<p>population results.</p> <p>On-going research indicates two determinants of effectiveness within the LSB initiative. The first is the internal environment created by the LSB partners. Four elements in particular seem to be relevant: reciprocity or commitment between LSB partners, level of formalisation of the agreements reached by partners, member activation and membership stability (turnover).</p> <p>The second determinant of effectiveness is the Welsh Government's steering which occurs in three main ways, through funding (e.g. pump-priming LSBs; applying and administering ESF), the role of the WGRs and ministerial backing of the initiative, which has been considered an innovative way to tackle complex problems.</p> <p>The role of WGRs is particularly relevant since these civil servants can potentially help LSBs to secure additional funding and encourage local partners to participate in the LSB project. However, research indicates that the majority of WGRs are better at activities that relate to building vertical collaboration between local and national governments rather than at activities that promote horizontal collaboration between LSB partners and within the Welsh Government departments and ministries. These findings indicate that WGRs may not be the best means to promote horizontal collaboration, and this aspect has to be left to local partners to develop. Secondly, the LSB initiative should reflect more on how to appoint WGRs and make better use of their attributes so that they are more effective at breaking siloed processes and regulations within the Welsh Government which hinder the development of LSB projects on joint-working.</p> <p>Initial research indicates that WGRs have remained loyal to the aim of supporting local networks to achieve local priorities, rather than seeking to control or dictate to them. However, a new administration elected in 2011 is now taking a much tougher line than its predecessor on the need to secure improvements in local services. Ministers are showing signs of greater willingness to intervene directly in an attempt to force the pace of change.</p> <p>The design and implementation of the LSB initiative may be useful to other European countries. On-going research in Belgium and some Scandinavian countries shows that systems of policies that simultaneously combine vertical and horizontal forms of collaboration are increasing in number as a way to tackle the needs of growing and diverse populations in a context of reduced public expenditure across all levels of government.</p>
<p><b>2.5. Further information</b></p>	
<p>Data and references</p>	<p>Data were collected through documentary reviews, semi-structured interviews and surveys. Informants included senior civil servants in charge of designing the LSB initiatives, WGRs and LSB members throughout Wales.</p>

	<p>Three in-depth case studies were also carried out of those LSB projects that have been considered effective in achieving positive change and results. Initial results from this research can be obtained from:</p> <p>Martin, S.J., J. Downe, T. Entwistle and V. Guarneros-Meza. 2011. <i>Learning to Improve: Assessing the Welsh Government's Policy for Local Government: Second Interim Report</i>. Cardiff: Welsh Government. Available at <a href="http://business.cardiff.ac.uk/centre-local-and-regional-government-research-clrgr/research/public/learning">http://business.cardiff.ac.uk/centre-local-and-regional-government-research-clrgr/research/public/learning</a> (last accessed 22 November 2012).</p> <p>Other relevant policy documents:</p> <p>WAG. 2008. <i>Local Service Boards in Wales – Realising the Potential: Route Map</i>. Cardiff: Welsh Assembly Government.</p> <p>WAG. 2007. <i>Local Service Boards in Wales: A Prospectus for the First Phase 2007-2008</i>. Cardiff: Welsh Assembly Government.</p> <p>WAG. 2006. <i>Beyond Boundaries: Citizen-Centred Services for Wales</i>. Cardiff: Welsh Assembly Government.</p> <p>WAO. 2011. <i>The Picture of Public Services 2011: The Key Financial Challenges Facing Welsh Public Services</i>. Cardiff: Wales Audit Office.</p> <p>WG. 2012. <i>Shared Purpose – Shared Delivery: Guidance on Integrating Service and Plans</i>. Cardiff: Welsh Government.</p>
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