

# Local Government Reform.

Strategic Leadership Board

*4 July 2008*



# Agenda

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Purpose of this presentation is to provide Strategic Leadership Board with overview of **Strategic Outline Case** (SOC) on Local Government Modernisation.

- 1) Approach to SOC
- 2) Objectives of SOC
- 3) Programme of Work
- 4) Programme Structure
- 5) Programme Approach

The reform of Local Government consists of two elements:

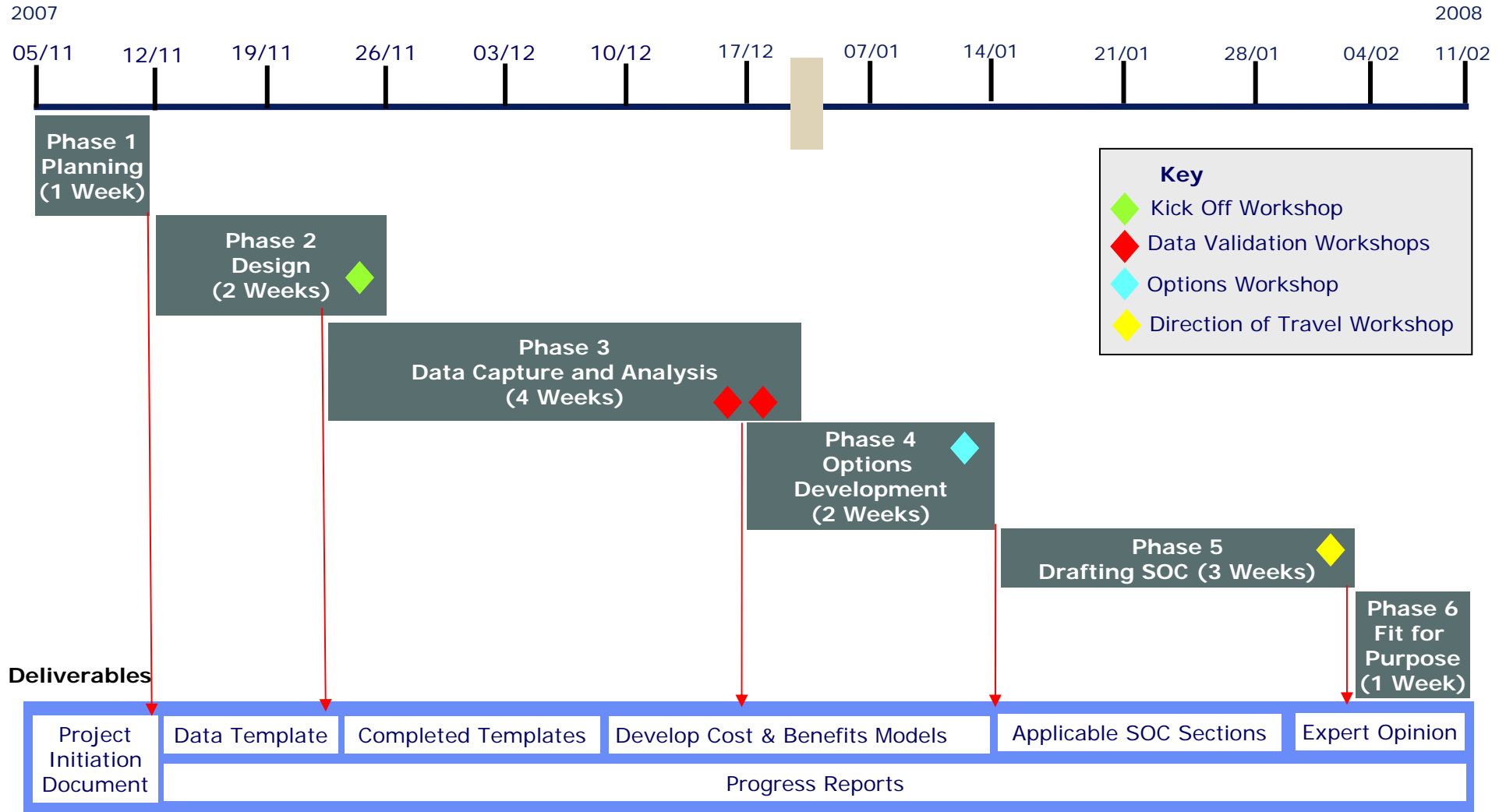
- **Modernisation** – enhancing people, processes and systems to ensure that councils can deliver a ‘world class’ service to the citizens of Northern Ireland.
- **Reconfiguration** – reorganising council structures to reflect Ministerial decision (11 council model)

Deloitte was commissioned to develop the SOC to assess options for taking forward the Modernisation agenda.



# Approach to SOC

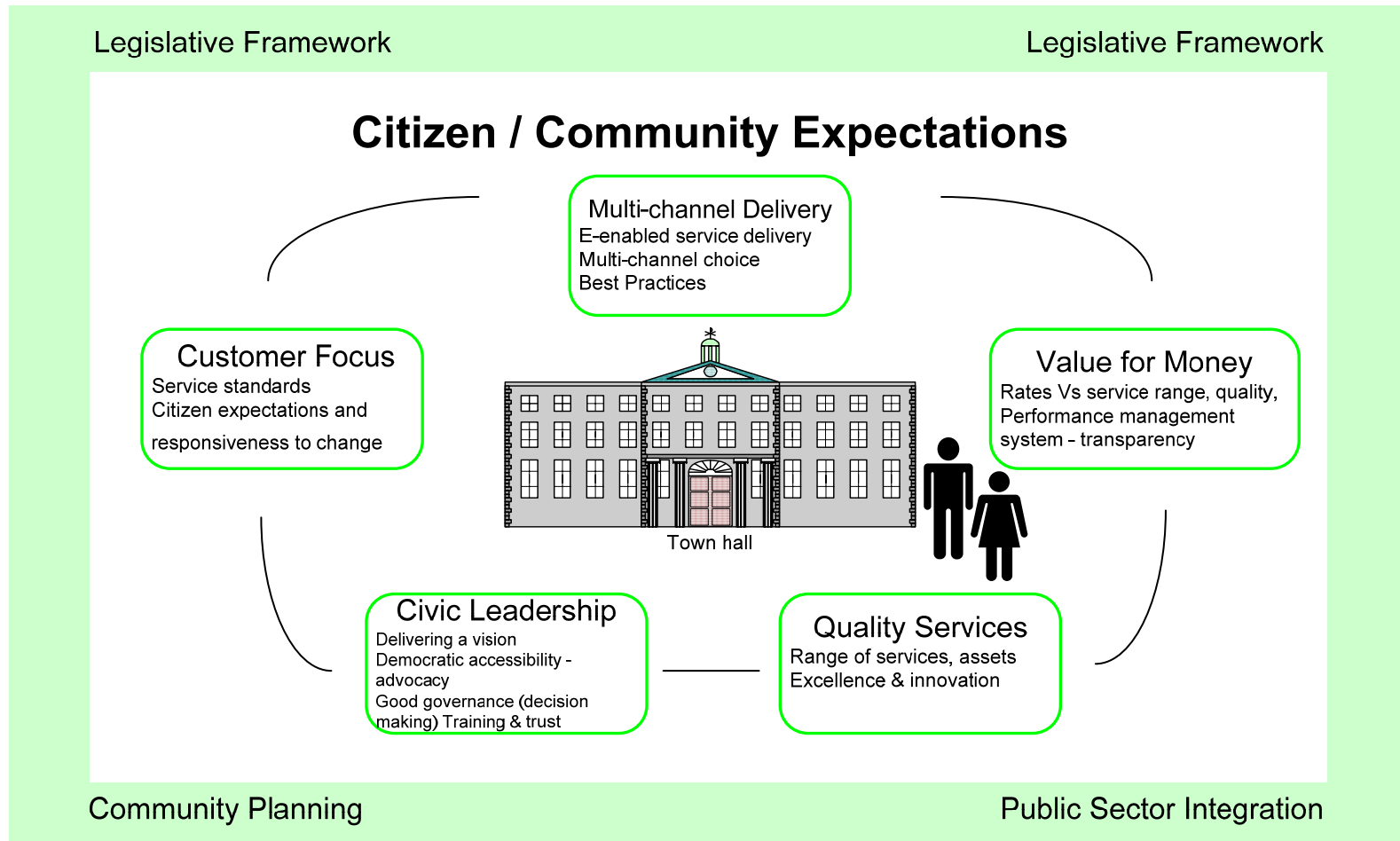
Work commenced on Modernisation at end of 2007





# Objectives of SOC

To support local government in leading local communities and delivering quality, customer focused services which provide value for money.





# Modernisation Programme of Work

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## Enabling Strategies

- Human Resources
- Procurement
- Finance
- ICT

✓ Consistent and common approach to modernisation

❖ Costs of up to £450k

## Leadership, Governance and Performance

- Councillors
- Staff

✓ Effective and fair governance structures and policies

❖ Costs of up to £5.1m

✓ Increased capacity within councils for elected politicians to lead communities

✓ Increased capacity within councils for officers to deliver improved services



# Modernisation Programme of Work

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## Shared Transactional Services

- Human Resources
- Procurement
- Finance
- ICT

✓ Consistent, effective and efficient delivery of transactional services

✓ £13.5m efficiency savings per annum

❖ Costs of up to £20m

## Common Infrastructure

- Network
- Core systems (e.g. GIS)
- Document Management
- Desktop
- Telephony

✓ Efficiency savings

✓ Support for joined up delivery

✓ £1.5m efficiency savings per annum

❖ Costs of up to £13.3m



## Modernisation Programme of Work

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### Frontline Customer Services

- One-stop shops
- Kiosks
- Telephony
- Internet

- ✓ Increased access to and availability of local government services
- ✓ Improved partnership working with other public sector organisations
- ✓ Consistent, effective and efficient delivery of council services

❖ Costs of up to £13.4m

**Programme Management** costs over projected 8-year programme lifecycle estimated at £2m

Total Monetary Costs of Modernisation

Up to £54m

Total Monetary Benefits of Modernisation

£15m per annum (steady state)



# Reconfiguration Programme of Work

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## Reconfiguration

- Severance of councillors and staff
- Transfer of Functions
- Winding-up previous councils
- Re-branding

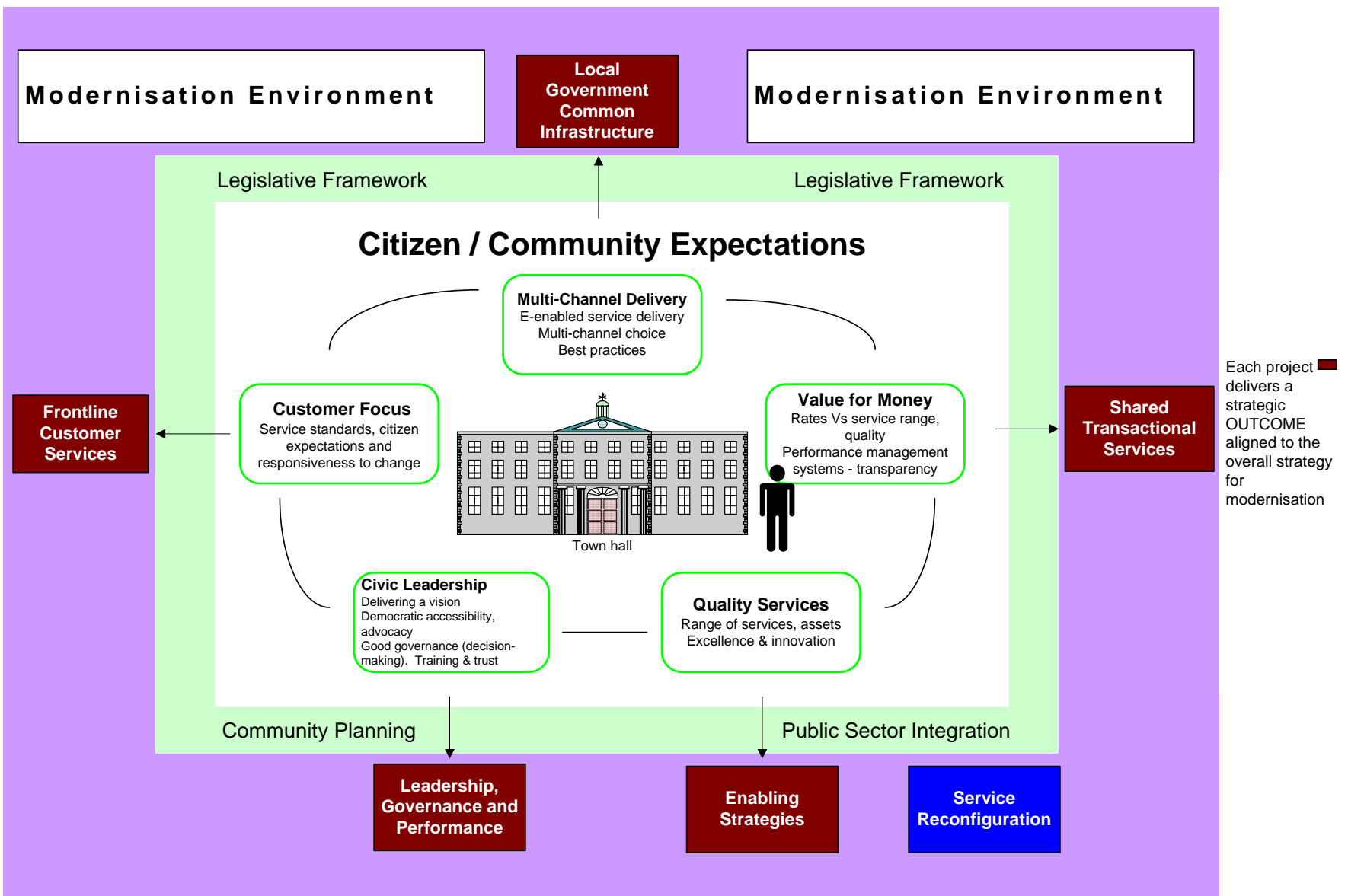
- ✓ 11 councils in Northern Ireland
- ✓ Expanded range of Local Government services to population of Northern Ireland
- ✓ £15m<sup>1</sup> efficiency savings per annum

❖ Costs of up to £60m<sup>1</sup>

*<sup>1</sup> These are initial estimates from DoE*



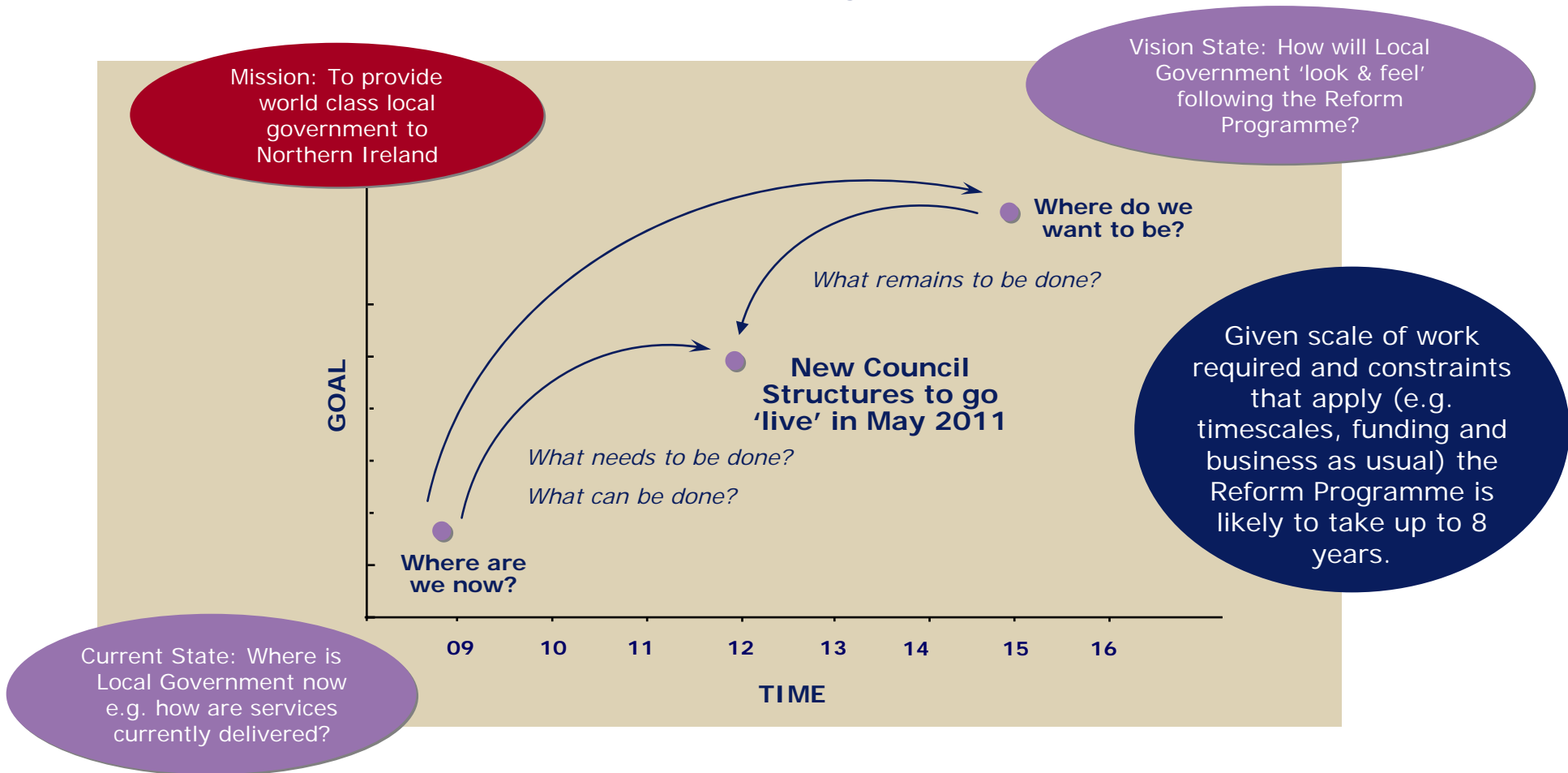
# Reconfiguration and Modernisation delivering Reform





# Programme Approach

In considering how to approach this programme of work, we need to understand what the 'vision state' or 'end game' is.





# Programme Approach

## What needs to be in place by 2011?

## What else can be achieved by 2011?

**Local Government Reconfiguration**

New councils (with enhanced functions) operational

Reconfiguration Complete

**Frontline Customer Services**

Improved service delivery, lean processes, local access points

**Enabling Strategies**

Approach to reconfiguration design issues

Approach to modernisation design issues

**Leadership, Governance & Performance**

Capacity to deliver new services

Enhanced Performance Management Framework

**Shared Transactional Services**

Shared solutions for HR, Payroll, Finance and ICT

**Common Infrastructure**

Common technology and telephony infrastructure

A phased approach should combine reconfiguration projects with key modernisation projects under a single Local Government Reform Programme.



# Programme Approach

What needs to be in place by 2011?

What else can be achieved by 2011?

**Local Government Reconfiguration**

**Frontline Customer Services**

**Enabling Strategies**

**Leadership, Governance & Performance**

**Shared Transactional Services**

**Common Infrastructure**

Key risks are that:

- Customers see no improvement in service delivery (but potentially face increased bills)
- Money is spend on nugatory 'localised' technology initiatives
- Money is spend on unnecessary reviews and assessments
- 11 councils do things 11 different ways providing no consistency in both approach and provision of information



## Programme Approach

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Key lessons to take into Local Government Reform:

**Define an Operational Vision** – understand what Local Government will look like from 2011 from the perspective of public, staff and councillors. Maintain a focus on realising this vision and don't let the project take over.

**Need for Capacity and Resources** – there is a need to deploy the necessary resources to support the programme of work. An investment must be made if objectives are to be met and benefits are to be generated.

**Realise benefits as soon as possible** – some benefits can be delivered without the need for technology solutions or the introduction of shared solutions.

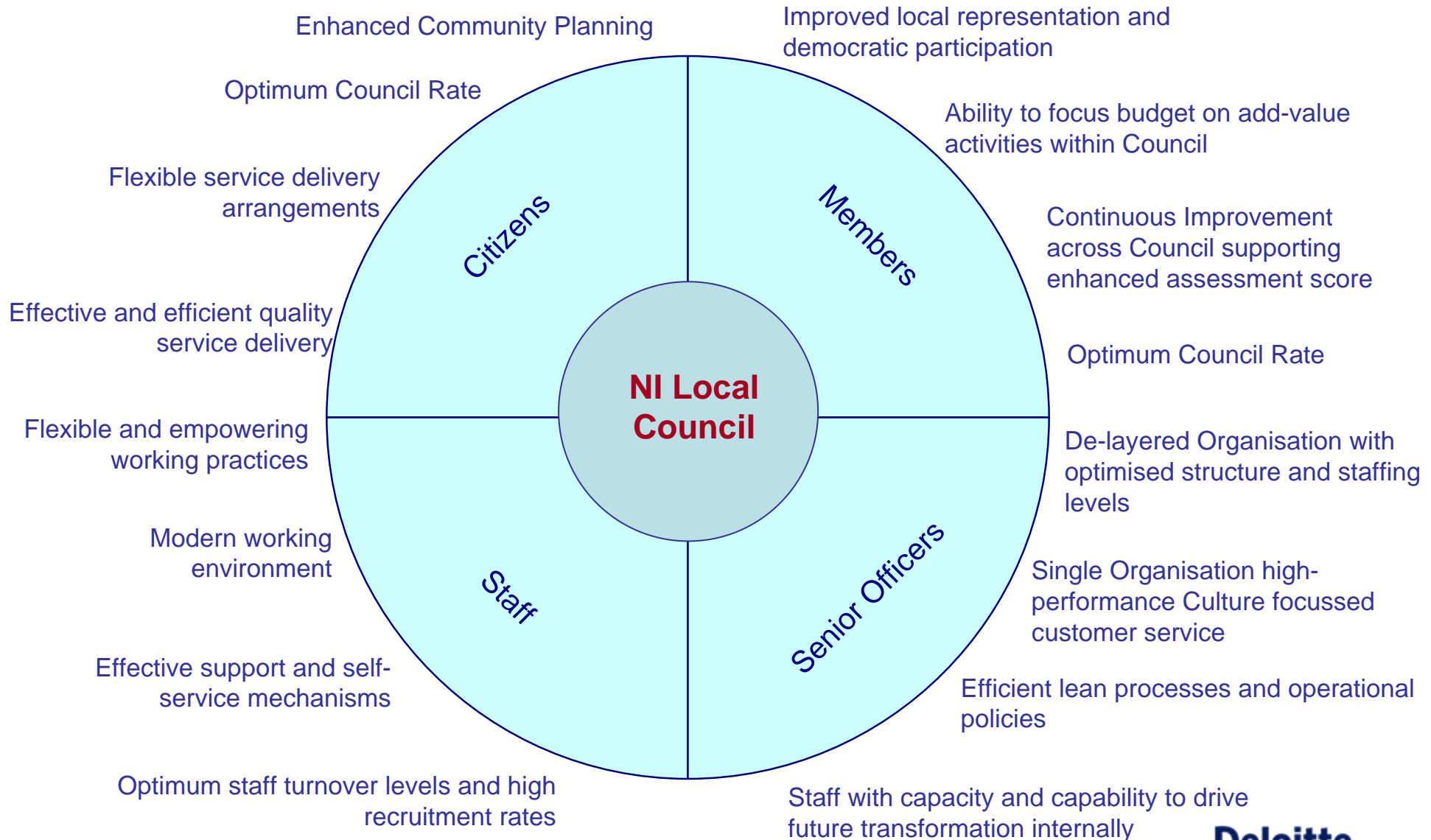
**Communicate with public, staff and councillors** – do it now and do it continuously. Ensure staff side have input into developing the vision, don't leave trade union consultation until too late.

### Focus on outcomes

- ✓ Improved services for the public
- ✓ Clear accountability
- ✓ Stronger community leadership
- ✓ Cost effective and efficient services, responsive to and influenced by local people
- ✓ Services which are built around citizens and communities



# Programme Approach – Focus on Outcomes





## Summary

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1. We need to ensure that we don't lose sight of the citizen / customer in a 'haze' of programme and project plans. Of course, we need programme structures and plans but the programme is not an end in itself.
2. We need to define an operational vision for all new councils as at 2011 and end of programme. We need to communicate this vision to all stakeholders – we need to start communications now.
3. Reconfiguration and Modernisation need to be considered as a single Reform Programme, there may be different phases to this programme but we now need to start to think holistically about the work needed moving forward.
4. We need to understand:
  - what absolutely needs to be done by May 2011 (focused on the reconfiguration component); and then
  - what else can be done (focused on the building blocks for Modernisation e.g. common infrastructure, shared services)
5. There is a robust and compelling SOC for the Modernisation component (£54m costs with £15m savings per annum), an SOC for Reconfiguration now needs to be developed.



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