

Water Services Training Group

19th Annual Conference

Optimising Services Delivery in the Water Industry

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

Optimising Services Delivery in the Water Industry

WSTO / LA Perspectives

Oliver Ring

Director of Services

Comhairle Contae Chiarraí



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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 BGE 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