



Water Services Training Group

19th Annual Conference

Optimising Services Delivery in the Water Industry

Radisson Blu Hotel, Sligo, 3rd. September 2015



Comhshaol, Pobal agus Rialtas Áitiúil
Environment, Community and Local Government

Optimising Services Delivery in the Water Industry

WSTO / LA Perspectives

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The Big Bang

Background

- * **March 2011** New Government formed and PwC commissioned to examine how Irish Water should be established

The first 20 Months

- * **April 2012** Government decision to award BGÉ the job of establishing Irish Water
- * **Jan 2014** Irish Water took over from 34 LAs

LA Response

- 2010/11** LA Sector/ CCMA Water Committee heavily involved with process leading up to Irish Water - major fact finding exercise for DECLG & PwC
- 2012** Water Services Transition Office (**WSTO**) proposed by CCMA to represent the 34 LAs to deal with:
- ❖ 13 workstreams and 36 sub-workstreams
 - ❖ ‘massive demand on sector’

WSTO 2013

WSTO carried out critical co-ordination and representative roles for the sector, including:

- Extensive fact finding exercises for Irish Water
- Data gathering
- Position Papers for CCMA
- Protocols
- Input to draft legislation
- Service Level Agreements & Annual Service Plans
- Financials
- Communications

WSTO 2014 - 2015

WSTO Staff numbers dropped from 20 to 3 during period.

Key work items:

- * Transformation Plan 2014 – 2017
- * Support and participate in Governance structures
- * Financials – asset transfer, due diligence
- * Balanced Scorecard, GIS
- * Non-domestic billing
- * Maximo, Protocols
- * Etc., etc.

Transformation Plan

- * Great challenge for Water Sector is the **Transformation Plan - 27 Transformation Initiatives**
- * CCMA and IW agreed a **Governance structure** to deliver the TP
 - Joint Leadership Team (**JLT**)
 - Transformation Programme Team (**TPT**)
- * **WIOF** (Water Industry Operational Framework) is the key overarching initiative

Perspective on Transformation Plan

JLT/ TPT structure provides a workable framework for collaboration

- * Progress has been slower than envisaged.
- * Sometimes it can seem that
 - * simple things are made complicated
 - * simple things are postponed
 - * IW find the governance rules restrictive

Conclusion is that this collaborative approach is crucial to the current & future success of the industry

Perspective on WSTO

- * WSTO has represented the LA sector's interests and views very effectively and has provided critical support to CCMA
- * A very great deal was achieved even when the pressures were at their greatest
- * Understaffing in the last year has put WSTO under a different sort of pressure
- * Needs strong commitment from CCMA – staffing, resources, focus
- * **WSTO has been an essential bridge** between the LA sector and IW and DECLG – a role which will remain essential for a number of years

LA Perspectives on IW (1)

High level view

- * Unitary national model - enabling national approach to procedures, plans, specifications, etc.
- * Economies of scale
- * National/ Regional scale allows for technical specialists and units to be developed/ employed
- * National view of capital priorities
- * Multi-annual budgets for minor capital

LA Perspectives (2)

- * **General:** 2013 difficult – 2014 much improved
- * **Capital investment** beginning to flow especially in ‘Minor Contracts’
- * **WIAC** now gives faster turnaround and is less bureaucratic than previous regime
- * **Flexibility** in methods of capital delivery
- * **HSQE** is driving long overdue investment in H & S
- * **Procurement** being streamlined by Frameworks

LA Perspectives (3)

- * **SLA:** This is the key area for LAs
 - * Tier 2 and 3 meetings are not satisfactory
 - * Lack of confidence in ASP Reporting Tool and Compliance Reports
- * **'SILO' Experience:** Multiple teams / units / individuals within I.W. contacting LAs for the same info
- * **KPIs:** Unhappy with the way they have been introduced – not following agreed structures

LA Perspectives (4)

New Systems:

LAs had welcomed the advent of badly needed new systems but are disappointed with the reality

- * Maximo – roll out has been too slow,
functionality is limited, I.R. issues not resolved
- * Oracle – slow to be ramped up
 - can be frustrating to use
 - I.W. reluctant to move everything over
- * GIS – limited functionality, slow

LA Perspectives (5)

Finance:

- * Payment delays
- * ASP budget imposed – rather than agreed

Headcount:

- * Key vacancies not being filled in a timely manner
 - Short contract offers means difficulties in recruiting suitable people
 - Need appointments to be for minimum of 2 years

LA Perspectives (6)

Budget Management:

- * ‘Budget Invisibility’ – means that local LA project managers (ops and capex) unable to properly manage projects
- * Lack of confidence in IW budget reporting
- * Repeated requests for financial information, with limited feedback

Spirit of collaboration and partnership not always present

Other LA Issues

- ❖ Memorandum of Understanding (MoUs) to be developed for **new inter-dependencies**:
 - Planning and Development
 - Flood Management
 - River Basin District Management
 - Major Emergency Management
- ❖ Other identified inter-dependencies include
 - Fire protection
 - Interface with elected members

LAs have new relationships with

DECLG

- * Group Schemes - LAs need policy on 'taking in charge' (and funding for 'upgrade prior to takeover')
- * LAs need full funding of Rural Water Sections
- * LAs need support for implementation of Water Framework Directive
- * Blockages in backfilling of vacancies need to be cleared

EPA

- * No direct relationship re public water & waste water

CER

- * What sort of relationship should there be?

Governance Democratic Accountability?

- * Role of **Councillors** is representational only - no policy or performance oversight
- * **Oireachtas** has high level oversight role
- * **EPA** has environmental and health regulation
- * **HSE** has consumers' health oversight
- * **CER** has economic regulation and customer protection
- * New **Public Water Forum** – effective, representative?

Conclusions

- * Stage 1 Transition is over and new arrangements are settling down and improving
- * Stage 2 Transition to long term future is (slowly) beginning but needs to be clarified and agreed soon
- * WSTO will be essential for the success of the transition
- * Emphasis must be on collaboration and partnership