



<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	<b>ICE Programme - Regional Governance Group Update</b>
<b>Date:</b>	9 December 2011
<b>Reporting Officer:</b>	Ciaran Quigley, Assistant Chief Executive
<b>Contact Officer:</b>	Kevin Heaney (Ext. 6202)

<b>1.0</b>	<b><u>Relevant Background Information</u></b>
1.1	Members will be aware that over the past year councils within Northern Ireland have been working together to develop a sector led 'Improvement, Collaboration and Efficiency (ICE)' programme. The ICE programme seeks to identify and explore potential opportunities for greater collaboration and joint working across the sector to secure potential efficiencies and improve service delivery
1.2	As previously agreed by Committee, Council officers have been engaged in these discussions to explore the potential opportunities for the Council as part of its wider efficiency programme which has already recognised collaboration as one approach.
1.3	In order to give political oversight, focus and direction to the ICE Programme, it had been agreed by the local government sector that a Regional Governance Group, a political forum representing all 26 Councils in Northern Ireland, would be established. The purpose of the group is to consider and make recommendations to councils on potential collaborative opportunities.
<b>2.0</b>	<b><u>Key Issues</u></b>
2.1	<p>As the Council's nominated representative the Chair of SP&amp;R, Councillor Deidre Hargey, attended the first meeting of the Regional Governance Group (RGG) on 23 November 2011. This was an introductory meeting to inform representatives in attendance of the i) background and context of the 'Improvement, Collaboration and Efficiency', and ii) set out the proposed role and remit of the RGG in supporting this process. The Assistant Chief Executive had also attended this meeting. By way of an update, Members will note the following key points discussed at the RGG meeting:</p> <ul style="list-style-type: none"> <li>• all 26 Councils have nominated a political representative onto the RGG (refer to <b>Appendix 1</b> for list of nominations);</li> <li>• agreed the draft Terms of Reference for the RGG (copy attached at <b>Appendix 2</b>)</li> <li>• a presentation given by Rory Mair, Chief Executive of the Convention of Scottish Local Authorities on the experiences of collaborative and shared services programmes in Scotland including what had worked and what had not (copy of presentation and summary of discussion points attached at <b>Appendix 3</b>);</li> <li>• proposal put forward that Councillor Jenny Palmer (DUP) from Lisburn City Council be nominated as the Chair of the RGG for Year 1. Appointment of Chair and Deputy Chair to be discussed and agreed at next formal inaugural meeting of RGG on Wednesday 25 January 2012 at 2pm (venue to be confirmed);</li> <li>• highlighted the need for an effective communications strategy for the RGG linked to councils;</li> <li>• highlighted the need to establish a clear programme of work for the RGG as it moves forward;</li> <li>• agreed that regular RGG progress reports, outlining any emerging collaborative opportunities, would be submitted for the consideration of councils.</li> </ul>

2.2.	Regular update reports on the work of the RGG including any potential collaborative opportunities emerging will be submitted for the consideration of the Committee.
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### **3.0 Resource Implications**

There is no HR or financial implications contained within this report.

### **4.0 Recommendations**

Members are asked to note the contents of this report and the appendices attached.

### **5.0 Appendices**

**Appendix 1** RGG Political Nominations

**Appendix 2** RGG Terms of Reference

**Appendix 3** Rory Mairs, Chief Executive CoSLA presentation material

# APPENDIX 1 – RGG Political Nominations

Council	Nominee	Substitute
<b>Antrim Borough Council</b>	Alderman Mervyn Rea (UUP)	CLr Roy Thompson (DUP)
<b>Ards Borough Council</b>	Councillor Philip Smith (UUP)	CLr Angus Carson (UUP)
<b>Armagh City + District Council</b>	Councillor Freda Donnelly (DUP)	
<b>Ballymena Borough Council</b>	Alderman Maurice Mills (DUP)	Councillor Paul Maguire (SF)
<b><i>Ballymoney Borough Council</i></b>	Alderman Frank Campbell (DUP)	Councillor John Finlay (DUP)
<b>Banbridge District Council</b>	Councillor John Hanna (UUP)	Councillor Seamus Doyle (SDLP)
<b>Belfast City Council</b>	Councillor Deirdre Hargey (SF)	Councillor Gareth McKee (DUP)
<b>Carrickfergus Borough Council</b>	Alderman Jim McClurg (DUP)	Alderman Jim Brown (IND)
<b>Castlereagh Borough Council</b>	Councillor Myreve Chambers (DUP)	Alderman Jack Beattie (DUP)
<b>Coleraine Borough Council</b>	Alderman Maurice Bradley (DUP)	Alderman Mrs Maura Hickey (SDLP)
<b><i>Cookstown District Council</i></b>	Councillor Ciaran McElhone (SF)	Councillor Ian McCrea (DUP)
<b>Craigavon Borough Council</b>	Councillor Mark Baxter (DUP)	Alderman Mrs Meta Crozier (UUP)
<b><i>Derry City Council</i></b>	Councillor Sean Carr (SDLP)	Councillor Paul Fleming (SF)
<b>Down District Council</b>	Councillor Eamonn O'Neill (SDLP)	Councillor Eamonn Mac Con Midhe (SF)
<b>Dungannon + South Tyrone BC</b>	Councillor Sean McGuigan (SF)	Councillor Roger Burton (DUP)
<b>Fermanagh District Council</b>	Councillor John O'Kane (SDLP)	Councillor Alex Baird (UUP)
<b>Larne Borough Council</b>	Councillor John Mathews (All)	Councillor Mark McKinty (UUP)
<b>Limavady Borough Council</b>	Councillor Brenda Chivers (SF)	Councillor Gerry Mullan (SDLP)
<b>Lisburn City Council</b>	Councillor Jenny Palmer (DUP)	Alderman Paul Porter (DUP)
<b>Magherafelt District Council</b>	Councillor Peter J. Bateson (SF)	Councillor James Campbell (SDLP)
<b>Moyle District Council</b>	Councillor Joan Baird (UUP)	Councillor Margaret Anne McKillop (SF)
<b>Newry + Mourne District Council</b>	Councillor Charlie Casey (SF)	Councillor Mrs Geraldine Donnelly (SDLP)
<b><i>Newtownabbey Borough Council</i></b>	Councillor Lynn Frazer (ALL)	Councillor Gerard O'Reilly (SF)
<b>North Down Borough Council</b>	Alderman Alan Graham (DUP)	Councillor Mrs Marion Smith (UUP)
<b>Omagh District Council</b>	Councillor Sean Begley (SF)	Councillor Johnny McLaughlin (DUP)
<b>Strabane District Council</b>	Councillor Kieran McGuire (SF)	Councillor Derek Hussey (UUP)

# APPENDIX 2 – RGG Terms of reference

## **Purpose:**

Members of the RGG shall determine the strategic policy objectives and priorities for the ICE programme and will focus on guiding and enabling the programme.

## **Objectives:**

1. To support the local government sector in identifying and delivering opportunities for improvement, collaboration and efficiency;
2. To agree and maintain a shared vision and strategy for the development of improvement and collaboration;
3. To consider opportunities to collaborate and make recommendations as appropriate to councils;
4. To co-ordinate the effective scrutiny and monitoring of the specified collaborative projects;

## **Responsibilities of RGG members:**

5. To ensure progress reports are provided to the participating councils and other stakeholders, when required;
6. To provide feedback to and from participant councils; and
7. To develop and share best practice.

## **Membership:**

Membership is voluntary; however it is anticipated that all 26 councils will be part of the RGG. Membership of the RGG will be for one named member from each of the participating councils (with each council also asked to nominate a substitute member).

## **Operating Principles:**

### Standards and Conduct –

All members and officers of the RGG shall exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.

### Capacity Building

The RGG will commit itself to developing its member's skills, so they can carry out their roles effectively.

### Location of Meetings –

Initially the RGG will be hosted by each of the participating councils on a rotational basis.

### Attending Meetings

Members shall attend as many meetings as practicable and be actively involved in decision making so the RGG can work effectively and consistently. This includes informing oneself, preparing for discussions, engaging, and maintaining links with the members of the parent council. It may also include engaging willingly and actively with the public, service users and staff, within an agreed communication framework.

### Length of Service

Participating Councils are responsible for the period of time which representatives may be nominated for, and it should be understood that this may be up to four years.

### Appointing Substitutes

It is recommended that Councils formally appoint a substitute member. In the event that the council's nominated member of the RGG is unable to attend a meeting, the substitute member should attend on his/her behalf.

The substitute member shall have the duties of any nominated member of the committee. If the absent member is the Chair of the RGG, the Deputy Chair shall chair the meeting. If both the Chair and the Deputy Chair of the council are absent from a meeting of the RGG, such councillor as the councillors present may choose, shall preside.

The nominated member is responsible for ensuring that their substitute is briefed in the business of the meeting.

#### Resignations

Resignation from the RGG should be effected by delivery of at least one month's notice in writing to the Chair of the RGG. The relevant council will be asked to appoint a replacement.

In the event the Chair resigns from the RGG or from the position of Chair during the term of office, the Chair shall be replaced for the remaining term by a member of the RGG from the same Party.

#### Quorum

The RGG will be considered quorate for the purpose of decision-making when a minimum of one quarter of the participating membership is present.

#### Count out

Upon the attention of the Chair being called by a Member or duly appointed officer to the fact that there is not a quorum present, the Chair shall declare the meeting of the RGG at an end, and the names of those who are present shall be recorded on the minutes of the RGG.

#### Decision-making and Accountability

All members shall have equal status and collective responsibility for decisions. Normally decisions will be determined by consensus. Though having people with different points of view may lead to some conflict this is natural and may lead to more creative thinking. If issues cannot be resolved there will be a show of hands. If there is a tie the Chair may have a second or casting vote.

The RGG working within a framework of collaboration, mutual trust and co-operation, shall always operate inclusively of its participant councils. It is not the responsibility of members to decide whether their council will participate in any collaborative or other opportunity. Individual councils will decide whether they wish to avail of collaborative opportunities.

#### Transparency & Reporting

The work of the RGG shall be open and transparent to member councils and interested parties. Decisions, recommendations, declarations of interest, and reservations will be recorded in the minutes of meetings.

Where practicable, meetings will be open to interested parties. Councillors who are not members shall have the right to attend meetings but will not have voting rights. Speaking rights will be determined by the Chair of the RGG. Issues such as cost of overheads, etc. shall be determined by the sponsoring council. A copy of the operational principles shall be circulated to every member of the constituent councils in the group.

#### Work Programme

A work programme shall be agreed by members of the RGG, working in collaboration with the Chief Executives on the RGG. The aim will be for the RGG to reach a consensus on issues for inclusion in its work programme. The RGG work programme shall be made available to councils.

### Agendas

The Chair and Deputy Chair of the RGG in conjunction with the Secretariat shall determine the agenda for meetings.

Documents relating to the business shall normally be made available to members at least five working days before the meeting to which they relate.

### Minutes

In conjunction with the host council, the NILGA secretariat will co-ordinate the collation and distribution of minutes of each meeting of the RGG, or where appropriate sub-committee. The RGG shall agree the nature and style of the minutes to be recorded. In the absence of agreement on the nature of the minutes, the minutes shall as a minimum record the significant aspects of the discussion on the relevant agenda item, and any decision(s) taken by the RGG or sub-committee together with the names of proposers and seconders.

### Reports

Reports shall be prepared in a way that enables effective decision-making. Reports shall be circulated with the relevant notice or at least five working days prior to meetings.

### Frequency of meetings

The RGG shall determine how often it should meet. It is anticipated that the group shall meet at least once every six weeks initially but in the longer-term; meetings may be held in response to critical points in the delivery of the programme, rather than at regular intervals.

### Sub Groups and Working groups

The RGG can appoint sub-groups or working groups, if necessary. These bodies shall be required to make recommendations to the RGG. Sub groups and working groups shall have written terms of reference approved by the RGG that cover:-

- Its objectives
- Its circle of competence
- Reporting requirements
- Membership

The RGG shall review subgroups and working groups once a year to decide whether they are still required.

### Evaluation and Review

The RGG structure, membership and terms of reference will be reviewed after the first year of operation and every two years thereafter. This process will be led jointly by NILGA and SOLACE. The results will be circulated for consideration by participating councils.

### Terminating the Group

The RGG may be terminated at any time by agreement of all the participant councils.

## APPENDIX 3

Regional Governance Group, 23 November 201

Rory Mair, Chief Executive of Convention of Scottish Local Authorities

### PRESENTATION

#### Shared Services Reflections on the Scottish Experience

Rory Mair, Chief Executive  
COSLA



#### Motivation for Shared Services

- Cost reduction through standardisation and economies of scale
- Consistency and quality of customer experience
- Improved outcomes through shared capacity
- 'Core business' focus: de-cluttering
- Deepening and strengthening partnership: co-location: co-resourcing, etc.



#### The Different Meanings of Shared Services

- Shared capacity within or across sectors: 'Scotland Excel'; 'myjobscotland'; co-funding and co-location projects; 'Customer First'
- Moving from separate services to a single shared service: locally between partners or sectorally (SPV, lead authority, etc) – Forth Valley GIS
- Sharing staff resources: common CEO's; directors or programme managers
- PPP's, JV's, etc.: sharing across the public and independent sectors – Glasgow/Serco
- Sharing knowledge, tools and approaches: National Diagnostic; PSIF; Communities of Practice



#### Evidence to Date

- Conventional shared service model: up front costs: slow benefits: standardisation
- 'Simplify, standardise, share' model deliverable within individual organisations: convergence model (£230 million)
- 'Shared capacity' approach better in cost, risk and quality terms than x 32 approach
- Shared procurement adds value across all models





## Learning Points

- “Shared Service “ as brand does not help
- Clarity of purpose is critical: efficiency improvement; capacity improvement; outcome improvement
- New capacity and local cross-sectoral integration work best: multi council back office initiatives have largely failed
- Political and executive leadership and corporate discipline fundamental
- Distinguish between Council owned initiatives and wider, Assembly led, strategic programmes



## Getting Started

- Get clear about purpose and outcomes: efficiency and savings; improved service; improved outcomes for families and communities
- Get clear about programme and priorities: local integration between agencies; sectoral aggregation; shared capacity (e.g. MyJob or PINS); Shared Services (single back office); concentrated or diffused models
- Put programme management in place: adhoc approaches rarely work; develop prospectus and management arrangements together



## Getting Started

- Consolidated approach to baseline and benchmarks: programme will expose current limitations; lack of data diverts energy; sort this first
- Secure political agreement for honest prospectus: costs as well as benefits (control, accountability, jobs, risks)
- Define the role of elected members and role of officers



## DISCUSSION POINTS

### Factors to consider when building a Collaborative Programme

- Sector needs to be clear about what they want to achieve.
- Political and executive leadership and corporate discipline are key for success of a shared services programme.
- Simplifying, standardising and sharing best practice models are the easiest ways to achieve efficiencies.
- Consolidated approach to baseline and benchmarks across sector.
- Sector need to be honest about difficulties as well as the benefits of the programme.
- Shared procurement produces quick wins in terms of savings, and local businesses were, in practice, advantaged not disadvantaged by the extra monetary value and critical mass contracts which ensue, so local economies had gained.

### Lessons from Scotland:

- Scotland fell into the trap of thinking of shared services as preparation for reform. Shared services and Reform are two distinct processes.



- Do not try to predict and sell the total value of savings you will make from shared services.
- How do Councils save 10% on their budgets? There has to be a reason beyond sharing services, per se, for the initiative to have momentum and value – metaphorically speaking, there are 15 other ways councils could make savings before shared services.
- Another mistake made by Scotland was committing too early to governance and structures:
  - Governance should be flexible, informal and not create tension.
  - Good programme management should occur to make changes actually happen, COSLA / SOLACE communicated success and co-ordinated administration.
- Governance sharing should be based on arrangements and organisations already in place – important to envelop existing bodies around the initiative rather than create new entities.
- In preparation for shared services, councils in Scotland conducted an internal corporate and cultural planning exercise getting their own councils prepared for sharing services.

## **What worked for Scotland**

- Shared national capacities
  - e.g. Local government jobs advertised on one site; specialised LG job portal ‘myjobscotland’. Enable LG Sector to build a ‘talent bank’ of the best graduates in Scotland, employed by the sector not one Council.
  - Co-funding and co-location projects; ‘Customer First’
- Diffused shared services – approach better in cost, risk and quality terms than one by one 32 council approach.
  - Shared procurement adds value and reduces costs
  - Lead Council – develop best practice model; other councils learn from Lead Council’s model – important cultural learning curve here
  - Integration is easier when Councils have the same systems and buy in to the overall premise.

## **What didn’t work for Scotland**

- Difficulty sharing CEOs. This was done first and was most difficult for COSLA, taking the greatest length of time.
- Multi council back office initiatives have largely failed
- As Officers, the two biggest mistakes made:
  1. Created business case fatigue – don’t expect message to be perfect at the outset, and don’t bombard members with business cases which are determined by single interest outcomes or agenda.
  2. It is important to pay attention to the political life cycle of councils. If you don’t get political commitment, it won’t work.

