

## Appendix 2

Peter McNaney  
Chief Executive  
Belfast City Council  
City Hall  
Belfast BT1 5GS

14 January 2008

Dear Peter,

### **RPA Implementation / Belfast City Council and NILGA Relationship**

NILGA is committed to working with Belfast City Council (Belfast CC) to agree the role, relationship and procedures of the Association. Discussions and a focus on action began in the early part of the year but have been delayed in the context of the review of the local government aspects of the RPA.

Following a meeting with City Council staff in early December, I would like to take this opportunity to provide a progress update against those issues of concern raised by Belfast CC in its letter of the 4<sup>th</sup> May 2007. I would hope that this would form the basis for further discussions between the Council and NILGA. I have included the undernoted relevant documentation for your wider information.

- NILGA Phase 1 Business case (Submitted to the DOE in August 2007)
- Draft Framework of Engagement – To be consulted upon (Jan - March 2008)
- NILGA – draft Three Year Strategic Plan

NILGA has made significant progress in all the areas identified with the only outstanding issue being the reconfiguration of the governance arrangements. NILGA remains committed and open to considering any suggestions to enhance the effectiveness of the organisation. Members welcome further ongoing discussions with the City Council.

#### **1. Capacity and IDeA Recommendations**

NILGA welcomed the review undertaken by the Improvement and Development Agency (IDeA) and accepted the recommendations put forward by the IDeA pertaining to developing the capacity of the organisation. Supported by Deloitte and with input from local government officers, NILGA developed a business case which sought funding from the Department of Environment (DoE) to support capacity development within the Association. Within the context of the current uncertainties around the outworking of the Review of Public Administration and local government reform processes, the DoE had suggested in August 2007 that they would consider progressing the first phase of NILGA's business case at this stage. In October, the Environment Minister Arlene Foster MLA approved the business case. A subsequent bid will be submitted when further decisions are made.

NILGA has engaged professional support in the development process to ensure compliance with legislation and all relevant good practice. To ensure independence the Local Government Employers (a sister body of the IDeA dealing with employment issues) was requested to redesign the new Chief Executive and Directors' positions through a robust job evaluation process. The NILGA Office Bearers were independently supported in the process by an Expert Advisor.

Furthermore, the Local Government Staff Commission (LGSC) have been engaged in the NILGA development process and have developed a specific Recruitment and Selection code which NILGA has now fully adopted. In addition, there is an agreed Memorandum of Co-Operation in place between the LGSC and NILGA which will underpin the future effective joint working between the two organisations.

## **2. Upgrade Quality of Communications and Strengthen Participation**

NILGA are committed to improving communications and building relationships with elected Members and constituent Councils and has identified these areas as key priorities for the Association. Accordingly, an Executive Away Day has been held recently to discuss and agree the development of innovative proposals for progressing these areas of work.

Subsequently, NILGA has drafted a Framework of Engagement which outlines a series of proposed protocols which would guide the future work of the Association and, it is intended, would strengthen communications and relationships with constituent Councils. It is important to note that this initial framework has been developed in consultation with Belfast CC officials and NILGA's Chief Executive Advisors. Representatives from NILGA will be visiting each Council in the next three months to discuss and refine the content of the framework and its implementation in the forthcoming financial year. NILGA would call for the full engagement and commitment of constituent Councils in this process. We would welcome your consideration of the framework and have enclosed consultation questions.

Furthermore, our newly appointed Director of Communications and Engagement will provide NILGA with greater capacity to focus on these important areas of activity. Proposed initiatives include creating and/or rejuvenating communications fora in conjunction with key stakeholders and agreeing communications protocols.

NILGA have also sought nominations from Councils for a NILGA liaison officer who will provide a forum through which information will be circulated to elected Members and appropriate officials within Councils.

## **3. Governance Arrangements**

NILGA is committed to ensuring full participation from all councils and particularly Belfast City Council as the largest Council in Northern Ireland. Currently there are seventeen Belfast CC representatives on NILGA and three representatives on the Executive. Belfast CC is also represented on all our working groups either politically or professionally and the Council has the opportunity to contribute to the development of all our policy positions which are designed to deal with the generic interests of local government only.

The Governance arrangements are complex and were developed over a two year political negotiation process to ensure NILGA is representative of both Councils and Political Party Groupings which is distinct from ALANI.

The current arrangements ensure:

- Councils are represented on NILGA on a proportionate basis to council strength
- All Councils are represented on the NILGA Executive
- All working groups as far as possible ensure participation from across Northern Ireland and include all the main political parties
- All policy positions are consulted upon with individual councils

NILGA feels that while not perfect, the governance arrangements are robust and equitable. To alter the arrangements at this time could lead to significant disruption. NILGA will require renewed governance arrangements post RPA and this perhaps offers an appropriate opportunity to consider the governance arrangements. NILGA would welcome further discussion on this matter.

It may be helpful in the short term to firstly explore how Belfast CC can utilise the existing arrangements to ensure effective representation and participation.

#### **4. Policy Positions – Greater Officer Engagement**

Since inception, NILGA has relied on officer working groups (e.g. Finance Officers, Technical Advisor Group, Chief Environmental Health Officer Group, IT Officer Group etc) for support in the policy development process. We have been working over the last year to build on these relationships. Particularly, NILGA has developed a stronger and mutually beneficial relationship with SOLACE who now works with the Association on a strategic level to inform and influence the emerging policy agenda and local government reform process brought about by the RPA. This has assisted in developing a more consolidated voice for the local government sector.

In addition to strengthening NILGA's relationship with elected representatives and Political Party Groupings, a key priority for the newly appointed Director of Communications and Engagement will be to further develop officer relationships with constituent Councils which will enhance NILGA's policy development process. Furthermore, the role of the Director of Policy and Strategy will be to ensure a greater focus on the development of evidence based policy-making processes within the Association.

#### **5. Concentrate on Core Tasks**

Belfast CC recommended that NILGA should concentrate on building its organisational capacity. Due to the uncertainty and delays in securing necessary funding to support this process, NILGA has taken an incremental approach to developing capacity within the Association whilst providing greater support to the local government sector in terms of its ongoing lobbying and engagement role within the NI Executive's review of the local government aspects of the RPA.

#### **6. NILGA to agree an overall Modernisation Delivery Framework**

NILGA will take this process forward under the leadership of the RPA Strategic Leadership Board (SLB), its modernisation subgroups and in consultation with Councils as defined in the attached Framework of Engagement. NILGA has negotiated a partnership approach to the design of the SLB to ensure that local government is recognised as being a legitimate sphere of government as is the case in other nations. It

is therefore NILGA's priority to represent the agreed interests of Councils within the modernisation process.

### **7. Vision and Shared Priorities**

Belfast CC suggests that NILGA should agree a vision and set of shared priorities which would underpin the modernisation process. NILGA, in consultation with the wider local government sector, has developed a Vision and Strategic Agenda which is consistent with the 'Vision for Local Government' developed recently by PricewaterhouseCoopers on behalf of the DOE. The Framework for Engagement sets out the process by which this can be revised and developed in the future. Developing shared priorities will also be further developed within the ongoing modernisation process.

### **8. Service Level agreement – Performance Management**

The Framework for Engagement sets out both proposals which will underpin the future work of the association and protocols for the continued engagement with Councils. Supported by local government officials, NILGA have initiated a process which will result in the development of a three year strategic plan and performance management framework for the Association. It is intended that the performance management framework will be developed, with the support and engagement of relevant local government representatives in the early part of 2008 and will translate into the annual business plans and individual officer plans of NILGA.

### **9. Subscriptions**

With the step change in the level of activity, it has been necessary for the NILGA Office Bearers and Executive to recommend an increase of £54k overall in the NILGA subscriptions for the incoming year. This represents an increase from £369k to £423k which is an average of £2k per council. A more detailed schedule is enclosed for information setting out the actual council costs and the detailed NILGA budget. We hope to also provide a bench marking schedule in the near future.

NILGA would like councils to note that:

- The increase has been kept to a minimum
- The DoE required a small contribution (5%) from councils to trigger an annual funding package of £650K
- NILGA provides excellent value for money – for every £1 local government spend, NILGA levers in another £1.90 for local government projects
- NILGA is beginning to provide a significant voice for the sector.

The NILGA Executive believes the organisation is achieving its objectives and that the subscriptions are extremely well justified in the context of the forthcoming modernisation programme which will be challenging for the entire sector.

If your council do wish to comment on the subscription, this would be welcome as the matter will be put to the Full NILGA meeting on the 28<sup>th</sup> of March for ratification.

### **10. Key Successes**

NILGA has experienced a significant increase in work this year. Priorities have included general development, supporting the Modernisation process under the direction of the Strategic Leadership Board and lobbying within the Review of the RPA process.

The NILGA Executive is pleased with the level of progress in the context of uncertainty and the new political environment. This year our key achievements include:

- Funding For Local Government – reinstatement of **£1M of general grant and £200M** for waste infrastructural projects
- **Enhanced Political leadership** on the Strategic Leadership Board and Strategic Waste Board
- **Additional funding** for Modernisation, Waste, Arts and EU Projects
- **Enhanced relationships** with Government Departments, SOLACE and the Local Government Staff Commission
- Agreed an outline **Strategic Plan** which will form the basis of our annual business plan and **performance management framework**

### **Conclusion**

I trust the information above details the actions NILGA has taken to address the concerns raised by Belfast City Council. Whilst I would accept that NILGA is currently in the very early stages of its development and faces significant challenges in moving forward, I welcome this process of dialogue with the Council to ensure we can work together to develop an organisation which is fit for purpose. I would like to thank the Council for the significant support we have already received and I look forward to developing a productive relationship in the future. It would be helpful if you could suggest a date for NILGA representatives to visit the council. I have enclosed a set of consultation questions for convenience and would welcome any written views the councils would wish to make by the end of March 2008.

Yours sincerely,



Heather Moorhead  
Chief Executive

## **Annex A**

### **Representational Arrangements on the NILGA Executive Committee - Options**

#### **Introduction**

This paper sets out options concerning the representational arrangements of NILGA in response to the request from Belfast City Council to seek proposals to ensure the NILGA Executive is proportionate to how much the City Council pays.

#### **Key Objectives of Representation**

In any consideration of the representation of the Association, the following key objectives are paramount.

- NILGA must be representative of local government as a sector – it must not be dominated by any one council or political party

- NILGA must have systems and protocols for developing policy which is representative of Councils and accountable to them
- NILGA must have transparent and robust arrangements which secure balanced representation in the light of the historical context of the organisation
- The arrangements must balance involvement with practicality and timeliness

### **Options for Representation on the Executive**

There are four main options

- a. Political Proportionality (LGA model and NILGA)
  - a. Number of Elected Members
- b. Cost Proportionality ( No precedent)
- c. One member per Council ( WLGAs and COSLA model)
- d. Select a small group from the main body (RoI - Exec Committee of 12)

#### **a. Political Proportionality**

The NILGA Executive is currently composed using the d'Hondt formula with each party appointing an appropriate number of representatives. Office Bearers endeavour to ensure every Council is represented within the 28 members. (If this is not possible a Council may nominate an Observer who may participate in meetings but may not vote).

**This model is used by the LGA and by NILGA as it appears to provide the greatest level of equity across councils and parties. This is a best practice model which is used successfully across the sector.**

Belfast is currently represented on a proportionate basis to the number of members.

- Belfast CC has 51 members (8.7% of the 582 members in Northern Ireland)
- Belfast CC has 17 members on NILGA (11% of the 152) – The City Council select their own members to serve on NILGA relative to party strengths
- Belfast CC has 3 members on the Executive (11% of the 28) – NILGA Office Bearers (Nominating Officers)

#### **b. Cost Proportionality**

Belfast CC currently pays NILGA 24% of NILGA Subscriptions and therefore would require 24% of the seats. (This alters slightly each year based on the value of the penny rate product). There is no precedent in the neighbouring LGAs for this model.

- The main disadvantage of this model would be that the Executive would have to increase significantly in size to ensure every Council is represented.

#### **c. One Member Per Council**

This methodology is used by the Welsh LGA and COSLA where the Executives are composed of the Leader of each council. This model could be transposed to NILGA in two ways. The Mayor or a member of the Councils could represent each council.

- The main disadvantage of this model is that there would be no guarantee of political balance.

#### **d. The Main Body Elect a Small Group**

This model is used by the Association of County and City Councils in the ROI. There is the advantage that the Executive Committee is fairly streamlined.

The main disadvantage would be that not all councils are represented and therefore a vital communication/participation linkage is lost.

#### **Conclusion**

The existing model appears to offer the most equitable solution but NILGA remains open to other models for consideration. To support this conversation it is helpful to note that there is tension in the relationship between each of the regional cities and the LGA. In each case the situation is managed by ensuring a strong and co-operative relationship between the city and the LGA at a policy level. Further research could be undertaken with the other organisations to ascertain further details on how these relationships are managed.

Annex B

## **NILGA Consultation - Key Questions**

### **Jan – March 2008**

#### **A. Strategic Plan**

1. Have you any comments or observations concerning the strategic plan?

#### **B. Framework For Engagement**

##### **Section 2: Vision, Mission, Objectives**

2. Do you feel the vision, mission and objectives set out for NILGA are appropriate?
3. Is there anything that should be amended, left out or included?

##### **Section 3: Business Planning and Subscriptions**

4. Is the development of the Strategic Agenda a useful tool to define the local government strategic priorities?
5. Are the proposals for business planning cycles and the subscription rate setting appropriate?

##### **Section 4: Membership, Roles and Responsibilities**

6. Have you any comments on the membership and representational arrangements within NILGA?

##### **Section 5: Communication Protocols**

7. Are the communication protocols appropriate to ensure effective communication?
8. Do you believe the Council responsibilities set out are workable and appropriate?

##### **Section 6: Consultations and Development of NILGA Responses**

9. Are the consultation mechanisms adequate to ensure that NILGA is au fait with local government thinking?

**Section 7: Working With Partner Organisations**

10. Have you any further suggestions as to how this work could be enhanced?

**Wider Comments**

11. Do you have any wider comments?

**C. Subscriptions**

12. Have you any comments on the NILGA subscription rate?

**Responses**

Please forward your response to Máire Killoran, Director of Communications and Engagement at [M.killoran@nilga.org](mailto:M.killoran@nilga.org) by the 28<sup>th</sup> March 2008.