

**ASSESSMENT OF OPTIONS FOR LOCAL GOVERNMENT SERVICE DELIVERY - CONSULTANCY UPDATE**

**Agenda Item: 3**

**Summary: PricewaterhouseCoopers (PwC) were appointed on the 14<sup>th</sup> January 2009 to undertake an assessment of options for local government service delivery. This paper provides a summary of the progress made to date against Phase 1 of the assignment.**

**Action Required: To note.**

**BACKGROUND**

1. Strategic Leadership Board (SLB) members will recall that:-

- the consultants, PricewaterhouseCoopers (PwC), were appointed to undertake an assessment of the options for local government service delivery, their focus being to develop effective and efficient models for the future delivery of key services by the 11 new councils;
- for Phase 1 the Terms of Reference are divided into a number of deliverables which cover the following –
  - Define the current operational arrangements for delivering the functions transferring from central government;
  - Define the current operational arrangements for those functions currently delivered by local government on a group basis;
  - An analysis of the direct and indirect financial costs, staffing and other resources deployed in support of these functions;
  - An analysis of how these functions are delivered in other jurisdictions; and

- Recommendations for effective and efficient operating models for the future delivery of these functions in 2011.
  - Policy Development Group Panel C forms the Project Board for Phase 1 of this assignment and a Phase 1 Steering Group, which includes a number of members and advisors from Panel C, is responsible for guiding the work of PwC and for ensuring the products listed in the Terms of Reference are delivered.
2. At the initial meeting between the Steering Group and PwC, held on Wednesday, 28<sup>th</sup> January 2009, members stressed the importance, scale and complexity of the Project. In addition, the Group noted the consultants approach and methodology and commissioned PwC to produce the Project Initiation Document (PID) for the approval of Panel C. PwC presented an overview of their plans to Panel C on Thursday, 19<sup>th</sup> February 2009.

## **DETAIL**

3. On Monday, 2<sup>nd</sup> February 2009, PwC commenced a five week programme of key stakeholder meetings with senior officials from transferring Departments and from Local Government, to help establish a range of models.
4. PwC has also commissioned a Data Collection Exercise to establish base costs and staff numbers, which is due for completion by Friday 27<sup>th</sup> February 2009. The following Departments are taking part in this exercise:-
- Department of the Environment
  - Department of Enterprise, Trade and Investment
  - Department of Culture, Arts and Leisure
  - Department for Social Development

- Department for Regional Development
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5. The next meeting between the Steering Group and PwC is scheduled for Wednesday, 11<sup>th</sup> March 2009. The key agenda items will include a review of the findings from the Data Collection Exercise.
  
  6. PwC plan to issue their draft report on Phase 1 to Panel C by Monday, 16<sup>th</sup> March 2009. The views of Panel C will be taken into account with a final report being provided by Monday, 20<sup>th</sup> April 2009.

**POLICY DEVELOPMENT PANEL C**