

**IMPROVEMENT COLLABORATION AND EFFICIENCY (ICE) PROGRAMME
CONSULTATION**

Dear Consultee,

As President of the Local Government Association (NILGA) and Chair of SOLACE we are pleased to enclose a copy of the Improvement, Collaboration and Efficiency (ICE) Final Report. This details the principal areas of feedback received on the recent ICE 'Case for Change' and Regional Governance Consultation together with recommendations on next steps.

The aim of the ICE programme consultation was to engage the sector in a discussion on potential improvement opportunities, prompting further thinking and debate. There was an excellent response rate to the consultation and we would like to thank all those who submitted comments and suggestions.

The final report recognises that the ICE consultation is only the first step along the road of a longer term improvement journey. There is now a need to build on the momentum generated by the consultation and progress to the next phase in the programme. Work is progressing on finalising an implementation plan to deliver the quick wins identified in the consultation; indeed joint recruitment advertising has already been implemented and we are currently considering joint procurement opportunities.

In the coming weeks consideration will be given to the relationship between the ICE programme and wider local government reform programme, should the outstanding issues in respect to RPA be resolved by the NI Executive. You will note from the recommendations in Section 8 of the report that NILGA and SOLACE will soon be meeting with the Minister of the Environment, Mr Alex Attwood MLA to hear his opinion on proposals for the Local Government Reform Programme. This will be of enormous benefit as we move forward. We will, of course, keep you informed of the outcome of that meeting and continue to provide updates on future developments within the ICE programme.

In the meantime, we commend this report and believe that through strong, dynamic leadership in collaboration, we can make real progress for the benefit of our customers, citizens and ratepayers.

Yours sincerely



**Cllr Evelyne L Robinson
President**



**Ashley Boreland
Chair of SOLACE**

July 2011

Improvement, Collaboration and Efficiency (ICE) Consultation Final Report

July 2011

Introduction and Background

1. Purpose

- 1.1. This Report provides an analysis of the feedback received on the Improvement, Collaboration and Efficiency (ICE) 'Case for Change' and Governance consultation. It also provides clear recommendations for the next steps to implement the ICE Programme.

2. Background

- 2.1. The ICE Programme is an initiative designed and led by local government, through the Northern Ireland Local Government Association (NILGA) and Society of Local Authority Chief Executives (SOLACE), to support local councils as they strive to continue to deliver high quality, efficient services in an increasingly challenging economic environment. Its aim is to identify, share and implement opportunities for improvement, collaboration and efficiency across local government, creating opportunities for councils to engage in a variety of initiatives to deliver services in new and innovative ways on a local, sub-regional and regional basis. It is also an opportunity to define existing collaboration between councils which predated the ICE Programme e.g. through Waste Management Groups, rural Development and EU Co-Operation Programmes, and offers a way to extend, contemporise, and quantify the practices of the sector which have already generated significant returns to local councils.
- 2.2. On 25th Jan 2011, two separate, but interrelated reports were issued for consultation. Consultees included councils, political parties and a limited number of interested groups such as the Waste Management Groups, Unions and Local Government Professional groups.
- 2.3. The first report issued for consultation was entitled 'ICE Programme: The Case for Change'. This report endeavoured to engage the sector in a discussion on potential improvement and collaboration opportunities. It outlined the scope of potential across key areas of the sector and, in conjunction with the ICE governance proposals, presented a pathway to deliver improvements in service delivery and better value for money for ratepayers.
- 2.4. The second report, entitled 'Operational arrangements for the Regional Governance Group and options for officer support' set out draft guidelines on how a Regional Governance Group (RGG) would work and included options on providing the resources to support the RGG.
- 2.5. The main aim of the ICE consultation was to engage the twenty-six councils in a discussion on potential improvement and collaboration opportunities and to assess the future direction of the ICE Programme.
- 2.6. Councils were asked to consider both reports and provide their views on a range of key questions. The closing date for receipt of comments on the papers was 8 March 2011, however, where an extension to the consultation period was required this was accommodated in the interests of ensuring consultees had sufficient time to make an informed response.

3. Response Rate

- 3.1. Twenty-five out of 26 councils replied to the consultation. The Department of the Environment (DoE), NIPSA, Local Government Staff Commission, Armagh, Banbridge and Craigavon Voluntary Transition Committee and the Group Chief Building Control Officers' Forum also submitted responses.

- 3.2. Nineteen councils submitted direct responses to the ICE Programme consultation questions, while a further 6 submitted letters.
- 3.3. One council indicated that it did not intend to respond to the consultation at this time, while another indicated it would revisit the proposals when further clarification and information is available.

4. Summary of Council Responses

- 4.1. The following summary information is based on direct responses received from councils to the consultation questions. A detailed breakdown of responses to each question is attached at Appendix A.

4.2. ICE Framework

- 4.2.1. Councils were asked a series of questions regarding the ICE Framework as set out in the 'Case for Change' consultation report.
- 4.2.2. All councils (100% - 19/19) who submitted direct responses to the consultation questions supported the general principles of the ICE Framework as an appropriate mechanism to aid and support improvement, collaboration and efficiency. One council suggested consideration is also given to the development of a broader model addressing integration and alignment of planning at sectoral and cross-sectoral levels.
- 4.2.3. The majority of councils (95% - 18/19) indicated that they would be prepared in principle, to incorporate the ICE Framework (or key elements of it) within their Corporate and Business Planning cycle. The remaining council, while welcoming the principles of improvement and collaboration, felt it was too early in the process to agree to this.

4.3. Baseline Data and KPI's

- 4.3.1. Councils were asked to consider if the local government sector should develop a baseline data set and appropriate key performance indicators that could be used to assist co-operation and collaboration in terms of identifying and supporting good practice.
- 4.3.2. All councils (100% - 17/17) who submitted a direct response to the consultation question agreed that a baseline data set and appropriate performance indicators should be developed by the sector. Several highlighted that the absence of a robust baseline data set had hindered the progress of collaborative initiatives and joined up approaches to service delivery. Others highlighted that the development of this was essential to the success of any sector wide improvement programme.
- 4.3.3. Councils noted that performance indicators should be limited to a 'core set' of robust, high level indicators which are consistently measured, reported and audited. It was also noted that as part of the process to develop a central/local government partnership approach, consideration should also be given to the introduction of limited agreed KPI's for central government departments.

4.4. ICE Work Programme

- 4.4.1. Councils were asked for their views on the proposed ICE Work Programme set out in the 'Case for Change' consultation report.
- 4.4.2. As a starting point, the proposed ICE work programme was broadly supported. One council felt it was too early in the process to agree until more independent evidence is produced on the veracity of indicative savings.

4.5. Invest to Save Business Model

- 4.5.1. Councils were asked if they agreed with the principles of the 'Invest to Save' Business Model as outlined within the 'Case for Change' consultation report.
- 4.5.2. All councils (100% - 19/19) who submitted a direct response to the consultation question agreed with the principles of the 'Invest to Save' Business model, with the majority (89%) reiterating that the utilisation of efficiencies should be a matter for individual councils. One council indicated that it would be important to recognise and reconcile the tensions that exist between use of efficiencies to fund local priorities and the funding of local government reform.

4.6. Funding Reform

- 4.6.1. Councils were asked under what circumstances would their council be prepared to agree to use efficiency savings to deliver aspects of the reform programme.
- 4.6.2. Out of the 19 councils who submitted a direct response to the consultation question, 47% (9 councils) indicated that while the ICE programme itself is a part of reform, it would not be appropriate to use efficiencies delivered through the ICE programme to fund central government proposed RPA initiatives. Several of these highlighted that if there were any indications that the benefits of the ICE programme would be used to fund the reform process rather than being used at a local level, that this would lead to a lack of support, adversely affecting the commitment and participation of councils.
- 4.6.3. A further 32% (6 councils) reiterated their support for the principles agreed by Local Government in February 2010, while one outlined a set of their own high level principles which it proposed should be applied to funding reform (see Appendix B).

4.7. Participation in Regional Governance Group (RGG)

- 4.7.1. Councils were asked if they would give a commitment to nominate a representative to a regional governance group. All councils (100% - 17/17) who submitted a response to the consultation question indicated that they would be prepared in principle, to consider nominating a representative.
- 4.7.2. While accepting in principle the establishment of the RGG and the associated operational principles, it was noted that it should not diminish the role of NILGA and SOLACE. In addition, a number of councils asked for further clarification on how the RGG will be resourced, the costs attached to its establishment and operation, how these will be apportioned and its operational arrangements.

5. Other Issues Raised by Councils

5.1. In addition to the information presented, a number of other common issues were raised by councils. These issues were reflected both within councils responses to the consultation questions and in individual letters and additional information submitted by councils.

5.2. Alignment with Wider Local Government Reform Programme

5.2.1. In their response to the consultation, several councils raised the need for further clarity on how the ICE programme and proposed RGG would be aligned and integrated with the wider local government reform programme should the outstanding issues in respect to RPA be resolved by the NI Executive. It was noted that consideration should be given to alignment and integration with:

- Future model/structure for local government reform
- DOE's Service Delivery and Performance Improvement proposition
- Future timelines for local government reform; and
- Utilising mechanisms offered by organisations including SOLACE and NILGA.

5.3. Business Case Development

5.3.1. The importance of moving to the next phase to develop detailed and robust business cases, setting out upfront investment cost and the potential benefit for participating in any collaborative projects was noted.

5.3.2. Several councils also highlighted the need for more clarity and detail on the upfront investment costs attached to the development and implementation of collaborative initiatives across participating councils as well as the costs attached to the establishment and operation of the RGG.

5.4. Resources

5.4.1. Continued resources to support the ICE Programme were highlighted as a key issue for most consultees. The ICE programme was developed and supported using resources previously tasked with progressing transition and transformation under RPA. This primarily related to Change Managers and key, dedicated seconded staff within NILGA, including a small Performance Improvement Team.

5.4.2. DOE funding ended for a number of these posts in March 2011 although a degree of momentum has been sustained through the retention of core elements of the NILGA improvement team and ongoing voluntary input from a number of Chief Executives, SOLACE and other council officers. Sustainability beyond June 2011 in the form of a foundation for further reform and improvement work has been agreed for NILGA with DOE, however, consideration needs to be given to the identification and alignment of resources to support the ICE Programme particularly in the early stages.

6. Other Responses

- 6.1. The Department of the Environment (DoE), NIPSA, Local Government Staff Commission and the Group Chief Building Control Officers' Forum submitted responses to the ICE consultation. A summary of each of these responses is attached at Appendix C. While most of the points raised have been addressed in the ICE Programme 'Case for Change' report, all outstanding issues will be given careful consideration as the ICE Programme progresses.

7. Conclusions

- 7.1. The aim of the ICE programme consultation was to engage the sector in a discussion on potential improvement opportunities, prompting further thinking and debate. There was an excellent response rate, with the majority of councils indicating their general support for the principles set out in the consultation reports.
- 7.2. For too long the development of the sector has been hindered by uncertainty, a focus by many on processes and structures rather than outputs, and inadequate opportunities and mechanisms for knowledge sharing. The ICE Programme provides a clear direction, the opportunity for strong leadership for the sector as well as good governance and engagement at a regional level with flexibility to drive collaborative improvement projects at regional, sub-regional and local levels dependent on the most appropriate business model.
- 7.3. There is a need to build on the momentum generated by the ICE Programme. The responses acknowledge that the ICE programme can be used to facilitate local government to achieve significant improvements quickly, demonstrate efficiencies and deliver improved services for customers. Indeed joint recruitment advertising has already been implemented and work is proceeding on joint procurement opportunities.
- 7.4. Councils recognise too that this is only the first step along the road of a longer term improvement journey, that there is now a need to progress to the next phase in the programme, to develop robust business cases and deliver quick wins to help build credibility in the short term and lay the foundations for the achievement of longer term goals. This must be achieved without the need for costly (in terms of time and money) structures. Council responses have underlined the associated resource implications for the establishment of an RGG by emphasising the requirement to keep costs to a minimum.
- 7.5. There is also recognition that further consideration and clarity is required on how the ICE programme and wider local government reform programme will be aligned and integrated should the outstanding issues in respect to RPA be resolved by the NI Executive. Within this, if the context for the ICE programme changes, it would be appropriate to consider whether the ICE governance arrangements and structures require change to align with the new direction. It will also be important to ensure that the work, which has been progressed to date, is not lost.
- 7.6. Based on the consultation responses, three options have been identified for moving forward:-
- **Option 1**- Do Nothing: the ICE Programme and the establishment of an RGG are not progressed at this stage.
 - **Option 2** - Immediate consideration should be given to alignment of the ICE Programme and structures with the wider Reform Programme
 - **Option 3** – Proceed to establish an RGG and Implement ICE programme (with alignment to the Reform Programme when direction agreed)

7.7. Option 1 - Do Nothing: the ICE Programme and the establishment of an RGG are not progressed at this stage.

- 7.7.1. The excellent response rate and results of the ICE Consultation indicate a level of support for moving forward to the next phase in the development and implementation of the ICE Programme. Based on the consultation responses received, this would not be a strongly supported option.

7.8. Option 2 – Immediate Alignment of ICE Programme and structures to the wider Reform Agenda.

- 7.8.1. The immediate resumption of a wider reform programme could provide an opportunity to progress the ICE proposals through the engagement and involvement of the sector in influencing the development of a fit for purpose framework to implement an improvement and/or reform programme and deliver strong local government, which can stand as “a partner of equals” with central government. However, consideration will need to be given to the practicalities associated with alignment as there are some concerns about progressing transition at the same time as a wider transformation programme.
- 7.8.2. The ICE Programme was originally conceived and developed by the sector as an alternative to the PWC Option 5 ‘Transformation with Regional Collaboration’ proposal, which included the BSO, to demonstrate the potential for increased multi-sector working, to deliver comparable improvements and efficiencies.
- 7.8.3. Although reform was subsequently suspended the ICE programme is complementary to it and could be aligned and assimilated within a wider reform agenda.
- 7.8.4. With the appointment of a new Environment Minister and the commencement of the new Assembly and local government terms we are presented with an opportunity for the sector to take stock of where we are now and to shape the implementation of a future reform programme by building upon the previous reform policy work developed and agreed by the Sector including the funding principles, referred to in the consultation responses by a number of councils. It should also be noted that, in the context of the earlier reform programme, transition arrangements were only introduced due to time constraints around the introduction of shadow councils.
- 7.8.5. A key criticism of the previous reform process was that it focussed too much on structures and process rather than outcomes and there was a lack of clarity and definition of roles. Alignment provides an opportunity to use past experience while taking account of current situations to influence the future wider governance framework.
- 7.8.6. The ICE governance proposals, as supported in the ICE consultation responses, recognise the importance of political members leading and driving any improvement/reform process and the validity of having a regional mechanism to deliver this while at the same time clearly delineating the role and responsibility of senior officers to deliver outcomes. Alignment of this model within a wider reform programme will address the identified short comings of the previous reform process.

7.9. Option 3 - Establish an RGG and Implement ICE programme (with alignment to the Reform Programme when direction and implementation plan agreed).

- 7.9.1. The results of the ICE Consultation indicate a high level of support and mandate for moving forward when a governance structure, up front resources and the foundations for an effective improvement framework are in place.
- 7.9.2. Under this option, a Regional Governance Group could be established relatively quickly and work could continue on finalising the work plan and on the development of robust business cases.
- 7.9.3. While this approach maintains authority for delivery of collaborative projects within the remit of local government, consideration will have to be given by the sector and its partners including DOE to the appropriate support arrangements to progress collaborative projects at regional, sub-regional and local levels. As emphasised in the consultation responses, consideration is required on ensuring costs are kept to a minimum, best use is made of scarce resources and the focus remains on outputs rather than processes and structures.
- 7.9.4. Under this options ICE and the reform programme can be assimilated at a later stage. Discussions are however needed with DOE as to the direction of the reform proposals, as there is a risk that when the reform programme is re-established that the ICE Programme will be superseded by the Department in favour of a central government initiative such as a statutory BSO or proposals within the Local Government Reform Bill. The previous Minister and his Departmental officials have consistently argued that ICE should be formulated on the 11 council model – most recently evidenced by their response to the ICE Case for Change consultation.
- 7.9.5. Although NILGA has secured the continuation of funding, pending Ministerial and NILGA Executive approval of the offer, this is on the basis that the reform programme rather than exclusively ICE will be its focus. Careful and further consideration will have to be given as to how the sector creates further structures convergent with or wholly separate from the reform programme referred to above.

8. Recommendations

- 8.1.1. Immediate discussions are sought with the Minister to:
 - Outline the outcomes of the ICE Consultation
 - Seek an update on the Department's proposals for the Local Government Reform Programme
 - Commence a process of engagement between the Local Government sector and the Minister as to the most appropriate options for moving forward with reform and ICE

Council Responses

The following analysis is based on the submissions from 19 councils who provided direct responses to the ICE programme consultation questions. The balances of responses cover correspondence and detail which did not link directly with the question template.

ICE PRINCIPLES AND DEVELOPMENT OF AN APPROPRIATE FRAMEWORK

Q1 Do you agree that the definitions provided in Section 3 of the 'Case for Change' report (Page 11) for Improvement, Collaboration and Efficiency are appropriate and that these form a suitable basis on which to develop the ICE Programme?

All councils (19 out of 19) who submitted a direct response to the consultation question agreed that the definitions for Improvement, Collaboration and Efficiency are appropriate, with several commenting that these are reflective of good practice principles. The following additional points were also raised:

- Consideration should also be given to defining ICE at three levels i.e. organisational, sectoral and cross-sectoral.
- Definition of 'improvement' should be broadened to reflect the commitment to sustainability – "sustainable improvements".
- Definition of 'efficiency' should refer to cash savings.
- Definition of 'collaboration' should refer to the legality and governance of the processes and partnerships that will form through ICE. The definition should also include a commitment to build capacity within the sector to promote innovation.

Q2 Do you agree that the ICE Framework as outlined in Section 11 of the Case for Change report (Page 23) and Appendix B is an appropriate mechanism to aid and support improvement, collaboration and efficiency within individual councils?

All councils (19 out of 19) who submitted a direct response to the consultation question broadly agreed that the ICE Framework is an appropriate mechanism to aid and support improvement, collaboration and efficiency. The flexible, non-prescriptive nature of the framework and guidance, along with the ICE Self-Assessment Excellence Model were also welcomed.

A number of additional points were raised, these are summarised below:

- The diagrammatic illustration of the ICE Framework should be reviewed with the aim of producing a diagram, which suggests less of a top-down approach.
- A 'Plan' stage should be included in the Assess, Design, Operate and Review cycle.
- Consideration should be given to a broader model, which addresses issues of integration and alignment of planning at sectoral and cross-sectoral levels.
- Reporting should not preclude flexible and innovative approaches being developed, individual councils should decide on the content and form of reports and how often they should be published.
- Framework is process driven and may lack flexibility – concern that it could lose its focus as a communication tool and become a bureaucratic process that will result in an audit driven framework.

- Further clarity required on how the ICE programme will be aligned and integrated with other local government propositions:
 - DOE's Service Delivery and Performance Improvement proposition ;
 - Future model for local government reform (with associated Council clusters); and
 - Future timelines for local government reform
- More work required in terms of training, gaining buy in and creating a sense of ownership of the framework.

Q3 Is your council prepared to incorporate the ICE Framework within its Corporate and Business Planning Cycle?

Eighteen out of 19 councils (95%) who submitted a direct response to the consultation question indicated that they would be prepared in principle to incorporate the ICE Framework (or key elements of it) within their Corporate and Business Planning cycle. The remaining council, while welcoming the principles of improvement and collaboration, felt it was too early in the process to agree to this.

A number of additional issues were raised, these are summarised below:

- DOE Service Delivery and Performance Improvement Framework and ICE Framework are not currently aligned and there is a need for a single vision. The alignment between the ICE approach (driven by/for Local Government) with Local Government as the key driver of improvement and the suggested DOE approach (significant oversight by DOE) needs to be addressed in a final framework.
- The combined ICE Framework & separate DOE recommendations could become overly prescriptive & regulatory.
- Important that the ICE Programme does not seek to create a prescriptive process but rather be flexible enough for Council's to adopt to best fit their circumstances.

Q4 What are the main challenges relevant to the ICE Programme that will be faced by your council during the next election term (2011-2015)?

A number of key challenges relevant to the ICE Programme were raised by councils. These are summarised below:

- **Economic climate, budgetary constraints and increasing citizen expectations**
 - Increasing citizen expectations of quality, value for money services during a period of budgetary constraint and dwindling income.
 - Lower customer disposable income and pressures on local businesses potentially affecting Non Domestic rate revenue.
 - Growing economic pressures for local government to find more efficient and effective ways of delivering integrated services.
- **Local Government Reform**
 - Uncertainties over RPA and new council structures.
 - Potential imposition of statutory performance targets and scrutiny role of central departments.
 - Difficulty in redesigning local services due to lack of information regarding the transfer of functions, including associated timings, staff and cost.
 - HR issues, including harmonisation of terms and conditions of employment.
 - Community Planning – including providing effective leadership, achieving a step change in the degree of collaboration between key players in the public and community sectors and creating a mechanism for deeper engagement between local people and councils.

- **Funding Reform / ICE Programme**

- Financing of up-front costs.
- Funding for resources.

- **Managing Change**

- Availability of / impact on resources
- Managing change at the local level – translating recommendations from the RGG into action when there is no mandatory requirement to do so
- Managing the potential conflicts between the drive for efficiency and having enough money to deliver Members' ambitions.
- Potential resistance to change - a fragmented approach to ICE across the sector will impact on the potential outcomes and benefits for participating councils

- **Other**

- Retaining front line services whilst realising genuine and sustainable efficiency savings.
- Relative scale of opportunity and benefit for some councils.
- Meeting capacity building needs of members and officers.
- The legality of any proposed collaborative ventures, including human resource and contractual and indemnity issues.
- Reducing bureaucracy and delivering results.

Q5 Do you agree that the local government sector should develop a baseline data set and appropriate key performance indicators that can be used to assist co-operation and collaboration in terms of identifying and supporting good practice?

All councils (17 out of 17) who submitted a direct response to the consultation question broadly agreed that a baseline data set and appropriate performance indicators should be developed by the sector. Several councils either highlighted that the absence of a robust baseline data set had hindered the progress of collaborative initiatives and joined up approaches to service delivery or highlighted that this was essential to the success of any sector wide improvement programme,

A number of additional points were raised, these are summarised below:

- Performance indicators should be limited to a 'core set' of robust high level indicators, which are balanced (not just financial in nature). These should be set within the wider context of community planning and in developing integrated solutions to local needs.
- Performance indicators should be developed and agreed by the sector as opposed to being imposed by external agencies. The process should not be overly bureaucratic and individual councils should have the flexibility to put in place additional local indicators if required.
- Formulae for performance measures should be consistent across local government and resultant performance figures should be validated by audit. One council suggested that Internal Audit could be provided on a regional collaborative basis and this could be used as a mechanism for verifying PI data.
- Local and central government should work together to develop and implement a progressive approach to performance and service improvement including, for example, the creation of performance tools such as peer review, self assessment and benchmarking.
- As part of the process to develop a central/local government partnership approach, consideration should be given to the introduction of limited agreed KPIs for central government departments.

- Further consideration of the potential linkage with the new local government performance framework proposed by DOE required.
- One Council stressed that any performance framework should be based on the following principles:
 - Councils are ultimately accountable to their ratepayers for their performance.
 - Councils are responsible for their own performance and for leading on the delivery of services and improving outcomes for the people they serve.
 - A range of assessment methods including self-assessment, peer review and performance indicators should be used.
 - The burden of inspection, data collection and reporting to be kept to a minimum.
 - The framework should provide value for money, be affordable, transparent and fair, easily understood and capable of implementation.

WORK PROGRAMME

Q6 What are your views on the proposed ICE Work Programme detailed at Section 13 of the 'Case for Change' report (Page 41)? Is it an appropriate starting point for consideration by the Regional Governance Group?

Nineteen councils submitted a direct response to the consultation question. As a starting point for the Regional Governance Group, the proposed ICE work programme was broadly supported. One council felt it was too early in the process to agree until more independent evidence is produced on the veracity of indicative savings.

A number of points were raised by councils, these are summarised below:

- Given the forthcoming election, consideration should be given to the inclusion of a back-up position whereby the interim governance arrangements will continue to make progress in the event of a delay to the establishment of the Regional Governance Group.
- A detailed work programme should be developed prioritising projects, identifying timescales and incorporating benefits management.
- The programme must identify and deliver quick wins to motivate and encourage participation.
- The work programme should not negate the possibility of other viable projects being put forward by individual councils.

In addition to the points above, one council made a number of specific comments against key elements of the proposed work programme. These will need to be taken into consideration in the development of a more detailed work programme.

Two councils highlighted a number of specific issues. These are listed below:

- Business cases need to clearly indicate associated costs.
- Detail is required regarding the method of developing the various business cases.
- There is a need to clarify how projects will be managed from inception to delivery.
- More detail on staff resources to undertake the project work is required.

Q7. Are there other projects you would like to see included?

Other projects noted by councils include:

- More emphasis on exploring frontline services, using the proposed Service Delivery and Improvement process. Recognition should be given to the different needs, priorities and levels of service provision throughout this work i.e. a one-size-fits-all model is unlikely to apply.
- Redesign of customer facing services in conjunction with transferring functions to ensure maximum benefit to customer and realisation of potential efficiencies.
- All councils are delivering community services and good relations projects on behalf of DSD – potential to look at a collaborative approach.
- Review potential opportunities across service areas which are already delivered on a cluster basis, e.g. economic development, group systems.
- Introduction of common systems across professional services, e.g. environmental health departments.
- Internal Audit and Vehicle Maintenance, especially in collaboration with other public bodies.
- Further consideration of joint management teams.

Q8. What are your views on the enablers listed at Section 5.2 of the 'Case for Change' report (Page 18)? Are they all appropriate for the ICE Programme? Are there others that have not been included?

15 out of 17 councils who submitted a direct response to the consultation question agreed that the enablers listed in the 'Case for Change' report are appropriate for the ICE Programme. The remaining two councils agreed with the exception of vacancy control.

One council, while supporting the enablers set out in the 'Case for Change' report, sought further clarification as to the anticipated sources for necessary up-front seed funding and resource to take forward the next phase of work to develop detailed business cases.

One council also noted concerns about the viability of the ICE Programme if it is dependent upon the active participation of all 26 councils. The council commented that while this may be desirable, it might be difficult to achieve in the shorter term. The council queried whether there had been any thought given to the minimum participation required to give validity to the programme.

Additional enablers suggested by councils include:

- Establishment of an appropriate regional body to manage the ICE programme, build consensus, promote accountability and provide strategic and political leadership.
- Active participation of all 26 councils at political and managerial level.
- Establishment of quantitative and qualitative benchmarks against which achievements and progress can be measured.
- Clarity on future direction and timeframe for RPA or reform agenda.
- Introduction of pilot opportunities.
- Legislative changes.

- Strong leadership from senior management teams and political leaders - some difficult decisions on delivery models will have to be taken. People are the key enablers in any change process; they must be motivated and take ownership of the programme. A significant focus on driving cultural change is required to enable this process to succeed.
- Detailed and specific 'Legal Advice' on contractual financial and HR implications.
- Common approaches to HR issues with particular reference to areas such as staff severance.

Q9 What are your views on submission of a case to DOE for a further extension of existing resources to maintain continuity of the ICE Programme until such times as the initial ICE Work Programme has been finalised and resource requirements more accurately determined?

18 out of 19 councils (95%) who submitted a response to the consultation question indicated their general support for a case to be made to the Department of Environment for further extension of resources to maintain continuity of the ICE programme. Several councils stress that this should be followed up as a matter of urgency. The remaining council indicated that it was too early in the process to comment.

In response to the question, several councils highlighted the importance for DOE to consider up-front support for councils at an early stage, both to build support within the sector and to demonstrate a genuine central/local government partnership approach. This support would reduce as efficiency savings are delivered.

Several councils also referred to the fact that Change Management Officers and a number of seconded staff within NILGA, including the Improvement Team have been heavily involved in developing the ICE programme, bringing the programme to its current position. They highlighted that the programme needs to be made operational, integrated into councils business cycles and, in the longer term, sustained and aligned with other programme and reform elements. They raised concerns that if the existing resources are no longer available, the programme could fail before it is properly started. This point can be cross referenced to 4.7.2, 4.8.1, 4.10.1 and 4.10.2 above.

One council highlighted that any long-term decisions on staffing must be contingent upon levels of participation in the programme. In keeping with the concept of sustainability, the programme should also aim to become self-financing within an agreed timeframe. Another council commented that given the financial and budgetary constraints facing DOE, it would be important that any interim case put forward clearly set out the scope and purpose of any resources required. They suggested that due consideration is also given to the mobilisation of resources from within the local government sector to take this work forward with existing mechanisms providing a central co-ordinating opportunity.

GOVERNANCE

Q10 What are your views on the proposed operational principles for the Regional Governance Group? Are there alternative proposals that you consider would be more appropriate?

All councils (17 out of 17) who submitted a direct response to the consultation question were broadly supportive of the operational principles outlined in the consultation. There were a number of additional issues highlighted. These are set out below.

- Although the principle of equal representation is supported it is recognised that one representative from each council may result in minority parties not being represented. While any greater than one representative per council could make numbers unmanageable consideration should be given to methods of providing political balance for example thorough council nominations being made based on D'Hondt within each council.
- While initially meetings should be held once every six weeks, in the longer-term, meetings should be held in response to critical points in the delivery programme, rather than at regular intervals.
- There is a requirement for ongoing review of the ICE governance arrangements in terms of the outworking of a 26 model arrangement and the transition to an 11 model should a date be agreed for the implementation of the reform programme.

Q11 Please indicate which method of management of regional resource you prefer.

There was no clear preference identified between the six options illustrated in the governance consultation although 7 Councils suggested NILGA as a host organisation for staff support with 8 more making the point that the central administrative resource should be re-established but limited at the outset and reviewed on an ongoing basis. Two councils were unable to choose an option without knowing costs involved indeed three councils who did submit an option also asked that further information.

Q12 What are your views on the proposal that there should be a limited number of methods for ensuring sharing of positions of Chair and Deputy Chair similar to the proposals in the DOE Local Government Reform Consultation?

Thirteen out of fifteen councils who answered this question agreed that there should be a limited number of methods for ensuring sharing of positions of Chair and Deputy Chair. Other points highlighted include:

- The default mechanism should be D'Hondt.
- Political Parties should respond to this issue.

Q13 Will your council give a commitment to nominate a representative to the Regional Governance Group?

All councils (17 out of 17) who submitted a direct response to the consultation question committed, in principle, to nominate a representative to the Regional Governance Group. Other issues highlighted include:

- Nominations should be postponed until the establishment of the new Council term.
- Further clarification is required on potential resource implications for councils of participation.
- Additional information is needed on the Regional Chief Executives / Regional Elected Members Group.

INVEST TO SAVE BUSINESS MODEL

Q14 Do you agree that efficiencies delivered should be used by councils to either reduce the rates bill or reinvest for further improvements in service delivery as advocated by the 'Invest to Save' Business Model Section 2.3 of the Case for Change report (Page 10)?

All councils (19 out of 19) who submitted a direct response to the consultation question agreed with the principles of the 'Invest to Save' Business model, with the majority (89%) reiterating that the utilisation of efficiencies should be a matter for individual councils. Several also commented that it would be important for councils to have the opportunity to use efficiencies to lever/draw down additional funding to take forward improvement projects.

One council outlined that efficiencies need to be clearly defined, captured and used in the context of the financial planning of each local authority to meet locally determined priorities. They indicated that it would be important to recognise and reconcile the tensions that exist between use of efficiencies to fund local priorities and the funding of local government reform.

Q15 Under what circumstance would your council be prepared to agree to using efficiency savings to deliver aspects of the reform programme?

Out of the 19 councils who submitted a direct response to the consultation question, 9 (47%) indicated that while the ICE programme itself is a part of reform, it would not be appropriate to use efficiencies delivered through the ICE programme to fund central government proposed RPA initiatives.

Several highlighted that if there are any indications that the benefits of the ICE programme will be used to fund the reform process rather than being used at a local level, that this will lead to a lack of support, adversely affecting the commitment and participation of councils.

One council outlined a set of high level principles which it proposed should be applied to funding reform, while a further 6 councils (32%) reiterated their support for the principles agreed by Local Government in February 2010 (see Appendix B).

Of the 3 remaining councils who submitted a response, 1 indicated that it would be dependant on a business case, 1 on the payback period, while the remaining council indicated it was too early to say but suggested that monies could possibly be used to pilot the community planning proposals for each council area.

LOCAL GOVERNMENT REFORM

Q16: What part do you consider the ICE Programme can play in developing improved partnership relationships between local and central government and agreeing the transfer of functions from central government?

The importance of a partnership approach between central and local government in which the role and responsibilities of both levels of government is clearly set out and mutually respected was highlighted by several councils. Several also commented that it is important that the ICE programme is aligned to the wider reform programme and that consideration is given to a new and constructive relationship in which real progress on transfer of functions and the associated implementation issues can take place.

It was suggested that the Regional Governance Group (RGG) could act as a forum and conduit for the transfer of functions (inc related funding, resources etc) and more generally aid collaboration with and between local and central government with a focus on place and improved outcomes for citizens.

It was noted that the proposed partnership panels also have an important role in improving relationships and that NILGA's role should not be diminished by the ICE Programme. To avoid duplication, the need for clear definitions of responsibility was highlighted.

Five councils did not comment or considered the question to be premature at this stage without further clarify and detail.

Funding principles agreed by Local Government in February 2010

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

Funding principles agreed by Belfast City Council Strategic Policy and Resources Committee in March 2010

In response to the consultation question, Belfast City Council noted that given the current financial and budgetary constraints facing the NI Executive, the Council accepts that it is likely that local government will be expected to bear some of the costs of the local government reform programme.

The Council Strategic Policy and Resources Committee, at its meeting on 19th March 2010, endorsed the following high level principles which it proposed should be applied to funding reform.

- any financial contribution made by the Council would be proportionate to the costs incurred by the Council in implementing the reform programme;
- any financial commitment to the efficiency programme for local government will only be made on the basis of VFM being demonstrated for Belfast ratepayers;
- the Belfast ratepayer should not be asked to subsidise the convergence costs of other council areas; and
- transferring functions should be rates neutral at point of transfer to councils.

Other Consultation Responses

Building Control NI

Building Control NI (BCNI) provided a response to the ICE Programme consultation questions. Key points in their response are summarised below:

ICE Principles and Development of Appropriate Framework

- BCNI agree with the definitions for Improvement, Collaboration and Efficiency.
- ICE Framework: While welcoming the 'Case for Change', BCNI have serious reservations about some of the frameworks and council model referred to. They believe that other NI council models demonstrate better collaborative efficiencies and should be worthy of consideration.
- As one of a number of services provided by district councils and groups, if they are to be reviewed, it should be done as an integrated service appraisal across all 26 councils and five groups.
- BCNI agree that local government should develop a baseline data set and appropriate key performance indicators. They state that there should only be a core set of indicators, enabling councils to put in place local indicators if required. There must also be consistency and agreement across local government in formulating baseline data and performance indicators.

ICE Work Programme

- BCNI state that ICE should not take away from existing models that are working well.
- BCNI believe that an agreed business model which is visionary and ambitious will deliver all of the benefits of the ICE document for a citizen centred service and would welcome the opportunity to discuss such a proposal at the earliest convenience based on the current developments within BCNI.
- BCNI state that funding is essential to the success of the programme in order to move forward to the next stage otherwise the programme could fail before it is properly started.

Governance

- BCNI comment that the regional governance framework looks well on paper but that it will depend upon buy in from councils. They state that the structure will only work if everyone supports it. The ICE framework is, at present, aspiration, not based on wide evidence of Councils willingly collaborating across a range of services unless there is some imperative for the individual Councils to do so. They state that as the ICE Programme implementation proceeds it may be found that the PwC BSO model may need to be re-visited as it appears more robust.

'Invest to Save' Business Model

- BCNI state that this area requires a lot more consideration and clarification. In relation to Building Control, they state that consideration should be given to evaluating the lessons from England and Wales in terms of quality of service etc. [or lack of]. This could be further explored by BCNI and presented to NILGA/ SOLACE as an alternative point of view, taking into account the private/public service model.

Local Government Reform

- BCNI currently believe that the democratic / accountable system of service delivery within Northern Ireland quite clearly demonstrates key prime examples of first class collaboration, improvement and efficiency measures which are required to deliver value for money services and further believe that these frameworks can be enhanced to accelerate the needs of any new ICE requirements. They state that BCNI model outcomes could be classified as:
 - supporting the evolution of new forms of service delivery and joint working between central and local government which deliver value for money
 - the provision of an integrated, efficient and responsive public service which meets the needs of the citizen
 - coordination that delivered consistency of local decision making within political governance
 - it has maximised the potential benefits and synergies of collaboration
 - and has clearly demonstrated joined up government in action

NIPSA

NIPSA submitted a consultation response structured around key sections of the 'Case for Change' report. The key points and issues raised by NIPSA are summarised below:

- Concerned about the consultation process, in particular the timeline.
- Considers ICE to be inextricably linked to the RPA process and hence all negotiations should fall within the remit of the LGRJF.
- Considers there is a need for full engagement, negotiation and consultation with trade unions on every aspect of the ICE programme. In this regard, NIPSA state that the LGRJF must be central to the engagement process between councils and trade unions.
- Rejects the concept of 'efficiency' as this is predicated on the ethos of cost cutting alone. It is NIPSA's view that the correct approach to public service delivery should be based on 'effectiveness of delivery'.
- In considering 'local needs' there is a need to factor in the M3 local economic multiplier effect, which demonstrates for every £1 spent by local government, it has a growth impact of 1.6.
- Concerned about the reference to partnership working with the voluntary sector as they feel there is a clear move to pass public service work to the voluntary sector and hence provide public services on the cheap.
- In respect of 'spend to save' NIPSA commented that this is often the euphemism for severance costs. NIPSA has concerns on this. In particular, NIPSA highlight that if there is to be a voluntary scheme there will need to be a common scheme with agreed standard application provisions.
- In relation to performance indicators, NIPSA state that this raises numerous issues of concern. They commented that it was unhelpful that the ICE Programme 'Case for Change' makes no reference to the interface with the DOE policy proposals consultation, which also raises considerable matters of detail as to performance indicators.
- Require full information as to the current debt levels of all 26 councils.
- Highlighted the need to provide a revised up-to-date HR Strategy for local government, especially given the need to accommodate the merging of cultures between local government and the mainly civil service transferees. They commented that some of the proposals can be welcomed such as the move to joint recruitment and return to trawls. Of all of the issues, NIPSA stated that this is the most fundamental issue for negotiations.

Local Government Staff Commission for Northern Ireland (LGSC)

In response to the consultation, the LGSC and the Local Government Training Group (LGTG) stated that they look forward to continuing to support councils to deliver on the necessary changes highlighted in the ICE 'Case for Change'.

A small number of general comments were made, these are highlighted below:

- The LGSC highlighted that a number of the opportunities detailed in section 11.2.3 and Appendix F – Human Resources will require changes to procedures and policies which are currently the subject of either specific statutory recommendations of the Commission (i.e. provisions of the Commission's Code of Procedures on Recruitment & Selection) or are within the Commission's statutory remit and can therefore only be changed with the agreement and input of the Commission.
- A number of the opportunities identified in the 'Case for Change' will be best delivered on a regional basis and will require a central point for co-ordination of information and activity. LGSC stated that it is their belief that the Commission and LGTG already represent well established and respected shared, professional resources where needs are established and met in partnership with client/customers in the local government family on a professional and value for money basis.

DOE

The Department of Environment (DOE) provided an assessment of the ICE consultation report's compatibility with the wider local government reform programme. They identified the following key issues regarding the overall trajectory of the ICE programme:

- It is not the anticipated overarching business case the Minister was expecting (see the ICE Working Group TOR, Annex C);
- It is not an alternative to the PricewaterhouseCoopers (PwC) Business Services Organisation as the majority of proposed savings are from customer-facing services;
- It is not comparable to the PwC economic appraisal as it does not cover local government service delivery in its entirety;
- It does not take into account the guidance previously given by the Minister and restated in a letter dated 14 December 2010 *"that the thrust has consistently been towards local government taking forward its efficiency and collaboration agenda but in the context of the Executive's local government reform programme"*; and
- There is no indication of the total upfront cost of the programme.

