

Society of Local Authority Chief  
Executives and Senior Managers  
Northern Ireland (SOLACE NI)

# A Practical Approach to Implementing a Successful Change Programme in Local Government

July 2008

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## INTRODUCTION

1.1 This paper sets out, in summary, the views arrived at to date on the development and articulation of a practical approach to a successful change programme, designed to deliver the future shared vision for local government in Northern Ireland.

1.2 The paper is structured as follows:

- Background;
- Strategic options;
- Strategic analysis;
- Change capacity, capability and tempo
- Programme management - an overview and high level transition plan;
- Strategic and programme governance framework;
- Indicative resource requirement;
- Conclusions; and
- Recommended Actions.

## TEN KEY POINTS

1.3 The paper discusses the following ten key points:

1. The urgency of implementing the transition to 11 councils, starting with strategic planning and direction, as soon as possible.
2. A practical strategic option (an evolutionary approach) for successfully implementing the transition from 26 to 11 councils.
3. The need to construct a strategic level business case to support the selected option.
4. The critical need to resource the first tranche of the implementation teams, both at the policy level as well as at the management (delivery) level.
5. The need to establish and subsequently implement a coherent programme plan.
6. The need to confirm the council-level work streams.
7. The requirement to put an appropriate strategic and programme governance framework in place.
8. The need to articulate the roles and responsibilities of the Transition Committees, the Transition Management Teams, and the Regional Implementation Group.
9. Recognition that there will be a variance in the capacity and capability between the councils with regard to implementing the restructuring and transition.
10. Acknowledgement that councils will achieve transition to the new councils at different speeds.

## BACKGROUND

1.4 On 31 March 2008 the then Minister for Environment, Arelene Foster announced the vision for local government, agreed by the Executive, following a review of the previous administration's decisions on local government contained in two announcements in

November 2005 and March 2006. The review considered what local government would be expected to deliver in the context of a fully functioning devolved Assembly and Executive.

*“Our vision is of a strong, dynamic local government that creates vibrant, healthy, prosperous, safe and sustainable communities that have all citizens at their core.”*

- 1.5 In order to deliver this vision the Minister announced that the current configuration of 26 local councils would be rationalised to create 11 new council areas. The Executive considered the three 11 council models put forward for consultation by the Review of Public Administration (RPA) in March 2005 and agreed that the configuration known as model 11b in the consultation document provided the optimal grouping of existing councils into an 11 council model.

- 1.6 The Executive considered this configuration:

*“Strikes a balance between reducing some of the diversity among existing areas in terms of population characteristics and rating wealth, and promoting the ability of councils and their communities to identify and interact with one another.”*

- 1.7 Importantly, the statement also explicitly recognised that the strengthening of local government will be a **process**. This is a core premise to the planned approach designed to successfully deliver the change programme:

*“It is acknowledged that the strengthening of local government will be a process and not an event, the speed and extent of which can only be dictated by whatever secures excellence in service delivery.”*

- 1.8 The size of the challenge ahead for local government should not be underestimated and ensuring that appropriate structures are put in place to manage the RPA change process is crucial. The Department of the Environment, Local Government Policy Division, together with SOLACE NI, NILGA and the other stakeholders recognises the urgent need to put in place a practical Implementation Programme and Programme Management arrangements if the May 2011 date for elections to the new Councils is to be realised.
- 1.9 In order to support the process, SOLACE NI commissioned PricewaterhouseCoopers LLP (PwC) in May 2008, to assist it in developing and articulating a practical approach to a successful change programme which would have the shared support of major stakeholders in the programme. In undertaking this, PwC have had access to a paper prepared by D. Mitchell dated June 2008, entitled “RPA – Local Government Reform, Making it happen – A Practical Framework”.

## **STRATEGIC OPTIONS – “DELIVERY”**

- 1.10 As referred to above, local government re-structuring will use the 11b model based on the original RPA consultation. In implementing model 11b there are a number of delivery options, which encompass the establishment of the new structures, the transferring of various functions which will pass to local government and the need to address the wider modernisation agenda for local government.

### ***Transition and Transformation***

- 1.11 As a first step however, for clarification, it is appropriate for the paper to distinguish between the two main types of change that will affect the overall RPA programme, **Transformation** and **Transition**. The reason for distinguishing between transformation

and transition is that the type of change directly affects the change management approach, as well as the nature, scope and scale of the activities undertaken. To define between the two types:

- **Transitional Change.** Transitional change concerns the implementation of new arrangements which evolve over time and usually involves a shift in skills and attitudes. Transitional change can also include re-organisations and the introduction of new services. For example, services associated with the transfer of functions.
- **Transformational Change.** Transformational change is much more radical and, for example, can include a fundamental shift in the organisation’s mission, culture, strategy, critical success factors, form and leadership.

1.12 To illustrate why he need to understand the often subtle differences between these two types of change, *Table 1* below, sets out the typical characteristics of the change approach and management focus with regard to each:

**Table 1: Characteristics of Transition and Transformational Change.**

Type of change	Change approach	Management focus
Transitional Change	<ul style="list-style-type: none"> <li>• Strategic review</li> <li>• Process redesign</li> <li>• Process control</li> <li>• Support structures</li> <li>• Systems implementation</li> </ul>	<ul style="list-style-type: none"> <li>• Redesign of strategy, structures, systems, processes, and technology or work practices.</li> <li>• Limited impact on culture</li> </ul>
Transformational Change	<ul style="list-style-type: none"> <li>• Deliberate process design and facilitation</li> <li>• High collaboration and involvement</li> <li>• May include elements of transitional and developmental change</li> </ul>	<ul style="list-style-type: none"> <li>• Overhaul of strategy, structures, systems, processes, technology, work groups, culture, behaviour and mindset</li> </ul>

1.13 For the purpose of this paper, the term ‘**Transition**’ will therefore apply to the change activity concerned with the restructuring of the Local Authorities from 26 to 11 councils. The term ‘**Transformational**’ will be applied to the programme of activities concerned with the ‘modernisation programme’.

### **Outline Strategic Options**

1.14 There are three broad strategic options for consideration in the implementation process:

- **Option 1: “Do nothing”**, a baseline with no changes in advance of the new elections in 2011;

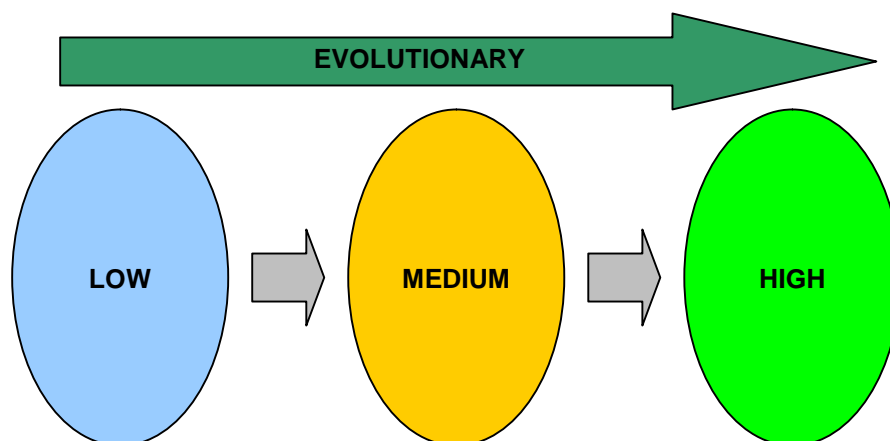
- **Option 2: “Full implementation”** of the transition to new councils. This consists of the establishment of 11 new bodies, with new duties and new functions transferred from central government. It also encompasses carrying out a full modernisation programme, as identified in the Deloitte Strategic Outline Business Case; and
- **Option 3: “An evolutionary approach”**, as Option 2, but applying an evolutionary approach to the restructuring (**Transition**), including the transfer of functions, and modernisation (**Transformation**), which places a major part of the transformation and modernisation agenda in the post-2011 period.

## STRATEGIC ANALYSIS

- 1.15 **Option 1 “Do nothing”** is not appropriate as a policy decision has been taken by the Executive, and a change must take place to the existing arrangements by 2011.
- 1.16 **Option 2 “Full implementation”** encompasses both the change restructuring programme (Transition), and the modernisation programme (Transformation). This amounts to a “big bang” approach and would require restructuring to run in parallel with significant modernisation, including complex areas such as shared services and service delivery realignment.
- 1.17 Initial analysis of Option 2 has identified a significant risk attached to this option. The modernisation Strategic Outline Business Case (SOC), produced by Deloitte in June 2008, has identified a number of work-streams, and associated high level costs and resource requirements. Modernisation is a significant programme of work were it to be carried out from steady-state, and when combined with a re-structuring transition programme, would be more complex and carry a higher risk that both re-structuring and modernisation would fail.
- 1.18 In order to achieve Option 2, consideration would have to be given to a number of significant factors, including:
- The already tight timeframe to deliver on the new local government structures in 2011;
  - The existing resource constraints, currently no CSR cover for the restructuring or modernisation programmes; and
  - The general resource constraint in terms of capacity within the local government sector.
- 1.19 The SOC on modernisation concludes by outlining that an alternative approach may be to concentrate initially on the restructuring now (Transition) as well as undertaking some preparatory work for the modernisation programme. The major modernisation projects would subsequently commence post-2011.
- 1.20 The PwC work commissioned by SOLACE NI seeks to scale the task facing councils in re-structuring. This indicates that there is a substantial body of work needs to be undertaken to achieve the transfer from 26 Councils to the 11b model in the period between 2008 and 2011. **This work needs to commence as a matter of urgency.**
- 1.21 **Option 3 “An evolutionary approach”** represents a rational, risk managed, but dynamic approach to the transition and transformation programmes. The option could be termed **“Evolving from Transition to Transformation”**, as it is based on an evolutionary approach. A **process** of restructuring of councils, preparation for the transfer of new duties and functions, and preparatory work to lay the ground-work for the modernisation programme. It is likely that some degree of modernisation will arise as part of the rationalisation of 26 councils to 11, as joint operating models and systems are devised.

Such opportunities and benefits must be taken forward in a manner which will allow further full modernisation to take place when the councils have been soundly established. An evolutionary approach is one which makes best use of available resources. There are nevertheless, within Option 3 further phasing opportunities. These can be summarised as illustrated in *Figure 1* below:

**Figure 1: Option 3 “An Evolutionary Approach”, and its sub phases.**



- **Low Case:** Aim to achieve restructuring to 11 councils, with the addition of new duties and transferred functions;
- **Medium Case:** Achieve the Low Case, but also take advantage of some modernisation opportunities which arise as part of restructuring, while carrying out feasibility studies to prepare for the modernisation programme in more detail; and
- **High Case:** Medium Case, plus a fully agreed, scoped, planned and budgeted programme to carry forward the modernisation agenda across the new councils in the 5 year period following 2011.

1.22 This represents an evolutionary approach and it is envisioned that each of the new Council clusters, making up the 11 new local Councils, will aspire to realising the ‘High Case’ of transition/transformation. The degree of movement towards the Medium or High Case will be dependent upon the ability to scope and develop the feasibility for the future modernisation programme and the availability of resources.

1.23 The strategic options and phasing opportunities should be the subject of a Strategic Outline Business Case (SOC) on Transition. The SOC will evidence the preferred options and associated resource implications.

## **CHANGE CAPACITY, CAPABILITY AND TEMPO**

### ***Regional and local levels of change management***

1.24 There is a need to recognise that **change management** activity will occur at both the regional and local level. At the regional level such activity will be orchestrated through the Regional Implementation Group (RIG), whilst implementation at the local level will be conducted by the Transition Management Teams, in association with the Transition Committees (see Governance at paragraphs 1.44 to 1.53).

- 1.25 The delivery of the change programme, particularly the programmes that will need to be delivered at the local council level, will be directly affected by the change capacity and capability that exists, or can be readily developed, by each respective council cluster. Both capacity and capability will determine the tempo at which both the overall programme (whichever option is eventually adopted) and the local council-cluster programmes can be implemented. Any variance in capacity and capability between the local council clusters may well dictate also that the sub-programmes are implemented at *different speeds*, but with Council clusters all working to the May 2011 target date. Those clusters with a higher capacity and capability may require less [additional] resources to deliver the programme. Whereas, those with a lower capacity and/or capability will require additional support and associated resources. An expectation will be that councils will share their experiences and this will be facilitated by the Regional Implementation Group (see paragraph 1.53 below for description).
- 1.26 The above options and the capacity/capability/tempo mix will be a key output from the Strategic Outline Business Case on **Transition**.

### ***Pilot Programmes and the Transfer of Additional Functions***

- 1.27 It will also be important to understand the capability/capacity relationship for each of the existing councils and future council clusters in order to inform and plan for the transfer of additional functions, which ideally should take place concurrently to the transition from 26 to 11 councils. Aside from encouraging discussion regarding the adoption of these additional functions, such as which functions are absolutely to be transferred by May 2011 and in which order (Wave 1, Wave 2 etc), noting that the preferred order may well differ between Councils, it will allow planning of pilot schemes by some of the more capacity- and capability-ready councils/clusters. Such pilot schemes will act as a form of pathfinder programme from which lessons can be learned and improvements made by those clusters that follow later in the programme. Early adoption should also be tied to early benefit realisation. *Table 2* below illustrates this point:

**Table 2: ‘Evolutionary’ sub-phases and adoption of additional functions**

<b>Capacity and Capability Readiness Assessment</b>	<b>Adoption of Additional Functions</b>	<b>Implementation Resource Requirement</b>
<b>High</b>	<ul style="list-style-type: none"> <li>• Early adoption of additional functions.</li> <li>• Council cluster able to run several pilot schemes, as part of trial and implementation of new functions</li> </ul>	<ul style="list-style-type: none"> <li>• Minimal additional resources required for the basic transition.</li> <li>• May require some additional resources to implement pilot schemes and/or assume new functions</li> </ul>
<b>Medium</b>	<ul style="list-style-type: none"> <li>• Will adopt new functions only as and when capacity/capability from Transition programme allows.</li> <li>• May be able to adopt new functions and/or be utilised as part of limited number of pilot schemes as capacity freed from Transition programme allows.</li> </ul>	<ul style="list-style-type: none"> <li>• Will possibly require some resource assistance to implement Transition programme.</li> <li>• Will require additional resources to adopt new functions and/or run minimal number of pilot schemes</li> </ul>

Capacity and Capability Readiness Assessment	Adoption of Additional Functions	Implementation Resource Requirement
Low	<ul style="list-style-type: none"> <li>Likely to adopt only those new functions critical to May 2011 start date.</li> <li>Unlikely to be involved in pilot schemes – will be key beneficiaries of pilot programmes.</li> </ul>	<ul style="list-style-type: none"> <li>Will probably require additional resources to implement transition to new council and adoption of operationally critical new functions.</li> </ul>

1.28 Change management is a critical component of any transition or transformation change programme, particularly so when the change involves a degree of mix between the two types of change such as there will be with this programme and the transfer of new functions. *Appendix 4* therefore presents a more comprehensive overview of change management, and the typical issues to be addressed.

## PROGRAMME MANAGEMENT – AN OVERVIEW AND HIGH LEVEL TRANSITION PLAN

### *Programme Management*

1.29 Programme management will be a key undertaking to ensure that there is an effective and efficient process and framework for realising transition and subsequent progression to transformation change. What is suggested in the following paragraphs will have differing levels of appropriateness, depending upon the level of planned activity and progress to date at the local level; it will have the most applicability at the strategic level. A more detailed description of the specific Programme Management tasks and approach is at *Appendix 5*.

1.30 The Office of Government Commerce (OGC) defines a programme as:

*“A temporary, flexible organisation created to coordinate, direct and oversee the implementation of a set of related projects and activities in order to deliver outcome and benefits related to the organisation’s strategic objectives. A programme is likely to have a life that spans several years.”<sup>1</sup>*

1.31 Before fully implementing any transition plan, there are a number of acknowledged preparatory steps and conditions which first need to be met, including satisfying a number of formal, robust approval reviews that will ensure that a viable programme is being invested in and about to be implemented. This will require consideration and application of the OGC approach known as Managing Successful Programmes (MSP). ***These preliminary tasks and activities must be addressed as the first step in implementing the RPA programme and include consideration of the following:***

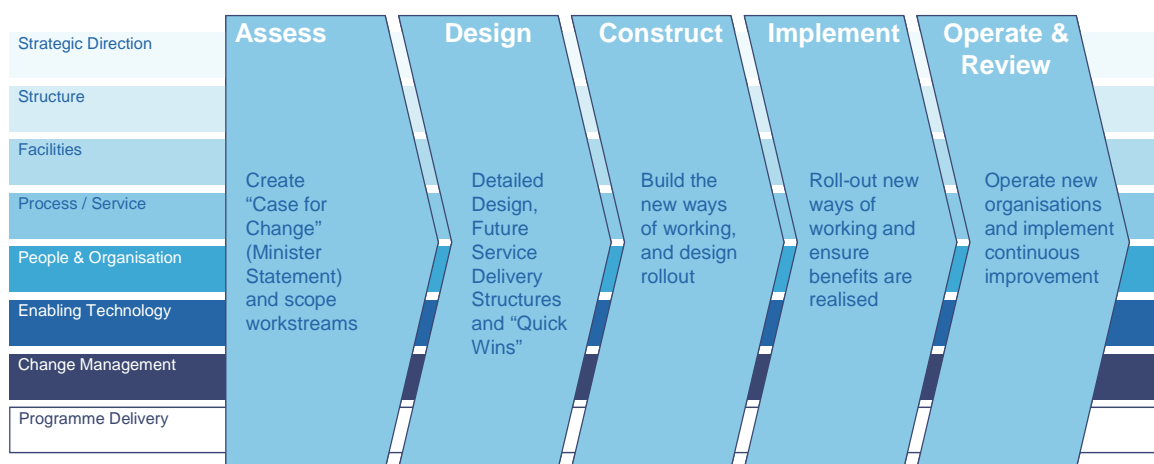
<sup>1</sup> Office of Government Commerce – Managing Successful Programmes.

- The refined Vision Statement;
- Strategic Outline Business Case (SOC);
- Blueprint;
- Programme Organisation and Structure;
- Programme Plan;
- Stakeholder and Communication Plan;
- Benefits Realisation Plan;
- Information Plan; and
- Resource Management Plan.

1.32 Most large programmes in the UK Public Sector are also subject to the OGC Gateway Review Process which examines the key decision points in the lifecycle of a programme, to offset risk. It looks ahead to provide robust assurance that the programme can progress successfully to the next stage or tranche of work.

1.33 *Figure 2 (below) presents the high level overview of the framework for a large, complex change programme such as the RPA change programme. The framework provides a route map for implementing the *strategic, people, process, technological, structural* and *facilities* changes required to deliver the new or amended corporate /business strategies. These dimensions normally constitute the business-as-usual activities of an organisation. Added on to these however, are those activities required by the programme delivery framework, *change management* and *programme delivery*.*

**Figure 2: A Practical Framework for Successful Change**



1.34 The first Stage of this approach is ‘**Assess**’. The main outputs from this particular stage are as follows:

- Defining the High-level “Blueprint” for the new Councils;
- Articulating the “Case for Change”; and
- Identifying the range of work-streams that will change the organisations.

This is in the context of also achieving short- and medium-term financial and service delivery goals.

1.35 The **Design** stage is used to complete a design of the transformed environment and to explore and develop implementation strategies, based on the ‘Blueprint’ initiated during the previous ‘Assess’ stage. This is achieved by creating the detailed ‘Future Service Delivery’ structures and plan for the new councils (e.g. new organisation structures, processes, locations, skills, IT etc), whilst also implementing “quick win” initiatives. Importantly, the programme governance is refreshed to ensure fit-for-purpose with regard

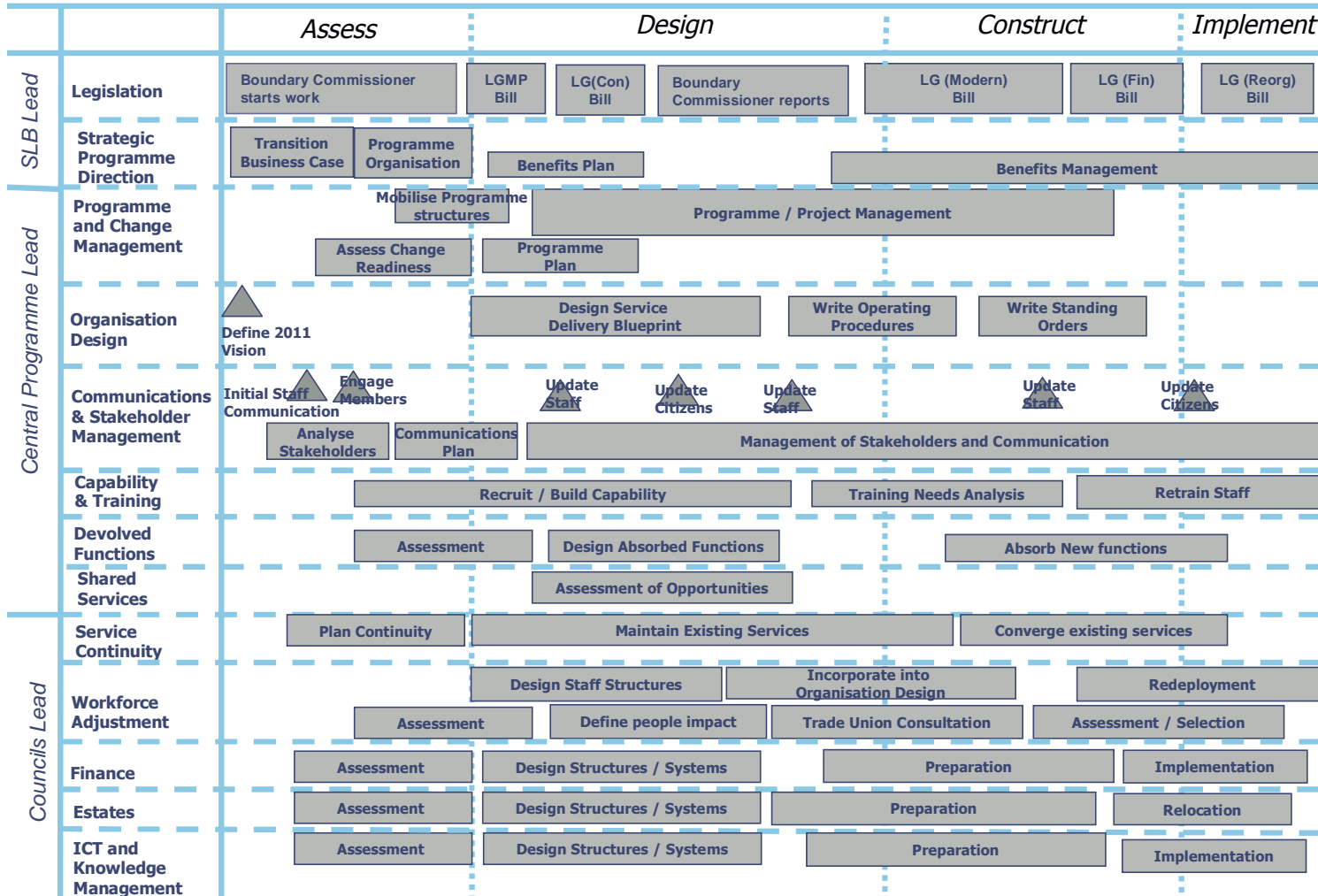
to the later stages of the programme. Detailed programme, benefits and resource planning is completed. The change management strategy and plans are completed and communications activities are undertaken. Initial transition planning is developed and test/pilot strategies are developed. For example, it may be appropriate to look at pilots associated with community planning, or the opportunity to develop “waves” so that selected functions can be transferred i.e. “Wave 1”, “Wave 2” functions.

- 1.36 The ‘**Construct**’ stage is used to develop the appropriate policy changes, business process changes, technology changes, organisation changes and facilities changes. Once these changes have been developed, the detailed implementation plans are prepared.
- 1.37 At the ‘**Implement**’ stage, as it suggests, the local government-wide and council-wide initiatives and work-streams would be implemented, whilst proactively ensuring that benefits are tracked and realised, addressing any shortfalls in their final delivery.
- 1.38 At the ‘**Operate and Review**’ stage the new local councils would expect to be fully operational working within the new organisational structure, delivering the benefits and encouraging, through the established review process, a culture of continuous improvement.
- 1.39 The framework presented at *Figure 2*, subsequently forms the foundation for developing a high level programme plan tailored for this local government transition.

### **High Level (Transition) Plan**

- 1.40 **High Level Programme (Transition) Plan.** The draft high level plan, at *Figure 3*, depicts the indicative programme activities that will take place as the programme advances. It reflects the four stages of the programme lifecycle that are described in paragraphs 1.33 – 1.38 above; the main outputs from the legislative timetable are included for the sake of completeness and are for illustration only. It should be noted that this type of overview plan only truly emerges once the ‘Assess’ stage has progressed. This overview has therefore been developed based on current knowledge, best practice programme management, and experience from other local government programmes. Despite its limitations, it is a useful illustration of the complexity of this programme and starts to indicate the substantial effort required to achieve implementation. Experience suggests that this pictorial format is most readily understood by key groupings and provides an important basis for communication to all stakeholders. The overview groups activities into work-streams under the leadership of a central team or council as appropriate. Where possible the high level plan should also show indicative project milestones and makes an assessment of the likely critical path.

**Figure 3: A Practical Framework for Successful Change – Draft High Level Programme Plan**



### ***'Making it happen at the local level'***

- 1.41 **Work Plans and Timelines.** The high level programme plan is developed and designed at the strategic level, effectively top down. Following this strategic direction, the appropriate detailed work plans and some indicative timelines would be developed at council level and would represent the work streams and key activities that each council deemed necessary for transition, effectively bottom up.
- 1.42 **Council level work streams.** The work streams to deliver the programme will be developed initially along side the appropriate preliminary planning and in particular will be derived from the following key programme management documents/products: the business case, governance framework, proposed blueprint/future services delivery structure, benefits strategy, change readiness assessment and programme brief (see Programme Management at paragraph 1.31 above and *Appendix 5*). In the paper subtitled: 'Making it happen – A Practical Framework'<sup>2</sup>, a number of strategic time lines and activity maps were plotted to give an overview of many of the potential work streams that would have to be undertaken as part of the transition to 11 new councils. At *Appendix 1*, these initial work streams have been mapped across to illustrate how the work streams and tasks fit the high level transition plan. These work streams will also inform the construction of the programme plan and identification of the potential resource requirement. It should be noted that these work streams represent only the first practical steps to be taken forward by the Transition Committees, Transition Management Teams, and the Regional Implementation Group (see paragraphs 1.44 to 1.53 below).
- 1.43 **Key Activities.** Once the overarching programme planning has occurred and the potential work stream identified, it will then be possible to articulate the specific nature of the key activities that need to be undertaken at the local and regional level to implement the transition to the 11 new Councils. A detailed overview of what these key activities may entail is at *Appendix 2*. These key activities will form the basis of the 'agenda items' to be undertaken by each of the respective Transition Committees and Transition Management Teams (see *Figure 6* below).

## **STRATEGIC AND PROGRAMME GOVERNANCE FRAMEWORK**

### ***'Policy' Level Governance***

- 1.44 Governance within a programme defines the strategies for quality, stakeholders, risks and issues, benefits, resources, planning and control. Effectively, governance is the control framework through which programmes deliver their change objectives and remain within corporate visibility and control.<sup>3</sup> With regard to the RPA programme, it is essential that controls are established alongside the governance framework to determine the roles, responsibilities and freedom of manoeuvre to which the various governing bodies and local council's clusters should operate. It is suggested that prior to appropriate legislation being enacted, initial control should be achieved through establishing a set of **common programme principles** that would determine the operational/working guidelines across the functions of finance, assets and infrastructure. These could be developed in line with the Nolan Committee's standards.
- 1.45 With regard to corporate governance, the Strategic Leadership Board (SLB) has agreed the strategic governance framework for the implementation of local government restructuring, building upon the findings of the 2006 IDeA report. Work is already

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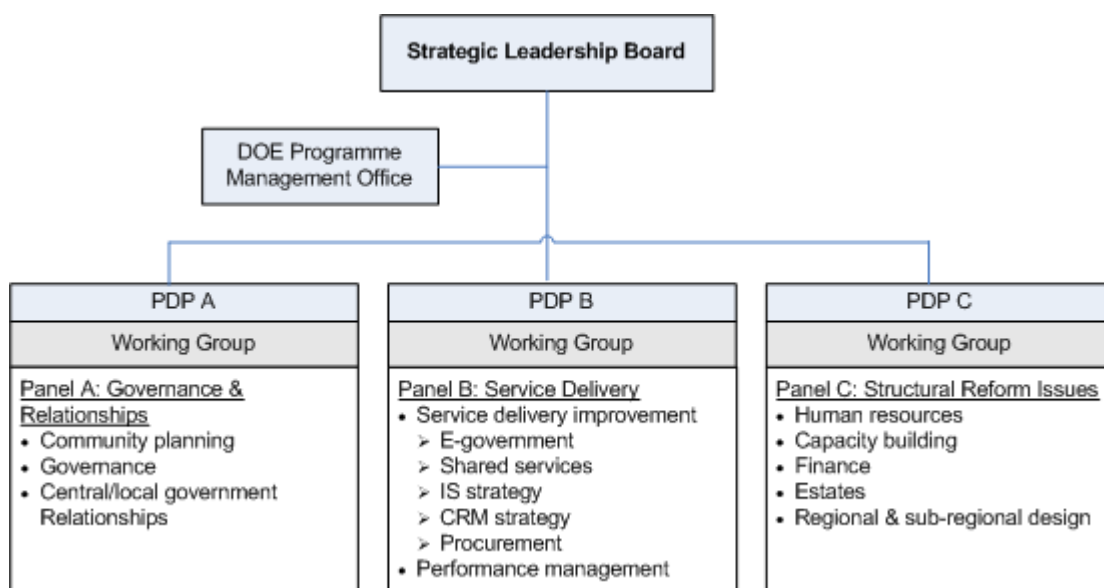
<sup>2</sup> SOLACE. RPA – Local Government Reform. 'Making it happen – A Practical Framework'. D Mitchell, June 2008 (under separate cover).

<sup>3</sup> Office of Government Commerce – Managing Successful Programmes.

underway to populate the Policy Development Panels, and the Department will shortly issue initial guidance to Councils on the establishment of Transition Committees.<sup>4</sup>

- 1.46 As set out at the April 2008 meeting of SLB, the strategic governance framework below reflects the Policy Development Panels and Transition Committees, and their relationship to SLB, with supporting input from the DOE Programme Office. This model ensures that policy development and issues of transition have the appropriate input from members, and that these bodies report to SLB.

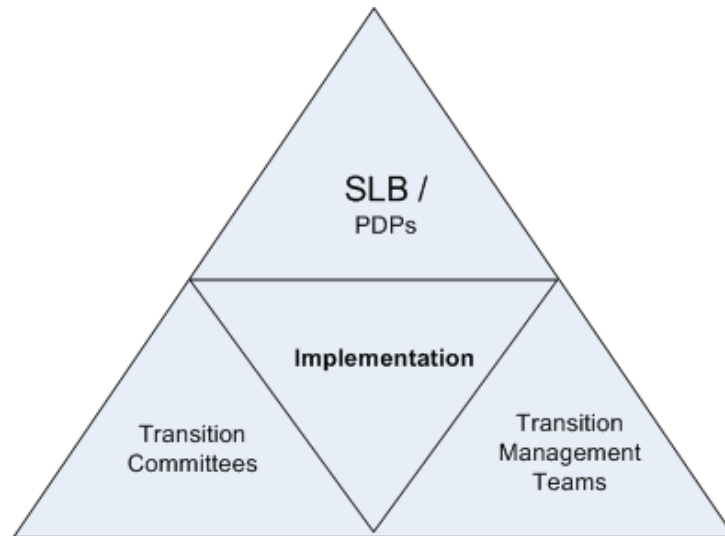
**Figure 4: Strategic Governance Framework (Policy)**



- 1.47 In consultation with the sector, SOLACE, NILGA and within the DOE, it is clear that in order for a programme of change of this magnitude to be successful it must not only have a robust corporate governance structure responsible for establishing, controlling and monitoring corporate policy, but also a robust governance structure at the operational level.
- 1.48 It is at the operational level that responsibility for the day-to-day implementation and delivery of the programme will sit. The model outlined below sets out the three key policy bodies at the strategic level (SLB, PDPs and Transition Committees) and subsequently positions the operational function of implementation and the grouping that will assume responsibility for its delivery (the Transition Management Teams (see paragraph 1.52 below)):

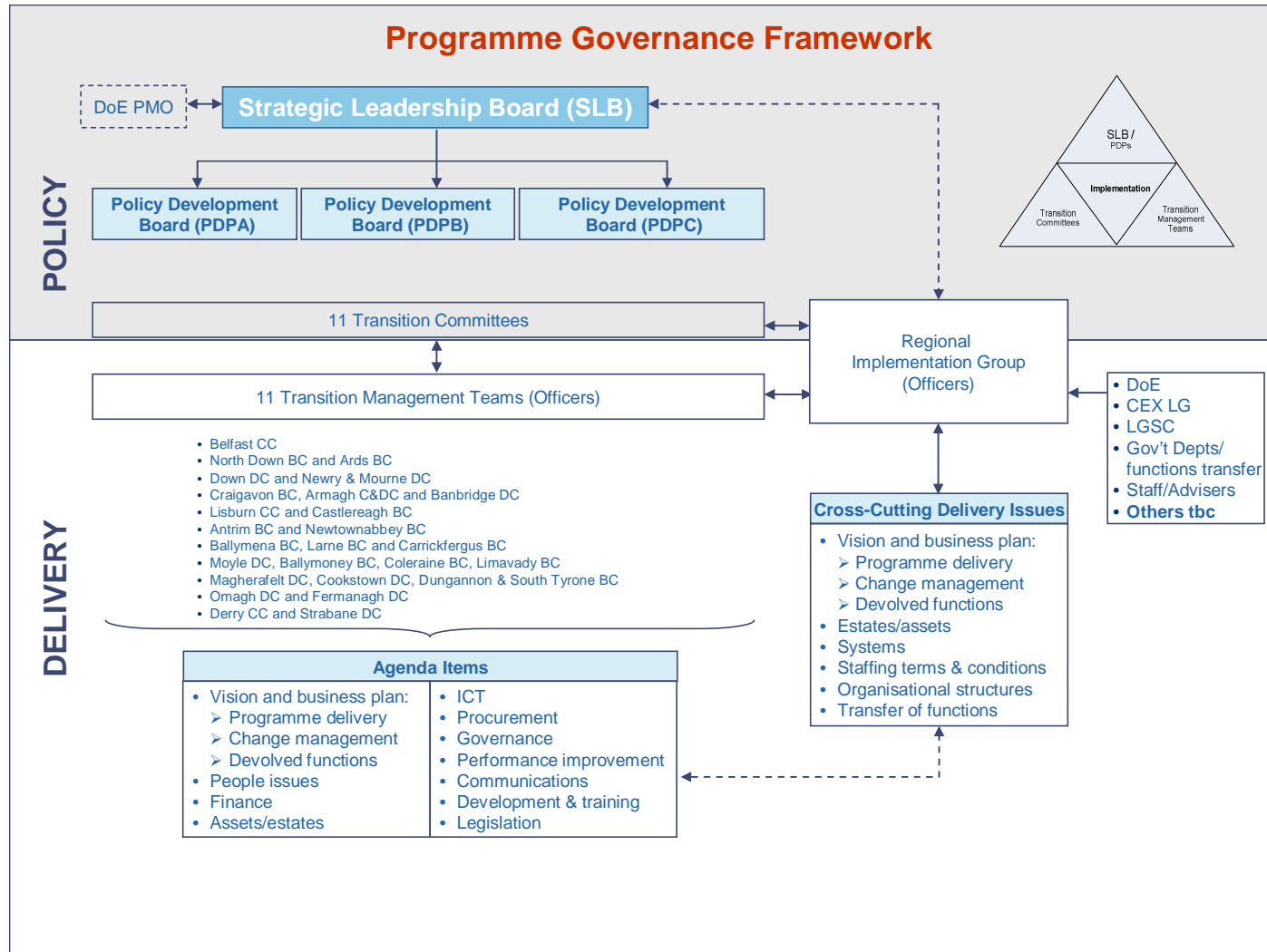
<sup>4</sup> Following extensive research and consultation, the CIPFA/SOLACE Joint Working Group has produced, 'Delivering Good Governance in Local Government: Framework' and accompanying guidance note. The new Framework illustrates best practice for developing and maintaining a local code of governance and making adopted practice open and explicit and has been endorsed by key organisations in local government. The Framework recommends that authorities must be able to demonstrate that they are complying with the principles of good governance and urges local authorities to test their structures against the Framework's six core principles for good governance.

**Figure 5: A strategic governance and programme implementation relationship model.**



1.49 The governance mechanisms in a programme are most effective when integrated with the corporate governance already used in an organisation. The model illustrated at *Figure 6* below, demonstrates the key integral relationship, between the corporate governance structure, with responsibility for policy, and the operational level with responsibility for the delivery of the programme (i.e. programme management).

Figure 6: Programme Governance Framework.



### **'Delivery' Level Governance**

- 1.50 **Programme Governance Framework.** The Programme Governance Framework, at *Figure 6* above, distinguishes between both the functions of policy and delivery, as well as between the strategic and operational levels, whilst adhering to the predetermined/extant corporate governance structure. The effectiveness and efficiency of the framework would be enhanced by clarification of the expected roles and responsibilities of these particular bodies: DOE, NILGA, SOLACE NI, Government departments, and other public bodies. This is particularly relevant with regard to the 'cross cutting' issues and pursuance of an integrated approach.
- 1.51 **Transition Committees.** Key policy responsibilities at the local council level will rest with the Transition Committees of Councillors (TCs). The TCs will have a range of responsibilities akin to that anticipated for a shadow council. Their main role will be to undertake key decisions necessary for an effective Council on the operative date. In particular, for the establishment of good governance arrangements at council level, seamless transfer and delivery of quality and efficient services, and the implementation of an effective staff structure and related staff transfer and support services. In effect the Transition Committees will act as the policy interface between the corporate/strategic level and local council/operational level. It will be the TCs which will drive the shaping of the new Councils. Consequently, it is foreseen that the TCs will have a number of roles and responsibilities, including:

Work stream	Roles and responsibilities
<b>Governance</b>	<ul style="list-style-type: none"> <li>• A shared <b>Vision</b> for the new Council</li> <li>• Key Governance arrangements – <i>Modernisation Agenda (advised from centre), Political management structures, checks and balances, subsidiarity (e.g. civic councils/area committees), etc.</i></li> <li>• <i>Community planning</i>, civic leadership and scrutiny</li> <li>• Financial regulations and standing orders</li> <li>• Convergence of key plans and programmes, including capital projects – facilitate acceptance of transferor capital commitments</li> <li>• Civic issues – e.g. name/status of new Council</li> <li>• Communication strategy</li> <li>• Training/capacity building</li> <li>• Local change management strategy</li> </ul>
<b>Service Delivery</b>	<ul style="list-style-type: none"> <li>• Continuity of service delivery</li> <li>• Development of essential strategies/plans and integration of transferred services/functions</li> <li>• Customer services strategy</li> <li>• Shared services</li> </ul>

<p><b>Staffing and Support Services</b></p>	<ul style="list-style-type: none"> <li>• Appointment of Chief Executive (as soon as possible to '<i>champion the reform</i>')</li> <li>• Staffing structure (including shared posts – regional/sub-regional)</li> <li>• Appointment of HR and Finance senior posts</li> <li>• Appointment of senior management team</li> <li>• HR issues – <i>Staff Transfer Scheme</i> and implementation, PSC Guiding Principles</li> <li>• Budget preparation, financial management and admin/ITC</li> <li>• Estates strategy and accommodation issues</li> </ul>
<p><b>Legal</b></p>	<ul style="list-style-type: none"> <li>• New Local Government Act – consultation and implications</li> <li>• Transferring of assets and liabilities, and legal and associated administrative issues</li> <li>• Local legislation – e.g. bye-laws</li> </ul>

In preparing for the new councils, TCs should ensure that convergence avoids duplication of expenditure and associated activity by the constituent councils. To this end, the establishment of a set of guiding principles will be important.

1.52 **Transition Management Teams.** The 11 Transition Management Teams (TMTs) established in each of the new council areas will be responsible for the day-to-day management of the transition, reporting to and working alongside their respective Transition Committee. The TMTs will subsequently plan and execute the efficient and effective transition to the new councils in terms of the critical managerial and operational transfer issues. As depicted, the TMTs are concerned with Delivery/programme management and in this capacity would also provide advice to the TC as it undertakes the preparatory work for the new Councils. Importantly, the TMTs would highlight issues requiring resolution through the RIG or at SLB level. Responsibilities of the TMTs may include:

<ul style="list-style-type: none"> <li>• Identify the critical management and operational issues</li> <li>• Develop a prioritised work plan to address the above issues</li> <li>• Establish and oversee functional and cross-cutting working groups</li> <li>• Provide advice to the TCs</li> <li>• Link with existing Councils and staff</li> <li>• Bring a local perspective to reform activities</li> </ul>
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- Provide advice to the RIG and Public Bodies on relevant transition issues
- Liaise with DOE, LGSC, NILGA, PSC and other Public Bodies
- Support the Chief Executive and Senior Management Team of the new local Council.
- Identify and make arrangements for 'winding-up' post-2011 legacy councils.

The work of the TMT would progressively diminish as the management teams of the new Council become established.

1.53 **Regional Implementation Group.** The **Regional Implementation Group** (RIG) will be **the** critical management interface with the SLB, the TCs and the TMTs. Importantly, the RIG will provide programme management and delivery focus for the overarching regional and sub regional issues – the cross-cutting delivery issues within the above model. The Programme Senior Responsible Officer, with responsibility for the successful delivery of the overall programme, will lead this key group. The responsibilities of the RIG itself may include:

- Identify critical regional and sub-regional management and operational issues, e.g. sharing staff resources
- Develop a prioritised work plan to address the above issues, in consultation with the TMTs
- Advise SLB on key management issues
- Liaise with TMTs, DOE, LGSC, NILGA, PSC and other Public Bodies
- Ensure that RIG view is balanced by local perspective
- Establish and oversee, functional and cross-cutting working groups

## INDICATIVE RESOURCE REQUIREMENT

1.54 All of the above assertions will require adequate resource to 'make it happen' – from programme management and high level transition plan to the work streams and key activities, In particular, the resources required for the preliminary tasks and activities that must be addressed as the first step in implementing the RPA programme, discussed at paragraphs 1.29 to 1.39, should be established as a matter of priority.

1.55 Based on comparative programmes conducted elsewhere, and in concurrence with the proposed strategic and programme governance framework, the indicative resource requirement to establish the 'Delivery' elements of the RIG and TMTs, suggests a need for some 40 people selected from present capacity or in addition to current resources at a cost of between £4-8m. A more precise cost will only be possible once the make-up of the initial team is established and the mix between internally and externally sourced personnel determined.

1.56 The initial tasks to be undertaken once the above personnel and resources have been established, are as follows:

- Complete the requisite preliminary programme work thus confirming the viability and various business cases of the overall programme;
  - Complete the subsequent programme planning (both at the strategic and operational level); and
  - Undertake the various stages of the programme, work plans and key activities.
- 1.57 On the basis of the information available at this time the number of people indicated above is based on the following assumptions: a “change champion” and two support staff per new council (3 x 11) for the TMTs; and an estimation of up to 7 staff and advisers required to manage and implement the programme at the regional level (within the RIG). A breakdown of the first tranche of personnel required to implement programme, with indicative costs, is at *Appendix 3*.
- 1.58 It is suggested that the earliest appointment of these people, in particular the “change champion”, along with the early appointment of key senior staff within the council clusters (such as the Chief Executives, and the HR and Finance Directors) is critical to programme success. These appointments would be followed closely by the establishment of the remaining elements of the respective senior management teams.
- 1.59 It should be noted that the above resource requirement is to allow the programme to progress. **As the programme progresses, the resource requirement will become more readily identifiable, increase and change in terms of its make-up.** For example, the [early] appointment of the new councils senior management team would be in addition to the above indicative resource requirement.

## CONCLUSIONS

- 1.60 This paper has sought to summarise a practical approach to developing and constructing a successful change programme in local government; has presented an outline high level transition plan alongside a suggested governance structure; and provided an indication as to the level of resources that will be initially required to confirm the viability and initiation of the change programme.
- 1.61 The establishment of the Regional Implementation Group, the Transition Committees and the Transition Management Teams is time critical and should proceed as soon as possible once the Strategic Operational Business Case on **Transition** has been approved. The framework for any SOC is essentially set-out in the Strategic Analysis section and other key principles regarding policy and delivery articulated in this report; it would be possible to complete the more detailed business case using this report as a basis.
- 1.62 The envisaged reform process is predicated on the efficient discharge of a comprehensive legislative programme of several Bills scheduled for consultation and enactment in a tight timetable.

## RECOMMENDED ACTIONS

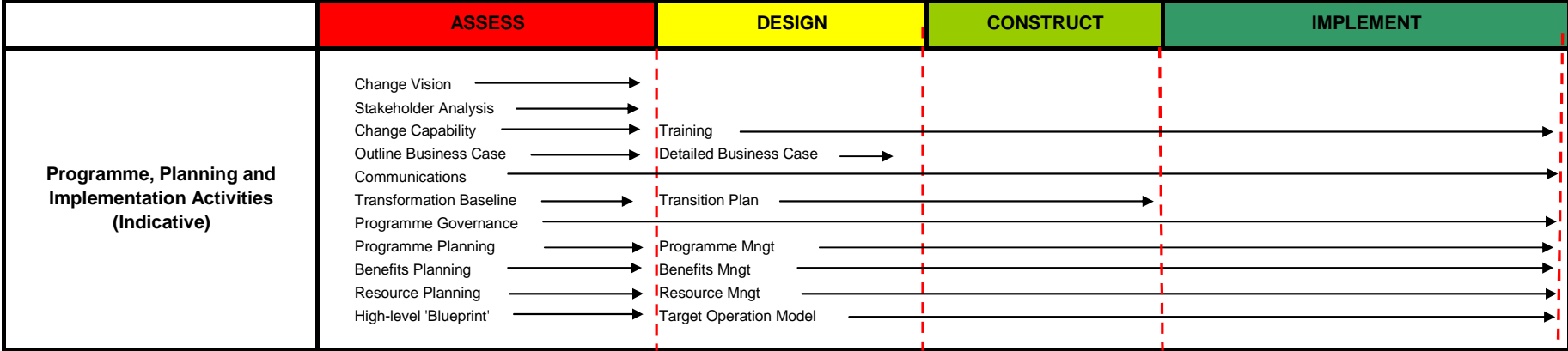
- 1.63 In considering the various sections of this paper, the following actions are recommended:
- Agree Option 3, “An evolutionary approach”, as articulated at paragraph 1.21, represents a rational, risk managed approach to the transition and transformation programmes. The strategic options and further phasing opportunities (High, Medium, Low) should be the subject of a Strategic Outline Business Case (SOC) on Transition;

- Endorsement of the strategic and programme governance framework depicted at Figure 6. The proposed structure could be compared with the six core principles for good governance articulated in the CIPFA/SOLACE *'Delivering Good Governance in Local Government: Framework'*;
- Define the roles and responsibilities of the councillors in conjunction with NILGA and officers in association with SOLACE, in accordance with the agreed governance framework, as discussed at paragraphs 1.50 to 1.53;
- Authority to complete the preliminary programme tasks and activities, detailed at paragraph 1.31, required to establish the strategic and business viability of the transition programme, as well as the option for its delivery, in accordance with OGC best practice. Not to do so will create a disproportionately high risk of failure regarding the delivery of the transition to 11 new councils. Of utmost importance is the need to complete a *Strategic Outline Business Case on Transition*;
- Agree requirement to identify resources, as indicated at paragraph 1.55 to 1.57 above, to complete the aforementioned critical preliminary tasks and activities at the strategic and operational level. It is considered essential to establish the required programme teams and governing bodies as soon as possible in order to provide an appropriate level of guidance and momentum to the existing councils and transition committees;
- Agree that the high level transition plan, in line with *Figure 3*, be adopted in the interim period, prior to the detailed strategy developed through the SOC, as a common model that allows local councils to conduct suitable concurrent activity and consultation; and
- Concurrently, direct that a series of guiding principles be produced to support the aforementioned governance framework and to which councils will operate.

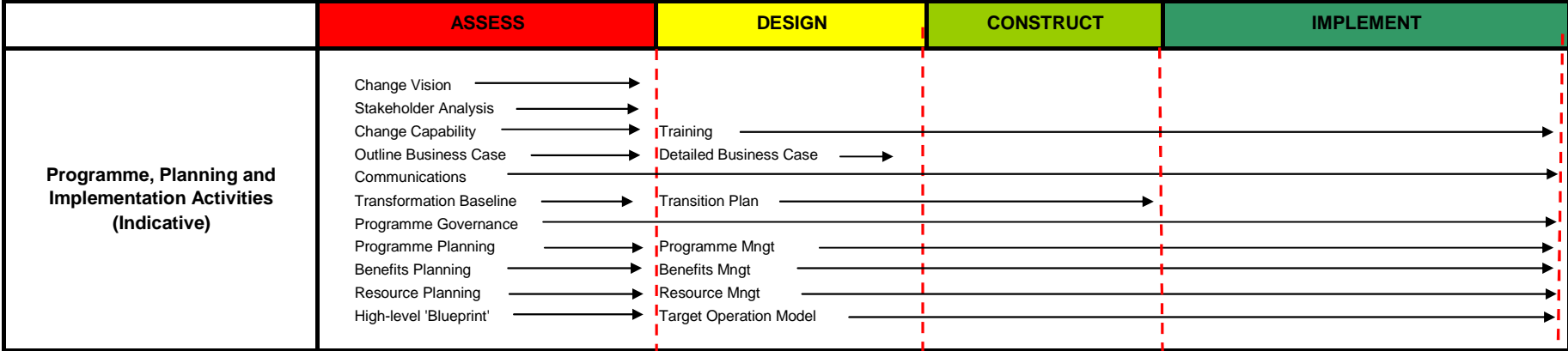
1.64 In addition to the above recommendations, this report has also highlighted that the approach to implementing a successful change programme in local government will require consideration and agreement of the following:

- Undertake the tasks suggested for the RIG;
- Undertake the tasks suggested for the TMTs;
- Undertake further planning and execution of the suggested work plans and key activities;
- Abide by the Public Services Commission (PSC) Guiding Principles on staffing matters.
- Complete an assessment of the change capacity and capability at both the regional and local level.
- DOE should be engaged to develop mechanisms to shorten the programme and accelerate the passage of the legislation.
- Urgent examination of the legal arrangements to facilitate the early appointment of the Chief Executive and other appropriate senior management personnel.

**APPENDIX 1: DRAFT HIGH LEVEL PLAN ALIGNED WITH COUNCIL LEVEL WORKSTREAMS (EXAMPLE)**

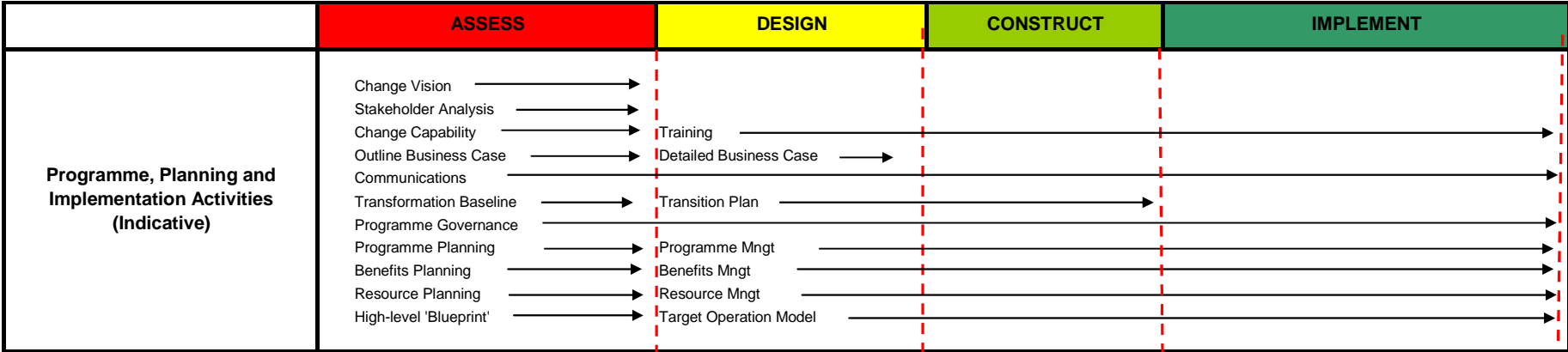


		2008												2009												2010												2011					
		6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6					
<b>GOVERNANCE</b>	Vision																																										
	Political Mgt – Structures, Checks/Balances, etc																																										
	Subsidiarity / Localism - Civic Councils/Area Cttees																																										
	Modernisation/ Improvement – supported by DOE																																										
	Community Planning; Civic Leadership Scrutiny																																										
	Financial Regulations																																										
	Standing Orders																																										
	Convergence - Progs, Plans; Dev. of new Corporate and Capital Plans																																										
	Civic - Name / Status etc																																										
	Change Management Training - Capacity Building																																										
	Communication																																										
	Winding-up: Establish arrangement																																										



		2008						2009						2010						2011																
		6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
<b>SERVICE DELIVERY</b>	Vision																																			
	Agree Service Delivery Continuity Plan - across all transferor bodies																																			
	Implementation of Plan towards 2010 convergence & 2011 operative																																			
	Convergence of key Service Delivery Policies/Plans - including performance etc																																			
	New Service Delivery Policies/Plans - including performance etc																																			
	Develop Integration Strategy for Transferring functions e.g. planning																																			
	Integration of Transferring functions - phasing for 2010																																			
	Shared Services - Strategic Framework																																			
	Implementation of Shared Services - phased approach beyond 2011																																			
	Customer Service Strategy, including communication																																			
	Community Planning - service dimensions operative																																			





		2008						2009						2010						2011																
		6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
<b>LEGAL</b>	Boundary Commission Report July 2009																																			
	Electoral Areas Report																																			
	Local Government - Contracts Bill																																			
	Local Government - Finance Bill (incl Transition Committees)																																			
	Local Government - Modernisation Bill																																			
	Local Government - Reorganisation Bill																																			
	Transfer of Functions Legislation - Responsibility of Transferor Bodies																																			
	Local Legislation - Bye laws, etc; Harmonisation & Localism																																			
	Assets & Liabilities - legal transfer arrangements																																			
	Legal Support arrangements																																			

## APPENDIX 2 – KEY ACTIVITIES

### Governance - Key Activity Map

	Detail	What needs to be done	Who will do it	When
1	<i>Vision</i>	<ul style="list-style-type: none"> <li>Develop a Vision for the new Council</li> </ul>	<ul style="list-style-type: none"> <li>TC with advice from TMT</li> </ul>	Jul 08 - Nov 08
2	<i>Political Mgt – Structures, Checks/Balances, etc</i>	<ul style="list-style-type: none"> <li>Design Political Governance arrangements in context of agreed Vision: –                             <ul style="list-style-type: none"> <li>➤ Structures for fair and effective decision making and efficient service delivery; 'Checks &amp; Balances'; Standards &amp; Accountability arrangements; option of Council Constitution; etc</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>TC in context of DOE/SLB guidelines and legislative provisions</li> </ul>	Sept 08 - Nov 09
3	Modernisation/ Improvement – supported by DOE	<ul style="list-style-type: none"> <li>Agree Modernisation/Improvement agenda and establish strategic framework for implementation post new Councils as part of transformation process – undertake pilots pre May 2011</li> </ul>	<ul style="list-style-type: none"> <li>SLB, TC - advice TMT/RTMT</li> </ul>	July 08 – Dec 10
4	Community Planning (Including power of well being)	<ul style="list-style-type: none"> <li>Design Community Planning process</li> <li>Pilot in 09/10 (e.g. migrate LSP now as a pilot?)</li> <li>Produce draft Community Plan - operative 2011</li> </ul>	<ul style="list-style-type: none"> <li>SLB, TC – advice TMT/RTMT</li> <li>TC leading the Public Bodies</li> <li>TC leading the Public Bodies</li> </ul>	Oct 08 – Dec 09 Jan 09 – Dec 10 Jan10 – Dec 10
5	Civic Leadership Scrutiny	<ul style="list-style-type: none"> <li>Define Civic Leadership and Scrutiny roles and responsibilities</li> <li>Establish draft strategies</li> </ul>	<ul style="list-style-type: none"> <li>TC with advice from TMT</li> </ul>	Dec 08 – Dec 10
6	Financial Regulations	<ul style="list-style-type: none"> <li>Design appropriate Financial Regulations</li> <li>Appointment of Bankers</li> </ul>	<ul style="list-style-type: none"> <li>TC with advice from TMT and Working Groups</li> </ul>	Oct 08 – Nov 09
7	Standing Orders	<ul style="list-style-type: none"> <li>Design Model Standing Orders</li> <li>Agree Standing Orders</li> </ul>	<ul style="list-style-type: none"> <li>SLB with advice from RTMT and Working Groups</li> <li>TC with advice from TMT</li> </ul>	Sept 08 - June 09 June 09 – Nov 09
8	Convergence - Progs and Plans; New Corporate and Capital Plans	<ul style="list-style-type: none"> <li>Establish programme and work streams to converge transferring programmes and plans</li> <li>Develop new Corporate and Capital Plans</li> </ul>	<ul style="list-style-type: none"> <li>TMT with working groups of officers</li> <li>TC with advice from TMT and Working Groups</li> </ul>	Jan 09 – Jan 10 Feb 10 – Dec 10
9	Civic – name of Council, Status, etc	<ul style="list-style-type: none"> <li>Agree name of Council, its civic status, role of Mayor/Chair, etc</li> </ul>	<ul style="list-style-type: none"> <li>TC</li> </ul>	Jan10 – Dec 10
10	Change Management Training – Capacity Building	<ul style="list-style-type: none"> <li>Undertake a continuous Change Management and Capacity Building Programmes for members and officers</li> </ul>	<ul style="list-style-type: none"> <li>LGSC/TMT</li> <li>TC</li> <li>Transferor Bodies</li> </ul>	Jul 08 – May 11
11	Communication	<ul style="list-style-type: none"> <li>Develop and Implement Communication strategies for target audiences – citizens, staff</li> </ul>	<ul style="list-style-type: none"> <li>All RPA LG affected bodies</li> </ul>	June 08 – May 11
12	<i>Winding – up: Establish arrangements</i>	<ul style="list-style-type: none"> <li>Establish arrangements for winding up legacy bodies and nominate lead staff to complete the process post May 2011</li> </ul>	<ul style="list-style-type: none"> <li>All RPA LG affected bodies</li> </ul>	Jan 10 - Jan 11

Service Delivery - Key Activity Map

	Detail	What needs to be done	Who will do it	When
1	<i>Vision</i>	<ul style="list-style-type: none"> <li>Vision under Governance arrangements will be framework for service delivery</li> </ul>	<ul style="list-style-type: none"> <li>TC with advice from TMT</li> </ul>	Jul 08 – Nov 08
2	<i>Service Delivery Continuity Plan(s) - Transition period</i>	<ul style="list-style-type: none"> <li>Develop and implement plan(s) for continuity of Service Delivery (<i>across all transferor bodies</i>) during the transition. Monitor/ review</li> </ul>	<ul style="list-style-type: none"> <li>All transferor bodies - TMT coordinating</li> </ul>	Sept 08 – June 09
3	<i>Implementation of Plan towards 2010 convergence &amp; 2011 operative</i>	<ul style="list-style-type: none"> <li>Develop plan for convergence of Services</li> <li>Delivered - Councils and other transferor bodies – and agree implementation arrangements – operative 2011. Pilots to be undertaken.</li> </ul>	<ul style="list-style-type: none"> <li>TC - advice TMT/RTMT</li> </ul>	July 09 – May 11
4	<i>Convergence of existing key Service Delivery Policies</i>	<ul style="list-style-type: none"> <li>Establish database of key service policies, plans, commitments; agree convergence work plan(s)</li> </ul>	<ul style="list-style-type: none"> <li>TC - advice TMT/RTMT</li> </ul>	Oct 08 – Dec 10
5	<i>New Service Delivery Policies - performance, etc</i>	<ul style="list-style-type: none"> <li>Develop new Service Delivery Policies/Plans to meet requirements for efficiency and continuous performance development/improvement for new Councils from 2011 operative date and beyond</li> </ul>	<ul style="list-style-type: none"> <li>TC with advice from TMT</li> </ul>	Jan 09 – May 11
6	<i>Transferring functions – strategic overview</i>	<ul style="list-style-type: none"> <li>Develop Strategic Overview re: transferring functions (e.g. Planning, Roads) – agree delivery mechanisms - sharing/pooling resources, etc.</li> </ul>	<ul style="list-style-type: none"> <li>SLB with advice from RTMT/TMT</li> </ul>	Oct 08 – Oct 09
7	<i>Integration of Transferring functions</i>	<ul style="list-style-type: none"> <li>Establish an integration strategy for transferring functions to be delivered by new Councils</li> <li>Phase and pilot from 2010</li> </ul>	<ul style="list-style-type: none"> <li>SLB /TC with advice from RTMT/TMT</li> <li>TC</li> </ul>	Jan 10 – June 10 Jan 10 – May 11
8	<i>Shared Services - Strategic Framework</i>	<ul style="list-style-type: none"> <li>Develop Shared Services Strategic Framework – identify opportunities, delivery options, etc</li> </ul>	<ul style="list-style-type: none"> <li>SLB with advice from RTMT</li> </ul>	Nov 08 – Nov 09
9	<i>Implementation of Shared Services - Evolving to beyond 2011</i>	<ul style="list-style-type: none"> <li>Agree approach that provides for evolving implementation of Shared Services beyond 2011-</li> <li>dependent on transformation capability/capacity</li> </ul>	<ul style="list-style-type: none"> <li>SLB/TC with advice from RTMT/TMT</li> </ul>	Jan 11 – May 11 and beyond
10	<i>Customer Services and Communication</i>	<ul style="list-style-type: none"> <li>Develop Customer Services Strategy</li> <li>Develop Communication Strategy and implement</li> </ul>	<ul style="list-style-type: none"> <li>TC</li> <li>TC and all Transferor Bodies</li> </ul>	Jan 09 – May 11 Oct 08 – May 11
11	<i>Community Planning - service dimensions operative</i>	<ul style="list-style-type: none"> <li>Identify service dimensions flowing from Community Planning and accommodate in service delivery policies and plans</li> </ul>	<ul style="list-style-type: none"> <li>All Community Planning participants</li> </ul>	Jan 09 – May 11

*Staffing and Support Services - Key Activity Map*

	<b>Detail</b>	<b>What needs to be done</b>	<b>Who will do it</b>	<b>When</b>
1	Appointment of Chief Executive <i>*(This time table will change if legal or other enabling facility is not available)</i>	<ul style="list-style-type: none"> <li>Develop Job Description in the context of the TC agreed Vision and establish Contract Conditions</li> <li>LGSC recruitment process in accordance with PSC Guiding Principle (GP)</li> <li>New CEX in post – arrange office and temporary admin support (secondments)</li> </ul>	<ul style="list-style-type: none"> <li>TC and LGSC: DOE to urgently address legal issues*</li> <li>TC and LGSC with advice from PSC</li> <li>TC and TMT</li> </ul>	<p>Jun 08 - Nov 08*</p> <p>Dec 08 - Jan 09*</p> <p>Apr 09*</p>
2	Staffing Structures (including possible regional /sub regional dimensions)	<ul style="list-style-type: none"> <li>Examine regional/sub regional staffing options for sharing/pooling of staff in specialist service areas (e.g. area planning) and agree required staff structural arrangements</li> <li>Design Staff Structure at Council senior management team and heads of department/ business unit levels – 1st and 2<sup>nd</sup> tiers (in the context of Vision and Governance arrangements)</li> <li>Further develop the Staffing Structure when CEX and SMT are in post</li> </ul>	<ul style="list-style-type: none"> <li>RTMT / TMT to advise DOE &amp; TC – support from LGSC</li> <li>TC /CEX with advice on models from LGSC and TMT/RTMT</li> <li>TC and CEX/SMT with advice on models from LGSC and TMT</li> </ul>	<p>Oct 08 - Jan 09</p> <p>Apr 09 - Jul 09</p> <p>Oct 09 - Dec 09</p>
3	Senior Appointments	<ul style="list-style-type: none"> <li>Proceed with key appointments in HR and Finance - in line with PSC GP's</li> </ul>	<ul style="list-style-type: none"> <li>TC and LGSC with advice from TMT</li> </ul>	Dec 08 - Apr 09
4	Senior Management Team Appointments (SMT)	<ul style="list-style-type: none"> <li>Design Job Description, Contract Conditions, etc</li> <li>Complete recruitment process</li> <li>SMT in place – briefing, training, etc</li> </ul>	<ul style="list-style-type: none"> <li>TC and LGSC with advice from TMT</li> <li>TMT and LGSC</li> </ul>	<p>Apr 09 - Oct 09</p> <p>Oct 09</p>
5	HR Strategic Framework	<ul style="list-style-type: none"> <li>Develop a HR Framework within which the Transferor Bodies and TC's will operate – managing vacancies, harmonisation, PSC GP's, etc</li> </ul>	<ul style="list-style-type: none"> <li>LGSC in consultation with TU and Employers and PSC</li> </ul>	Jun 08 - Mar 09
6	Staff Transfer Scheme	<ul style="list-style-type: none"> <li>Formulate a Staff Transfer Scheme – to address: Identification of staff; Date of transfer, post and location; Contractual terms and conditions; Pension arrangements; Disputes; Payment of compensation for actual loss; etc</li> </ul>	<ul style="list-style-type: none"> <li>LGSC in consultation with TU and Employers and PSC</li> <li>TMT input at various stages</li> </ul>	Jun 08 - Mar 09
7	<i>Staff Transfer Implementation</i>	<ul style="list-style-type: none"> <li>Implementation of Staff Transfers – Note the importance of sequencing in transfer process re: balancing retention of staff to secure continuity of service delivery with staffing up new Council.</li> <li>Agree recruitment process, including selection pools</li> </ul>	<ul style="list-style-type: none"> <li>TC's, Councils/Transferor Bodies, TMT/RTMT,</li> <li>Advice from LGSC</li> </ul>	Jan 10 - May 11
8	<i>Financial Mgt - Structures, systems, Revenue &amp; Capital, etc</i>	<ul style="list-style-type: none"> <li>Establish framework for Financial management for new Council, including internal audit – in context of financial regulations. Engage with LG auditor.</li> </ul>	<ul style="list-style-type: none"> <li>SLB, TMT/RTMT, Finance Officers</li> </ul>	Oct 08 - Mar 09

	Detail	What needs to be done	Who will do it	When
		<ul style="list-style-type: none"> <li>Establish strategy for shared support services- e.g. procurement - implementation (post 2011?).</li> <li>Proceed with financial convergence to new arrangements - complete and pilot prior to 2011</li> </ul>	<ul style="list-style-type: none"> <li>SLB, RTMT/TMT</li> <li>Finance Officers, TMB</li> </ul>	<p>Oct 08 - Mar 09</p> <p>Apr 09 - Dec 10</p>
9	<i>Budget Preparation</i>	<ul style="list-style-type: none"> <li>Establish new budget format and develop LG Finance arrangements, including grant aid, rates revenue, etc.</li> <li>Integrate budgets of transferor bodies</li> <li>Determine budget for new Council</li> </ul>	<ul style="list-style-type: none"> <li>DOE/SLB</li> <li>Finance Officers - TMT</li> <li>TC</li> </ul>	<p>Oct 08 - Jul 09</p> <p>Jan 09 - Dec 09</p> <p>Mar10 - Jan 11</p>
10	<i>Administration support systems; ITC, etc</i>	<ul style="list-style-type: none"> <li>Agree administrative structure /systems framework</li> <li>Harmonise and implement admin efficiencies</li> </ul>	<ul style="list-style-type: none"> <li>TMT/RTMT, TC</li> <li>TMT/RTMT and Admin officers</li> </ul>	<p>Jan 09 - Jun 09</p> <p>Sep 09 - Dec 10</p>
11	<i>Estates Strategy&amp; Accommodation</i>	<ul style="list-style-type: none"> <li>Develop an Estates Strategy</li> <li>Implement Strategy</li> </ul>	<ul style="list-style-type: none"> <li>TC – TMT/RTMT</li> <li>TC</li> </ul>	<p>Jun 09 - Dec 09</p> <p>Sep 10 - May 11</p>

*Legal Services - Key Activity Map*

	<b>Detail</b>	<b>What needs to be done</b>	<b>Who will do it</b>	<b>When</b>
1	<i>Boundary Commission Report July 2009</i>	<ul style="list-style-type: none"> <li>• Appointment of Boundary Commissioner</li> <li>• Completion of review and final report approved</li> </ul>	<ul style="list-style-type: none"> <li>• DOE Minister</li> <li>• Executive/Assembly</li> </ul>	Jul 08 – Jul 09
2	<i>Electoral Areas Report</i>	<ul style="list-style-type: none"> <li>• Appointment of Commissioner</li> <li>• Completion of review and final report approved</li> </ul>	<ul style="list-style-type: none"> <li>• DOE Minister</li> <li>• Executive/Assembly</li> </ul>	Oct 09 – Nov 11
3	Local Government – Contracts Bill	<ul style="list-style-type: none"> <li>• DOE indicative programme for LG legislation (see appendix for additional information)</li> </ul>	<ul style="list-style-type: none"> <li>• DOE</li> </ul>	Assembly Mar 09 Operative Jul 09
4	Local Government – Finance Bill (incl. Transition Committees)	<ul style="list-style-type: none"> <li>• DOE indicative programme for LG legislation (see appendix for additional information)</li> </ul>	<ul style="list-style-type: none"> <li>• DOE</li> </ul>	Assembly Sep 09 Operative Apr 10
5	Local Government – Modernisation Bill	<ul style="list-style-type: none"> <li>• DOE indicative programme for LG legislation (see appendix for additional information)</li> </ul>	<ul style="list-style-type: none"> <li>• DOE</li> </ul>	Assembly Jan 10
6	Local Government – Reorganisation Bill	<ul style="list-style-type: none"> <li>• DOE indicative programme for LG legislation (see appendix for additional information)</li> </ul>	<ul style="list-style-type: none"> <li>• DOE</li> </ul>	Assembly May 10 Operative May 11
7	<i>Transfer of Functions Legislation</i>	<ul style="list-style-type: none"> <li>• Drafting and approval of Legislation to transfer agreed functions to LG by bodies transferring the functions</li> </ul>	<ul style="list-style-type: none"> <li>• Transferor bodies</li> </ul>	Operative May 11
8	<i>Local Legislation – Bye laws, etc: Harmonisation &amp; Localism</i>	<ul style="list-style-type: none"> <li>• Comprise Database of local legislation and proceed to harmonise and develop, where appropriate, in the context of agreed local preferences</li> </ul>	<ul style="list-style-type: none"> <li>• TC, assisted by TMT, RTMT</li> </ul>	Mar 09 – May 11
9	<i>Assets &amp; Liabilities – legal transfer arrangements</i>	<ul style="list-style-type: none"> <li>• Comprise database of transferring assets and liabilities and integrate to common management system ensuring full compliance with legal responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>• TC, assisted by TMT, RTMT</li> </ul>	Mar 09 – May 11
10	<i>Legal Support arrangements</i>	<ul style="list-style-type: none"> <li>• Procure Legal Support Services –interim or term arrangement until new Council operative</li> </ul>	<ul style="list-style-type: none"> <li>• TC</li> </ul>	Oct 08 – Jun 09

*LEGAL: Strategic Time Line – additional information*

**Indicative DOE programme for local government legislation**

**Please note: timescales and contents of Bills are indicative and subject to change.**

<b>Proposed title of Bill</b>	<b>Proposed contents of Bill</b>	<b>Indicative timescale</b>
<i>Local Government (Contracts) Bill</i>	<ul style="list-style-type: none"> <li>• Provisions to clarify Councils' powers to contract with the private sector</li> <li>• Powers to purchase land compulsorily for waste management facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Introduction to Assembly - Feb/Mar 2009</li> <li>• Planned operative date - Jul 2009</li> </ul>
<i>Local Government (Finance) Bill</i>	<ul style="list-style-type: none"> <li>• Modernisation of finance provisions for local government</li> <li>• Provisions relating to councillor remuneration and severance</li> <li>• Provisions relating to transition committees</li> <li>• Introduction of controls over borrowing, disposals, contracts and the application of capital receipts and reserves by existing councils prior to reorganisation</li> </ul>	<ul style="list-style-type: none"> <li>• Introduction to Assembly - Sep 2009</li> <li>• Planned operative date - Apr 2010</li> </ul>
<i>Local Government (Modernisation) Bill</i>	<ul style="list-style-type: none"> <li>• Ethical standards</li> <li>• Bye-laws</li> <li>• Cremations</li> <li>• Supervision of councils</li> <li>• Street names</li> </ul>	<ul style="list-style-type: none"> <li>• Introduction to Assembly - Jan 2010</li> </ul>
<i>Local Government (Reorganisation) Bill</i>	<ul style="list-style-type: none"> <li>• Transfer of staff and assets/liabilities from old councils to the new</li> <li>• Governance</li> <li>• Human resources</li> <li>• Community planning</li> <li>• Power of well-being</li> <li>• Performance management</li> <li>• Central/local government relations</li> </ul>	<ul style="list-style-type: none"> <li>• Introduction to Assembly - May 2010</li> <li>• Planned operative date - May 2011</li> </ul>

**Note – This information has been provided by DOE (May 08)**

### APPENDIX 3 – RESOURCE REQUIREMENT FOR INITIAL PROGRAMME IMPLEMENTATION AND INDICATIVE COSTS

Table 3-1 below details the level of resource, in terms of the number of people and indicative costs, required to establish the specific elements of the RIG and TMTs, initially outlined at paragraph 1.56 of the main report.

Table 3-1: Resource requirement and indicative costs for initial programme implementation.

Programme Group/ Governing Body	Resource			Comment
	People	Time (no. of days p.a.)	Cost (£m p.a.)	
Regional Implementation Group	9	120 - 200	1.12	<ul style="list-style-type: none"> <li>Local council experts with past practical experience at CEX level</li> <li>Strategic advisers and support staff</li> <li>Resource cover for DOE, LGSC and Govt Depts elements of RIG <b>not</b> included. Nor is the resource requirement to service the PDPs.</li> </ul>
Transition Management Teams	33  (11 x 3)	Full time	2.5 to 6.6	<ul style="list-style-type: none"> <li>Spread of potential cost reflects degree of mix ranging from all personnel being found from within existing internal capacity (at Director level), to all personnel being sourced externally (consultants).</li> <li>Final make-up will be dictated by balance and consideration of capacity, capability and tempo</li> <li>Ideal make-up is a mix of internal and external personnel.</li> </ul>
<b>Total</b>	<b>42</b>		<b>£4 - £8 m</b>	

## APPENDIX 4 - CHANGE MANAGEMENT

The activity of change management and its various components is summarised in Figure 4-1 below.

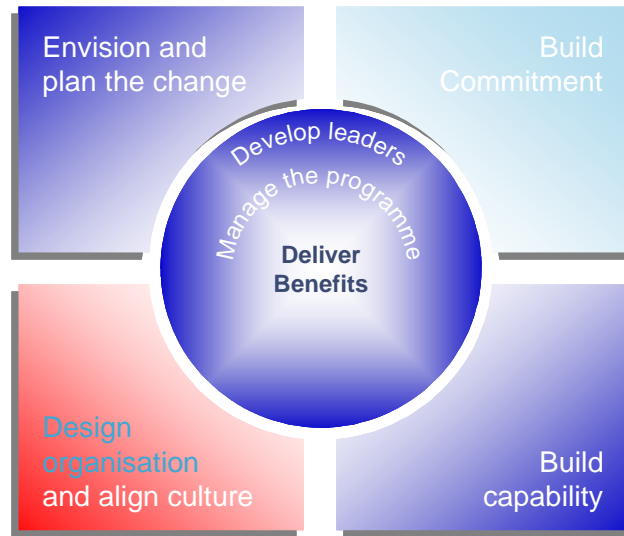


Figure 4-1: A Change Management Framework

In order to deliver the change however, depends upon an organisations change capability and capacity. Change capability and capacity, particularly in the context of a transformation or transition change, refer to the ability and willingness of the organisation to make step changes in the way it works in order to realise the benefits of the change initiative and sustain these benefits over time. These step changes are often far reaching and can impact on processes, systems, technology, skills, structures, behaviours and attitudes. They also occur at multiple levels including at the level of the individual, work group, and divisions/directorates.

Ultimately, the benefits of a change initiative are delivered by people and often, projects/programmes centre on finding a solution to a problem without sufficiently engaging employees and other stakeholders in the identification and subsequent development of the solution. The difference between the success and failure of a change initiative may be influenced by whether the change has been understood, embraced and executed by the individuals within the organisation, as illustrated below.

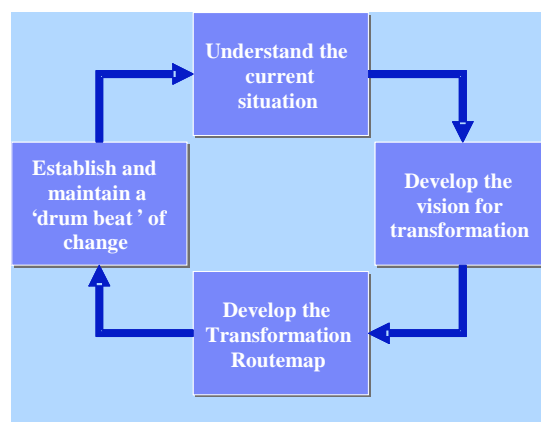


Figure 4-2: Establishing the 'drum beat' of change.

To introduce change into an organisation therefore, it is not simply about identifying a technical solution. Transformational and transitional changes affect large numbers of people in terms of roles,

behaviours, responsibilities and relationships. This means that people will display a mixture of responses. Understanding and managing the impact of these responses is essential if any form of change is to be effective and sustainable.

A change management approach must be based on a clear understanding of the issues and the people involved both directly and indirectly. With this in mind, a number of basic components should be considered in any approach:

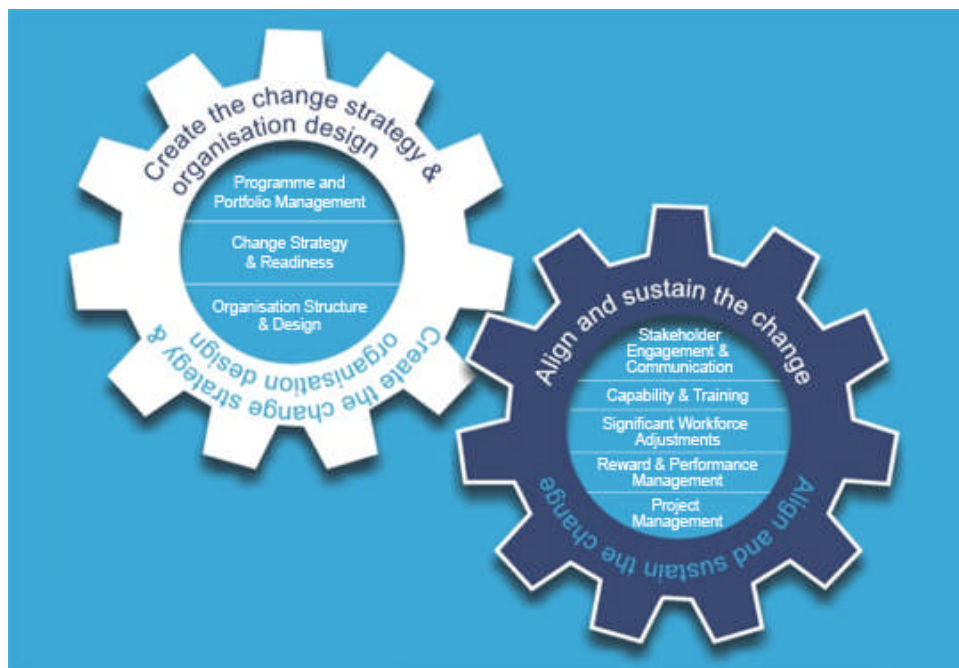
- **Change Vision** - A Change Vision, derived from the business case, is a compelling statement of why the change initiative is being undertaken, including the benefits envisioned, and provides the overarching story that is communicated during the major change;
- **Change Capability Route Map** – This route map documents the current and future capability of the organisation and maps out the activities and initiatives required in order to successfully deliver and sustain the change vision. The development and subsequent implementation of the route map is based on an assessment of various components that have been found to be critical to delivering step changes in organisations. These are:
  - **Leadership alignment** – aligning the leaders of an organisation with the transformation vision and seeking their support and commitment to the programme of work. This includes providing leaders with:
    - clarity around the proposed benefits and quick wins;
    - an understanding of how they are expected to behave as change leaders;
    - an understanding of what kinds of behaviours to expect as people go through major change;
    - clarity around the project plan and who is accountable and responsible for delivering the project phases;
  - **Leadership and organisational capability** – this is a structured approach for assessing the capabilities for change in an organisation and provides important input to the development and subsequent refinement of the route map. It includes assessing key areas such as:
    - How well or not the organisation has successfully implemented change in the past.
    - The capability of the existing leadership, both as individuals and as a group, to successfully lead the change.
    - The ability of existing systems processes and structures to help deliver the change.
  - **Stakeholders beyond the leadership group** - are defined as individuals and groups affected by and capable of influencing the project outputs and business outcomes. At project commencement, a stakeholder assessment is prepared that defines the power, influence, impact on the project and support required from the stakeholders and stakeholder groups.
  - **Communications** - Successful project delivery requires the planning, creation and implementation of appropriate communications with internal and external stakeholders. Well-planned and effectively executed communications activities can reduce resistance

to the project, build acceptance for the project objectives and assist with benefits realisation.

Once the above components have been assessed, various solutions are proposed and integrated into the route-map. These solutions might include:

- Changes to organisation structure and design - i.e. organisation structure and design changes are integrated with changes to processes, technology and facilities;
- Development of capability and training.
- Conducting senior management workshops to formalise strategy, discuss and allocate responsibilities, develop common communications messages and to fully understand all aspects of the change initiative including the post-implementation business outcomes and business benefits;
- Conducting performance measures workshops where a wholesale reorganisation of the performance measures used by the organisation will occur and a number of workshops need to be held to decide upon and formulate the new reduced set of performance measures which will be used to manage the organisation.

Figure 4-3 below illustrates how the above principal components contribute to a typical approach to change management and its integral relationship within the overall programme management.



**Figure 4-3: Components of Change Management Strategy and Implementation**

Finally, it is worth breaking out the components previously discussed and aligning them with the typical stages of a programme framework as shown at Figure 4-4 below:

Figure 4-4: A Suggested Change Methodology for Local Government

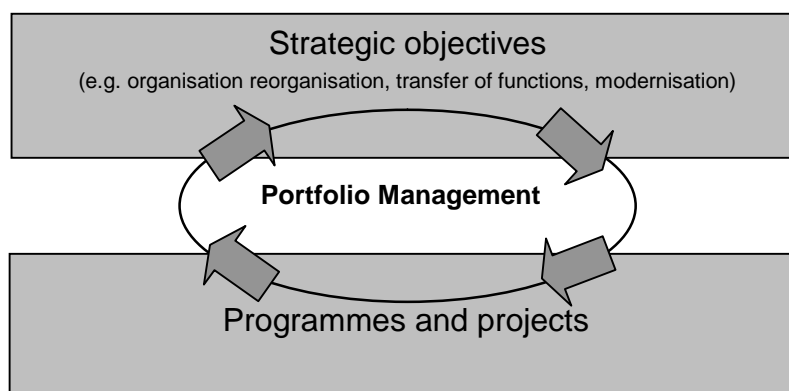


## APPENDIX 5 - PROGRAMME MANAGEMENT

### Portfolio Management

Portfolio Management is the corporate, strategic-level process for coordinating successful delivery across an organisation's entire set of programmes and projects. The total set of programmes and projects within an organisation is known as the 'portfolio' and represents the complete picture of the organisation's commitment of programme and project resources and investment to deliver its strategic scope.<sup>5</sup>

There is a clear distinction between managing the portfolio on the one hand and delivering programmes and projects on the other. Managing the portfolio is an ongoing business-as-usual function, comparable to financial management or control of risk within the organisation. It is a permanent activity of an organisation. Programmes and projects are temporary activities where the control and delivery standards used on the programmes and projects are those provided by the portfolio function.<sup>6</sup> Given this definition, it is considered that the issue of portfolio management is outside both the scope of this paper and our remit within the aforementioned SOLACE TORs, except where it is necessary to provide suitable context for the programme and project management issues.



**Figure 5-1: Portfolio Management – Alignment of Strategic Objectives with Programmes and Projects.**

The creation and management of the portfolio should be underpinned by reference to principles of portfolio management that in turn acknowledge the need for:

- A clear governance structure within the organisation that ensures projects are evaluated, prioritised and approved based on business goals and objectives
- A project and programme planning, development and management approach that involves all main stakeholders early on, and to the greatest extent possible
- Managing projects and programmes in the organisation as a portfolio so that scarce resources can be directed toward those projects that deliver the most value and flexibility and can be assured when priorities may shift during the course of any project.

An integral aspect of portfolio management therefore is the need to establish sound programme management. It is in this regard and in recognition of the above principles that the paper will now

<sup>5</sup> Office of Government Commerce: Managing Portfolio of Changes with MSP™ for Programmes and PRINCE2™ for Projects.

<sup>6</sup>Ibid.

address the issue of programme management, both generically and subsequently with specific application to the RPA initiative.

### Programme Management

The Office of Government Commerce defines a programme as:

*“A temporary, flexible organisation created to coordinate, direct and oversee the implementation of a set of related projects and activities in order to deliver outcome and benefits related to the organisation’s strategic objectives. A programme is likely to have a life that spans several years.”<sup>7</sup>*

Correspondingly, programme management is the action of carrying out the coordinated organisation, direction and implementation of a dossier of projects and transformation activities (i.e. the programme) to achieve outcomes and realise benefits of strategic importance to the business. As such, programme management aligns three critical organisational elements:

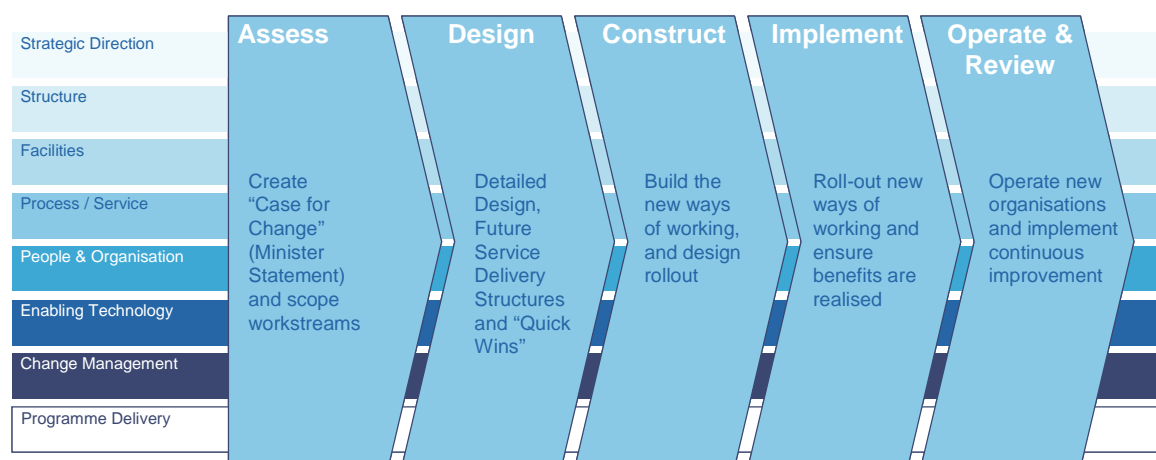
- Corporate strategy.
- Delivery mechanisms for change, and
- Business-as-usual environment.

### A Programme Management Framework

Figure 5-2 below presents an overview of a successful PwC framework for large, complex change programmes that could readily be adapted to deliver the RPA change programme. The first Stage of this particular methodology is Assess. The main outputs from this particular stage are as follows:

- Defining the High-level “Blueprint” for the new local government organisations
- Creating the “Case for Change”
- Identifying the range of work-streams that will change the organisations,

This is in the context of also achieving short- and medium-term financial and service delivery goals.



<sup>7</sup> Office of Government Commerce – Managing Successful Programmes.

However, before embarking along this or any other programme delivery plan, there are a number of acknowledged pre-conditions that must first be met, including satisfying a number of formal, robust approval reviews that will ensure that a viable programme is being invested in and about to be implemented. ***It is these preliminary tasks and activities that must now be addressed as the first step in implementing the RPA programme.***

## **Managing Successful Programmes**

*Managing Successful Programmes* (MSP) is OGC owned and represents proven programme management good practice in successfully delivering transformational change, drawn from the experiences of both public and private sector organisations. MSP describes a '*transformational flow*' which effectively describes a process by which change programmes are realised. The first stages of the so-called 'transformational flow' are, 'Identifying a Programme' and 'Defining a Programme' respectively. It is the programme activities within these stages that illustrate the tasks and level of programme activity that must now be implemented at part of the RPA initiative prior to the high-level draft programme plan, outlined in the main paper, being executed.

- **The Programme Mandate.** The concept (corporate strategy, initiative, or policy) and the resulting vision that is driving the change generate the Programme Mandate. It is the signing-off, at portfolio (SLB) level that allows the 'Identifying a Programme' process to begin, which is when the Programme Brief is developed.

### **The Programme Brief.**

The Programme Brief defines the expected benefits, costs, timescales and risks, allowing:

- Clarification of what is about to be achieved, and the desired benefits
- A management decision to be made on whether the programme is desirable and appropriate
- Commitment to the investment and resources required to proceed to the next process in MSP of 'Defining a Programme'
- Confirmation that the change should be managed as a programme.

Accordingly the Programme Brief provides the formal basis for assessing whether the programme is viable and achievable. The Programme Brief (once approved) provides the basis for development of the programme's full **Business Case** and other programme management requirements during the 'Defining a Programme' stage of the transformational flow.

The 'Defining a Programme' involves the detailed planning and design of all aspects of the programme and so a '**Programme Preparation Plan**' for this work is produced. This plan ensures that the relevant management board is fully aware of and commits to the cost, time and resource that will be required in planning/designing the remainder of the programme. Consequently, the *Programme Brief* and the *Programme Preparation Plan* set the context and direction for the Programme and as such formal approval of both products is required. The issue of formal reviews and subsequent approval is discussed more fully below.

### **The Programme Definition Document.**

The Programme Definition Document is an ensemble of key programme management information and is the principle output that is formally approved at the conclusion of the 'Defining a Programme' stage. The Programme Definition Document (PDD) will articulate:

- What the programme is going to do

- How it is going to do it
- Who is involved
- How it will be controlled
- The justification for going forward.

Consequently, the main components of the PDD are

- The refined Vision Statement.
- Business Case.
- Blueprint (Future Service Delivery model).
- Programme Organisation and Structure.
- Programme Plan.
- Stakeholder and Communication Plan
- Benefits Realisation Plan
- Information Plan
- Resource Management Plan.

There are also other lesser components that contribute to the make up of the PDD, however, once assembled the Programme Definition Document is used to gain approval to proceed. For most programmes it is essential to conduct a formal review at such key decision points. It is equally advisable that such reviews are independent formal reviews undertaken as an integral element of the programmes governance strategy.

### **Programme and OGC Gateway™ Reviews.**

Programme Review is an important activity that allows the findings of an audit or other forms of programme assessment to be properly evaluated. Reviews may involve independent scrutiny such as an OGC Gateway Review. Most programmes within the UK Public Sector will be subject to the Gateway Review Process. The OGC Gateway Process examines programmes and projects at key decision points in their lifecycle. It looks ahead to provide assurance that they can progress successfully to the next stage; the process is best practice in central civil government, the health sector, local government and Defence.

OGC Gateway Reviews deliver a "peer review" in which independent practitioners from outside the programme/project use their experience and expertise to examine the progress and likelihood of successful delivery of the programme or project. They are used to provide a valuable additional perspective on the issues facing the internal team, and an external challenge to the robustness of plans and processes. There are a number of different Gateways, each designed for a particular purpose and circumstance. To outline the first two of the main Gateway Reviews that the RPA programme may well be subject to during its initial stages and development:

- **OGC Gateway Review 0: Strategic Assessment.** This is a programme-only Review that sets the programme in the wider policy or corporate context. This Review investigates the direction and planned outcomes of the programme, together with the progress of its constituent

projects. It can be applied to any type of programme, including policy and organisational change. The Review is repeated throughout the life of the programme from start-up to closure; an early OGC Gateway Review 0 is particularly valuable as it helps to confirm that the way forward is achievable, before plans have been finalised.

- **OGC Gateway Review 1: Business Justification.** This is the first project Review, which investigates the Strategic Business Case and the proposed way forward to confirm that the project is achievable and likely to deliver what is required. The Review checks that:
  - stakeholders approve the intended benefits from the project,
  - linkage with programme and organisational objectives is clear and
  - the optimum balance of cost, benefits and risk have been identified.