

STRATEGIC LEADERSHIP BOARD

MINUTES OF MEETING HELD ON 3 JULY 2009

Belfast City Council Learning and Development Centre

Members:	Cllr Edwin Poots MLA Cllr Helen Quigley Cllr John Mathews Cllr Sean McPeake Cllr John O’Kane Cllr Tony Hill Cllr Sean Begley Cllr Jim Wells MLA Cllr Joanne Bunting Ald Arnold Hatch Ald Sam Gardiner MLA Stephen Peover Marianne Fleming Geoff Allister Henry Johnston Peter McNaney Ashley Boreland John McGrillen	Environment Minister, Chair SDLP NILGA, Vice Chair Alliance NILGA Sinn Fein NILGA SDLP Alliance Sinn Fein DUP DUP NILGA UUP NILGA UUP DOE DOE - Planning Service DRD DSD LG Adviser (RPA Working Group) LG Adviser (Ards BC) LG Adviser (SOLACE)
Apologies:	David Ferguson Cynthia Smith Ian Maye	DSD DOE DOE
Joint Secretariat:	Heather Moorhead John Price	NILGA Joint Secretary DOE Acting Joint Secretary
In Attendance:	Paul Givan Brenda Mooney Jackie Lambe Angela Fitzpatrick Speers Charters Noreen Donnelly Louise Thompson Nora Winder Pamela Baxter Jacqueline Burns Mark Maher	Special Adviser to Minister DOE DOE DOE DOE (Minutes) DOE DOE NILGA DOE DOE NILGA

1 AGENDA ITEM 1 - WELCOME

1.1 The Chair welcomed everyone to the meeting and explained that he had succeeded Sammy Wilson as Environment Minister and hence as Chair of the Strategic Leadership Board (SLB). He said that he looked forward to working with SLB members as they took forward the challenging Local Government Reform Programme.

1.2 The Vice Chair welcomed the Minister, congratulated him on his appointment and said that members also looked forward to working with him. She explained that members had a very productive working relationship with Minister Wilson and that they were sure that this would continue with Minister Poots.

1.3 Apologies were tendered on behalf of Cynthia Smith (DOE), David Ferguson (DSD) and Ian Maye (DOE). It was noted that Henry Johnston would represent DSD and Marianne Fleming would represent DOE Planning Service at the meeting.

1.4 The Chair extended a special welcome to Stephen Smith and David Finnegan, PricewaterhouseCoopers (PwC), who were attending to assist in SLB's deliberations on Phase 1 of the Assessment Of Options for Local Government Service Delivery project. Members agreed with the Chair's proposal that the project, item 5c of the agenda, be taken as the next item of business and that members then return to the minutes of the last meeting and subsequent business items.

2. AGENDA ITEM 5c - ASSESSMENT OF OPTIONS FOR LOCAL GOVERNMENT SERVICE DELIVERY PROJECT

2.1 Prior to the meeting the Joint Secretariat had circulated copies of PwC's draft report on Phase 1 (dated May 2009) of the project along with copies of the "Briefing Document" recommendations paper (dated June 2009) for the consideration of members. Stephen Smyth and David Finnegan gave a presentation outlining their main conclusions and recommendations. The key points covered in the presentation are set out in the Annex to this minute. It was noted that

PwC's key recommendations were:-

- a full economic appraisal should be taken forward on a number of short-listed options for the design of service delivery functions (and associated common design approaches) within the new councils;
- the need for clear direction to be given to Transition Committees on the scope and range of their responsibilities in the design of their new organisations; and
- the need for decisions on the design of appropriate regional structures for local government.

2.2 The Chair of Policy Development Panel C, Ald Hatch, introduced a paper (SLB 34/2009) which provided a summary of the local government response to the PwC report. He said that Panel C members:-

- recognised the benefits that PwC's proposed approach would have for the citizen along with the importance of having strong political leadership in taking the process forward;
- supported the requirement for further consideration on the provision of shared services;
- very much supported a reconstituted NILGA to act as a strong lobbying and representational body for the new councils; and
- also strongly support the view that the new NILGA has oversight and political control over any shared services.

2.3 Against this background, Ald Hatch said that Panel C recommended moving to the Phase 2 of the project, which would involve an economic appraisal of the short-listed options, but stressed that this must also take account of shared services and the consensus across the political parties for a regional structure such as NILGA.

- 2.4 In response to a series of questions, posed by members, PwC colleagues confirmed that the Phase 2 economic appraisal would:-
- be a full business case embracing all the short-listed options;
 - shared services would be fully explored;
 - take account of timescales, existing capacity and knowledge base;
 - be supported with an Implementation Action Plan which will identify key risks along with the quantification of the time, financial and human resources, etc required; and
 - whilst challenging, be completed within some 8 weeks (i.e. by 14th September).

2.5 It was agreed by members that it would be important to involve Trade Union representatives and the Transition Committees in the ongoing work and that the support of key stakeholders in providing additional financial and other information required would be most welcome.

2.6 PwC colleagues also confirmed that they would recast the draft Phase 1 report to ensure that it took account of all the conclusions and recommendations in the Briefing Document. It was noted that the amended Phase 1 report would be available by the end of week commencing 6th July.

2.7 In the light of these assurances, SLB members confirmed that they were content for the Phase 2 of the project to be initiated.

2.8 The Chair thanked Stephen and David for attending and they withdrew from the meeting.

AGENDA ITEM 1 (Continued) – MINUTES OF THE LAST MEETING

3. The minutes of the last meeting, held on 22 May 2009, were agreed by members.

4. **AGENDA ITEM 2 – MATTERS ARISING**

Paragraph 2.3 - Project Management System

4.1 It was noted that PA Consulting had been appointed, on 23rd June, and that work on the development of an enhanced project management system was underway.

Paragraph 2.5 - Legislative Summary

4.2 It was noted that the electronic copies of the legislative summary had been sent to members on 27th May.

4.3 John Price said that the updated version of the summary would be circulated to members.

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Paragraphs 3.1.2 and 4.3 - Community Planning and Secondment

4.4 It was confirmed that the issues of community planning and the secondment of civil servants would be discussed at the Executive Sub Committee meeting scheduled for 20th July.

Paragraph 3.3.2 – Assessment of Options For LG Service Delivery Report

4.4 This was discussed under agenda item 5c

Paragraph 3.3.6 – Capacity Building Report

4.5 It was noted that Panel C had provided a Capacity Building report which would be taken under agenda item 5b.

Paragraph 5.1 – LG Reform Joint Forum and HR Implementation Issues

4.6 At the last meeting it had been agreed that:-

- the LG Joint Forum be established to facilitate consultation between Employer and Employee representatives on HR implementation issues; and
- Minister Wilson would give further consideration to the accountability arrangements of the Forum.

4.7 John Price confirmed that the paper on this issue (SLB 24/2009) had been presented to the RTCG meeting on 11th June and arrangements were being made for the Forum to meet. He said that further details of the arrangements were set out in the RTCG update paper to be discussed under item 6 of the agenda.

4.8 John Price also confirmed that Minister wrote to the Chair of Panel C on 18th June outlining his view that:-

- the most appropriate reporting and accountability arrangements for the Forum is not directly to Panel C but to RTCG and ultimately to SLB; and
- this issue would be further considered as part of the review of LG Reform Programme Organisational Structures.

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4.9 Ald Hatch welcomed the commitment to include the accountability arrangements of the Forum as part of the review.

Paragraph 5.3 – PSC 4th Guiding Principle

4.10 It was noted that a copy of the PSC 4th Guiding Principle, relating to arrangements for filling of posts within the new structures, had been circulated to members on 26th June.

Paragraph 6.1 – Implementation of Finance and Estates Working Group Recommendations

4.11 At the last meeting it was agreed that RTCG should take responsibility for the implementation of the recommendations of the Finance and Estates Working Group of Panel C.

4.12 John Price said that the paper on this issue (SLB 25/2009) had been presented to the RTCG meeting on 11 June and that arrangements were being made to set up an implementation group to take these issues forward. He pointed out that further details were outlined in the RTCG Update paper to be taken as item 6 of the agenda. John also confirmed that that Panel's views on accountability points raised by Ald Hatch would be taken into account in the review of LG Reform Programme Organisational Structures.

4.13 Ald Hatch said that he welcomed the commitment that the accountability issues would be further considered as part of the review. He stressed that the Panel members consider that they should have a role in monitoring, reviewing and commenting to SLB on the progress made by RTCG as implementation advances.

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Paragraph 7.1 – Local Government Implementation Framework

4.14 It was noted that the latest version of the Framework would be considered under agenda item 8.

Paragraph 8.2 – Capital Expenditure and Voluntary Committees

4.15 John Price said that a note, clarifying the role of voluntary Transition Committees in relation to capital expenditure projects, would be issuing within the next week.

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Paragraphs 9.1 and 9.2 – Organisational Review of LG Reform Programme Structures

4.16 John Price said that good process was being made on the review. He reported that:-

- Focus Group meeting had been held with each of the 3 Panels, SOLACE and representatives of transition Committees;
- an issues paper was being prepared which would set out the

views expressed at the Focus Group meetings in terms of the existing organisational arrangements and what needs to be done to meet the key changes and challenged to be encountered over the next 2 years;

- the next step would be to carry out a series of interviews with the SLB members representing the political parties, NILGA and Transferring Function Departments to take their perspectives on board; and
- at this stage, the Joint Secretariat team were on course for presenting their draft report to the SLB meeting on 14th August.

4.17 Heather Moorhead said that it was recognised that the timescale for the review is very tight especially in view of the holiday period. However, she encouraged members to make themselves available to participate in the SLB interviews being organised for late July. She also confirmed that NILGA had written to the political parties seeking their agreement to postponing the transfer of the chairmanships of the Panels pending the outcome of the review.

Paragraph 10.2 – Response From Minister Goggins On Co-option

4.18 Members discussed Minister Goggins' previous commitment to giving further consideration to amending the co-option scheme following the outcome of the consultation on severance arrangements for elected members. It was noted that the consultation is now complete and that the Department is following up the issue with Minister Goggins.

4.19 The Vice Chair said that NILGA would also write to Minister Goggins about the matter. NILGA

Paragraph 10.4.2 – Meeting With Minister Murphy

4.20 Heather Moorehead said that NILGA would be writing to Minister Murphy shortly thanking him for the recent meeting. NILGA

Paragraph 10.5.1 – Seminars for Transition Committees and Transition Management Teams

4.21 It was confirmed that the first in a series of seminars for Transition Committee and Transition Management Team members would be held on Monday 6th July.

5. AGENDA ITEM 3 – POLICY DEVELOPMENT PANEL A

Dashboard Overview Report (SLB 29/2009)

5.1 The Chair of Panel A, Cllr Bunting, outlined the key points in the report including the work being taken forward in relation to the development of a programme to support the introduction of community planning. A separate paper, setting out on current thinking on this issue, was tabled for discussion (see below).

5.2 Cllr Bunting also said that the Panel proposes to review its work programme to identify those areas where further work is still required and the relative priorities of those tasks.

Community Planning Update Paper (SLB 30/2009)

5.3 Cllr Bunting introduced the paper which outlined the Panel's proposals in relation to a programme of activities to inform and support the statutory introduction of community planning in 2011.

5.4 Key points Cllr Bunting made included:-

- the forthcoming establishment of the Statutory Transition Committees provided the opportunity to rethink how work is taken forward to prepare councils for the statutory introduction of community planning;
- there is the opportunity to build on the partnership which already exists;

- the need to link initiatives in Departments that have a local focus to community planning;
- the requirement for engagement with organisations at a regional level; and
- the need to identify the resources necessary to support the proposed programme was a critical issue.

5.6 In subsequent discussion:-

- Marianne Fleming confirmed Planning Service's commitment to working with one or two Transition Committees, in advance of 2011, on preparatory work for new area plans; and DOE
- members confirmed that they were content to endorse the paper.

6. **AGENDA ITEM 4 – POLICY DEVELOPMENT PANEL B**

Dashboard Overview Report (SLB 31/2009)

6.1 The Chair of Panel B, Cllr Quigley, introduced the report and highlighted the key work items that were being taken forward. These included the:-

- finalisation of Customer Service Strategy policy proposals ;
- development of proposals for a Procurement Strategy on behalf of the sector; and
- development of guidance to support the Service Delivery and Performance Improvement Framework.

6.2 Cllr Quigley also confirmed that the:-

- Information Systems Strategy had been remitted to NILGA e-Government Working Group to drive its implementation and make recommendations to the Panel; and
- the Panel was reviewing and prioritising its overall work programme.

7. **AGENDA ITEM 5 – POLICY DEVELOPMENT PANEL C**

Dashboard Overview Report (SLB 32/2009)

7.2 The Panel C Dashboard Overview Report was noted.

Capacity Building Report (SLB 33/2009)

7.3 Ald Hatch said that Panel C had agreed the recommendations in the Capacity Building report at its meeting on 22nd June 2009. He pointed out that key points in the report included:-

- the importance of effective capacity building especially for those directly involved in the reform programme, the training for whom needs to start immediately;
- the recommendation that the Department secures the resources for capacity building, in addition to those already allocated to Transition Committees, estimated to be in the region of £1.5 million;
- these estimated costs be integrated into the bid to DFP for resources; and
- the capacity building programme is overseen jointly by the LG Training Group and NILGA.

7.4 In discussion members agreed the report but stressed that in taking capacity building forward there must be a focus on providing value for money training and that a balanced approach was required in order to support both members and officers in the change process.

Finance and Estates Implementation Paper (SLB 35/2009)

7.5 Ald Hatch introduced the paper which identified a second series of issues which Panel C recommended should be passed to the RTCG for implementation. It was noted that the key recommendations included the need for further work in relation to:-

- the Rate Support Grant;
- data collection and the transfer of information between councils; and
- the independent validation of the funds to be reassigned, from central to local government, in respect of functions transferring.

7.6 Ald Hatch also advised that the Finance and Estates Working Group was considering a number of further issues including striking of the rates for the new councils, settling of accounts of the old councils and options for transferring funding to district councils. He said that the Working Group would be presenting a report, to the Panel, on these issues in later in the summer.

7.7 Members confirmed that they were content to agree that the Joint recommendations in the paper be passed to RTCG for Secretariat implementation.

Appointment of Senior Staff to New Councils Paper (SLB 36/2009)

7.9 Ald Hatch introduced the paper which sought the Minister's views on whether or not consideration had been given to the introduction of statutory Regulations to ensure that a consistent approach to the employment of the senior staff teams in the new councils.

7.10 Ald Hatch explained that Panel C considered that there should be consistency on the issue across the 11 councils and had noted that in England and Wales this had been achieved through the introduction of legislation. In these circumstances, he said that the Panel would recommend that the matter be remitted to the LG Reform Joint Forum which has the required expertise to consider and make recommendations on the way forward.

7.11 Ald Hatch also stressed that there is a requirement for a centrally funded severance scheme for local government officers to be in place prior to the establishment of the statutory Transition Committees which will be tasked with the appointment of the senior officers. He said that consideration also needs to be given to who will cover the costs such as salaries for each of the new teams.

7.12 The Minister agreed that the issue of regulations should be considered further. It was agreed that the matter should be remitted to the LG Reform Joint Forum for evaluation and to make recommendations on the way forward.

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8. **AGENDA ITEM 6 – RTCG (including Transition Committees) Update (SLB 37/2009)**

8.1 John Price introduced the paper which provided a summary of the issues discussed at the last RTCG meeting along with an update on the work of the Transition Committees. Key items highlighted in the paper included arrangements for:-

- the establishment of the LG Reform Joint Forum to facilitate consultation and negotiation between Employer and Employee representation on cross cutting Human Resources issues;
- the establishment of a Finance and Estates Implementation Group to take forward work on a wide range of finance and estates issues; and
- the “Making Transition Work” seminar to be held on 6th July. This is the first in a series of seminars hosted by the Joint Secretariat, to provide guidance and support during the transition process.

8.2 Heather Moorhead said that there had been a good response to the Making Transition Work seminar with over 160 delegates registered to attend. She said that the programme for the seminar included speakers for Wiltshire Council who have practical experience of

reorganisation and a presentation by PwC on the service delivery project.

8.3 It was agreed that the seminar would be helpful for the Transition Committees but that it would be important to ensure that they develop detailed programmes itemising the key work areas to be taken forward along with related targets. Joint Secretariat

8.4 Members also stressed the need to ensure that there is one central point of contact within the Department for the provision of advice and guidance to the Transition Committees. It was agreed that John Price's team, in Local Government Policy Division, should fulfil that role.

9. **AGENDA ITEM 7 – COMMUNICATIONS UPDATE (SLB 38/2009)**

9.1 John Price spoke on the paper, presented for the information of SLB, which provided an update on the deliberations of the first meeting of the LG Reform Communications Group held on 16th June. It was noted that the meeting was attended by communications personnel representing the council clusters, representatives from transferring Departments, Trade Unions and the LG Staff Commission.

9.2 Members noted that key points addressed at the meeting included:-

- the establishment of priorities for future meetings including the creation of a communications strategy template to provide guidance for Transition Committees; and
- the Group's recognition about the importance of carrying out further work on resource and branding issues.

10. **AGENDA ITEM 8 – LG IMPLEMENTATION FRAMEWORK (SLB 39/2009)**

10.1 John Price spoke on the Implementation Framework paper, presented for the information of members, which highlighted the key priorities and milestones in the reform programme.

10.2 It was confirmed that the work of PA Consulting, which had been commissioned by the Department to help enhance project management, would embrace the Implementation Framework.

11. **AGENDA ITEM 9 – ANY OTHER BUSINESS**

Planning Reform

11.1 The Minister said that members would be aware that there had been ongoing delays in securing the Executive's consideration and clearance of the planning reform consultation paper which also addresses the legislative changes needed under RPA to transfer planning functions to local government. He said that:-

- he was pleased to inform members that the outstanding issues which were raised in relation to the draft consultation paper, by the deputy First Minister and his colleagues, were resolved to the satisfaction of all sides earlier that week;
- the consultation paper was subsequently considered and cleared by the Executive at its meeting on 2 July and he now intended to issue the paper for a 12-week period of public consultation; and
- the timetable for bringing forward the necessary legislation for planning reform, including the transfer of planning functions by 2011, remains extremely challenging and ambitious.

11.2 The Vice Chair welcomed the update provided by the Minister and said that it was extremely good news.

Consultations

11.3 It was noted that the recent consultations on severance arrangements for councillors and the statutory Transition Committees had closed on 31st May. Copies of summaries of the responses to each consultation were distributed and it was agreed that these should be published on the DOE website with the other papers for the meeting.

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12. **AGENDA ITEM 10 - DATE OF NEXT MEETING**

12.1 The Minister confirmed that the next meeting would be held on Friday 14th August 2009 at 10:00 am in the Learning and Development Centre. He explained that Friday meetings were usually difficult to accommodate in his diary given other commitments and suggested that the dates for future meetings be considered further at the next meeting.

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Assessment Of The Options For Local Government Service Delivery

Introduction

Stephen Smyth said that PwC was commissioned to conduct “an assessment of the options for local government service delivery”. The key objective of this work was to identify the best delivery model to enable ‘strong’ local government by May 2011.

The Phase 1 Report (draft) had been produced and a series of briefings to the political parties, SOLACE and PDP C had been held.

Against this background, PwC colleagues set out the key conclusions and recommendations arising from Phase 1. It was stressed that if these recommendations were accepted the project could then move into Phase 2 which covers the development of both an Economic Appraisal for the delivery of local government in its entirety and an associated Implementation Plan.

Conclusions & Recommendations

- 1. An analysis of local government service delivery in Great Britain, Ireland and in other jurisdictions identified there is no operating model to cover end-to-end service delivery within each of the 11 new councils (one size doesn't fit all, there isn't a recognised right answer). It wouldn't be appropriate for PwC to suggest such a model or series of models exist as a basis of good practice. ,***

There is, however, an understanding that the basis for strong local government rests in the efficient and effective design of council services, acting as a strong base for the development of a range of collaborative opportunities, including shared service delivery.

The design of many of the elements of a council's organisational structure rightfully sits with local elected representatives and officers reflecting local needs. When consistent design principles are applied to this structure - to develop efficient cross cutting customer facing, service delivery and service support functions within councils- then the best marriage between local democracy and efficient and effective service delivery is achieved

It was, therefore, the consistent design of service delivery options across democratic council structures which would create the most effective operating model

PwC's recommendation is:

A Design Approach is adopted for the development of a consistent operating model for the new councils. The Design Approach should be comprised of the following elements:

- A Design Framework – a standard approach to the development of a council operating model based on a shared set of guidelines and principles.

- A Design Toolbox – a set of shared processes (e.g. data recording), technologies (e.g. network) and enabling initiatives (e.g. capacity building) which will be designed collectively and deployed as common building blocks across all of the new councils.
- Design Resource – Subject matter experts to provide advice, guidance and assurance of the design and build activities within individual councils.

The 11 new councils will not all have the same internal organisational structures, but they will each have an operating model which has been designed using a common approach and using common building blocks that will facilitate future collaboration.

2. There are a number of options around the application of a Design Approach to the creation of new council operating models by May 2011. These options relate to a number of incremental steps around the degree of transformation that is aimed for – these options reflect the need to achieve the ‘sweet spot’ between do-ability and ambition for the local government sector.

The least ambitious options are very do-able but will result in little value-add to the citizen and little if any operating cost reduction, alternatively the more ambitious options entail greater risk but result in much greater service delivery added-value to the citizen (quality and timeliness) and increased reductions in operating costs.

PwC’s recommendation is:

A full Economic Appraisal should now be conducted on the shorted-listed options for the approach to the design of operating models within the new Councils:

1. **Do Nothing** (as a baseline for the Economic Appraisal)
2. **Do Minimum – Reorganisation without Transformation** - Reorganisation of functions with new councils effectively operating the ‘old’ organisations with a level of joined-up management – in effect brigading together under one title the same functional areas in amalgamating councils and doing the minimum necessary in terms of staff and location to bring across transferring functions
3. **Transformation within Service Delivery Functions** with the operating model for each service delivery function will be designed in isolation to provide an effective and efficient service across the new council area – in effect working to bring the amalgamating functions of councils together into a single council structure, having regard to staff numbers, location and resources required to deliver this function across a the new council area. A structured approach to the integration of transferring functions from central government is also taken with regard to location and staffing, brigading together functions which work in common together.
4. **Transformation within Councils** with the operating model for the overall council to be designed across all constituent service delivery functions – in effect option 2 as a baseline for the consistent design of front middle and back office services within councils. This option should

5. **Transformation across Collaborating Councils** - Option 4 with the exploration of options for shared services which could be delivered at or shortly after 2011. This option emerged in consultation with political parties as an opportunity to do as much as possible in the transition to 11 councils to drive efficiency and effectiveness rather than go through the pain twice
6. **Transformation across Region** - Option 4 with the addition of an appraisal of a regional support organisation operating on behalf of local government delivering a range of support services, including, ICT, finance functions, HR, procurement. Consideration should also be given to the monetary and non monetary costs and benefits of such an organisation within a local government association or separate from it

There is likely to be variants within these options.

PwC's initial view was that the initial focus should be on developing 11 strong 'self contained' local councils as the sound basis for regional collaboration once the new councils had been established. It was stressed that PwC consider that one of the key elements of a 'strong' design for a new council is that it prepares the way for future collaboration.

Each of the short-listed options must be assessed in terms of its:

- Monetary Costs and Benefits (including implementation and operating costs);
- Non-Monetary Costs and Benefits (including impact on 'people'); and
- Risks (which must include an assessment of the capacity demands of the implementation of each option).

The Economic Appraisal will also look at funding options in support of the preferred Design Approach. The Economic Appraisal will consider the funding options open to local government and the implications and restrictions (including any pay back terms or design obligations) that may be associated with each of these options.

While PwC fully endorse the principle of designed services as the preferred operating model the Economic Appraisal process will drive out the optimum option for local government, which will be based on a consideration of all the assessment criteria set out above.

3. *The Transition Committees, and their associated Transition Management Teams, need clear direction on the scope and range of their responsibilities in the design of their new organisations against those elements that will be designed, developed and delivered collaboratively / collectively. The Design Approach places a greater emphasise on the transition teams within each of the new councils.*

PwC's recommendation is:

The definition of each option within the Economic Appraisal should clearly articulate the associated:

- Role and responsibilities of each Transition Committee;
- The key elements of support that each Transition Committee will be offered e.g. Design Framework and the cost and benefit of Design Resource.
- The key actions, dependencies and milestones on the overall implementation plan that will be the responsibility of the Transition Committees.

4. There are a number of options for appropriate future regional structures for local government (depending on the structures for the new local council organisations). Roles and responsibilities for a regional solution may include:

- 1. A joint committee structure to act as a clearing house for decisions affecting all councils**
- 2. Central Local Government liaison arrangements**
- 3. Mechanism for developing policy frameworks, providing direction on standards**
- 4. A means of agreeing and distributing programme and grant funding transferring from central government**
- 5. All of the above in one regional body managing or delivering a range of shared or support services on behalf of all the councils – the ‘Plus 1’ option**

PwC’s recommendation is:

Decisions should be taken on the design of appropriate regional structures for local government in Northern Ireland. Political direction on an acceptable way forward is required before an assessment of service delivery options can be conducted within the Economic Appraisal.

PwC colleagues said that Local Government has a once in a lifetime opportunity to drive out real change both for the benefit of citizens and service consumers and for taxpayers and ratepayers. PwC believe that the Design Approach to the development of operating models for new councils is not only the right solution in terms of ensuring effectiveness and efficiency but also gives local politicians, officers and citizens what they really want – the opportunity to design and implement the ‘right’ council, accountable and responsive local government, for their area. This is a greater “ask” for all involved when compared to the Do Minimum Transition but with this greater ask comes much greater reward. PwC said that the Economic Appraisal will drive out the optimum solution for local government and they would ask the Minister and the SLB to trust this process.

