

## **A Practical Approach to Securing Local Government Efficiencies and Improvements through Collaboration**

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### **1.0 Introduction**

At the Strategic Leadership Board (SLB) meeting of 25 February 2010, Local Government presented its proposals for the delivery of efficiencies and improvements through collaboration. It was agreed that further work would be undertaken by Local Government to establish how these principles of voluntary collaboration would work in practice so as to achieve the appropriate levels of savings, determine how efficiency targets could be achieved and how efficiency outcomes could be confirmed.

Local Government commends this paper to the Minister with the confidence that it can deliver on the commitments within, to secure significant efficiencies, realise citizen expectations of Local Government service improvements and contribute to the aim of creating “strong, dynamic Local Government” in Northern Ireland.

### **2.0 The Way Ahead – An Achievable Pathway**

Local government defines collaboration as:-

*The establishment of processes whereby councils and partners work across boundaries, in various ways, to enhance services, to gain efficiencies and share ideas for improvement which ultimately enhance the quality of life for citizens.*

This paper sets out an agreed and achievable pathway towards delivering efficiencies and advancing transformation and reform through collaboration in a way which is independent of the timetable for the RPA process.

This collaboration proposal advocates a flexible, evolutionary and innovative approach with an emphasis on sub-regional/regional collaboration both within local Government and between sectors. It is based around the successful experience of partnership working in Great Britain which has enabled Local Authorities to accelerate efficiency gains and support improvements through innovative collaborative initiatives. It also draws on the experience of Regional Improvement and Efficiency Partnerships (RIEPs) and recognises that in the longer term, collaboration around ‘place’ has the greatest potential to maximise the effective use of public resources and assets.

The proposed approach addresses the concerns expressed about the ability and desire of local government to identify and implement efficiencies in service delivery for the benefit of the ratepayer whilst retaining and improving local accountability. In addition, it also proposes an efficiency and improvement framework that overcomes some of the up-front costs of funding the reform programme.

### **3.0 Business Model and Associated Principles**

The business model that the Local Government sector proposes to adopt is an ‘Invest to Save’ model, where efficiency programmes are funded on the basis of robust business cases, which demonstrate achievable efficiency gains and service improvements in terms of cost, quality and standards.

In adopting this business model, the Local Government sector has endorsed a number of principles which underpin this model and which will deliver on the original objectives of the RPA process.

These principles are:-

- **Citizen Focus** – meeting citizen expectations of improved service delivery and access, better value and accountability;
- **Recognises Local Circumstances** – collaboration should take account of local circumstances, strengths and needs;
- **Good Governance** – collaboration must be supported by governance structures which are democratic, transparent and accountable to partner Councils;
- **Equity** – a flexible approach should be adopted in order to ensure benefit to communities and people across the region/sub region;
- **Adding Value** – collaborative projects should be supported by a robust business case which combines improvements to service with efficiencies;
- **Best Practice** – should take account of, and be informed by, best practice in other regions;
- **Fostering Creativity and Innovation** – regional collaboration projects will seek innovative and creative ways to achieve improvements; and
- **Ensuring Quality and Performance Measurement** – a common system of performance management to ensure quality will be introduced for collaborative projects including annual reporting mechanisms.

### **4.0 Drivers for Change**

Local Government recognises that at the heart of the pursuit of efficiencies are a number of key drivers, foremost of which is the citizen, ie, citizen expectations of improved service delivery and access, better value and accountability.

There are a number of other critical drivers to deliver efficiencies including:-

- The state of the economy and the need to keep the cost of rates down
- Central Government policy to ‘do more with less’ as highlighted through the Treasury’s Operational Efficiency Programme
- The Best Value duty placed on local government to make arrangements for continuous improvement and the associated commitment to economy, efficiency and effectiveness of service delivery, verifiable by Audit.

## **5.0 Present Position**

The time available to create 11 new councils operating streamlined, integrated procedures with services transferred from central government, with all staff in post and with a new elected forum at council level in place by May 2011 is at a premium. This matter is further addressed in the accompanying workplan at Annex B.

At the same time, Councils need to prepare for local government led transformation on the basis of voluntary collaboration, underpinned by appropriate and robust governance structures and measures at local, sub-regional and regional levels.

It should be noted that the level of efficiencies outlined in the PwC report is predicated on the basis of an effective 11 Council model in 2011. If there is a change to this, eg, if legislative issues or Executive decisions result in a delay to implementation this is likely to have a significant impact on the feasibility of the efficiencies, especially those arising from planned convergence.

### **5.1 Proposals**

#### **(a) Phase 1 – Transition with Convergence within Service Delivery Functions**

It is proposed that between now and the vesting date of May 2011, council clusters take action to complete a successful transition from 26 councils to 11 and that during this transition convergence will be developed for existing service areas and transferring functions in each of the 11 Council areas. Where there are identified opportunities for transformation these will be pursued.

The key areas for efficiencies in this process will be around reduced staff costs and asset rationalisation. The early phase of transition will also start to allow councils to build the foundations which will be required to deliver further efficiencies.

Opportunities for collaboration across Council boundaries could also be explored during this phase and this could be facilitated through regional/sub-regional arrangements, existing professional Officer Groups and Change Managers.

In the event that the delivery timetable for the RPA is revised it would be possible to move directly to **Phase 2, Transformation through Voluntary Collaboration.**

#### **(b) Phase 2 – Transformation through Collaboration**

It is the view of Local Government that collaboration can best be delivered by Councils working together in partnership to determine what they wish to collaborate on and how they wish to collaborate. The benefits of this collaborative approach include:

- Value for money outcomes
- Better designed solutions
- Integration of services for customers
- Access to new and scarce skills/specialisms
- Economies of scale and scope
- Efficiency savings and investment benefits
- Community benefits (including jobs and local economic effects)

Best practice from recent local government transformation projects indicates that these are more likely to succeed when led by Councils and focus on change and improvement. However, it is recognised that this can be driven by a range of incentives to promote improvement through collaborative working as set out in **Appendix 1**.

The NI experience of working in collaborative group arrangements such as those for Waste Disposal, EU co-operation programmes, Tourism, Rural Development and a range of other projects (see **Appendix 2**) reinforces the benefits that arise from local councils working together and transforming how they do business.

It is proposed that in this phase, Local Authorities will come together within geographical/service/thematic clusters to carry out a rigorous assessment of the scope for the delivery of efficiency savings and service improvements at local, sub regional/regional and cross-sectoral levels. In the short term this may involve drawing on the current RPA structures and other sub-regional/regional cluster arrangements including Rural Development, Peace III and others as considered appropriate by the participating Councils.

The focus of this phase will be to achieve efficiency savings and service improvements across the envelope of services below:-

- ICT
- Finance, including payroll
- Procurement
- Human Resources
- Customer facing services, eg, Environmental Health, Building Control, and Operational Services.
- Asset Management

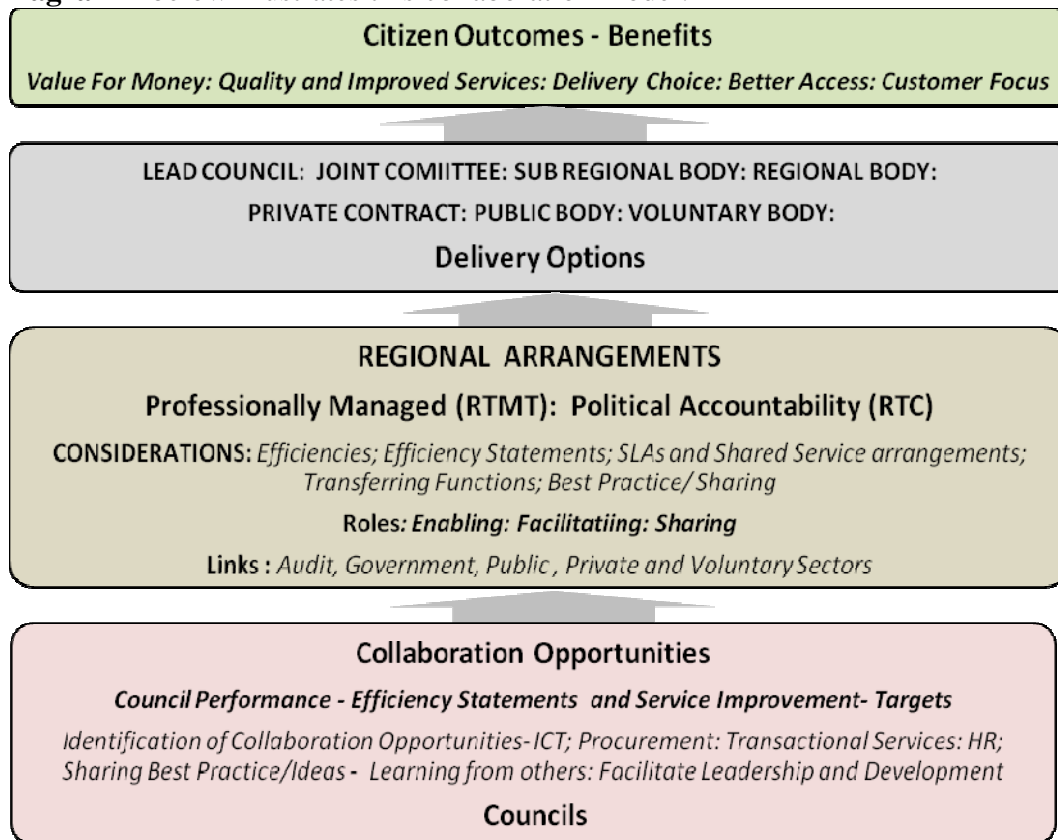
The output from this process will be a range of service delivery options including:-

- Standardisation of service delivery, including systems convergence and agreed delivery templates, within each local authority;
- Collaboration between authorities on strategic approaches;
- Local authority providing direct services to other authorities;
- Regional/sub-regional service delivery accessed by local authorities;
- Joint service delivery between different types of public body; and
- Commercial trading in partnership with a private sector/voluntary sector partner.

Through this high level design process, Councils will be able to identify the scope for efficiency savings and service improvements for inclusion in each Council's **Efficiency and Improvement Plan**. Councils can also begin to develop individual efficiency projects (and associated Business Cases) with project partners including appropriate Governance arrangements within existing statutory provisions. The range of delivery models available within current Statutory provisions are set out in **Appendix 3** while **Appendix 4** provides examples/case studies of successful collaboration initiatives from neighbouring jurisdictions.

This process will also enable Local Government to establish the extent of realisable efficiency savings and investment costs to support the Reform programme in local Government.

**Diagram 1** below illustrates this collaboration model:-



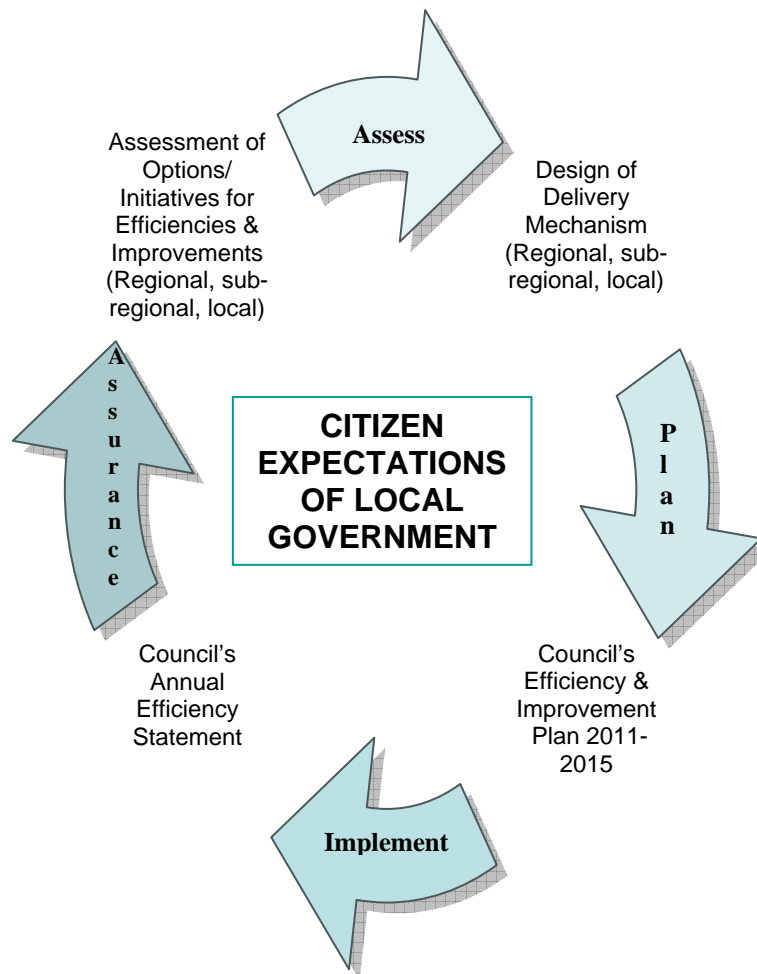
## **6.0 Efficiency and Improvement Plans**

The critical element to delivering efficiencies will be the preparation of an **Efficiency and Improvement Plan** and **Efficiency Statement** for each Council. These will provide clear public accountability in the delivery of efficiency savings and service improvements in Local Government. The first Efficiency and Improvement Plan will cover the period 2011 to 2015 and will be completed by 31 January 2011 and submitted to the Department by 31 March 2011.

The Efficiency Statement will be prepared and published on an annual basis, setting out the Council's efficiency and improvement plans and targets for the year ahead, detailing its efficiency programme across all aspects of its business and demonstrating its commitment to collaboration in pursuit of effectiveness. These statements would be audited as part of the annual accounts.

It should be noted that the Local Government sector is committed to this approach, even if the RPA process did not remain on the agreed timeline. If this was the case however, the extent and programming of efficiencies will need to be reassessed.

**Diagram 2** illustrates the Efficiency and Improvement Cycle:



## **7.0 Transferring Functions**

The sector, in pursuance of its goal of 'strong dynamic Local Government' restates its commitment to the transfer of a range of functions from regional to local government on the present timetable. Should there be a deferral of the local government reform programme, collaboration is regarded as a suitable mechanism for accommodating transfer of particular elements of these functions. In respect of the transferring functions, account will need to be taken of the efficiencies and improvements which can be taken on board by the Councils on transfer.

## **8.0 Voluntary Collaboration – Governance**

As previously stated, this high level design process will require effective governance arrangements and, at the local level, the main driver for voluntary collaboration will be individual councils operating within the discipline of developing and delivering their **Efficiency and Improvement Plan** and **Efficiency Statements**.

The existing Statutory Governance arrangements and Legislative requirements, including the Best Value duty (**Appendix 5**), already provide the necessary statutory framework within which this process can operate. This legislation places a duty on Councils “to make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness” and, at the same time, allows the Department to impose conditions on the exercise of any power conferred by Order.

In addition, the existing RPA arrangements and a range of existing sub-regional partnerships, will provide the political and professional oversight to enable and facilitate taking forward scoping work on collaboration at the sub-regional level. The process will determine clear efficiency opportunities, followed by identifying the range and level of collaboration, identifying targets and the most effective delivery mechanisms.

At the regional level there will be a need for a regional arrangement which may, in the first instance, be the Regional Transition Committee (RTC) to provide the strategic oversight to the voluntary collaboration and reform programme including:-

- Providing an interface with Central Government and transferring functions;
- Promoting Performance Management and Review;
- Encouraging and promoting Regional Efficiency projects and initiatives;
- Examining scope for Shared Service agreements;
- Encouraging Sharing of Knowledge, Learning and Best Practice; and
- Communicating across the sector and with other statutory/voluntary bodies.

In this work, the RTC will be supported by the Regional Transition Management Team (RTMT).

## **9.0 Investment and Funding**

It is necessary to recognise that although the investment cost associated with the achievement of efficiency savings through voluntary collaboration is much lower than other approaches, nevertheless, up front investment will be required and an “Invest to Save” approach is advocated. NILGA has established a set of principles to the guide ‘Local Government approach to funding the reform process’ and these are included in **Appendix 6**. The overarching aim is that :-

*“The reform process should be cost neutral to the rate payer as promised at the outset of the reform process and any rate rises to the rate payer must be avoided”*

In general, therefore, in the funding process, cognisance must be given to the following:

- Functions can only be transferred to local government on the basis of quantifiable costs, assets and staff;
- Efficiencies will contribute to aspects of funding.

There will be infrastructure and legislative costs associated with the reform process in the form of Network NI, Community Planning, severance payments to staff and councillors, the costs of the transferring functions, capacity building, winding-up costs, recruitment to new posts and contractual costs such as resettlement and travel costs. This will require pump-priming funding in order to reach a position where an ‘invest to save’ approach can be implemented.

These investment costs will deliver significant returns, including the following benefits:

- Meet citizen expectations of improved service delivery and access, better value and accountability;
- Rationalisation of the human resources required to deliver common services across the new Council area;
- Reduced net operating costs for current services;
- Financial savings that can contribute to rates convergence;
- Support for the development of collaborative solutions within and across the Council areas.

An example would be the investment needed to provide ICT infrastructure required for connectivity and voice and data transfer across and between the Councils.

There needs to be a solid foundation for collaboration at local, sub-regional and regional level. This will enable Councils to commence operating from an equitable base across the province and provide a launch pad for the transformation of how front line and back office services are delivered locally, sub-regionally and regionally. The creation of this solid foundation on which the programme of reform can be sustained needs pump priming funding.

Clear business cases for a collaborative improvement project supported by the commitments which are in line with a Council’s Efficiency Statement, should be the process whereby funding is determined and appropriate business cases will be developed where necessary.

Funding for the Reform of local Government can, therefore, be divided into 3 distinct streams:

- Central Government pump priming funding that creates the right conditions for local government reform generating efficiency savings that will contribute to maintaining the pledge given to the ratepayers that the reform would be cost neutral.
- Local Government self financing efficiency gains that will provide a world class continuously improving best value service to the people.
- If it is agreed that conditional loans could be provided by Central Government, any associated conditions should then be further discussed and agreed with the sector.



In essence, Local Government is proposing an ‘Invest to Save’ strategy.

### 9.1 Predicted Financial Gains

As indicated in the PwC report, Local Government believes that, across the sector, efficiencies of some £438m are considered achievable, subject to detailed design work being completed and RPA going ahead as originally planned. Convergence savings and systems streamlining are anticipated as early efficiency wins.

Furthermore this collaborative approach, led by Councils, does not require a centralised administrative organisation thereby avoiding costly start-up and ongoing running costs. However, the benefits should not simply be measured in financial terms. This approach provides opportunities for innovation in service delivery beyond those included in the PwC report and will allow the sector to move more rapidly and effectively towards a ‘total place’ approach including the significant benefits attainable from collaboration across the wider public sector.

The transferring functions bodies will need to quantify and earmark key areas for efficiencies that can be taken on board by the Councils on transfer of the functions. However, as stated in the report some pump priming funding may be necessary as part of this overall ‘invest to save’ strategy.

### 9.2 Waste Management

Local Government supports collaboration on Waste Management to gain efficiencies and service improvement and commits to working with the Department on the development of a business case to examine the scope for a Single Waste Authority.

## 10.0 Summary

This collaborative approach at the local, sub-regional/regional level driven by **Efficiency and Improvement Plans** and **Efficiency Statements** within the Councils will be more effective than the proposed Business Service Organisation. It will reinforce the mantra of “strong dynamic local government” and places the accountability for driving efficiency and service improvement firmly in the hands of locally elected members. As indicated earlier, collaboration does not require a centralised administrative organisation thereby avoiding costly start-up and ongoing running costs and, in addition, collaborative working engenders a culture of partnership of Councils that supports, facilitates and encourages performance and service improvement. Through this evolutionary and flexible approach opportunities are provided for a varied range and level of delivery options beyond that included in the PwC report and which will allow the sector to swiftly and efficiently make the step change towards a ‘total place’ approach.

This proposal for a voluntary approach to collaboration provides a number of desirable outcomes for citizens, local government, central government and other key stakeholders, as follows:-

1. It embraces the principles envisaged for the RPA and provides a practical and deliverable approach to realising efficiency savings and service improvements in a way which is not dependant on the RPA timetable.
2. It allows for self determination by local councils whilst retaining the concept of regional oversight in support of a consistent approach across Local Government.
3. It provides for an independent assurance mechanism to the Minister and the Department through the Northern Ireland Audit Office that individual Councils have in place challenging targets based on the most effective, efficient and economical ways of delivering services.
4. As government funding is likely to be restricted it proposes a clear division whereby the initial set-up and legislative costs are funded centrally to enable Transition to proceed and the on-going funding options to enable Transformation to develop without the need for substantial forward commitment by central government.
5. As the transformation process develops from 2011 through to 2015, there will be opportunities to actively engage with the voluntary, community and business sector in seeking to develop more appropriate, cost effective and efficient delivery mechanisms tailored to meet the needs of the communities we serve.

### **Incentives and Controls to Promote Improvement through Collaborative Working**

The following will incentivise local government to work together to deliver improvement:

- **Efficiency Gains** - A key driver to encourage councils to adopt collaborative or shared service delivery is the evidence presented through robust business case development. Through comprehensive reviews of service delivery areas and business case development, the sector will be able to identify the projects which will be most effective in terms of efficiency gains. Councils who indicate they do not wish to avail of collaborative arrangements must demonstrate not only that greater efficiencies can be obtained through their own independent arrangements, but also that their failure to support collaborative arrangements will not have an adverse impact on the rest of the sector (e.g. failure to achieve sufficient economies of scale);
- **Grant aid for improvement projects** - Grant aid from central government could be used, as in other regions, to incentivise improvement projects. This would be particularly pertinent in relation to driving forward the reform process, in particular, seed funding the Community Planning Foundation Programme, the Transferring functions costs and delivery of significant shared services projects;
- **Pump prime funds** - The Minister has already indicated to local government that they would consider the provision of loan funds to councils. If this was the case the loan funds could be agreed based on the need to access specified efficiencies and improvements;
- **Agreed efficiency targets with central government** - In other regions central government agrees Public Service Agreements (PSAs) or efficiency targets with local government. This would be a key mechanism that could be used in N. Ireland;
- **Recognition through local government awards and best practice schemes** - Councils already avail of existing award schemes, and from 2008, have established their own award scheme. Building upon this work, a fully developed good practice scheme could be established, such as the Beacon Scheme used in England to ensure good practice in the sector is showcased. To be effective, this work would need appropriately resourced;
- **Public awareness through published figures** - It is common practice in other regions to publish performance information. Under the new SDPI Framework being developed by PDP B, the duty to publish performance information could be included. If this performance information was published in a clear and fair format, it would allow the public to hold their local council to account, facilitating acknowledgement of high performing councils and public pressure on the lower performing councils to improve; and
- **Reduced audit requirements for high performing councils** - Another potential mechanism that could be considered is the introduction of a proportionate and risk based approach to audit. The size and focus of audit in each council would therefore vary to reflect a council's performance. This would reduce the audit burden on councils that actively pursue Best Value and work collaboratively. In Scotland, following the first phase of Best Value audits, the Accounts Commission is currently consulting on a similar approach for the second phase of Best Value and Community Planning audits (BV2).

## Controls

The following controls could also be considered to seek to encourage more collaborative working:-

- **Duty to Secure Best Value** - Initial work by PDP B, endorsed by SLB, has laid the foundation for the necessary primary legislation that will underpin the development of the new SDPI Framework. A key foundation of this will be the restatement of the statutory duty on councils to secure Best Value, defined in terms of continuous improvement in performance of council functions;
- **Role of Audit** - Within the new SDPI Framework, the role of the Northern Ireland Audit Office (NIAO) will be enhanced to include a performance audit role in addition to its current financial audit responsibilities; this will include a Best Value audit. As in other regions, the Auditor will have a role in assessing council performance; this would include advising councils on key areas of improvement, as assessed against the SDPI Framework. Council Improvement Plans would therefore need to be agreed in this context; and
- **Power of Intervention (Direction or Last Resort)** - Within the primary legislation proposals for the new SDPI Framework, it was agreed that the new system should have in place a default power of last resort for the Minister for the Environment to intervene where the performance of a council so requires it. To provide additional assurances to the Minister that the sector is committed to working collaboratively to ensure efficiency gains, this default power of last resort could be extended to incorporate a power to intervene to direct collaborative working, should councils fail to engage in this approach.

## Appendix 2

### Examples of Collaborative Working by Northern Ireland Councils

The following list provides a number of current and past examples of collaborative working by Northern Ireland Councils. *It should be noted that this is not an exhaustive list.*

#### 1. Funding Delivery Partnerships:

- Peace Programme Partnerships – Delivery of Peace III
- Rural Development Programme Clusters – Delivery of Axis 3 of the Rural Development Programme
- Local Strategy Partnerships

#### 2. Waste Management Partnerships:

- SWAMP (involving Armagh City and District Council, Banbridge District Council, Cookstown District Council, Craigavon Borough Council, Dungannon and South Tyrone Borough Council, Fermanagh District Council, Newry and Mourne District Council and Omagh District Council).
- ARC 21 (involving Lisburn City Council, Larne Borough Council, Down District Council, North Down District Council, Castlereagh Borough Council, Antrim Borough Council, Ards Borough Council, Ballymena Borough Council, Belfast City Council, Carrickfergus Borough Council, Newtownabbey Borough Council)
- North West Partnership (involving Coleraine Borough Council, Ballymoney Borough Council, Derry City Council, Limavady Borough Council, Magherafelt District Council, Moyle District Council, Strabane District Council).

#### 3. Tourism Networks:

- Antrim Coast and Glens Tourism Initiative
- Destination North West (Derry CC, Fermanagh DC, Omagh DC, Strabane DC, Dungannon and South Tyrone BC, Cookstown DC, Donegal CC, Sligo CC, Leitrim CC, Failte Ireland)
- Western Regional Tourism Partnership (incl 3 brands)
  - Fermanagh
  - Derry
  - Sperrins
- North West Trail (Sustrans, Omagh, Fermanagh, Strabane, Sligo, NI Tourist Board, Failte Ireland)

#### 4. Cross Border Partnerships:

- North West Cross Border Regeneration Group (NWCBRG)
- Irish Central Border Area Network (ICBAN)
- EBR
- COMET

## 5. Other Initiatives

### 5.1 Procurement:

- ARC 21 responsible for sector wide procurement of major waste infrastructure
- Joint Procurement Policy formulated between Armagh, Banbridge and Craigavon Councils
- Joint procurement arrangements between Omagh District Council and Fermanagh District Council for selected goods/services
- NI Local Government Procurement Group assessing further opportunities for joint tendering exercises including use of web portal for sharing information
- Eprocurement pilot in conjunction with 8 Councils via CPD portal

### 5.2 Human Resources:

- Belfast City Council's Business Improvement Services undertake job evaluation exercises for a number of Councils
- Employment of Anti-Smoking Officers for all Councils in NI led by Omagh District Council

### 5.3 Environmental Health:

- Group systems for employment of Environmental Health Officers – provision of specialist functions
- Investing for Health partnerships
- Biodiversity – joint employment of Officers across a number of Councils

### 5.4 Building Control:

- Group systems for employment of Building Control Officers – provision of specialist functions

### 5.5 Leisure:

- Active Communities Programme – joint working amongst groups of Councils which has secured funding for delivery of programmes by active communities multi-sport coaches and physical activity leaders

### Armagh, Banbridge, and Craigavon Councils

- A joint Procurement Policy for the three Councils has been formulated and a schedule of joint procurement opportunities has been detailed for the next financial year with the aim of achieving savings and value for money.
- The three Councils' IT Networks have been linked through Network NI
- A joint GIS Project has been commissioned to map the 3 Councils' bin routes
- Biodiversity – appointment of a Biodiversity Officer across 2 Councils
- Tourism – tourism marketing through a Tourism Partnership
- Economic Development involving 6 Councils in the South East – whereby each Council takes a lead for all Councils on one specific economic element

### Ballymena Borough Council

- Rural Development funding programme.
- Interreg Iva
- Museum Services

### Derry and Strabane TC

Project Title	Partners	Aims and Objectives	Key Outcomes Achieved
<b>Eglinton Village Trail</b>	Eglinton & District Comm. Safety Forum	Assertion of Right of Way Development of Eglinton Town Trail	Meet with Group re funding Applications to RDP/NIEA/Lottery Scheme Design & Planning application Liaise with Brennan Consultants
<b>Park Village Biodiversity Trail</b>	Learmount Comm. Dev. Group	Dev. And extension of existing forest trail	Meet with Group re funding Applications to RDP/NIEA/Lottery Scheme Design & Planning application. Public Consultation
<b>Canoe Trail</b>	CAAN Strabane DC	Dev. of the Foyle Canoe Trail	Routes agreed Partnership funding agreed

<b>Joint Provision</b> (DCC and WELB)	Long Tower Youth Club Ballymagroarty Community Centre Newbuildings Community Centre Caw Centre Pilot's Row Centre	Joint provision of community facilities	Community development activities / programme
<b>Community Relation's</b>	Seeds The Junction	Promoting good relations	Community relations programme objectives
<b>Women's Development</b>	Foyle Women's Information Network Derry Women's Aid	Developing the capacity of women in the community	Community development programme activities
<b>North West Region Cross Border Group</b>	DCC, Strabane DC, Limavady BC, Magherafelt DC	The aim of the Group is: "To strengthen and develop the local economy so that general living conditions of the area improve".	
<b>ERNACT</b>	DCC, Donegal County Council, Galway, WIRRAL, (various pending on project)	Application of communications technology	Range of ICT, infrastructure, ED projects
<b>Eat Well Keep Well</b>	Community Dietetic Department (WHSCT)  DCC Environmental Health Department  WHSCT Health Promotion Department  Local Development Workers	Eat Well Keep Well is a health awareness project focusing on a number of topics including Healthy Eating (Eat Well Plate), Food Labels and Storage, Healthy Snacks, Food Hygiene/Food Safety etc ultimately addressing the above issues.	An impact evaluation was carried in order to establish the project's success in meeting the aims and objectives and demonstrate behaviour change. The target group completed pre and post knowledge questionnaires. Continuous observational and verbal feedback was also collated. This information was very useful in developing the tool kit to deliver future programmes of this nature for other community settings/areas in the 50+ age group.



## **Collaboration Delivery Models**

Collaboration would be facilitated by the availability of several delivery options. The options must be capable of accommodating the potential range and level of envisaged collaboration identified by the TCs/Joint Committees and Councils. Lessons learned would be shared across Local Government. The stages in collaborative process would determine the choice of the most suitable delivery option. Options may include the following models:

### **Local Council**

Where appropriate, Councils will have the option to deliver services independently.

### **Lead ‘Host’ Council**

A lead ‘host’ Council may be considered the most appropriate delivery mechanism where there is collaboration at a sub regional level – 2 or more participating bodies. A decision to follow this route would be made on the basis of a supportive business case (Stage 4). The lead Council would be one of the existing 26 Councils in the transition period or one of the new 11 Councils when they become operative.

### **Joint Collaborative Committee**

A Joint Collaborative Committee would comprise two or more existing Councils or new Councils (when they become operative). Such a Joint Committee would be legally empowered to act as an accountable, effective and efficient collaborative delivery body in compliance with governance and legislative requirements. However, it would be possible for the Joint Collaborative Committee to commission a Lead Council or other body to act on its behalf.

### **Sub Regional Joint Committee**

A Sub Regional Joint Committee would comprise several TCs/Joint Committees or new Councils (when they become operative) or two or more Joint Collaborative Committees. This Sub Regional Joint Committee would operate on the same basis of a Joint Collaborative Committee in 2 above.

### **Regional Collaborative Arrangements**

A Regional Body would comprise all the TCs/Joint Committees or new Councils (when they become operative). The PwC report sets out the model of a BSO to fulfil this role. It is considered that a more appropriate model should be developed. To clearly distinguish the suggested new Regional Model from the BSO framework it may be entitled ‘Regional Joint Collaborative Committee’ or ‘Collaborative Services Enabling Body’ or ‘Common Services Organisation’.

### **Public Body; Private Body; Voluntary Body**

At any stage and in the collaborative process consideration should be given by those bodies involved to the option of a commissioning a Public Body, Private Body,

Voluntary Body or any combination of these bodies, to deliver services. Local Government has significant experience in operating partnerships across public, private and voluntary sectors. Examples include: - Central Procurement Directorate (CPD - Public Body); Private Waste Disposal Sites (Private Body); Bryson Recycling (Voluntary Body)

### **Utilising existing collaborative vehicles within local government**

There are a number of existing vehicles within the local government sector which could easily be utilised to spread the benefits to a wider number of users. These bodies already have established governance and administrative procedures. For example, the ICT Unit of Belfast City Council already supplies services to a considerable number of public sector bodies, including a number of local authorities in GB. Similarly, ARC21, Swamp 2008 and NW Region Cross Border Group can provide a common vehicle for the acquisition of bins and other waste equipment or contracts. These bodies are already acting on a sub-regional basis to create efficiencies for all involved.

# Collaborative procurement

## What is collaborative procurement?

Collaborative procurement is the term used to cover a range of arrangements whereby local authorities work together to jointly purchase goods and services. Joining forces enables local authorities to achieve economies of scale and get better deals from suppliers, as well as often offering suppliers a more attractive and more sustainable contract.

## Why is it important?

Collaborative procurement enables authorities to achieve economies of scale and get a better deal than if they were acting alone as well as frequently appealing to suppliers who may be interested in a larger market share by contracting with more than one authority at a given time. The case studies below show how robust contract management and collaboration can also improve outcomes for residents.

## What do I need to know?

- Local government revenue expenditure on procurement alone is over £50 billion<sup>3</sup> and we could save millions through collaborative procurement models
- What areas are the members in your authority interested in collaborating on?
- What are neighbouring authorities doing? When are your authority's high spend contracts up for renewal? How does this compare with neighbouring authorities' renewal dates?
- Have members reviewed contractual arrangements on the high cost spend areas: construction, followed by adult social care, waste management, temporary and agency staff and consultancy services?
- Are you aware of the support for collaborative procurement, framework contracts and best deals your RIEP can provide access to?

### Procurement hubs

**The North West Improvement and Efficiency Partnership** has funded five sub-regional collaborative procurement hubs. These hubs cover the entire North West region and are ensuring collaboration between local authorities. NW IEP reports supporting total savings of £68 million, over the four year period from 2004-5 to end 2008-9.<sup>4</sup>

### Buying insurance collaboratively

**The South West Improvement and Efficiency Partnership** is supporting a project to deliver a cost saving insurance framework open to all district authorities in the region. The framework could save district councils a minimum of 20% on their annual insurance bills by co-ordinating their contract renewal process. The framework will be available from October 2010 and overall savings are expected to be in excess of £1 million over the next four years. This follows a model used successfully by the **West Midlands RIEP** and now being replicated by **Improvement East** where 12 authorities are likely to make savings in excess of £1 million per annum on premiums in the East of England.

### Preventing the costs of flooding

**The North East Improvement and Efficiency Partnership's** flood protection project has enabled collective capital investment by the region's fire and rescue services in shared resources for responding to flooding, including flood sacks. This project significantly improves the region's flood resilience offering much needed protection for residents who have been badly hit by flooding in recent years. In addition, savings are being made through the use of collaborative procurement and the prevention of flood incidents which can cost as much as £60 million per day.

### Working collaboratively on waste

There are examples of collaborative working on waste procurement in a range of local authorities from Somerset to Cumbria, including joint procurement on waste, please visit the Waste Improvement Network (WIN), an online resource for officers and members run

### by **Improvement and Efficiency South East**

on behalf of all the RIEPs which offers a range of good practice case studies, as well as access to standard procurement documents relating to waste management:

[www.win.org.uk](http://www.win.org.uk)

### Postal Services in the Capital

Supported by **Capital Ambition**, London authorities are developing a London wide agreement for postal services under the Office of Government Commerce Buying Solutions flexible framework contract. This will enable the authorities to achieve volume discounts not accessible for individual boroughs. 15 boroughs have been involved in the initial stage of the project working with Talis Management and all are expected to sign up. Agreement to transfer to the new contract by all 15 authorities would secure a saving of £900,000 per annum ongoing from January 2010.

### Area based procurement

**Improvement East** is funding an innovative procurement project, being led by Essex County Council, to establish category management and collaborative procurement across the wider public sector in Essex in 3 pilot categories – ICT, Commercial Vehicles and Passenger Transport. The programme is supported by Fire and Rescue, Police, NHS, PCTs Probation Service and Higher Education and aims to deliver £20 million in cashable savings from these 3 pilot categories.

### Support available from the RIEPs:

All RIEPs provide support to help local authorities formulate joint working arrangements and take forward collaborative procurement activity. They also provide access to a range of framework contracts and best deals (please see the following section).



## Who Are We?

Forth Valley GIS Ltd is a pioneering Local Authority Company established to widen the opportunities, benefits & efficiencies from shared Geographic Information Services to public sector, partner organisations and businesses across Scotland and beyond.

FVGIS has established a strong reputation for providing innovative, high quality GIS services and solutions to the public sector, its partners and businesses.

Our team of geographic information experts use a variety of industry standard GIS, application and database technologies to develop and integrate solutions that map to customer needs and deliver real benefits.

FVGIS has an extensive knowledge of the public sector and is continually building strong and effective working relationships with a wide range of local and central government organisations and partner agencies – promoting the benefits of shared GIS service delivery to an increasing network of customers.

## Why is GIS Important?

Geography is a unique thread that ties together information, processes and people... because everything happens somewhere.

Location, address and map data are commonly used in daily life yet the real power of this geographic information to provide strategic and wide-ranging business benefits is often unrecognised.

FVGIS take an inclusive view of how geographic information and GIS can improve service delivery – linking technology, processes, data and people to provide successful and sustainable GIS solutions that provide real benefits.



## What we do

Our 20+ strong team provide consulting services that cover the whole GIS life cycle...

- ✓ Strategy Development
- ✓ Project Management
- ✓ Technical Consultancy
- ✓ Application Development
- ✓ Systems Integration
- ✓ Business Analysis
- ✓ Data Management
- ✓ Spatial Analysis
- ✓ Support
- ✓ Training

*"Maximising the potential of geographic information"*





# How Can GIS Help You

Our services and solutions are helping to improve public services in a wide range of areas, for example:



## Why us?

Forth Valley GIS Ltd has over 10 years experience implementing public sector GIS solutions. We have specialist skills in many areas including:

- Web solutions
- Spatial database administration
- Gazetteer management
- Systems integration
- Information management

### We can offer:

- an extensive knowledge and understanding of public sector business
- a structured yet flexible and effective approach to project management
- a focus on business needs with a strong emphasis on partnership working.
- wide ranging specialist GIS, IT, data management and business skills
- best-practice information management
- business driven GIS solutions
- high quality customer care, training and ongoing support

Forth Valley GIS has an excellent reputation at local, regional and national level with a proven track record of success.

To find out how our services and solutions can help you, please get in touch:



Drummond House, Wellgreen Place, Stirling, FK8 2DY  
**Tel: 01786 443939** Fax: 01786 443987  
[www.forthvalleygis.co.uk](http://www.forthvalleygis.co.uk)



# Local Government (Best Value) Act (Northern Ireland) 2002

## 2002 CHAPTER 4

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An Act to make provision placing on district councils a general duty to make arrangements for continuous improvement in the way in which their functions are exercised; and for connected purposes.

[26th March 2002]

BE IT ENACTED by being passed by the Northern Ireland Assembly and assented to by Her Majesty as follows:

#### **Best value**

1—(1) A council shall make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

(2) For the purpose of deciding how to carry out its duty under subsection (1), a council shall consult persons appearing to the council to be representative of—

- (a) persons liable to pay rates in respect of hereditaments in the district of the council;
- (b) persons who use or are likely to use services provided by the council; and
- (c) persons appearing to the council to have an interest in the district of the council.

#### **Contracts: exclusion of non-commercial considerations**

2—(1) The Department may by order provide, in relation to councils, for a specified matter to cease to be a non-commercial matter for the purposes of Article 19 of the [Local Government \(Miscellaneous Provisions\) \(Northern Ireland\) Order 1992 \(NI 6\)](#) (council contracts: exclusion of non-commercial considerations).

(2) An order under this section may—

- (a) provide for a matter to cease to be a non-commercial matter for specified purposes or to a specified extent;
- (b) apply in relation to specified councils, functions or contracts;
- (c) amend a statutory provision;
- (d) include supplementary, incidental, consequential and transitional provisions.

(3) In exercising a function regulated by Article 19 of the [Local Government \(Miscellaneous Provisions\) \(Northern Ireland\) Order 1992 \(NI 6\)](#) with reference to a matter which is the subject of an order under this section a council shall have regard to any guidance issued by the Department.

(4) No order shall be made under this section unless a draft of the order has been laid before, and approved by resolution of, the Assembly.

#### **Power to modify statutory provisions and confer new powers**

**3—(1)** If the Department thinks that a statutory provision prevents or obstructs compliance by councils with the duty under section 1(1), the Department may by order make provision modifying or excluding the application of the provision in relation to councils.

(2) The Department may by order make provision conferring on councils any power which the Department considers necessary or expedient to permit or facilitate compliance with the duty under section 1(1).

(3) In exercising a power conferred under subsection (2) a council shall have regard to any guidance issued by the Department.

(4) An order under this section may—

(a) impose conditions on the exercise of any power conferred by the order (including conditions about consultation or approval);

(b) amend a statutory provision;

(c) include supplementary, incidental, consequential and transitional provisions.

(5) No order shall be made under this section unless a draft has been laid before, and approved by resolution of, the Assembly.

(6) Before the Department makes an order under this section it shall consult—

(a) persons appearing to it to represent councils; and

(b) such other persons as appear to the Department to be representative of interests affected by the proposals.

(7) If, following consultation under subsection (6), the Department proposes to make an order under this section it shall lay before the Assembly a document explaining the proposals and, in particular—

(a) setting them out in the form of a draft order; and

(b) giving details of consultation under subsection (6).

(8) Where a document relating to proposals is laid before the Assembly under subsection (7), no draft of an order under this section to give effect to the proposals (with or without modification) shall be laid before the Assembly until after the expiry of the statutory period beginning with the day on which the document was laid.

(9) In preparing a draft order under this section the Department shall consider any representations made during the period mentioned in subsection (8).

(10) A draft order laid before the Assembly in accordance with subsection (5) must be accompanied by a statement of the Department giving details of—

(a) any representations considered in accordance with subsection (9); and

(b) any changes made to the proposals contained in the document laid before the Assembly under subsection (7).

### **Interpretation**

**4—(1)** In this Act “the Department” means the Department of the Environment.

(2) Expressions used in this Act and in the Local Government Act (Northern Ireland) 1972 (c. 9) have the same meaning in this Act as in that Act.

### **Repeals**

**5—(1)** Part II of, and Schedule 1 to, the [Local Government \(Miscellaneous Provisions\) \(Northern Ireland\) Order 1992 \(NI 6\)](#) (competition) are hereby repealed.

(2) In Schedule 5 to the Waste and Contaminated Land (Northern Ireland) Order 1997 (NI 19) paragraph 6 is hereby repealed.

### **Commencement**

**6.** This Act shall come into operation on 1st April 2002.

### **Short title**

**7.** This Act may be cited as the Local Government (Best Value) Act (Northern Ireland) 2002.



## **Funding the Reform Process: NILGA Key principles**

NILGA Members at their full members meeting in January 2010 agreed if councils are required to contribute to reform costs, this should only be on the basis of the following principles:

1. The reform process should be cost neutral to the rate payer as promised at the outset of the reform process and any rate rises to the ratepayer must be avoided
2. Where there is no financial benefit to local government, costs should be met by Central Government.
3. Councils may make a contribution where benefits will be accrued. Contribution should be apportioned based on the level of benefit gained.
4. Central Government should fund activities where equity across the sector is required (e.g. Elected Member and Officer Severance Schemes).
5. The final programme costs and the apportionment must be negotiated based on a robust and mutually agreed business case.
6. The final programme costs must be affordable.
7. Repayment of any loans from central government to local government should only be considered when councils have made demonstrable savings.