

Improvement Collaboration and Efficiency Programme –Governance Consultation



Summary: The consultation contains three options for governance models to support the delivery of the improvement, collaboration and efficiency programme. It also outlines operational principles for any regional body.

Action: To identify a preferred option and consider the proposed operational principles for any regional body.

Date: Your council comments on its preferred governance model and the operational principles should be sent to NILGA by Thursday 9 September 2010.

Purpose

1. The purpose of this consultation is to get a broad consensus from councils on a preferred option for the governance structures needed to ensure the overall direction, effectiveness, supervision and accountability of what has become known as, the Improvement Collaboration and Efficiency (ICE) programme. It also seeks your council's views on the accompanying operational principles for any regional group.

Background

2. Economic pressures and a desire to improve further local government services have acted as strong drivers for the sector to pursue an improvement programme. Three working groups were established to examine how local government, in the current economic climate can work better together to deliver tangible benefits to citizens and service users by providing good quality value for money services. The working groups are

- Regional structures/governance;
- Improvement, collaboration and efficiency;
- Transferring functions.

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3. Over recent months as a result of the work of these Groups the ICE programme has developed. We have been keeping you up to date with the progress of this work through three recent joint NILGA/SOLACE events and various publications.
4. At the last engagement event in July there was clear consensus that local government should lead the improvement, collaboration and efficiency agenda and it should be progressed through the existing 26 councils working together at regional, sub regional and local levels.
5. At the engagement meeting, elected members also emphasised and unanimously agreed there must be strong political leadership to provide the direction and support for the improvement and collaboration agenda. Appropriate governance and efficient delivery structures will mean the difference between just having a number of loosely based projects and a structured programme to deliver real savings for citizens.
6. The Environment Minister, Edwin Poots, is also encouraging local government to implement the ICE programme, as a vehicle for reform in lieu of any imminent transition programme.
7. However, the ICE programme does not replace the RPA programme or the structures within it. Indeed, in September, the Minister will discuss with Executive colleagues opportunities for reframing the timetable for the reform programme and we await the outcome of those discussions. Meanwhile, given the current economic outlook it is vital we progress developmental work in respect of a local government led improvement programme.

Regional Structures/Governance working group

8. The Regional Structures/Governance working group made up of a representative group of officers from local councils and NILGA has examined governance options and made proposals on an appropriate framework to support the ICE programme. (A copy of the full working group report is available by contacting the NILGA offices).
9. This consultation outlines the work of the Regional structures/governance working group and seeks council views on a preferred governance model to support the ICE programme and accompanying operational principles.

Why is governance important?

10. For the ICE programme to be effective it is crucial there is effective engagement by both elected members and senior management to provide appropriate accountability at a strategic level. By having arrangements in place to make sure activities are carried out appropriately, transparently and effectively, good governance arrangements will help the ICE programme be effective, credible and sustainable.

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11. Good governance will ensure the ICE programme fulfils its overall purpose of delivering tangible benefits by providing good quality value for money services, which operate in an effective, efficient and ethical manner. Any resulting structures should help to facilitate collaboration on a permanent and structured basis.

What are the aims of the governance arrangements?

12. It is recognised that collaboration should deliver tangible benefits to include, but not limited to:

- Economies of scale through shared resources, joint procurement and process efficiency
- Shared investment in IT and new technology
- Stronger leadership and building of relationships
- Improved collaboration between local government, central government, other public sector bodies, private, voluntary and community sector organisations – moving towards the community planning and total place agenda of enhanced multi-sector working.

13. Any governance structures should enable the foundation provided by the regional SLB and PDP structures to be built upon, with the sizeable body of work used as a basis for further progress. It is expected that the substantial work undertaken by these groups will be progressed under any revised structure to ensure such work is not wasted.

14. A one-size-fits-all solution is unlikely to work and therefore collaboration is likely to take a variety of forms, for example:

- One or more councils working with other organisations in other sectors
- Sub-regional: Two or more councils working on a single project
- Sub-regional: Two or more councils in a preferred partnership arrangement on a range of collaborative projects across multiples services
- Regional collaboration between all councils on an individual project or a programme of work.

15. The overall aim is to facilitate collaboration on a permanent and structured basis. To facilitate this, appropriate governance and delivery structures are required to ensure that projects achieve stated benefits and there are appropriate levels of scrutiny and accountability.

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Options

16. Three options were identified for consultation with councils. The rationale for the inclusion of a range of options rather than a single recommendation includes:

- Recognition that the governance arrangements should be determined by elected members.
- The need for political consideration of the options.
- Recognition that councils are the only bodies with statutory authority and therefore decision making powers.
- The need for openness and transparency in the development and progression of the improvement, collaboration and efficiency agenda and the associated governance arrangements.

17. The options presented for your council's consideration are:

- i. Do nothing – no formal structures in place with all governance progressed through existing statutory structures i.e. 26 councils
- ii. Inclusive regional option – development of structures with representation across 26 councils
- iii. Full implementation of transition structures – retain the 11 Transition Committees and Transition management teams and implement a Regional Transition Committee and Regional Transition Management Team.

18. Your council should identify its preferred option from the three options listed. Further detail on the options is included in Appendix A.

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Operational Principles

19. Your council is also asked to consider and comment on the following operational principles for any regional group. These principles are based upon those already in operation in the sub-regional waste management groups.

- a. Principle of the willing – regional groups should seek to be inclusive though individual councils will decide on whether they wish to engage in improvement, collaboration and efficiency efforts
- b. Principle of equality of representation – each willing council will have equal representation with member(s) nominated by each participating council.
- c. Similarly, all nominated members shall have equal status and collective responsibility for decisions.
- d. To maintain manageable numbers, councils may wish to set membership, at least initially, at one representative per council (NOTE: principle similar to that currently used on sub-regional waste groups and reflects the operational nature of this group rather than policy/political role)
- e. Principle of continuity – in order to encourage continuity with learning from current SLB and PDP structures, the five NILGA office bearers will have observer status on the regional group though, to retain equality of representation, these members shall not have voting rights
- f. Principle of consensus – decisions will be based on consensus from the participating councils. In view of the principle of the willing, in application this may amount to councils having the choice to opt out rather than to veto proposals
- g. Principle of limited delegation – if required in the future and subject to the above, limited functions may be delegated from participating councils to the regional group to achieve economies of scale and minimise costs
- h. Principle of shared funding – costs of regional groups shall be recovered from councils and shall be estimated in advance where possible by reference to a business case.

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What you are being asked to do.

20. Your council should identify its preferred option from the three options listed. The options are outlined further in the attached Appendix A, which provides an illustrative list of high-level advantages, disadvantages and required enablers. While not intending to form a comprehensive appraisal this will provide assistance in the consideration of the merits of each option.
21. Also attached at Appendix B is indicative list of the expected role of governance groups. This is presented for illustrative purposes only and is not intended to be prescriptive.
22. Councils should also provide views on the proposed Operational Principles for any regional body, outlined above.
23. Please send your council comments no later than **Thursday 9 September 2010** by email to h.richmond@nilga.org or write to us at:
NILGA
Unit 5b Castlereagh Business Park
478 Castlereagh Road
Belfast
BT5 6BQ
24. For further information on the governance proposals please contact us and we will be happy to provide you with the necessary detail. Arrangements to hold a number of small informal engagement events are being finalised. We will confirm these details shortly.

What will happen next?

25. Following this consultation, the Regional Structures/Governance working group will prepare a report outlining council responses and the preferred governance model and operating principles. This will be considered by the NILGA Executive on 10 September. Details will be submitted to Minister Poots on 15 September 2010. A copy of the final report will be sent to all councils.

I look forward to receiving your comments.



Cllr JOHN MATHEWS

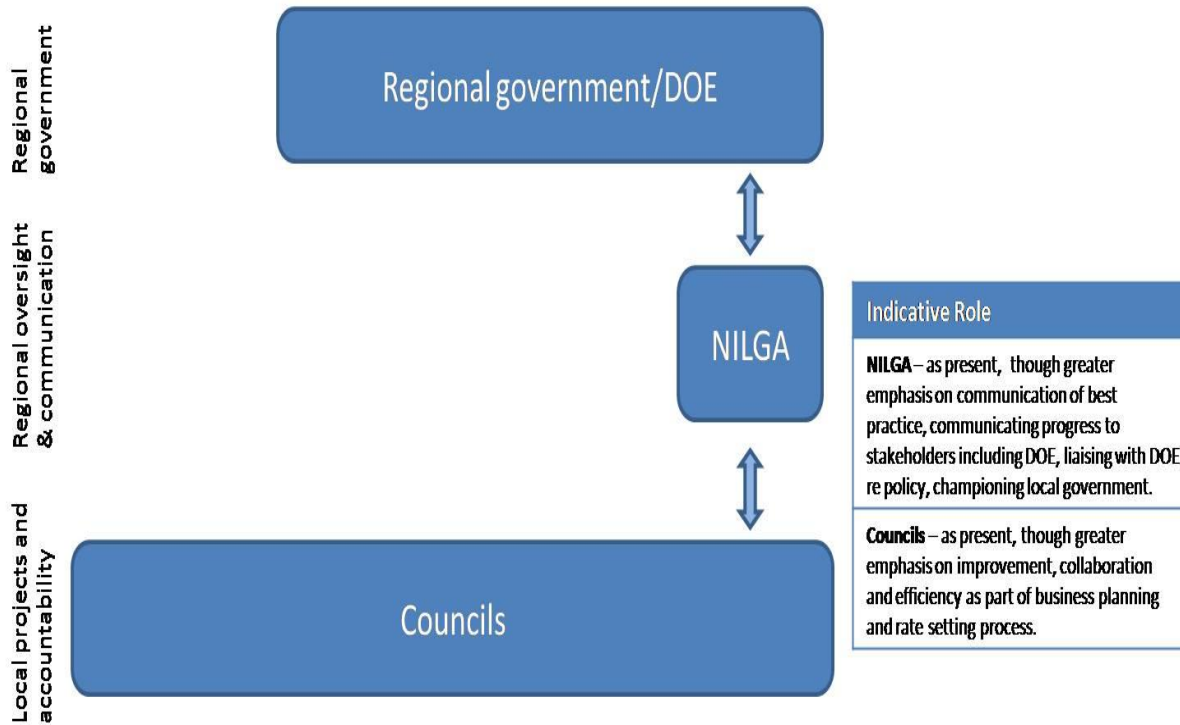
President

16 August 2010

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APPENDIX A: DESCRIPTION OF OPTIONS

Option i: Do nothing

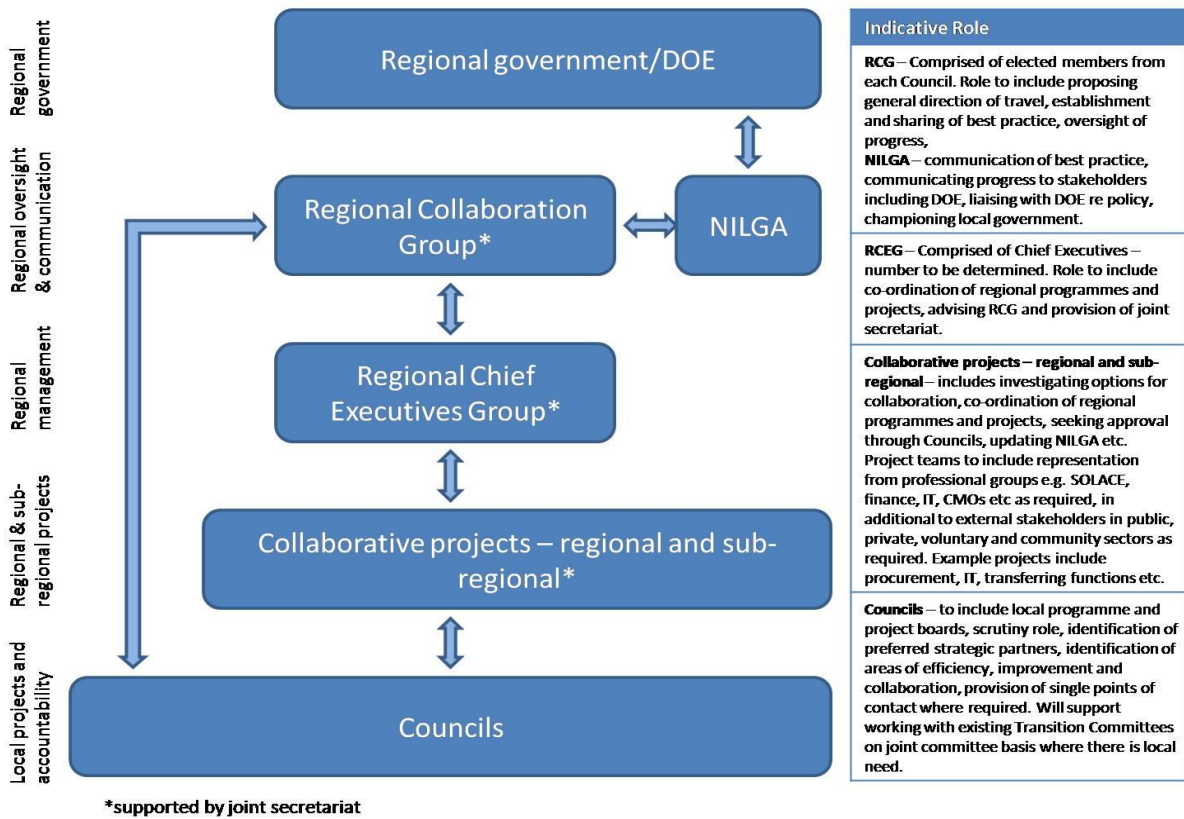


Required enablers
<ul style="list-style-type: none"> • Council buy-in

Advantages	Disadvantages
<ul style="list-style-type: none"> • No initial cost 	<ul style="list-style-type: none"> • Unlikely to encourage and support collaboration across councils
<ul style="list-style-type: none"> • No effort to set up structures/projects 	<ul style="list-style-type: none"> • No regional co-ordination resulting in poor communication
<ul style="list-style-type: none"> • Local flexibility for councils to progress improvements and efficiencies on an autonomous basis 	<ul style="list-style-type: none"> • High risk of silo approach to efficiencies, with sector becoming increasingly fragmented and working in a variety of directions
<ul style="list-style-type: none"> • No requirement to obtain buy-in from partners to allow project to proceed 	<ul style="list-style-type: none"> • Fragmented approach to determining best practice
	<ul style="list-style-type: none"> • Potential to miss opportunities and therefore unlikely to yield highest efficiencies
	<ul style="list-style-type: none"> • Reduced efficiency potential may increase the threat of greater government intervention
	<ul style="list-style-type: none"> • Negative public perception issue if councils are perceived to be doing nothing to drive efficiencies

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Option ii: Inclusive regional option

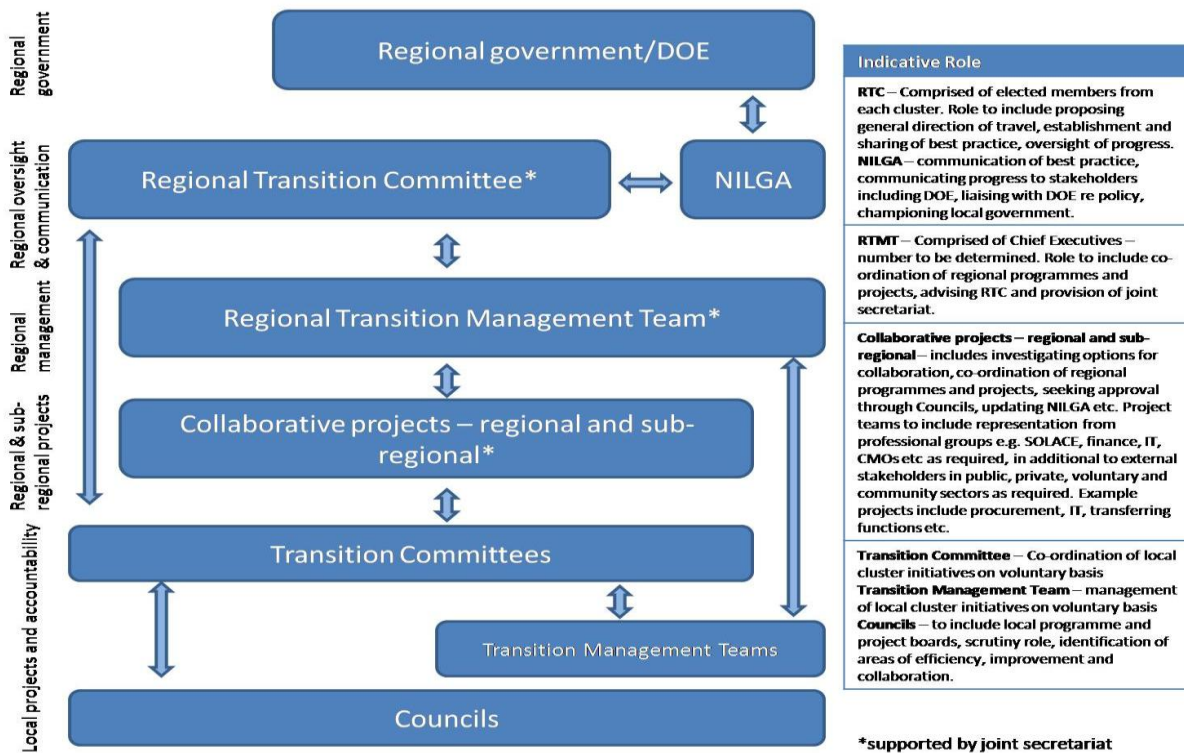


Required enablers
<ul style="list-style-type: none"> • Council buy-in • Funding of regional/sub-regional projects and structures

Advantages	Disadvantages
<ul style="list-style-type: none"> • Strong connections to councils - each of the 26 represented if willing 	<ul style="list-style-type: none"> • Potential difficulties in ensuring appropriate political representation in RCG
<ul style="list-style-type: none"> • Reduced bureaucracy and cost with removal of structures based on 11 Council model 	<ul style="list-style-type: none"> • Structures based on 26 presents a challenge due to increased numbers – may be difficult to get consensus
<ul style="list-style-type: none"> • Provides opportunities for sharing of best practice 	
<ul style="list-style-type: none"> • Regional structures help to avoid silo approach 	
<ul style="list-style-type: none"> • Can be adapted if number of councils is altered in future 	
<ul style="list-style-type: none"> • Does not inhibit partnering outside of existing clusters – greater flexibility 	
<ul style="list-style-type: none"> • Clear definition of NILGA role 	
<ul style="list-style-type: none"> • Solution aligned to new context and better facilities alignment of council plans with collaboration activities 	

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Option iii: Full implementation of transition structures



Required enablers

- Council and transition committee buy-in to retention of current clusters and structures
- Legislation for statutory powers if transition committees (rather than participant councils) wish to form joint committees
- Funding of cluster structures
- Funding of regional/sub-regional projects and structures

Advantages	Disadvantages
<ul style="list-style-type: none"> • Already established in principle 	<ul style="list-style-type: none"> • Unlikely to encourage and support collaboration required to drive most significant improvements and efficiencies
<ul style="list-style-type: none"> • Reduced initial effort as some structures already in place 	<ul style="list-style-type: none"> • No alignment of regional structures to 26 councils – lack of political buy-in
<ul style="list-style-type: none"> • Structures based on 11 may present a more manageable number 	<ul style="list-style-type: none"> • Structures based upon old context - may miss opportunities for wider collaboration
<ul style="list-style-type: none"> • Regional structures help to avoid silo approach 	<ul style="list-style-type: none"> • In voluntary form, Transition Committees are unable to form joint committees
<ul style="list-style-type: none"> • Build on relationships 	<ul style="list-style-type: none"> • If desire to form statutory committees, legislation is required
	<ul style="list-style-type: none"> • Cluster structures may present an additional layer of bureaucracy
	<ul style="list-style-type: none"> • Longer-term cost of cluster structures
	<ul style="list-style-type: none"> • Partnerships may be inhibited from moving forward by cluster structures

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APPENDIX B OUTLINE DESCRIPTION OF POTENTIAL REGIONAL BODIES

This section provides illustrative examples of possible roles for any regional bodies. It is not intended to be prescriptive and will be subject to further discussion and political agreement.

NILGA (role relates to Options ii and iii)

In any regional governance framework the role of NILGA could be to:

- Forge strategic partnerships with other organisations which could then inform overall strategic direction of travel for any wider collaboration agenda.
- Liaising with DOE on issues of a strategic or regional nature
- Setting out clear statement on roles and responsibilities and lines of accountability
- Ensuring members and officers have the skills knowledge and resources to perform well in their role
- Sharing good practice
- Communicating to wide range of stakeholders

REGIONAL COLLABORATION GROUP (RCG) (role relates to Option ii)

The RCG would provide a political forum to provide the leadership and drive towards collaboration, be responsible for the formal governance of collaborative arrangements involving three or more councils and have an overview of work being carried out at Programme Board level. It would meet on at least a quarterly basis and would have the following objectives:

1. To support the local government sector in identifying and delivering improved and increasingly efficient services.
2. To develop and maintain a shared vision and strategy for the development of collaboration.
3. To consider opportunities for collaboration and make recommendations as appropriate to councils.
4. To discharge the governance responsibilities of participating councils relating to specified functions and subject to such terms as determined by those authorities.
5. To co-ordinate the effective scrutiny and monitoring of the specified collaborative projects.
6. To develop and then advise the participating councils of the resourcing requirement for the delivery of the specified functions including the division of benefits so that participating councils may take account of these requirements in determining annual budgets.
7. To ensure progress reports are provided to the participating councils at intervals specified by them.

REGIONAL TRANSITION COMMITTEE (role relates to Option iii)

The role of the Regional Transition Committee would be to:

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- examine support and facilitate collaboration on a structured basis within local government to secure improvements;
- act as the interface between the Minister and the eleven TCs, ensuring there is excellent communication between the regional and local levels;
- support the local government sector in identifying and delivering improved and increasingly efficient services.
- address emerging operational policy issues ;
- facilitate communication, sharing of good practice and collective problem-solving amongst the eleven TCs; and
- Commission thematic task-and-finish groups (TFGs) as necessary.