

Managing Transition, Further Guidance August 2008

Introduction

This guidance paper, *'Managing Transition'* commissioned from the Joint Secretariat, following discussion at the Strategic Leadership Board (SLB), seeks to capture the key issues for local authorities in reorganising from 26 to 11 councils by 2011 and provide initial guidance on how local authorities might manage the transition process. As the process of restructuring develops, further guidance will be developed by the SLB structures.

While it is recognised that some councils are already starting the transition process it is clear that further guidance is needed on the structures and tasks that will facilitate the change process at a local level.

Currently a decision on the final transition arrangements has not been agreed by the Minister for the Department of the Environment (DoE). In the absence of a decision the guidance within this document assumes the new councils in 2011 will not operate in shadow form. The Minister will in due course issue further direction on this matter. The following table summarises the context within which this document has been developed.

SUMMARY OF FACTS

- 26 Councils will be reorganised to 11 Councils in 2011
- A significant number of functions will be transferring from Government Departments to local government up to and beyond 2011
- The Local Government Boundaries Commissioner will report in June 2009

ISSUES

- No clear direction in relation to the new councils operating in shadow form
- Recruitment of interim executive team to support transition committees

STRUCTURES AND CAPACITY TO SUPPORT AND MANAGE THE CHANGE PROCESS

- Formal transition committees should be established by legislation by September 2009
- Local authorities to apply programme and project management principles
- Development of change management capability within local government

TRANSITION TASKS

- Vision for the new councils, long term vision in order to influence short-term decisions
- Develop common systems and processes
- Development of management structures to fit the councils' key aims and objectives
- Deciding the main priorities and planning: what needs to be done by when
- Have a clear picture of the relevant organisational finances
- Engaging staff in the change process
- Communicating what is happening and why to staff, stakeholders and the public

This document looks ahead to the tasks that councils will have to address in the transition period up to the local government elections in 2011 and after. It is designed to provide guidance only and not all sections will be relevant to all councils

Section One outlines the principles which will underpin the transition process. The structures that councils are required to put in place to manage the transition period up to 2011 and how these structures may be supported.

Section Two identifies the key tasks to be addressed by councils during the transition period and offers advice on the management of these tasks.

SECTION ONE: PRINCIPLES AND STRUCTURES SUPPORTING THE CHANGE PROCESS AT A LOCAL LEVEL

Principles underlying the change programme

The transition task that now faces the Department of the Environment (DoE), the 26 councils and the relevant transferring departments is an enormous challenge. There are many stakeholder groups and organisations and it is important to underpin the process with a number of key principles. The principles outlined below are a first draft at underlying principles.

1. Programme of change driven by clear guidance from the Minister/SLB
2. Programme management approach with agreed deadlines
3. Decisions taken within the prescribed structure
4. Failure to agree on critical tasks results in direction from the Minister/Department
5. Support to the Change and Transition Committees by the existing Chief Executives
6. Chief Executives appointed by the new Council
7. Costs kept to a minimum

Are organisations able to sign up to these principles?

Are there any more suggestions?

Structures supporting change

To facilitate the reorganisation of 26 councils to 11 in 2011 it will be necessary to create appropriate decision making structures locally.

Transition Committees, under statutory authority, will be empowered to make relevant and binding decisions on behalf of the new councils prior to 2011. It is planned that a Finance Bill, which will be considered by the Northern Ireland Assembly in autumn 2008, will contain reference to Transition Committees. It is envisaged that the Finance Bill be passed into legislation by Autumn 2009 and thus Transition Committees, with the relevant statutory authority, are likely to be formed by the end of 2009. The table below details the planned stages of transition. Further guidance on the formation of Statutory Transition Committees will be distributed when available.

September 2008 –September 2009	Preparing for Change	Voluntary Transition Committees
September 2009 – until the 2011 local government elections	Transition	Statutory Transition Committees

Post 2011	Transfer of functions Modernisation	New Council
------------------	----------------------------------------	-------------

Table 1: Stages of Transition

Prior to the formation of Transition Committees with statutory authority, it is important that Councils begin to prepare for the change in 2011. Councils should now form Voluntary Transition Committees which will begin to prepare for change.

Membership of Voluntary Transition Committees should be drawn from members of those councils that are planning to merge in 2011 and there should be equal representation from each council.

Detailed guidance on the membership and structure of Statutory Transitions Committees will be developed in due course. In forming Voluntary Transition Committee Councils should consider the size and composition of the membership. It is likely that the membership of Statutory Transition Committees will not exceed a total of 16 councillors and it is recommended that Voluntary Transition Committees should have no more than 16 members. Provision should also be made for the appointment of substitute members. It is further recommended that the Chairperson of a Voluntary Transition Committee should be a Councillor, and the Chairperson should NOT have a casting vote. The position of Chairperson may be rotated. Membership of both the Statutory and Voluntary Transition Committees should reflect the political make up of the relevant councils.

Each Voluntary Transition Authority should develop common terms of reference within a given template which will include the following:

1. The preparation of an action /project plan for completion of the transition process within a specified time frame
2. The preparation of a staff transfer plan/scheme
3. Preparation of a plan for the rationalisation and transfer of assets and liabilities [noting that the issue of transfer of functions will be effected by separate subsequent legislation]
4. Preparation of arrangements for the integration of:
 - a. IS systems
 - b. Payroll
 - c. Other systems e.g. CRM, Records Management
5. Put in place a senior management team to support the change process (Chief Executive/Change Manager, Finance, HR)
6. Preparation of the budget for the first year of the new Council
7. The preparation of an appropriate communications plan

There will also be a general obligation on transition authorities to follow any guidance/guidelines issued by the Minister for the DoE.

Summary of the Roles, Membership and Tasks of the key bodies driving the change process

Voluntary Transition Committees (VTCs)

Role – The main role of a Transition Committee will be to provide the policy leadership to make the key decisions necessary to ensure that services and functions are able to transfer to the new Council on a specified date.

Membership – equal from each Council, representative of the political membership of all the constituent councils, not to exceed 16 elected representatives.

Standing Orders – VTCs should adopt the standing orders of one of their constituent councils, by agreement, or mutually agree a revised model.

Statutory Transition Committees (STCs)

Further guidance and direction in relation to STCs will be distributed when available.

Change Management Teams (CMTs)

VTCs should now put in place a change management team consisting of officers who will support the work of the committee and drive the change process within each of the transferring councils and relevant transferring departments.

Role – Responsible for the day to day management of the transition process; reporting to and working alongside their respective Voluntary Transition Committee. The CMT will plan and execute the efficient and effective transition to the new councils in terms of the critical managerial and operational transfer issues. The work of the CMT will progressively diminish as the management teams of the new Council become established.

Membership – The Chief Executives and Senior Management Teams of the relevant Councils and transferring functions departments and any other relevant officers.

New Council

Members will be elected to the new Council in 2011. The existing Councils will continue to be responsible for the delivery of services up until the new Council fulfils a number of key tasks including appointing a Chief Executive and Senior Management Team and agreeing and implementing a governance structure.

The table below summarizes the key bodies that will drive the change process, their membership and typical functions.

Structure	Membership	Typical Functions
Voluntary Transition Committee (VTC) 2008 – 2009	Equal numbers of Councillors from each of the merging Councils	Role will be to take the key decisions necessary to ensure that the new Council is effective

Statutory Transition Committee (STC) 2009 - 2011	Membership reflective of the political makeup of the relevant councils Maximum of 16 members Supported by a lead Chief Executive and relevant Senior Managers	on the operative date
Change Management Team (CMT) 2008 - 2011	The Chief Executives and Senior Management Teams of the relevant Councils and other relevant officers	Responsible for the day to day management of the transition, reporting to and working alongside their respective Transition Committee
New Council 2011	Members elected to the New Council in May 2011	Appoint a Chief Executive and Senior Management Team

Table 2, Summary of the proposed local transition structures

SECTION TWO: TRANSITION TASKS

Tips from other regions

While the process of transition has already started in many council areas across Northern Ireland it is important to learn from others. The following table summarizes advice from elected representatives and officers from neighbouring regions who have participated in similar change processes.

TO DO!

See yourself as new

Form a vision of where you want to get to

Design and test the structures you propose to use

Plan for what needs to be done when – programme and project management

Always have a picture of the finances

Define roles and responsibilities

Develop practical ways of working together

Explain and keep explaining what you are doing and why

Plan carefully any IT changes

Watch out for accommodation problems

Table 3: Tips from other regions

Key Tasks

There are a number of key tasks that the Voluntary and Statutory Transition Committees will be required to undertake up to March 2011. These tasks have been summarised in the table below. This is an indicative list at this time and will be updated as required.

CRITICAL TASKS	TARGET
Establish a Voluntary Transition Committee, governance arrangements and committee procedures	End December 2008
Establish a Statutory Transition Committee	By end of 2009
Appoint an interim Senior/Change Management Team (CMT)(as above)	End December 2008
Planning the Transition, agree a business plan/budget for the work of the Transition Committee up to 2011	End of March 2009 to cover the period April 2009 until End of March 2011
Develop and implement a communication strategy	Develop a strategy by December 2008 Ongoing implementation
Agree organisation and management structures accommodating all relevant services – design the new organisation	April 2009
Develop and implement a strategy for joint arrangements and/or sub regional structures as required	Mid 2009
Develop and agree a financial plan supporting the new organisational structure	Mid 2010?
Develop a staff transfer and appointments scheme (guidance from PDP C)	Mid 2010
Develop and implement a training and capacity building plan	Mid 2009
Develop and implement an accommodation plan	January 2011
Develop and implement an information systems strategy to include payroll, finance, communications and records management systems	December 2010
Develop and agree a joint budget for the year 2011/12	February 2011

Table 4 :Key Tasks

Next Steps

Develop the advice to take account of the ongoing work on roles and relationships within the implementation structures.

Provide further guidance on an ongoing basis as the operational phase of the programme develops.