

REVIEW OF LOCAL GOVERNMENT REFORM PROGRAMME ORGANISATIONAL STRUCTURES: REPORT TO STRATEGIC LEADERSHIP BOARD

Introduction

1. The Strategic Leadership Board (SLB) commissioned a review of the organisational structures for managing the local government reform programme. Its terms of reference are to:
 - assess progress against the programme plan;
 - identify what has worked well so far, any issues encountered, the extent of change and challenge that will impact on the implementation structures up to May 2011 and the learning from experiences to date;
 - evaluate the existing remits and key objectives of the SLB, PDP and RTCG structures and associated resources (i.e. elected representatives, officer support, finance, skills and monitoring processes);
 - in light of the above, identify the most appropriate structures and governance arrangements for managing and integrating the work necessary to ensure the effective and efficient transition to the new councils; and
 - present a draft report, outlining the key findings and recommendations, to the SLB for consideration at its meeting on 14th August 2009.

2. The review was undertaken by a Joint Secretariat Team comprising officers from DOE and NILGA supported by Dr Bill Smith, Senior Research Fellow at the Institute of Governance, Public Policy and Social Research at Queen's University Belfast. It consists of three phases: fact finding, analysis and report writing. The fact finding phase has included assessing progress with the reform programme to date and focus group sessions with each of the three PDPs, SOLACE and representatives from the eleven Transition Committees. A summary of these discussions is attached at Appendix 1.

3. From those initial discussions the Joint Secretariat identified a series of options for the future reform structures intended as a starting point for further discussions with each of the political parties, transferring departments and SOLACE advisers represented on the SLB. An outline of these discussions is attached at Appendix 2.

4. These discussions yielded broad agreement on a series of key criteria against which to assess proposals for change to the reform structures. This paper sets out a preferred approach based on an analysis of all consultations to date.

CONCLUSIONS

Strategic Leadership Board (SLB)

5. The SLB should continue to direct the reform process with a key role being to ensure that the Transition Committees are adhering to policies and the agreed timescales for implementation.

Programme Management System.

6. An effective programme management system is a key requirement for the successful implementation of the local government reform programme. The system must include consistent reporting procedures, effective risk management and form the basis for effective communication between and with all reform organisational structures including Transition Committees. There needs to be one clearly identified source of communication from the centre to councils. An effective programme management system will, through a programme management office, help the Joint Secretariat provide effective support to the reform structures.
7. It is anticipated that an appropriate programme management framework will be in place in the near future. PA Consulting has been employed to act as a strategic advisor on the development of planning and programme management for the Reform Programme going forward; and the development and implementation of a Programme Management System.

Policy Development and Regional Implementation

8. At present the Regional Transition Coordination Group is tasked with support and oversight of the implementation process. When Transition Committees become statutory there is a need for a new regional implementation structure to clearly and meaningfully represent each Statutory Transition Committee (STC) within the regional implementation process. The 11 STCs should take the lead responsibility for the successful implementation of the reform programme at a local level and should co-ordinate and support the regional level implementation activity and address operational

issues emerging from the STCs.

9. The PDPs have already resolved many of the policy issues within the reform programme. However; there still remain some outstanding policy issues.
10. The linkages between STCs and PDPs, policy and implementation and party and local elected representation should be strengthened on the new implementation structure.
11. Local Government officials should take forward implementation of the reform policies. This implementation structure must be genuinely accountable to elected members both at local level and when engaged in activity at the regional level. This reflects the existing and accepted operating position at council level.

RECOMMENDATIONS

12. In light of the above, we would invite the SLB to consider the following recommendations.

Strategic Leadership Board (SLB)

13. To continue as is.

Regional Transition Committee (RTC)

14. A new group, to be known as the Regional Transition Committee (RTC), should be established. The RTC would be accountable to the SLB and its remit would include the following:
 - to act as the interface between the SLB and the eleven STCs, ensuring that there is excellent communication between the regional and local levels;
 - to co-ordinate, support and monitor implementation of the reform programme across the eleven TC areas;
 - to advise the SLB on key operational management and capacity issues and seek policy direction as required;
 - to address emerging operational policy issues ;
 - to facilitate communication, sharing of good practice and collective problem-solving amongst the eleven STCs; and
 - to commission thematic task-and-finish groups (TFGs) as necessary.

15. The membership of the RTC would comprise one elected representative from each of the eleven STCs, possibly the chair. The five NILGA representatives on the SLB would also sit on the RTC: this would create a strong connection with the SLB, secure continuity and improve inclusivity. The Vice-Chair of the SLB would chair the RTC and, as reflects the protocol on SLB, in the absence of the chair another NILGA SLB member would act into this role.
16. It is accepted that there may be a need to increase the number of members to accommodate political representation. However, this is an issue for political parties to consider and advise on.
17. DOE and NILGA will provide a Joint Secretariat to the RTC.

Regional Transition Management Team (RTMT)

18. It is also proposed that a Regional Transition Management Team (RTMT), consisting of officers, acting as advisers to the RTC. This group would comprise an officer from each Transition Management Team, the Deputy Secretary of Local Government, Planning & Environmental Policy, the Chief Executive of the Local Government Staff Commission, the Chief Executive and two Directors from NILGA and a senior management representative from each transferring function department. This body would meet directly after RTC meetings to co-ordinate the implementation of agreed actions and would be accountable to the RTC. It is recommended that the Chief Executive designate would represent each Transition Management Team, once appointed. The Deputy Secretary of Local Government, Planning & Environmental Policy; will chair the RTMT. (Elected Members should have the opportunity to attend the RTMT as observers).

Task-and-Finish Working Groups (TFWGs)

19. Task-and-finish working groups (TFWGs) would be established to support the work of the RTC on specific projects as required. This could include work on the development of operational guidance on the implementation of policies already determined by the PDPs. The TFWGs would normally comprise officials, but councillors may also form the membership where their political perspective is required. As currently agreed any guidance should be sent to PDPs for comment before issue to TCs.

Regional Transition Co-ordinating Group (RTCG)

20. As a consequence of the creation of the RTC and RTMT, the RTCG should be dissolved.

Policy Development Panels (PDPs)

21. On the introduction of a programme management framework, the SLB should agree with the PDPs achievable target dates for each of their remaining tasks.

22. PDPs will end once they have completed any remaining policy development work.

23. Any unforeseen policy or political issues arising after the dissolution of the PDPs may be addressed by an ad hoc task-and-finish PDP as appointed by the SLB.

Membership would consist of two representatives from each political party. The Chair of any ad hoc task-and-finish PDP should be a member of the SLB.

Secretariat

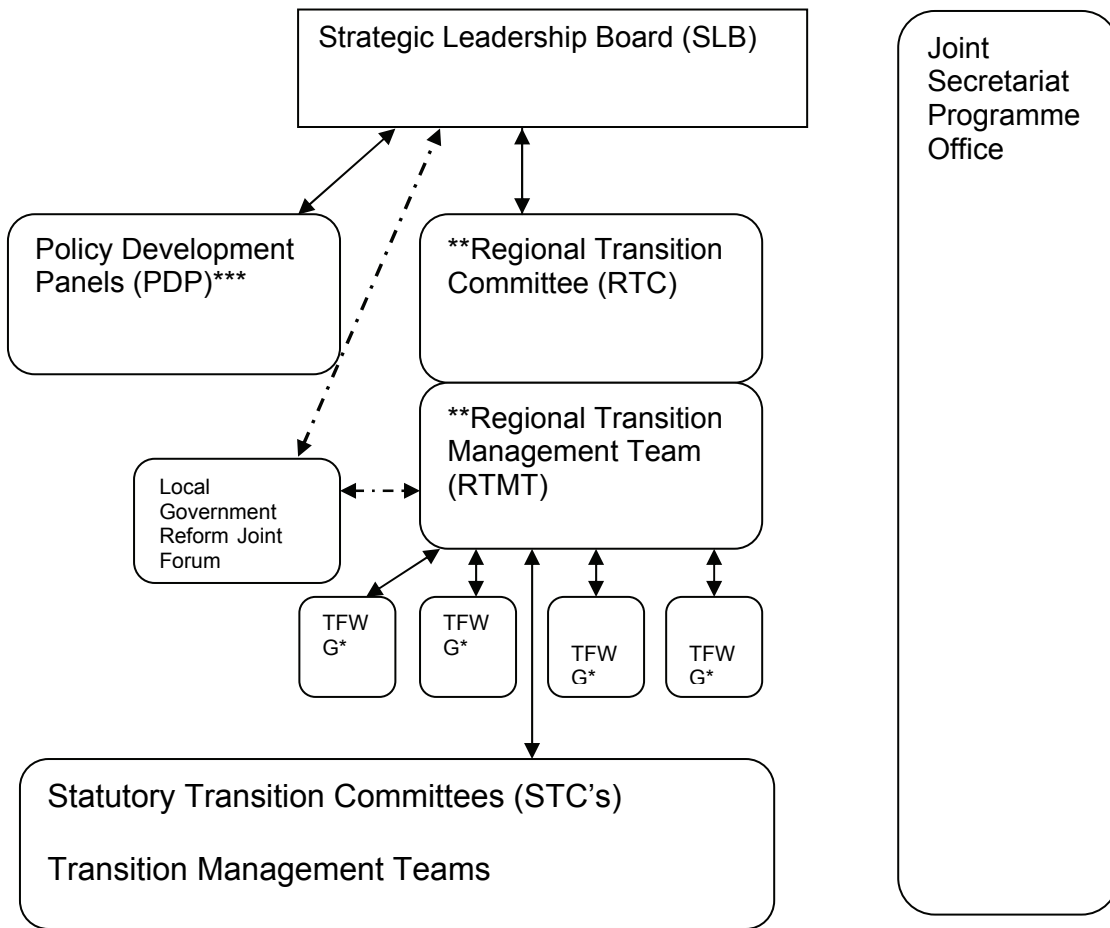
24. The Joint Secretariat should continue to ensure all bodies are adequately serviced/supported within the overall programme structures. Additional expertise to support the implementation timetable should be secured as required.

Working groups

25. Existing working groups should continue to operate as required and report to the relevant PDP or the RTC on progress in relation to an agreed programme of work.

26. The proposed new structure is set out below. It is anticipated that this amended structure will produce the most appropriate governance arrangements for managing and integrating the work necessary to ensure the effective, efficient and timely transition to the new council structure. Member's views are sought on the proposed model.

27. It is recommended that the new structure is implemented in line with the Transition Committees being established on a statutory basis; currently estimated to be January 2010.



*TFWG – Task-and-Finish Working Group

** It is proposed that Regional Transition Management Team members will attend Regional Transition Committee meetings, with the RTMT meeting after the RTC to facilitate senior managers (representing the 11 Transition Management Teams, the Local Government Staff Commission, DoE, NILGA and transferring functions) to co-ordinate the implementation of agreed actions. RTMT to act as advisers to RTC.

*** When the present PDP's have completed their work the facility will be available for the formation of an ad hoc PDP to be established by the SLB if required.

←→ Denotes a reporting relationship

←.-.-> Denotes a partial reporting relationship

SLB Joint Secretariat

APPENDIX 1: FOCUS GROUPS' ASSESSMENT OF THE CURRENT ARRANGEMENTS

Strengths

- have enabled better mutual understanding and constructive working relationships to evolve between elected representatives and officers and between local and central government
- have brought together the necessary experience and expertise from across the system
- participants have developed a shared commitment to the transformation of local government
- the direct engagement of the Minister as Chair of the SLB
- PDPs have achieved an unexpectedly high level of political consensus across policy issues
- overall generally efficient

Weaknesses

- policymaking is disconnected from implementation
- cumbersome and slow at producing decisions
- some important issues have still not been addressed
- Departments have not yet provided PDPs and TCs with a clear and detailed specification of the services, staff and functions to be transferred and their costs
- DoE has on occasions given confusing messages to PDPs
- there have been instances when DoE has not consulted PDPs when it should e.g. in issuing guidance on Transition Committees
- the role of the DoE's two advisers and their relationship with the PDPs are unclear
- DoE has tried to micro-manage activity at local level through excessively prescriptive guidance
- too few people are being asked to do too much too quickly, so that there is a danger of making mistakes
- the remits of the three PDPs overlap and it is not always clear who is responsible for delivering what
- each PDP works largely in isolation from the others
- the SLB does not have time to coordinate the PDPs' work except at a very high level
- TCs are not properly engaged with the regional decision-making process; even when a council has a representative on the SLB / a PDP they do not necessarily report back

- TCs need a full list of decisions reached by PDPs to date
- the role of the RTCG and its relationship with the other parts of the system are unclear and it is not accountable to local elected representatives
- documents are circulated too late for meetings.

APPENDIX 2: Discussion Points from Interviews with SLB membersTransfer of functions

There was a broad consensus that the debate over the transfer of functions needs to be brought to a conclusion soon. PDPs and TCs cannot work properly until they know exactly what functions are going to transfer and the staffing and financial implications.

We are advised that the Executive is expected to make a final decision on the transferring functions in September, which would allow detailed financial and personnel planning to proceed.

Programme planning

Many of our contributors indicated that the limitations of the original programme planning system had made it difficult to identify key objectives, targets and tasks together with realistic timescales; and impossible to monitor and measure progress properly. They argued that a revised programme management framework is needed which would clearly show which group / individual is responsible for delivering what products and by when; and that progress should thereafter be carefully monitored.

Political accountability

All our contributors agreed that the implementation system must be such that local government officials are fully accountable to councillors both at local level and when they are engaged in activity at the regional level. There was widespread concern that the composition and working methods of the RTCG cut across this principle. Many contributors - including some RTCG members – expressed uncertainty about its purpose and questioned its value. Some argued that it stood outside the system, noting that it was the only element without any councillor members.

It was suggested that one or more elected representatives should sit in on RTCG meetings to offer advice from a political perspective. If these representatives were drawn from the SLB, this would strengthen linkages between the two groups. Against this, others contended that the RTCG's role was to implement the policy decisions taken by councillors: political accountability could be secured through the SLB.

It was also suggested that the RTCG should continue to steer and oversee the implementation programme as at present, but that if any TC considered that the RTCG's directions or guidance was inconsistent with the policy already determined, or likely to produce undesirable consequences, it could appeal to the relevant PDP to resolve the issue.

Regional co-ordination

Many contributors referred to the importance of strong working relationships and good communication between the different elements in the system. There was a general consensus that while the SLB worked well as the driver for reform, it was subject to time constraints which meant that it could not address issues emerging from the PDPs and TCs in any depth.

There was broad agreement that the RTCG was not an effective vehicle either for coordinating and supporting implementation activity at the local level or for addressing operational issues emerging from the TCs. The primary reason given for this was that the TCs were not represented on the RTCG. Some contributors argued that the RTCG should be subsumed immediately into a body which had genuine political accountability.

There was general support for a regional co-ordinating group of TCs, which one contributor called the 'Committee of Transition Committees' (CTC). Its remit would include resolving common issues, developing model procedures and standards, sharing best practice and promoting collaborative working. In order to secure the full engagement of those ultimately responsible for implementation at the local level, it was suggested that the CTC should be invited to comment on any future policy recommendations from PDPs before they were considered by the SLB. The CTC's membership would comprise at least one councillor from each TC supported by a senior officer who would have advisory status.

The future role of PDPs

It was agreed that the PDPs had already resolved many of the policy issues on the agenda and were well advanced in tackling the remainder.

The PDPs saw themselves as continuing to have broadly the same functions as before, but with a greater emphasis respectively on community planning (A), collaborative working (B), and human resources issues (C).

There was a general consensus that each of the PDPs should complete the programme of high level policy development on which it is currently engaged: this was better than the alternative of combining the three into a single generic PDP.

Opinion was divided over the PDPs' longer-term future. There was support for two alternative options:

- that they should stand down once they have completed their current policy development work
- that they should remain in being until 2011 to develop operational guidance on and oversee the implementation of the policies which they have produced

In support of the latter proposition, it was argued that the PDPs could increasingly act as a resource for the TCs: they could also provide a mechanism for resolving conflicts and addressing issues of regional significance which would emerge from the work of the TCs.

It was agreed that if and when the PDPs were stood down, the capacity and expertise which they had built up should be redeployed in the service of effective implementation.

The PDPs' relationship with TCs

There was a high level of support for the principle that the TCs should increasingly take lead responsibility for the success of the implementation programme at local level. Many contributors argued that the TCs should be given statutory authority as quickly as possible: *(subject to Assembly approval, the Department intends that this should be done by December)*.

There was a general consensus that the current linkages between the PDPs and the TCs were too weak and in some cases non-existent: they depended largely on the coincidence of overlapping memberships. For as long as the two functions of policy development and operational implementation were structurally separated, we were told that there must be stronger linkages and better communications between them.

Communication

Focus group contributors identified a need for improved communications, in particular (a) between the Department and the PDPs/TCs, and (b) between PDPs and TCs. They also

proposed that each PDP should regularly share brief progress reports with the others, highlighting issues of common interest.

Capacity and resources

There was broad agreement that there is a resource gap, not so much in finance as in intellectual capacity and relevant experience: there are only so many people with the professional expertise to drive the process forward and most of them are already heavily occupied. PDPs A and B expressed the view that every PDP should have a dedicated lead official with relevant knowledge and experience. PDP A also said that additional staffing input would be needed for their work on community planning, including support for TCs, training, and the evaluation of pilot projects.

Until work on the programme management framework is completed, the SLB will not be able to identify with confidence what resources will be needed to complete the implementation phase to standard and on time.

Looking further ahead, it was proposed that a Leadership Capacity Centre should be established as a regional centre of excellence and innovation where elected representatives, senior local government officials and civil servants could come together with external experts to build capacity and promote good practice in governance and service delivery.

Change Managers / Co-ordinators

It was put to us that the Department should issue clear guidance to ensure consistency of role and approach by the Change Managers/Co-ordinators across all eleven TCs.

Personnel issues

Several contributors emphasised the importance of prioritising the resolution of personnel issues in order to minimise the period of uncertainty faced by the hundreds of regional and local government staff members affected by the programme. In this context a case was made for integrating the Human Resources Forum fully into the implementation system, including the performance management framework.

Summary

- The agenda is shifting from policy development towards operational implementation.
- As this happens, the TCs should play an increasingly prominent role in the process.
- The eventual success of the implementation programme requires that the TCs should be fully engaged at the regional level.
- There are a number of policy issues which still need to be addressed.
- The PDPs should complete the policy work which they have begun and then stand down (*this is the predominant view, but there is also support for the argument that they should remain in being to steer and monitor the implementation of the policies which they have developed*)
- In moving forward we should retain and build on the strengths of the current structure.
- The expertise needed to run the process is limited and must be used efficiently.

SLB

Two substantive criticisms were made to us concerning the membership of the SLB. One is that it is too large and its proceedings too unwieldy: the suggested solution is that the number of councillor members should be halved from 10 to 5. The second is that the councillor members speak for their parties rather than the councils.

We have not otherwise identified any areas for improvement in relation to the SLB's remit, objectives, membership or working methods.

RTCG

The RTCG as presently constituted is not accepted by local government as a suitable vehicle to oversee and support the implementation process. We considered the possibility that one or more elected representatives might sit in on RTCG meetings to offer advice from a political perspective, but concluded that this would be insufficient to remedy the fundamental problem, which is the exclusion of TCs from decision-making about issues for which they will have a statutory responsibility.

In light of the criteria outlined above, we consider that the RTCG should be replaced by a new body on which the TCs would be fully represented.

PDPs

It was generally agreed by political parties that the three PDPs should remain in existence until they have completed the work on policy development which they have already begun, and the predominant view was that they should then stand down.

From the progress reports which we received, it is clear that substantial progress has been made towards meeting most of the policy development objectives identified in their original PIDs and associated documentation. We understand that PDPs B and C expect to complete their policy development tasks by December 2009. PDP A will have continuing high level work to do on community planning and other issues after that date, but we have been advised that it should be able to complete this work by June 2010.

Looking further ahead, we considered three broad options:

- That the PDPs should each stand down once they have completed their policy development work.
- That they should stand down once they have completed their policy development work, but that a single new Policy Panel should then replace them. The new Panel would develop policies and operational guidance on issues which may emerge as the process moves forward. To retain the expertise of the existing PDPs, the new Panel's membership could be drawn from across theirs.
- That all three PDPs should continue to operate until the implementation process is complete. Their role would evolve from that of policy development to overseeing, steering and monitoring the progress of the implementation programme

A number of the issues in the PDPs' current work programmes fall into the category of either (a) monitoring/performance management or (b) operational guidance. We consider that these are more properly viewed as integral components of the implementation process, rather than policy development. As such we consider that they require a substantial political input from the TCs.