

Learning from others, international learning and sharing Efficiency/VFM resources amongst members

What can local government achieve in tough times when creativity is encouraged? Experiences from the UK, Canada, New Zealand & South Africa

From 0900 hrs GMT on the 10th May to close of play in all three countries on the 11th May -

Working with Ivor Wells, Libby Ferguson and other colleagues from the LGG International Unit and the Local Government Channel, we recently filmed a roundtable interview with representatives from several commonwealth countries at the Commonwealth Local Government Conference in Cardiff, for a taster please view the video above, or for the longer version (circa 24 minutes) please follow this link:

<http://www.youtube.com/watch?v=1JPj4r5Vmgo>

Following this - from Tuesday 10th May, we held a 'warmseat' event over a two day period, featuring representatives from New Zealand and Canadian local government. The event was so called because due to being in different time zones (NZ is +11 hours and Canada is -5) our hosts were not able to answer in GMT, so it could not be 'quickfire' session.

During this event you were able to ask them about their approach to working in a new and innovative way sharing services in New Zealand and on the interesting Quality of Life work that they are doing in Canada.

Further information around these examples is attached, please have a look at the resulting discussion threads and the background materials below.

Our hosts over the two days were Stephen Boyle (BOPLASS) and Leanne Holt (Federation of Canadian Municipalities).

With best wishes Neil Rimmer (Lead Facilitator, Productivity and Efficiency Exchange)

Background information for the 'warmseat' event

By [Neil Rimmer](#), Improvement Advisor, LG Improvement and Development

08 Apr 2011 15:11

Introduction: Creative models for tough times

Local authorities in the UK have been dealt the toughest financial settlement in living memory, with 28% cuts to the sector. By looking to overseas partners, we can develop fresh perspectives and gain learning and innovations to enhance or even change the way that services are delivered in the UK.

Local Government partners in New Zealand, Canada and South Africa were approached to tell us about creative models that they have implemented to see them through tough times.

During this event we are joined by Stephen Boyle from BOPLASS who will answer your questions around the Bay of Plenty shared services model, whilst Leanne Holt and Michel Fromjmovic from the Federation of Canadian Municipalities who will do the same around their 'Quality of Life' work.

New Zealand - Background and host information

In the Bay of Plenty region a company was created to deliver the back office services of 9 councils. The main aims of the initiative were:

- cost reduction
- service enhancement

Initial barriers included:

- loss of sovereignty and authority
- uniqueness of needs of different areas
- inertia, nothing to compel more radical solutions

BOPLASS Ltd was incorporated in 2008. It was created and owned by 8 district councils and 1 regional council. Working as a council controlled organisation, community awareness and sign off were required. BOPLASS make their statement of intent and budget available on their website. Chief Executives of each council form the Governance Board, with an executive officer. Subgroups (formed of staff from each of the councils) play an advisory role. Operational and financial reporting is compliant with NZ audit processes.

Stephen Boyle is our host from New Zealand - Stephen, is the Business Development Manager, who is responsible for identifying procurement opportunities, managing projects and liaising with councils to identify shared service opportunities.

Stephen brings to BOPLASS a strong work history in corporate business management, with over ten years experience within innovative ICT organisations. This experience has involved a wide range of senior roles and responsibilities including business establishment, business development, regional management and national sales management.

Prior to joining BOPLASS Stephen had most recently worked for Fuji Xerox as Regional Manager, with responsibility for the upper North Island operations. He has also held various strategic management roles with Telecom NZ.

Stephen is passionate about his role and BOPLASS' commitment to assisting councils. He sees BOPLASS as an enabler that adds true incremental value in helping the councils to provide improved services and improved business efficiencies.

For further information see: <http://www.boplass.co.nz/home.aspx> and please read the attached document.

Welcome to PEFX members and to our hosts

By **Neil Rimmer**, Improvement Advisor, LG Improvement and Development
10 May 2011 09:05

We would like to welcome members and our hosts Stephen, Leanne and Michel to this latest international learning opportunity being held across several different time zones.

Please read the background information available and ask our hosts questions around their work and about how things work in New Zealand and Canada.

We just need to remember to make it clear who we are addressing our question to, that the answer will not be immediate because of the time differences (NZ +11 hours and Canada -5 hours) and to keep refreshing our screens, because this will not happen automatically.

We hope that you all enjoy this event, we are really looking forward to it ourselves.

With best wishes Libby, Ivor and Neil (International Unit and PEFX facilitators)

By **Rodney James**, Data Quality Manager, Peterborough City Council
10 May 2011 11:09

Questions for Stephen Boyle:

Are you deemed to be a 'private sector' company and, if so, what data sharing agreements do you have with the member councils (public bodies)?

What tools and techniques do you use to identify shared service opportunities?

BOPLASS. Response to Rodney James

Thanks for your interest Rodney. BOPLASS is structured as a registered company and also as a Council Controlled Organisation (CCO) and deemed to have responsibility to each of the nine councils as a CCO. The company is subject to both the Local Government Act 2002 and the Companies Act

1993 and is audited by Audit NZ. The Directors of the company are the nine CEOs of the BOPLASS councils. The company constitution provides the capacity to collect, share and process data from the constituent councils.

Opportunities for shared services are identified by BOPLASS or proposed to them by member councils. Feasibility studies are completed and prioritised through strategic planning with the Directors. The Board considers each individual business case and formally agrees to take on and deliver (or host/procure) a particular shared service.

Question for Stephen

By **Ivor Wells**, International Programmes Advisor, Local Government Association
10 May 2011 11:41

Hi Stephen,

Two questions regarding the BOPLASS shared services experience;

Firstly, governance. In Cardiff we had a very interesting discussion around the political appetite for shared/joint working across different political systems. This of course relates to concerns regarding elected members being able to determine policy, hold providers to account and gain redress when failures occur. What kind of formal (and indeed informal) structures do you have in place to 1) ensure ongoing political ownership within the top team and 2) what scrutiny arrangements are there for non-exec members to engage with?

BOPLASS. Response to Ivor Wells.

Hello Ivor. The original expectation for BOPLASS was to operate below the political level and concentrate on back-office projects within the councils. It was considered unlikely that these projects would attract much political attention. As the project scope has increased and our achievements have been publicised there has been more attention from the political level.

Elected members are kept informed of BOPLASS' activities and achievements through our Statement of Intent and the Annual and Half Yearly Reports. Their feedback or input is generally routed to BOPLASS through the council CEO. This would also be the channel for elected members to gain redress if a failure occurred. The council CEOs need to be able to justify their involvement in BOPLASS projects (from their own council's perspective) and they can decide to opt in or out depending on the project and the benefit to their individual council. This is quite separate to their role as Directors, where they make decisions for the BOPLASS group – not for their individual council.

The company constitution and shareholder agreement ensures that governance remains with a Board comprising of appointed representatives of the nine member councils. Unless otherwise agreed by the Board, each appointee shall be the CEO or acting CEO of the local authority.

Secondly, two-tier working. I understand that the BOPLASS model includes 8 district councils and 1 regional one (do the 8 districts comprise the totality of the regional authority's jurisdiction, i.e. are they coterminous?). Going on from my previous question on political ownership/sovereignty, have you had to overcome any difficulties in the relationships between the district and regional authorities in building trust and strong working relationships? Any specific examples would be of interest...

Two-tier working: The BOPLASS model includes seven district councils that are coterminous with the regional council. The ninth council is Gisborne District Council. GDC neighbours the regional council border and as a unitary authority previously had no natural partner in which to work with. They operate the same core systems as the majority of the BOPLASS councils and are able to contribute to and benefit from the BOPLASS relationship.

There have not been any trust issues between the regional and district authorities within the BOPLASS arrangement. In fact, the regional council has been able to assist smaller councils on occasions where they may not have had the resources to manage or contribute towards a BOPLASS project. As an

example, the regional council has recently provided assistance and expertise to Opotiki District Council in the implementation and maintenance of telecommunication services and video conference facilities – both were BOPLASS projects. The BOPLASS model has helped facilitate a closer working relationship between most of the councils and there have been many examples of a council assisting another for the greater good of the group.

However, it's a very good question Ivor, as we are aware of the importance of all councils seeing BOPLASS as neutral and with equal representation from all councils – regional and district. There is a conscious decision not to align ourselves too closely with any particular council to ensure this neutrality remains and could not be misconceived.

To BOPLASS Branding, Data Sharing and the Future - questions for Stephen Boyle of BOPLASS

By **Rhian Gladman**, Service Transformation, Local Government Improvement and Development

11 May 2011 09:55 | [Edit Branding, Data Sharing and the Future - questions for Stephen Boyle of BOPLASS](#)

Hi Stephen

I've found the details about BOPLASS and your responses to the questions posed very interesting so far.

Aside from the previously mentioned issue of loss of political control over the services, a concern for councils sharing services is how to brand the new arrangements to reflect each council's involvement. Is your brand simply BOPASS without reference to the actual councils involved? Have the councils been concerned about the customer perception and marketing issues relating to this and how you dealt with that?

BOPLASS. Response to Rhian Gladman.

Branding: You raise a very good point Rhian. Retaining the local identity within the community is of very high importance and all projects are structured in a manner to ensure this is retained. As an example, we are currently evaluating web services viewer software to, amongst other requirements, provide a self-service option for the public to access aerial photography (which was a BOPLASS project itself). When this is completed, customers will access this through their local council website and the information displayed to them will have the local council look and feel, although the data may be drawn from a central database. It is intended for the public to never see the BOPLASS brand when accessing council services.

Another key concern here in the UK is data sharing - in terms of getting different (often expensively assembled) IT systems across different organisations to communicate with each other, allaying fears about data security and identity management and complying with data management legislation. How have you mitigated these issues?

Data sharing/IT systems: For many shared services projects, data sharing and a level of commonality in IT systems is critical to the integration and success of these services. BOPLASS has worked with an activity group comprising of the second tier managers within the councils to develop an Information Services Strategic Plan (ISSP). The ISSP will form the backbone of shared services and move the councils towards compatibility in systems and a standardisation in policies. Currently, as part of the ISSP, we are developing a security policy, based upon ISO27002, which will ensure the same standards in security across all councils. This will assist in simplification of connectivity, inter-council access and data sharing. We are also currently developing a technology policy, which will lead towards standardisation of technology, while still allowing the councils freedom of choice around brands or suppliers. An early initiative had been for BOPLASS to develop a fibre network linking all of our

councils. The BOPLASS network provides the councils with security, capacity, stability and connectivity for data sharing within our own group.

My final question is what are your plans for the future of BOPLASS? Do you plan to extend the concept to other councils, or to other public sector partners to include their back office services thus achieving even greater economies of scale?

Future plans: It is intended for BOPLASS to remain a facilitator of services within our group of councils. That is, BOPLASS will not become a large organisation providing services, but will remain a developer and manager of shared services.

There is an option for other councils or organisations to participate in BOPLASS activities where this benefits the constituent councils directly or indirectly. As an example of this, we are currently involved in a joint procurement project on behalf of the BOPLASS councils but have invited a group of neighbouring councils to join so we can leverage off the aggregated volumes. However, there is no intention to expand the BOPLASS group beyond the current nine councils. BOPLASS currently assists other LASS' and council groups in developing their own shared services or joint procurement initiatives.

Many thanks for taking the time to answer my questions.

Rhian

TO BOPLASS Governance, leadership and buy in

By **Andrew Stevens**, Research and Partnerships Manager, Japan Local Government Centre

11 May 2011 10:07 | **Edit Governance, leadership and buy in**

I was quite interested in the BOPLASS model as while shared service vehicles are fast becoming the norm in the UK, in Japan the needs and rationale are plain but there are always intractable obstacles over the governance question, particularly the sharing of risk and what can be perceived as the dilution of local identity (municipalities are significant employers in local areas and employment is still seen as a badge of honour among some, although austerity and the usual perceptions around inefficiency have tainted this in recent years.)

You've mentioned that the intention was for BOPLASS to operate under the political radar and act as an almost invisible yet seamless delivery vehicle, but in this case has there been any political tensions or issues around being able to cite enhanced performance as part of political success among local leaders?

BOPLASS. Response to Andrew Stevens. Governance, leadership and buy in.

Hi Andrew

Political issues: BOPLASS has not been challenged by any political tensions, but we're well aware that this is a possibility should an individual council/politician choose to highlight a success as 'their' initiative, as you suggested. Currently, most of the councils highlight their BOPLASS achievements internally and acknowledge the benefits of the BOPLASS model in creating or assisting with the opportunity. Generally, the council presents this information in a similar manner to their local leaders.

Equally, how has the introduction of the new-style company affected workers who might have worked for a municipal body for a number of years? A decade or so in the UK there were some issues around longstanding employees' unhappiness about being transferred from the council they had been loyal to throughout their working lives to a private company whose culture and managers were alien to them. Are there any new or enhanced benefits to employees now, for instance more opportunities for promotion from the frontline to managers because of having a larger organisation over a wider geographical area?

Impact on council employees: The shared services projects BOPLASS facilitates must benefit councils and their stakeholders through improved levels of service, reduced costs, improved efficiency, innovation and/or increased value. This is all necessary and very logical, but we still strike the “but this is the way we do things” barrier from employees who may feel threatened by change (see ‘Uniqueness’ in BOPLASS presentation). As you comment Andrew, this may be of more issue to employees that have worked for the organisation for a number of years. Unfortunately it can't always be avoided and we must continue to be 'Moving with Movers' (BOPLASS presentation).

Because of the BOPLASS engagement with council representatives through the project activity groups, there is an opportunity for their input and engagement with projects. This also provides an opportunity for these project staff to provide feedback and communication directly back to their council colleagues within the relevant teams. One of the benefits of the BOPLASS activity groups is that it provides council employees with exposure to other councils and different approaches to the same processes. In itself, this networking and information sharing is beneficial and can lead to an employee desire for alignment of systems or processes.

Employees are not transferred to BOPLASS but would usually remain within their own council. In some cases they may be providing services to another council, but remain an employee of their own council. Generally staff see the benefits of BOPLASS initiatives, but there are a minority that feel threatened by the questioning of their current processes.

The ‘Centres of Excellence’ model will often provide opportunities for staff to become specialists in their field by providing a service to more than one council. This can provide an opportunity for career progression, transfers or fresh opportunities.

You mention venture equality among the member councils, but has there been any tensions around that? Again, I'm not referring so much to Japan as the UK, where in one case a shared services partnership failed to progress as one council involved didn't want to share facilities with what it perceived as a rival authority.

Rival authorities: I understand the scenario you describe Andrew and are aware that on occasions this has also been a barrier to successful collaboration between some NZ councils. Thankfully, we don't suffer from too much rivalry within our group and generally the councils work towards the betterment of the group rather than strictly to only benefit themselves. Part of the reason for this is the commitment and leadership from the council CEO's and undoubtedly this senior level commitment is a critical component in BOPLASS' strength. The CEO's desire for collaboration has been fundamental to our success. There have sometimes been signs of rivalry at 3rd tier management level, but this is predominantly driven by ‘patch protection’ as noted in 'Sovereignty' in our presentation.

TO BOPLASS BOPLASS follow up to questions about political obstacles

By [Ellie Greenwood](#), Programme Manager, LGA

11 May 2011 16:57 | [Edit BOPLASS follow up to questions about political obstacles](#)

Stephen

I was interested in your response to Ivor's question about potential political difficulties / sovereignty issues, in which you say 'the original expectation for BOPLASS was to operate below the political level and concentrate on back-office projects within the councils.' I think this makes sense, and yet we do see examples of shared services being slowed down by a lack of political will or difficult relationships between the different partners involved. In BOPLASS's case, was there anything in particular that prevented this being an issue? Were relationships between the different partners very good to start with?

Many thanks

Ellie

BOPLASS. Response to Ellie Greenwood. Political Obstacles.

Hi Ellie. You are correct that the relationships were fairly good to start with, but more important than this was the shared vision “*Councils Partnering for Value and Service*”. There is a determination to ensure that the partnership adds value to all parties, not just one’s own council. Because BOPLASS was formed through a desire to collaborate from a CEO level within the nine councils, then the organisation has the political will and the necessary cooperation to drive objectives. I’m aware of councils that have the desire and opportunity to collaborate, but have unsuccessfully tried to drive this from an operational level within the organisation. BOPLASS primarily has the strategic agreement and direction from the CEOs, but also taps into the operational skills within the organisations through operating with workgroups comprised of representatives from every council involved in a particular project.

To further answer your question, I believe a shared services model involving difficult relationships with the partners would struggle to achieve its objectives. Collaborative relationships and a good working ‘partnership’ are essential elements.
