

## **Appendix B**

# Suggested Design Principles

### **Suggested Design Principles**

Design Principles will provide a key input to the Design Framework for Phase 2 of the Local Government programme. Design Principles are statements of best practice in the design of operating models, in the broadest sense, and reflect accepted good design practice, ministerial intention and limitations (statutory or other). Design Principles represent the factors that should be applied when the new councils and other organisations are considering specific design decisions around the development of their operating models. Design Principles are statements of what an organisation will (or will not) do and how it will do it. They are unique to each business or sector and are a product of their strategies and culture. To order to reflect their particular priorities and organisational culture, individual councils may wish to develop their own set of design principles within the framework of the regional design principles (a 'strawman' of which we have set out below). Once agreed they will drive a consistent understanding of what local government will do and look like in the future.

Design Principles are critical in assuring that a framework is in place for all project members as they go through the design of the operating model. They will directionally guide the project team around people, process, service, etc. In a complex and detailed operating model, Design Principles form the reference point that all personnel can relate back to throughout the project.

The suggested Design Principles for the reform of Local Government will be statements of both:

- **Good practice** in organisation design and reflect accepted good design practice i.e. what are the standards that should be applied across the sector and any new organisations (e.g. spans of control, layers of management, points of contact, points of failure, etc.).

Design Principles should be derived from instances of recognized 'best practice' both nationally and internationally. While Phase 1 showed that there will be no exact corresponding operating model elsewhere, these underlying 'good practice' guidelines, which we will bring to the project, present a robust basis for moving forward.

- **Constraints** in the design of the new local government delivery structures reflecting, inter alia, the senior management view of any 'must haves' of any transformational change (e.g. front line service provision).

Design Principles should be derived within the sector itself and will reflect the real-world limitations that should be applied to the options for the detailed design of the new organisation – these constraints may arise from, inter alia, the available capacity for change, the need to ensure staff side buy-in to the change and the overall values and mission of Local Government.

The capturing of Design Principles is an iterative process usually best completed in short focused workshop environment or through a series of interviews with key senior managers and stakeholders followed by a collaborative workshop. The key to successfully designing these is through the achievement of cross business participation in these workshops.

Detailed Design Principles should be developed to underpin each layer of the Target Operating Model approach. An initial "straw man" set of design principles can be set up which will then be confirmed with senior management and all appropriate stakeholders. These core principles can be reflected in a statement of the 'operational vision' for the each of the new councils in the future local government sector in Northern Ireland.

#### **1. Strategic Direction**

- i. **Optimum Long-Term Model** – The future operating model for each council must strike the best balance between the needs of customers, taxpayers, ratepayers and staff in the long-term.
- ii. **Vision and Values** - The future operating model for each council must reflect the vision and values of the Council. The new councils must be joined-up, corporately driven organisations where corporate priorities and co-ordinated working will operate right through the council from the strategic centre to the service delivery frontline.

- iii. Strategic Drivers – The future operating model for each council must address key government challenges such as Gershon, Varney and the Operational Efficiency Programme. The operating model for each council must enable the council to perform its statutory duties to the required level of performance.
- iv. Adherence to Best Practice – The future operating models for each council must be designed in line with recognised best practice in terms of for example, individual competencies, approach to front and back office functions and a focus on partners, suppliers and customers.
- v. Equality – The new councils must have due regard to equality and diversity issues in everything it does, including the design and implementation of their new operating models.
- vi. Sustainability – The future operating model for each council must address sustainability issues by seeking to minimise the carbon footprint of the new organisation, secure social cohesion and encourage responsible enterprise.
- vii. Business Continuity – The future operating model for each council must have appropriate business continuity and emergency planning capability in order to protect the population of Northern Ireland.

## **2. Structure**

- i. Effectiveness & Efficiency – The future operating model for each council must represent an effective and efficient solution. Considerations in the design of new operating models should include minimal unnecessary hand-offs between teams, ownership of processes (irrespective of cross team involvements) and sharing of outcomes across teams.
- ii. Localism – The future operating model for each council must be designed to deliver services to local communities in line with the needs and preferences of those communities.
- iii. Partnership Working – Each council will proactively seek out and engage prospective Partners to ensure optimum service delivery:
  - Services and processes will be designed and constructed to enable effective and efficient interaction with Partners [plug and play];
  - Councils will seek “win; win” relationships with our Partners; and
  - Customers will not be exposed to the Council’s relationships with its Partners (i.e. these relationships will not be visible to customers).

## **3. People and Organisation**

- i. Optimal Organisation – the future operating model of each new council should be designed in accordance with best practice principles:
  - Structure should, as appropriate, be designed in support of corporate objectives and priorities;
  - Different activities should be separated but there are mechanisms for their co-ordination and integration, with a focus on common organisational goals;
  - Superfluous layers of management that slow down decision-making and inhibit effective communication and accountability, should be removed. Flatter management structures should be used to encourage flexibility, increase responsiveness, improve responsibility-taking and reduce costs;
  - Spans of control should not be too large. Spans of control which are too large impact negatively on operational efficiency and performance management;

## Local Government Service Delivery Economic Appraisal

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- Organisation structures should provide a sound governance framework. The decision-taking authority should be devolved as close as possible to problems and issues. Clear decision-making guidelines should support devolved decision-taking whilst maintaining consistency;
  - There should be clear lines of accountability. People should be clear about their roles as individuals and team members. Accountability should be defined and roles structured to enable people to use their skills. Role definitions should define key results whilst encouraging initiative taking;
  - Role definitions should facilitate and emphasise co-operation and team working. Opportunities for self-managing groups should be identified where responsibility-taking for unit/functional management is encouraged. Work across and between teams should take place in a culture of co-operation and mutual support;
  - Structures should be flexible enough to respond quickly to change and challenge.
- ii. Staff – The future operating model for each new council must support staff as they fulfil their roles and provide opportunities for staff development. The new operating model should:
- Provide management capacity within all services to enable delivery of performance management, staff development and appraisal and continuous improvement and succession planning.
  - Deploy resources appropriately to fulfil the respective roles and requirements of the strategic centre, service delivery areas and front line service delivery;
  - Develop a change capability and capacity to innovate that will help to secure benefits and improved outcomes for individuals and communities.
  - Prioritise the use of the council's resources and reallocate resources from high performing low priority service areas to low performing high priority services.
  - Support multi-disciplinary and integrated working to take advantage of synergies across services both within and outside the council.
  - Deploy capacity and resources and support the multi-sector partnerships that will jointly realise the priority outcomes identified by the council.
- iii. The future operating model must represent a fair and impartial solution for all staff subject to business need.

#### 4. Process / Service

- i. Customers - The needs and preferences of all customer groups will be appropriately considered in the design of products, services and delivery channels. Each new council will:
- involve customers in the design of services;
  - design services to best meet / address customers needs and requirements; and
  - not inflict unnecessary complexity upon customers.
- ii. Processes – Processes in support of the new operating model within each council will be designed in line with recognized 'best practice'. Processes will be designed to be costs efficient while providing the required levels of service to customers.
- Services will be designed, where possible, to enable customers to select ["pull"] rather than the Council dictate ["push"] the best solution to their need
  - Customers will not be exposed to the Council's, or its Partner's internal organisation or processes
  - Processes will adhere to "LEAN" principles minimizing waste and the need for rework.

- “Straight through” processing will be maximised where possible through increased automation, process improvement and harmonisation.

## **5. Enabling Technology**

- i. Technology – Councils will ensure that optimal technology solutions are utilised in support of their new operating models.
  - Common Use Applications - Development of applications used across the sector is preferred over the development of similar or duplicative applications which are only provided to a particular council and / or service
  - Reusable business functionality - The technical architecture should enable and promote the reuse of standard business functionality across the sector (and each council) through development of a service oriented architecture;
  - Maximise existing investment - The technical architecture should ensure the reuse of existing applications, infrastructure and skills / capabilities within the sector (and each council).
  - Control technical diversity - Technological diversity is controlled to minimize the non-trivial cost of maintaining expertise in and connectivity between multiple processing environments; and
  - Interoperability - Software and hardware should conform to defined standards that promote interoperability for data, applications, and technology.
- ii. Information – Councils will manage information, and the source data, as a key asset in support of their operating models. Information and Data are assets that have value to the sector and individual councils and will be managed accordingly. Data is a valuable council resource; it has real, measurable value. In simple terms, the purpose of data is to aid decision-making. Accurate, timely data is critical to accurate, timely decisions. Most council assets are carefully managed, and data is no exception. Data is the foundation of our decision-making, so it must also be carefully manage data to ensure that councils know where it is, can rely upon its accuracy, and can obtain it when and where they need it.
  - All information is owned by the Council, not a Service;
  - Councils will make decisions based upon common evidence and information;
  - Councils will capture information once, at the earliest point in the process possible;
  - Councils will structure information around the customer and their needs;
  - Councils will share information with other agencies [Partners] and seek information sharing from them. Councils will ensure that Data is shared and accessible - Users have access to the data necessary to perform their roles;
  - Common vocabulary and data definitions - Data is defined consistently throughout the council, and the definitions are understandable and available to all users; and
  - Data security - Data will be protected from unauthorised use and disclosure.

## **6. Facilities**

- i. Council front offices will be designed around customer needs and will be located across the council area in order to support equality of access to services.
- ii. Council buildings, both in terms of location and layout, will be designed to support council objectives around, for example, collaborative working and multi-disciplinary staff.
- iii. Alternative ways of working – Council facilities will be designed to support the effective and efficient operation of the new operating model while, at the same time, as supporting alternative working practices which are to the mutual benefit of staff and employer.