

Progress Report to Minister Poots re Development of Local Government Improvement, Collaboration & Efficiency (ICE) Programme

- 15 September 2010 -

1. Background

Local Government has been working to develop an Improvement, Collaboration & Efficiency (ICE) Programme to support and facilitate Councils in delivering service improvements and efficiency gains via a customer focussed approach to service delivery and the introduction of an improvement planning cycle. The programme will be enabled by a range of collaborative initiatives at local, sub-regional and regional levels.

The ICE Programme has developed from the proposal set out in the paper 'A Practical Approach to Securing Local Government Efficiencies and Improvements through Collaboration (April 2010)'. The proposal set out in the original paper was welcomed by the Minister at the SLB meeting on 14 April 2010 and, at a subsequent update meeting with Local Government representatives on 15 July 2010, the Minister reaffirmed his support for the initiative and sought a further progress update from the sector by September 2010.

This report outlines progress to date on development of the ICE Programme and the Programme Timeframe.

2. Proposed Business Model

Local Government proposes to adopt a Local Government led 'Invest to Save' business model, as follows:

- A voluntary programme which will offer all 26 Councils the opportunity to work together at local, sub-regional and regional levels across a range of collaborative initiatives based around geographical, service and thematic areas.
- Projects developed and funded on the basis of robust business cases demonstrating service improvements and efficiency gains in terms of cost, quality and standards
- Underpinned by introduction of an Improvement Planning Cycle within Councils and production of plans and statements to ensure public accountability in the delivery of service improvements and efficiency savings.

3. Update on Work in Progress

3.1 Interim Governance and Programme Management Arrangements

(i) Background

Proposals for a long term regional governance arrangement to lead the ICE Programme are currently out to consultation and it is expected that a new regional body will be in place in the near future. In the interim, governance and programme management arrangements are being led by SOLACE and NILGA (Appendix A).

(ii) Work in Progress

Interim Programme Board and Management roles are undertaken as follows:-

- **Interim Programme Board:-** This role will be undertaken through SOLACE/NILGA working in direct consultation with the existing 26 Councils.
- **Interim Programme Management:-** This role will be undertaken through the SOLACE Executive and NILGA representatives in direct liaison with the Working Group and Team leaders. Regular Programme Management meetings will take place to review progress, timeframe, risks and issues.

(iii) Next Steps

1. Once the outcome of the consultation exercise on regional governance proposals is clear, a regional body will be established which will act as the Programme Board for the ICE Programme.
2. Depending on the outcome of the regional governance consultation, appropriate supporting arrangements will need to be developed and implemented, in consultation with Councils, so as to undertake a programme management role for the ICE programme into the future.

3.2 Regional Governance Working Group

(i) Background

The Regional Governance Working Group, led by Ashley Boreland, was established to examine options and develop proposals for the establishment of an appropriate regional governance framework, linked to councils, to take forward the ICE Programme.

(ii) Work in Progress

The Working Group met on a number of occasions and, initially, developed 6 regional governance options which were then reduced to a shortlist of 3 by the NILGA Executive in liaison with Working Group members. A consultation paper was issued to Councils on 17 August 2010 based around the following 3 options, ie:-

- i. Do nothing
- ii. Structures based on 26 Councils
- iii. Structures based on 11 Council clusters.

The paper also makes the following points:-

- Important to emphasise that this is not the programme itself but the structure to allow consideration of the programme and the opportunities in the longer term
- Options based on a voluntary approach – collaboration of the willing
- Includes proposals for operational principles similar to those used in the sub-regional waste groups
- It is recognised that elected members and therefore Councils must be at the forefront of the ICE Programme to drive it forward
- Strong political leadership essential to provide the direction and support for the ICE agenda and to ensure credibility and sustainability of the programme
- Strong governance essential to ensure activities are carried out appropriately, transparently and effectively

(iii) Next Steps

1. Councils were asked to respond to the Consultation Paper by Thursday 9 September 2010, although it was recognised that some Councils have been unable to respond by that date due to meeting schedules.
2. To date 20 Councils have replied. A high level breakdown of the responses is as follows:
 - 16 Councils have selected option ii.
 - 3 have not identified a preferred option
 - 1 has selected option iii.

It is anticipated that the majority of the outstanding responses will be submitted shortly. The Regional Governance Working Group will then meet to analyse carefully all replies received and provide clear feedback to Councils following the consultation. The Group will also develop recommendations on the way forward and a timetable for implementation of the final preferred option.

3.3 Improvement Collaboration & Efficiency (ICE) Working Group

(i) Background

The ICE Working Group, led by Daniel McSorley, Omagh, has been established with the following aims:

- To assist the development and implementation of an improvement and efficiency culture and regime for Local Government in Northern Ireland drawn from accepted best practice
- To examine and promote the development of collaborative ways of working so as to deliver on citizen expectations of Local Government
- To co-ordinate and oversee the development of an overarching business case for Local Government Reform based on a culture of improvement, efficiency and collaboration.
- To communicate and promote the ICE programme and framework across the sector.

(ii) Work in Progress

Work is being progressed through the following workstreams:-

- **Workstream A** has been established and two meetings have been held. TOR are drafted and the team is working towards the development of the overarching ICE framework and production of templates and guidance for councils to assist them in developing their own Improvement and Efficiency Plans.
- **Workstream B** seeks to identify potential collaborative opportunities on a local, sub-regional and regional basis, including the potential to collaborate with partner organisations. This work will include the development of the appropriate business cases. To date the following task and finish groups have been established (membership drawn from SOLACE, NILGA, Professional Officer Groups, Change Managers and, in some cases includes DoE representation on an observer basis):-
 - Procurement – Liam Flanigan, Limavady;
 - IS/ICT – Rose Crozier, Belfast;
 - HR – David McCammick, Antrim;
 - Asset Management – Joe Campbell, Chair ALGFO;
 - Finance – Liam Hannaway, Banbridge; and
 - Customer Facing Services – Ashley Boreland, Ards.

Work is progressing to develop TOR and work programmes for each of these subgroups and the teams are providing status reports to the ICE Working Group on a monthly basis. It is anticipated that the group will be in the position to deliver a report on outcomes and a high level business case in December 2010. Further work will however be required to refine the figures and develop the final business case.

Appendix B provides further detail on the progress of each of these teams.

Communications Team - the importance of ensuring appropriate communications and engagement regarding the programme has been identified and a Communications Group has been established led by Geraldine McGahey, Larne.

(iii) Next Steps

1. Each of the Workstreams/Teams will continue to develop proposals/outcomes to support the introduction of and deliver on the aims of the ICE Programme and to engage with the sector in terms of peer review/quality assurance.
2. Development of high level business case by December 2010 for submission to Programme Board.
3. Ongoing communications/engagement with stakeholders to communicate, promote and build ownership of ICE programme.

3.4 Transfer of Functions (TOF) Working Group

(i) Background

Further to the delay in Local Government reform and the proposed elections in 2011 to 26 Councils, as opposed to 11, it was accepted in July that there was a need to refocus the discussions which had taken place in relation to transferring functions. It was agreed that a status report should be compiled to consider progress to date and to identify the key strategic issues.

(ii) Work Progressed

A Draft Transfer of Functions report is currently being compiled which:

- Outlines progress of TOF discussions to date and highlights those key strategic issues which need to be progressed if the necessary platforms and foundations are to be put in place to enable the transfer of functions to local government at anytime in the future;
- suggests that within the current economic climate and departmental budgetary cuts, there is a need for a constructive conversation between central and local government in respect to potential opportunities for securing more integrated working/service delivery at the local level.

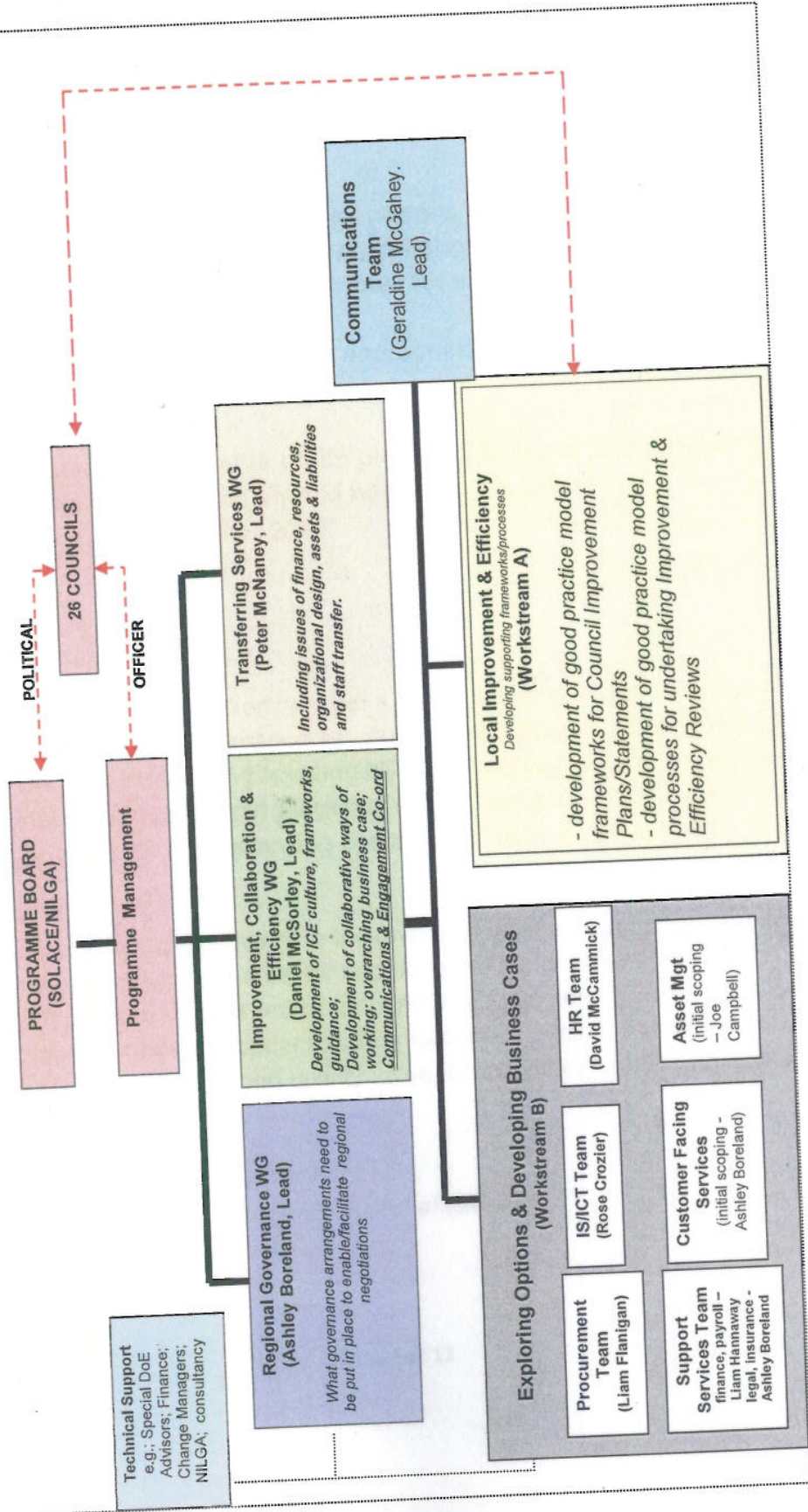
(iii) What is required from the NI Executive?

- As part of its continued deliberations on the future of local government reform and the transfer of functions, local government will call for early confirmation from the DoE Minister and his Executive Colleagues in respect of:
- Future intentions and commitment to the transfer of functions from central to local government;
- Clarity on the proposed timetable for implementation;
- Intentions with respect to bringing forward the necessary legislative platforms (eg, Reorganisation Bill, Planning Reform etc) which would underpin any transfer of function.
- There must also be a strong commitment to a proactive and transparent engagement process between central and local government officials in considering potential opportunities for securing integrated service delivery.

4. Programme Timeframe

Agreement of Working Groups' TOR and approach	June 2010
Scoping and establishment of Task & Finish Teams and from June 2010 identification of Team Leaders	
Task & Finish Teams commence work packages from <i>(data gathering/scoping; developing options; outline business cases; preferred options/recs)</i>	June 2010
Regional Governance Consultation Exercise	August 2010
Teams Report to ICE Working Group from	September 2010
Outcome of Regional Governance Consultation	September 2010
ICE Working Group report to SOLACE/NILGA	November 2010
Recommendations to Regional Body	December 2010

Interim Governance Arrangements



IMPROVEMENT, COLLABORATION & EFFICIENCY WORKING GROUP - UPDATE ON TASK & FINISH TEAMS (WORKSTREAM B)

SEPTEMBER 2010

1. PROCUREMENT TEAM

The Procurement Team has agreed its Terms of Reference and work programme which is based around a 2 strand approach:-

- **Best Practice:** focus on identifying and appraising best practice in procurement.
- **Baseline Information:** focus on gathering and analysing actual procurement data and information from Local Government in NI (top 20 categories of procurement spend within Councils and actual spend in last financial year) to ascertain a more accurate overview of potential regional and sub-regional procurement potential. Prior to this initiative, such information had not been compiled by the sector and, to date, there has been an extremely high level of participation across Councils in taking forward this work.

An initial high level business case, including recommendations and options, will be provided by 30 November to inform the overarching Business Case.

2. INFORMATION SYSTEMS TEAM

The Information Systems Team has agreed its Terms of Reference and work programme and has held two workshops involving a wide range of professional officers from across Local Government to discuss opportunities and plan actions around the following three workstreams:

- **Infrastructure**
- **Customer**
- **Quick wins.**

Initial scoping has been undertaken in each of these areas to identify opportunities, issues and risks, priorities and actions and work is ongoing to build a business case by December. This work is highly dependent on the business demand defined by the Support Services, Procurement and Customer Facing Services teams and will require a high level of co-ordination and communication across these areas.

3. HUMAN RESOURCES TEAM

The Human Resources Team has been working closely with the Professional HR Officers' Group (PPMA NI) to build on initial work undertaken to identify the potential for collaborative working across the following areas:

- **HR Systems**
- **Performance**
- **Recruitment**
- **eLearning**

The HR Team will develop this work through a team workshop on 13 September 2010 which will feed into a sector HR Conference in October to capture and endorse the substance of a local

government sector strategy. Work on the high level business case will then be commenced and completed by December.

4. SUPPORT SERVICES TEAM/ASSET MANAGEMENT TEAM:

Work has been undertaken in terms of scoping out the potential for collaborative working across the areas of finance and payroll and a number of key areas have been identified for further analysis and appraisal in terms of collaborative potential, including:-

- standardisation and developing commonality in finance systems and processes
- joint council debtor control
- pre and post project appraisal
- joint audit arrangements
- travel and subsistence – policy and co-ordination for sector
- joint insurance arrangements
- time and attendance systems.

The development of best practice in asset management by local government in other jurisdictions has been considered and it is felt that the sector would benefit from collaborative approaches to asset management including land, property and vehicles. This work will be further developed by the Support Services Team and incorporated in a high level business case by December.

5. CUSTOMER FACING SERVICES

An initial steering group of Officer has met to scope out this area of work and it is recognised that this will be highly complex although has the potential to deliver significant efficiencies through collaborative approaches. This group will consider the extent of potential for improvement, collaboration and efficiency across customer facing services, examining potential at a number of levels including:

- Local: the potential for enhancements in services within individual councils e.g. revised operating models, service linkages, better alignment to citizen priorities etc
- Sub-regional: the potential for sub-regional service models across a number of councils
- Regional: the potential for regional service models across all (or majority of) councils
- Place: the potential for place-based enhancement in services i.e. greater collaboration with other sectors working within the council area to deliver joined-up services