The Review of Public Administration in Northern Ireland - lessons from the Scottish experience

An APSE e-publication for Northern Ireland members

Contents

Contacts

General enquiries:

Phil Brennan, APSE Principal Advisor (Northern Ireland)
Association for Public Service Excellence,
2nd Floor, Washbrook House, Lancastrian Office Centre,
Talbot Road, Old Trafford, Manchester, M32 0FP
Tel: 0161 772 1810
Email: pbrennan@apse.org.uk

Consultancy support enquiries:

Andy Mudd, Principal Consultant
Association for Public Service Excellence,
2nd Floor, Washbrook House, Lancastrian Office Centre,
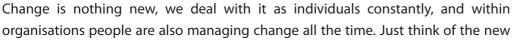Talbot Road, Old Trafford, Manchester, M32 0FP
Tel: 0161 772 1810
Email: amudd@apse.org.uk

Foreword

One of APSE's main functions is to enable the transfer of knowledge between it's membership. The Review of Public Administration in Northern Ireland is an ideal opportunity to do this, for members to learn from each other's experience.

Local government re-organisation took place in Scotland in 1996 with 29 unitary authorities and three island authorities being established from the previous 65 Regional, District and Island Councils. Clearly there are differences between the situation in Scotland in the 1990's and Northern Ireland today. Nonetheless there are common lessons to be learned and a focus on the similarities rather than the differences promotes a positive learning environment - and this is something APSE is taking advantage of.

Change is nothing new, we deal with it as individuals constantly, and within organisations people are also managing change all the time. Just think of the new legislation, new equipment, new projects, new colleagues, new policies and other new problems you have dealt with recently. I suspect that if you think about your whole working environment a couple of years ago, and compare it with today, it will have changed considerably.

Councillors and officers in local government are very good at dealing with change - if they weren't local government would have gone under long ago! The Review of Public Administration is certainly a big change but not one to cause fear in the ranks. Learning from the experience of others who have been through a similar exercise, will certainly help.

Councillors and officers who worked through re-organisation in Scotland have provided their ideas on a number of issues in this publication. There are a whole range of topics which could potentially be covered by a publication of this nature but the issues highlighted here are certainly critical to the change process. There are some common themes running through the papers and they include;
* the importance of continual communication with all stakeholders
* the fact that service users in general don't care how complex delivery is, just the outcomes they recieve
* the time and effort needed to ensure the re-organisation works will have an impact on councils' ability to complete other non-essential work
* a requirement to invest in training
* and that the sooner colleagues get together to plan for the change, the better.

The aim of this publication is to raise issues, prompt thought, encourage ideas and provoke discussion - it is not to provide solutions to the topics highlighted or indeed any other potential problems, unfortunately life isn't so simple!

Phil Brennan
Principal Advisor
APSE

Introduction

A number of months have passed since the last round of meetings of the RPA Political Panel, Working Group and Sub-groups and the 2009 deadline for the implementation of the major structural changes in local government gets ever closer.

Whilst the processes of developing the necessary legislation are progressing, there is an urgent need to look at the 'practical issues' of implementing such changes. APSE's experiences of local government re-organisation in Engalnd, Scotland and Wales, leaves it well placed to provide guidance on the many challenges that face both elected members and officers.

This e-publication provides a brief insight into some of the practical implications of change for local government. It aims to provoke thought and assist in preparing for the transition from the existing to new structures.

I trust that you find this publication useful and that it will help us all work to ensure better local government, with better services for local people.

Councillor Shaun Gallagher
APSE Chair Northern Ireland

Issue 1 - The role of members

New councils and new councillors

Any major change in local elected members and the structures they work within have major consequences for all concerned.

This includes officers, councillors and the electorate. The electorate or community is often overlooked in structural changes.

In 1996 Scotland went from 9 Regional Councils, 53 District Councils and 3 Island Councils to 32 Unitary Authorities.

One of the major problems which took three years to accommodate was that of culture or a clash of cultures. Culture competition. Looking back with longing to what was before. Even after three years, almost the full life of an elected council, there are still traces of "which was better, the Regional Council or the Districts?" Wasted energy.

New elected members and appointed officers to the new councils in Northern Ireland will be best served by "passing" on the game of historical culture trumps and setting a new ideal or aspiration based on service delivery and the quality of that service. Everyone should be asked to sign up to that rather than waste the inevitable energy on reminiscing about the good old days.

In order to be effective councillors in the new councils, elected members must clearly understand their actual role and this is very likely to be different from their perceived role. Local councillors, like school teachers, health care workers and middle managers have not escaped the tighter definition of their roles and functions with each re-organisation and restructuring.

The emotion and idealism of the pre-election period will be instantly replaced with statutory responsibilities and regardless of what councillors put in their manifestos - usually short on details, long on commitment to work hard for the area, etc- the bucket of cold water in the form of statutory obligations will be there on day one.

Any energy or enthusiasm members undergoing re-organisation or restructuring have should be directed to -
  * Learning the new standing orders, financial regulations, council procedures and protocols
  * Meeting key officers, not exclusively the directorate level
  * Asking for departmental line management structures, preferably in diagrammatic form
  * Establishing effective and productive relationships with senior officers
  * Informing relevant council staff of your working practices, expectations and boundaries
  * Finding out what support is available to elected members and submitting requests for support not provided but regarded as essential to individuals e.g. disability, deafness, travelling requirements and rules
  * Locating all the key council premises and district offices
  * Security issues both personal and in relation to classified or confidential documentation
  * Familiarising yourself with media protocols
  * Understanding declarations of interest, signing appropriate registers, codes of conduct and any financial regulations including travelling expenses
  * Meeting key people in outside agencies and familiarising yourself with their operating procedures, aims and objectives
  * Freedom of Information and Data Protection rules need to be studied and scrupulously adhered to. Familiarity with the Human Rights Act is also essential
  * Arranging briefings of legal implications of speaking to community clients, planning applicants, developers, etc.

♦ Deciding on committee preferences, outside bodies you have an interest in and matching that with the time you have available.

This list is not exhaustive but gives a flavour of the wide ranging activities of a new councillor in a new structure and clearly indicates a major need for training, both initial and ongoing.

Some new councillors will have operated under protocols for quangos or school boards and may assume rules will be the same only to fall foul of an auditor or payroll manager through innocent error.

In like manner many former councillors or board members will have been used to specific rules for proposing motions and amendments and a whole range of regulations that are required for getting policies accepted or altered. They will not specifically be the same under the new structure and many good ideas will founder on technicalities.

The last bullet point above is of critical importance and new councillors will have to avoid taking on too great a burden of work too early with the consequent failure to give quality service to any area of activity.

Staff from different authorities, boards and agencies coming together to serve a new local authority and new elected will equally have many "cultural" issues which will have to be considered and acknowledged while trying to provide professional services to new councillors and newly constructed political communities.

This staff issue requires to be acknowledged and understood by all new councillors to ensure delivery of the highest standards of service to councillor and community.

Before leaving the issue of staff, it essential for new officers and members to understand that council officers, although often compared to the civil service, are quite different. Council officers are there to serve the whole council; every member has the right to expert advice and the highest level of service. Different governance arrangements with regard to the position of leader and council, the majority group or the 'cabinet' concept will have an impact on the member-officer relationship but the point remains that officers must provide the highest level of expertise to members.

The role of the Civil Service is to serve the government of the day and it is easy to assume that council officers fulfil the same role in local government. For all elected members to be informed and function at the highest level in so many different roles it is essential that they are fully briefed and do take advantage of the expertise available to them safe in the knowledge that dialogue with officers is confidential.

Understanding the role of a councillor and transmitting that to community leaders and outside bodies is critical. It is no longer the case of councillors acting as amateur ambassadors who have written their own remit. The days when the local butcher or retired post master dabbled in local politics are long gone.

Political life and accountability for the pubic purse mean a sharpening of duties and obligations. Like any big corporation, and each of the new authorities is likely to be the largest single employer in the area, financial rules, employment law and tendering arrangements to name but a few are complex. Councillors need to be as informed and capable as any Board of Directors administering a similar budget.

In Scotland, from May 2007, these roles have been broadly listed as follows although not all councillors will be expected to engage in every single one;
♦ Political role

- Representing the council area and their district electoral area
- Decision making (depending upon new governance structures and/or delegation arrangements)
- Developing overall policy and strategy review
- Performance monitor and scrutiny role
- Regulation
- Community leadership and engagement

Clearly there are interactions between some of these roles and they will require training in terms of content and implementation.

It has to be said that while Independent councillors will not be communicating messages of a party political nature but many councillors will.

Within the roles listed above are the seeds of conflict and tension, making the work of a councillor potentially frustrating.

For example, the ethical framework for elected members in Scotland has a section on selflessness that states "you have a duty to take decisions solely in terms of public interest". Yet party political priorities constantly come to the fore. Parties need to be re-elected and it is naive to consider that the public interest is the only one to consider. Perhaps the use of the word "solely" is unfortunate and the statement and its effectiveness is more practical without it.

Likewise independent councillors may feel that they only want to represent district electoral area issues yet they have a duty to set strategic direction, develop policy and set a budget for the whole council area. Ethical standards in Scotland have a section on duty that states, "You have a duty to act in the interests of the Council as a whole and all the communities served by it."

The performance monitoring and scrutiny role itself is huge and requires an in depth and up to date knowledge of almost all aspects of policy and service delivery. This critical area is not "sexy" and is possibly the least well done in most local authorities. Performance monitoring and scrutiny activities include;
- Monitoring and review of policy formulation and implementation
- Service performance review
- Formal audit, internal and external
- Quality review including Best Value
- Review and appraisal of leading member and officer performance
- Scrutiny of external bodies and agencies

The time commitment, knowledge and background reading to fulfil this role is possibly the most demanding in any council and would require a significant and varied training regime. This in itself would be time consuming and may be undertaken by only a few councillors.

It is difficult to see how a council with 60 members can operate in an inclusive way with all councillors feeling that they are stakeholders. It is also difficult to see how each of the roles listed above can effectively operate in a society with possibly more divisions and historical legacies than most.

The key role for councillors is one of strategic thinking and overview.

The roles of representing the district electoral area and engagement with the community begs the question, "who in the community or which community?"

One group wants a skate park in a piece of community recreational ground in the inner city. Residents oppose this on the basis of noise, possible vandalism and theft. This is a real problem in our area and cannot be Mister Magic'd away by political slick talking. Real issues affecting real people do not lend themselves to political theorising.

Vested interests are rife in communities and the idea of consensus politics and community participation is difficult to formulate. It requires a huge amount of trust in elected members and in other factions within the community to move forward conflicting views and aspirations.

Likewise campaigning on local issues can be frustrating if the council has not included it in its overall corporate plan.

How does the councillor subvert the needs, wishes and aspirations of the local community for the greater corporate agenda and still have an expectation of being re-elected?

There will obviously be an enormous need for training to equip councillors from the widest range of backgrounds to do their best in fulfilling so many roles. This training should not be intended to help councillors micro manage departments but carry out their roles as defined earlier.

This training needs to be initial and ongoing and should involve the widest possible range of learning styles including;
- Case studies
- Coaching
- E-learning
- Guided reading
- Serving as a member of a working group
- Visiting other councils
- Workshops, courses and seminars
- Formal study
- Role plays
- Shadowing other councillors
- Mentoring.

It is essential that councillors who come with the autonomy of an elected mandate and the consequent power accept that they have to learn to become effective councillors and that that requires training.

Ron J Scrimgeour
Councillor - Forfar Central

Ron Scrimgeor is a Councillor on Angus Council and is a Board Member of Tayside Contracts.

Issue 2 - Governance

Introduction

Eat too much too quickly and your likely to get indigestion - an uncomfortable feeling which may not last too long, but long enough to cause misery and discomfort or even pain and certainly something which will significantly affect your level of output!!

For me the same principles apply to local government re-organisation - try to alter too many things too quickly and you're likely to experience a significant and potentially lengthy dip in your level of performance and standards of service delivery.

Single/Multiple model approach

That does not mean, however, maintaining the status quo - that is not an option. Organisational structures will change and so, therefore, should the political governance arrangements. Given the relative commonality in size, responsibility, etc. between the emerging councils the temptation may be to create a single template for all authorities to adopt. This "one size fits all" approach, however, may not be the best approach, and authorities should be given some degree of freedom/flexibility to determine the most appropriate structure(s) for their area, allowing them to take account of any local differences, nuances, and/ or cultures (past and present), particularly in relation to whatever decentralisation strategy councils intend to adopt.

Overall governance

Governance arrangements should as far as possible and practicable mirror the service delivery model adopted - not the other way around. The temptation may be to develop the governance arrangements first and then create the corresponding organisational and departmental/service structures as a consequence. In all instances structures must be developed in accordance with the most appropriate and relevant service delivery model for each council. This will be an evolving process, in some instances based simply on trial and error, and members and officers alike, should not expect that the most effective model will be created instantly - this will emerge through time, if at all!

Elected members

 Increasing the size of councils undoubtedly increases the complexities and, with those, the workload of all involved. Demands on elected members' time will increase and the governance arrangements which are established will need to take account of this. Leading members will be asked to take on significant portfolios, much of which could be entirely new to many, and early consideration should be given to developing appropriate training modules for members.

Committee structures/schemes of delegation

If large committees are created then these are likely to require sub committees with appropriate levels of delegated authority to take decisions, which again means that members' time will be further pressurised. Political balance may also be a feature which affects members time. Therefore, in preparing governance arrangements/committee (or similar) structures, the very considerable added time pressures and workload that will undoubtedly, given the range of activities which members will be expected to become involved in, be placed on leading members, and indeed on all members, need to be properly recognised.

It may be advisable, therefore, to carry out, as early as possible, a critical examination of current Schemes of Delegations (or equivalent) i.e. the delegated functions given to committees/sub committees, and in particular officers, which maximises the effectiveness of members to carry out their primary function as policy creators, and officers to carry out their role as executors of those policies.

Decentralisation

Decisions about levels/degrees of decentralisation should focus on four key elements:- involvement/ engagement; empowerment; accessibility; and accountability.

Each of these will require decisions about where local offices will be situated; what level of employee representation there should be; whether or not there should be, for example, local area committees with delegated authority/budgets; the rationalisation of service boundaries to provide effective service planning and delivery; the creation of effective communication channels with the local public through the use of new technology, etc. to ensure maximum engagement with the local community - and this list is not exhaustive!

Transition from "old to new"

Sufficient time and money needs to be allocated to the creation of a transition period in which both old and new councils operate, with existing councils still responsible for service delivery but where decisions about major changes to operating arrangements/procedure, filling of vacancies, setting priorities both operational and financial are discussed and latterly agreed with the new councils as they exist in their "shadow" form and existing corporate and individual service plans should reflect this. As existing councils set their priorities for the remainder of their tenure due cognisance must be taken of the ever increasing limitations on their ability to deliver any major policy initiatives and a large measure of pragmatism should be added to the planning process.

The parameters within which the decision making process operates should be clearly defined and communicated to all involved.

Communication

Needless to say clear and effective communication channels should be set up at all levels within both old and new organisations. Employees and elected members alike need to be kept up to date with progress towards handover and need to be informed on a regular basis. Effective forward planning with the aforementioned pragmatism will be the key to success and will ensure a smooth handover where the public continue to receive high quality services - the essence of any local government reform.

Alan Cuthbertson
APSE Associate Consultant

Alan Cuthbertson was Executive Director of Personnel in one of Scotland's largest authorites.

Issue 3 - Service Provision

Seamless service provision at re-organisation

Anyone remember "It's a Knockout!" the BBC game show that ran through the seventies and eighties and made a brief comeback on Channel 5 in the nineties?   Its most famous hosts were Stuart Hall and Eddie Waring whose antics and comments were as crazy as the participants who dressed up in all sorts of extravagant colourful costumes to do their best for their particular town or village.

Picture the scene: The teams are lined up with their vehicles at the ready. In order to get a quick start the team members are already kitted out with the required overalls and gloves. They have attended the briefing; have gone over the plan many times each knowing their own role in the event and how and when to block their opponents. They are clearly focussed on getting all the equipment that has their coloured sticker on it and then to grab as much of their opponents equipment that they can get away with.

Just another episode of "It's a Knockout!" - No! This is the first day of re-organisation and the teams from all the various new services and organisations are determined that they will get their fair share of the spoils of the now defunct organisation. It couldn't happen here! Oh yes it could! And if you are not careful it most certainly will!

And where was service provision and ensuring that the customer does not notice any difference in service?

Whilst the re-organisation process is a major upheaval for everyone working in the public service it is not the case with our customers. All they want is business as usual. Have the bins been empted? Did the school open as usual? Was the grass cut, the pothole filled and could I renew my disabled badge?

If any of these and the thousands of other daily activities delivered by public services fail then we have failed to deliver a seamless transfer of responsibilities and will be judged on that outcome. We must be aware of our customer expectations and make sure that we never loose sight of them and please be assured there are many opportunities along the way to be distracted.

Whilst I hope you found the example above amusing it actually happened but fortunately did not cause too much disruption. However the potential for major disruption was there which would have effectively derailed the transfer process had it been widespread.

It is therefore imperative that the whole process is properly planned and managed to ensure that nothing like the "It's a Knockout!" scenario actually takes place. As much lead-in time as possible has to be given to the new organisations to plan and work with the existing organisations and other new organisations to agree how the transfer process will work.   In my view this should be at least a year before the re-organisation date.

Issues addressed elsewhere in this publication cover many of these areas including human resources, structures and ICT have to be reviewed and decisions taken on their distribution, need and what has to change. In my experience too much change in some of these areas is to be avoided especially ICT which can have a major impact on service delivery if not 100% fit for purpose on D-Day. Therefore the rule should be that if it works then don't fix it until you are sure you have got over the hurdle of the service being delivered seamlessly.

To ensure that all the issues are being addressed service review groups should be formed covering as many areas of

activity as possible. These groups should comprise representatives from the new and existing organisations and aim to agree the distribution of resources and the handover of information and systems.   It is also important to identify someone who will be responsible for "switching the lights off" in the demitting organisation to ensure that all agreements have been implemented and everything is handed over according to the agreements reached. In any event someone has to responsible for the due governance of the demitting authority.

To ensure seamless delivery of service it will be important to minimise the change to personnel at the front end of the delivery and if necessary keep key people who may be keen to retire for an agreed period to ensure that the service standards are met. These key people could be at any level in the organisation and also may not necessarily be at the front end but may provide a key back office service. Therefore whilst severance costs may be built in as part of the overall re-organisation costs, so should the cost of keeping key staff on the payroll for an agreed period straddling the re-organisation date. This is one of the fundamental ways to keep the required knowledge in the organisation until it can be handed over in an organised and structured way out with the glare of the re-organisation process and in my view it is a price worth paying.

If it is proposed that some service delivery is changed on day 1 of the new organisation then customers must be kept informed and up to date. I would caution against this and change nothing or as little as possible. In my experience service performance will dip over the re-organisation period particularly if employees from different organisations are being brought together to form an amalgamated labour force. This is an area that has to be worked through and again it is useful to have good experienced people to see the organisation through this difficult process before allowing them to leave the service.

Seamless service provision will be the main critical success factor for the re-organisation process. Good pre -planning and determining key individuals to retain through this critical period could well be the key to giving the new organisation a successful start and meeting customer expectations of the new service provider.

Stewart Gilchrist
APSE Associate Consultant

Stewart Gilchrist is a former Executive Director for Housing & Technical Resources with one of Scotland's largest authorities.

Issue 4 - Information and communications technology

Introduction

It is said that two of the most stressful things that any individual will encounter in their lifetime are moving house and divorce. If you are a local government officer then, in my opinion, in terms of stress there is a third topic - local government re-organisation. I have personally experienced two Scottish re-organisations one in 1975 and another in 1996.

Pre 1975 Scotland had 4 City Councils, 31 County Councils, 21 large Burghs, 176 small Burghs and 199 Districts. In the years leading up to 1975 while this structure remained pretty much unchanged authorities gained wider delegated responsibilities from central government for issues such as social work, housing, planning and economic development. This meant that by the 1960s the scale of service provision had radically changed prompting the 1975 "reform" that replaced over 400 administrative units with a two-tier system of local government. All of these administrative units were replaced with 9 regional councils, 53 district councils and 3 island councils. Regional authorities provided large scale 'strategic' services and district councils provided local services. The reform also created community councils that had no service delivery function but had consultative powers to act as a voice for local communities.

Post 1975 but pre 1996 regional councils generally provided strategic services such as transport, education, police and fire services and strategic planning, district councils were responsible for local services such as housing, environmental services and leisure and recreation.

In the 1990s the arguments in favour of yet another local government re-organisation were based around issues of public accountability. It was stated that there was concern about public confusion about the responsibilities of two tiers of local government, the duplication of effort within the two tier system and the efficiencies to be gained by introducing a single tier system. At the time there was concern that the financial projections for savings to be gained through the creation of a single tier of local government were exaggerated and the costs of re-organisation had been underestimated. In my opinion, and with the benefit of hindsight, these concerns were justified.

I was a fairly junior officer in 1975 but held a senior management post in 1996. My overwhelming memory of both re-organisations was how stressful it was waiting to see how I would be personally affected. I do recall noticing the drop off in productivity as people endlessly discussed what the outcomes might be.

Practical issues for ICT (post 1996)

It has been my experience that upsizing is definitely easier than downsizing. This is not to say that there will not be a plethora of problems to be dealt with.

Where services are being transferred from central government departments and other bodies to local government it is probable that software and hardware will all be compatible however, problems may arise with licensing agreements. Where there is currently one license with multiple users the suppliers will probably try to insist that each new authority takes a separate license agreement with the associated cost implications of this. It would be prudent for everyone to get together to negotiate with the supplier for an acceptable arrangement both in terms of licensing and maintenance agreements. It will be important for each new authority to get an appropriate share of software, hardware and, even

more importantly, of the skills necessary to operate and maintain the systems. This is particularly true if there are bespoke systems in use. On the face of it, skills sharing between authorities might seem to be an acceptable way forward however, when the chips are down, the shared officer will probably have no alternative but to give his loyalty to his or her own authority first.

While the transfer is in progress it will still be essential to maintain the systems in good working order to ensure seamless service delivery. It would be a good idea to have workshops involving all of those who will be affected by the transfer so that any potential problems resulting from downsizing can be identified and solutions found before the actual transfer date.

Where several authorities are combining it is probable that each uses a different system to fulfil the same task. Some personalities may dig their heels in insisting that their system is superior and should be the one to be adopted by the authority as a whole. It will be easy to fall into the trap of thinking that "he who shouts loudest must be right". It is imperative that an independent group is set up to, in the first instance, write a system specification so that an informed decision can be made on how the new authority's ICT framework should be set up to best deliver various services. This will involve lists of necessary software, hardware and skills required. It may not be possible to acquire all necessary equipment and skills through transfer but at least any financial implications of having to buy in will be highlighted and can be raised as an issue with the overseeing Steering Group (or whatever title they may have). Again, to ensure seamless service delivery, it may be necessary to run more than one system for some time after councils have merged with the associated need for appropriate hardware, software and skills.

The skills needed to maintain ICT systems are not limited to computer operators or technical people. There will be a need for, for example, accountants who understand the various accounting systems being used by all of the existing authorities. One experience in Scotland was that an authority was accused of failing to deliver Best Value when, in my opinion, the problem was in being able to demonstrate Best Value. They had transferred a bespoke costing system from a very big authority to a smaller authority that lacked the necessary skills to maintain and operate it. The result was that a once very efficient operation became a shambles but several years had passed before this became apparent.

Minutes and reports of existing councils need to be transferred to the new authority. Unless they are at least scanned and transferred electronically it will be almost impossible to find anything and there will be no guarantees that the people who know about a particular issue will be transferred to your new authority. Indexing is essential. Where the transfer involves 'disaggregation' (a fine Scottish word that was used in 1996) from central government and other bodies then there will have to be some means of identifying minutes and reports that may only relate in part to a specific new authority. Which leads on to archived material, which authority holds the archives and how do the other authorities know what's there.

GIS systems particularly those used for asset management may prove to be a problem. There may be several systems in use by central government, other bodies and each transferring authority. An informed decision will have to be made on which one, if any, the new authority will adopt. Again there will be a need to ensure that the appropriate hardware, software and skills are available both to ensure ongoing seamless service delivery and for later.

The new authority may find itself having mobile phones transferred that have different providers. There may be a cost associated in cancelling some contracts and then of course there is the difficulty of transferring 'Sim' cards with different providers, do all of the mobile phones get a signal throughout the new authority area?

What has to be borne in mind throughout any local government re-organisation is that the majority of those who

receive the services don't know nor do they care about the complexity that sits behind service delivery, they just want the services provided efficiently and effectively.

Margo Blair
APSE Associate Consultant

Margo Blair was a Senior Manager with one of Scotland's Unitary authorities.

Issue 5 - Human resources

Communications

The Public Services Commission provided guidelines to councils on this subject in May 2006.

A significant issue covers the arrangements currently in place at management team level and below for communicating issues around the change process as well as the need to review how these arrangements may need to change through out the life of the re-organisation. This will encompasses a range of media including I.C.T., however recent research has shown that although electronic media provides an excellent way to demonstrate that a message has actually been sent, it can not measure buy-in, understanding or commitment in the way that one-to-one and team briefing can.

A further important issue is around feedback from employees, to help encourage buy-in and positive feedback and ensure two-way communication is effective.

Employee development

Employee's attitude to training and development can alter significantly in the lead up to a re-organisation as understandably they review their marketability in a changing working environment and seek to maximise their potential suitability to a future employee.

It is essential that any training being provided is based on that contained within individual and organisational training plans or meets statutory requirements and that there is not a rash of MBA requests signed of by senior managers committing the current and future council to significant expenditure.

There will be areas where in-house resources can be deployed developing interview/presentation skills courses to assist those employees most likely to be affected by change to prepare for it.

Areas such as CPD should be unaffected by the changes as these are dependant on the profession involved. Other areas of significance include training budgets and training needs analysis and the preparation of a training plan which all employees will be able to access.

Moving forward

As well as the core requirement to communicate with employees there is also benefit to be gained from building on the momentum of the change process. Having workforce representatives involved in the dissemination of information in a structured way has proven beneficial particularly in large rural areas with multi site multi disciplinary workforces. There are also benefits to be had from links with training.

Team change

Although the exact shape of the new councils is not known at this stage, broadly the same services will be delivered to the same people over a wider geographic area. The composition of the support team / structure may alter significantly but the direct service provision to the stakeholders is likely to be left unchanged.

It would be a mistake to miss a unique opportunity to change corporate culture and branding e.g. corporate wear, logos, etc. which will define the new council in the public eye.

There is a need to appreciate areas of commonality between partners and what new partners do differently to achieve the modernised service vision at the heart of the review incorporating Best Value, economies of scale and efficiencies amongst other issues.

Capacity planning

Predicting with any degree of accuracy how the council is likely to be affected by the changes to local government over the next 3 years is difficult. Key employees may be lost earlier or later in the process than expected or not until vesting day. Therefore you must have in place a contingency plan to cope with the range of possibilities that could arise. If this is in place at the moment it should be reviewed to consider temporary, agency and fixed term contracts.

The Human Resources subgroup of the RPANI has made a number of recommendations in relation to how best to manage this area within current and proposed councils. The PAC has produced guidelines on filling vacancies in the lead up to re-organisation and beyond as well as a set of guiding principles to be observed by councils. However neither details approaches to be used when faced with specific scenarios.

Managing expectations

Although the vast majority of people involved in the re-organisation will be unaffected by the proposals, some middle managers will be directly affected depending on the process of matching people to posts in the new authority.

On the face of it four existing officers doing a similar job may wonder where they fit into a new council with a structure which includes only two posts. The reality is that these are the people who will also be considered for more senior posts as larger organisations often have completely different structures to those currently required in smaller authorities.

Experience shows that the total number of posts will not alter radically but, dependent on a number of factors, there may be a period of bedding in in order to maintain service provision followed by a review at a later stage in the new authority's life cycle.

There are obviously numerous permutations regarding staffing numbers and structures. Thinking and progress on such permutations is best shared as widely as possible so that all understand what the potential implications are.

Jamie Ward
APSE Associate Consultant

Jamie Ward was a Departmental Head of Personnel in one of Scotland's largest authorities during and post re-organisation.

Issue 6 - Shared Services

Shared services- an attempt at a definition

"Shared services" is a structural or management concept to bring service delivery agents together regardless of their original locus. Shared services can be delivered by;

- The public sector
- The private sector
- The voluntary sector
- Any partnership of the above

"Shared services" provide the opportunity to reduce waste and inefficiency by re-organising or re-using assets and sharing investments with other service providers. The aim is to optimise service delivery, avoid duplication and reduce unit costs.

Shared services originally developed for repetitive back office tasks such as finance, payroll and indirect procurement. Now the list is comprehensive including legal, maintenance contracts, media and advertising, human resources, telecommunications and information technology. This list must grow and become frontline.

This effective re-organisation of service delivery should release resources to be reinvested in frontline services, particularly on citizen led initiatives. "Shared services" is not and should not be seen as simply cost cutting or a budget pruning activity.

Ideally shared services should be closely linked with;

- Greater efficiency
- Outcomes
- Customer focus
- Sustainability.

The shared services approach should not be used solely to shift the responsibility for service delivery to an arms length agency.

Barriers to shared services include;

- Departmentalism and an anti sharing culture
- Funding mechanisms and defence of departmental budgets
- Establishing the right, fit for purpose shared services vehicle
- Departmental head count caps
- VAT and EU Procurement rules

All of these can be overcome if the shared services strategy engages in transformational projects and programmes that emphasise and enable a can-do approach and that focuses on behavioural change and service delivery.

Simplification and standardisation are crucial in improving effectiveness and an absence of traditionalterritorialism and empire building is vital for a shared services strategy to succeed.

Share now or pay later - issues arising from shared services

Background

Recent developments in local government, particularly the introduction of the national Transformational Government strategy published in 2005 have made the concept of shared services not only desirable but also inevitable for local authorities.

The three key themes of the Transformational Government strategy are;
1. Making services citizen and business centred
2. Delivering a step change in the professionalism with which technology is used
3. Encouraging a shared service approach to release efficiencies across the system and support delivery more focussed on customer needs and aspirations

This would imply that if councils do not move willing then imposition would ensue.

The successful adoption of shared services requires transformational projects and programmes with a heavy emphasis on enabling culture and behavioural change. Relying as it does on identifiable, scaleable and focused markets, shared services is an ideal way of delivering local services that intrinsically are identifiable, scaleable and focused.

Unlike the private sector, the shared services market in the public sector is immature. Structures within the public sector are bureaucratic, disengaged and remote with service delivery almost a bi-product rather than the core business. Councils, when they do embrace change, prefer it to be a single, one-off exercise. Most change involves structures and hierarchies rather than a radical approach to value added and flexible service delivery systems.

Shared services approach requires an acceptance that there is no single path to achieving success, that change is constant and that flexibility is required to meet the increasing demand for improvement and cost effectiveness.

There is also more to shared services than enlarging the area covered by an existing service and thereby gaining greater economies of scale. A shared services approach is a measured management strategy focusing on customer service and outcomes.

Practical issues

As can be seen from the above local councils may have some difficulty in developing the structurally flat responsive structures that are required to deliver services based on customer focused needs based on outcomes rather than meeting key performance indicators.

Two examples, one local and one national will explain the traditional approach to issues and show clearly the need for shared services.

Litter and grounds maintenance is traditionally done on a property basis in most councils and you can have a situation where a school, a leisure centre and a public road and footpath need to be cleared of litter.

This can involve three different departments using three different vehicles, equipment, staff and cleaning regimes. A shared services approach would look at the issue from the point of keeping the "neighbourhood" clean and litter free, which is all that the public want.

A truly shared services approach would be that this litter and neighbourhood maintenance and enhancement service would be provided by one shared services organisation across many local council areas. Cost and charges would be

made proportionately as indicated in the start up service level agreement.

In 2003 the 22 Welsh local authorities engaged in a combined and single Welsh roads and bridge maintenance audit with a private company. The legal departments of each of the 22 councils drew up contracts with the company, all differently worded but to essentially deliver the same service.

Under a shared services approach there would be one contract that met the needs of all councils and avoided the problem of a separate academic or stylistic approach of 22 different lawyers.

Under a shared services approach there would be one legal department servicing a number of councils, police and fire boards, with one main office complex and satellite offices and expert specialised staff farmed out to meet and deliver the client needs.

Scotland is criticised for having 32 local councils and the equivalent of 32 Directors of Education to deliver a fairly uniform curriculum and set of policy guidelines from Edinburgh. This means that there are the equivalent of 32 education department headquarter buildings, with lawyers, accountants, educational psychologist and a plethora of support and clerical staff to service the structure in the first instance.

The clients - the teaching staff, parents and pupils - would be better served by a bottom up service level agreement with one (or more) shared services contractor with a "back to basics" approach. Key essential services would be identified and costed and delivered from a service catalogue with the shared services provider constructing an appropriate infrastructure to meet those needs.

Obviously performance metrics and targets would be agreed collaboratively between the client and the contractor. Key performance indicators would ensure that the service delivery was aligned to council strategic plans and goals.

Education is one example. The shared services approach would work for all council activity. From roads construction to social work all would benefit from the same approach albeit with different fit-for-purpose delivery models.

Culture clash

Clearly the shared services model is radically different from the current council service delivery and thinking. Building high performing cohesive teams from the ground up to deliver services in ground breaking innovative ways removes at a stroke layers of bureaucracy and stifling permafrost that are barriers to meeting community needs efficiently and effectively at presents.

Meeting customer and client needs in such a business like, professional manner also challenges the role of ward councillor. The traditional repository of all local knowledge and setter of priorities, the councillor will have a new role, as customer needs are more professionally determined.

Sadly, maintaining the status quo in many councils is a priority for councillors and officers alike.

The role of scrutiny and monitoring becomes more important than political priority setting and policy led budgeting and strategic planning would be an essential stating point for shared services to succeed.

Transforming organisations that have traditionally built hierarchies and guarded budgets into high performing energetic results-focussed teams is not easy. Careers are less likely to progress in the "flat" organisational structures needed to manage performance and deliver more cost effectively.

New councils or restructured organisations are more likely to succeed in adopting the shared services approach. It is also possible to develop the style with one service area at a time, using whatever scale of operation and partnering arrangement that suits the task.

Success in one service area will serve as a catalyst for shared services in others although the replication of one shared service delivery vehicle to a new area is not sufficient. New service areas need to start again from first principles with new surveys and benchmarking to establish client needs.

Conclusion

As stated earlier, compromise, simplifying and streamlining are essential while still maintaining the key elements of the desired outcome. Governance issues must be resolved and monitoring will be essential.

Maintaining a strong customer focus is at the heart of shared service delivery and councils should have the optimum mix of service delivery models to suit its needs.

Keeping service level agreements simple and easy to implement is critical and this includes agreements with support departments such as finance so that charge back fees are proportionate and can be justified.

This increased professionalism is essential in the increasingly complex commercial world. Local councils do operate within that world despite the systems and structures that they have created over the years to insulate themselves from it, often using "protecting the public pound" as the mantra to defend the indefensible.

Ron J Scrimgeour
Councillor, Forfar - Central

Ron Scrimgeor is a Councillor on Angus Council and is a Board Member of Tayside Contracts.