

STRATEGIC LEADERSHIP BOARD MEETING – 5 FEBRUARY 2007

REFORM PROGRAMME IMPLEMENTATION COSTS UPDATE

AGENDA ITEM: 10

SUMMARY: Providing members with an update on progress to establish the indicative financial resources required to support the local government reform programme.

ACTION REQUIRED: For information

1. It was agreed at the Strategic Leadership Board meeting on 15 January 2007 that an update on the work to identify the indicative financial resources required to support the Taskforce structures and Policy Development Panel work would be provided at the 5 February meeting.
2. The 15 January paper indicated that NILGA was undertaking work to develop a Business Case to inform the level of financial assistance required by local government to support the taskforce structures and the work of the Policy Development Panels. Alongside this DOE was determining the central government costs.
3. This work is nearing completion and the current indication is that the indicative costs of supporting the taskforce structure will be in the region of £14m to £17m over the next 2 financial years (2007/08 and 2008/09). It should be noted that further work will be done to refine the indicative costs when the detailed programme of work for each Policy Development Panel is agreed.
4. NILGA are currently consulting with the Councils on the level of “In Kind” contribution they are willing to provide, and this consultation will be complete by early April.
5. When the NILGA and DOE work is complete, the indicative costs identified will provide the basis for determining the quantum of any bid to the Department of Finance and Personnel (DFP). While indicative costs are still to be finalised, members were advised at the meeting on 15 January that DOE was prepared to examine a detailed request to provide financial assistance to NILGA for the

recruitment of a Communications Director, separate from the main Business Case for central government financial support for the restructuring of NILGA and would be prepared to offer up to £40k funding support towards this post. DOE is also willing, in advance of the indicative figures and funding availability being finalised, to commit to funding the salary related costs of the staff required within NILGA to set up the secretariat for each Policy Development Panel, in line with the decisions of the Strategic Leadership Board on priorities for the work programme.

6. While NILGA welcome this commitment to funding the Policy Development Panel secretariat staffing it is their view that the recruitment of the secretariat must be in parallel with the rest of the elements of the funding proposal that is finally agreed by all stakeholders. NILGA's capacity to manage and resource the increased level of staffing is inextricably linked to the revised Core Management Team.
7. The Strategic Leadership Board is asked to note that:
 - work on determining indicative costs to support the taskforce structure is nearing completion;
 - the current indication is that the indicative costs will be in the region of £14m to £17m over two years;
 - further refinement of the indicative costs will be taken forward when the programme of work for each Policy Development Panel is agreed;
 - when finalised, the indicative costs identified will provide the basis for determining a bid to DFP;
 - aside from the commitment given on 15 January to provide funding to facilitate the appointment of a Communications Director to NILGA, DOE will commit to funding the salary related costs of the local government staff required to support the Policy Development Panel Secretariat; and
 - while NILGA welcome the commitment to funding, their capacity to manage and resource the increased level of staffing is inextricably linked to the revised Core Management Team.

