



Cumann na mBainisteoirí Contae agus Cathrach
County and City Managers' Association

History & Background to Water Reform

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A presentation to the

Cork Region - Engineers Ireland

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Focus of presentation

Looking back:

Context for change, economic drivers/efficiency drivers.

Looking ahead:

Local government transition programme, driven through Water Services Transition Office Dublin & Waterford – TOR, Resources, Communication

Decisions / Context

Funding imbalance:

- Water services cost €1.2billion, revenue of €200million from commercial water rates.
€1 billion balance is state funded. How do we pay for upgrading our water infrastructure given funding imbalance?
- Ireland is the only OECD country where households do not pay for water use = commitment in Programme of Financial Support.

PWC's Independent assessment on transfer of functions to IW:

- a lack of standardisation;
- difficulties in realising economies of scale;
- history of underinvestment in assets;
- challenges due to variations in boundaries vs. river basin districts.

But! What does Local Government offer?

- ...an experienced, knowledgeable workforce
- ...accountability
- ...ability to mobilise at local level very quickly
- ...central co-ordination of major capital projects
- ...service continuity

However... There was room for improvement!

Evidence shows....

Operating expenditure per connection 50 – 100% more expensive in Ireland compared with UK and NI

Km of watermain per 1,000 water connections slightly lower than UK average.

Collection rates for charges lower than UK average

More staff in water services (25% higher) than UK median

(Source: DECLG Position Paper, January 2012)

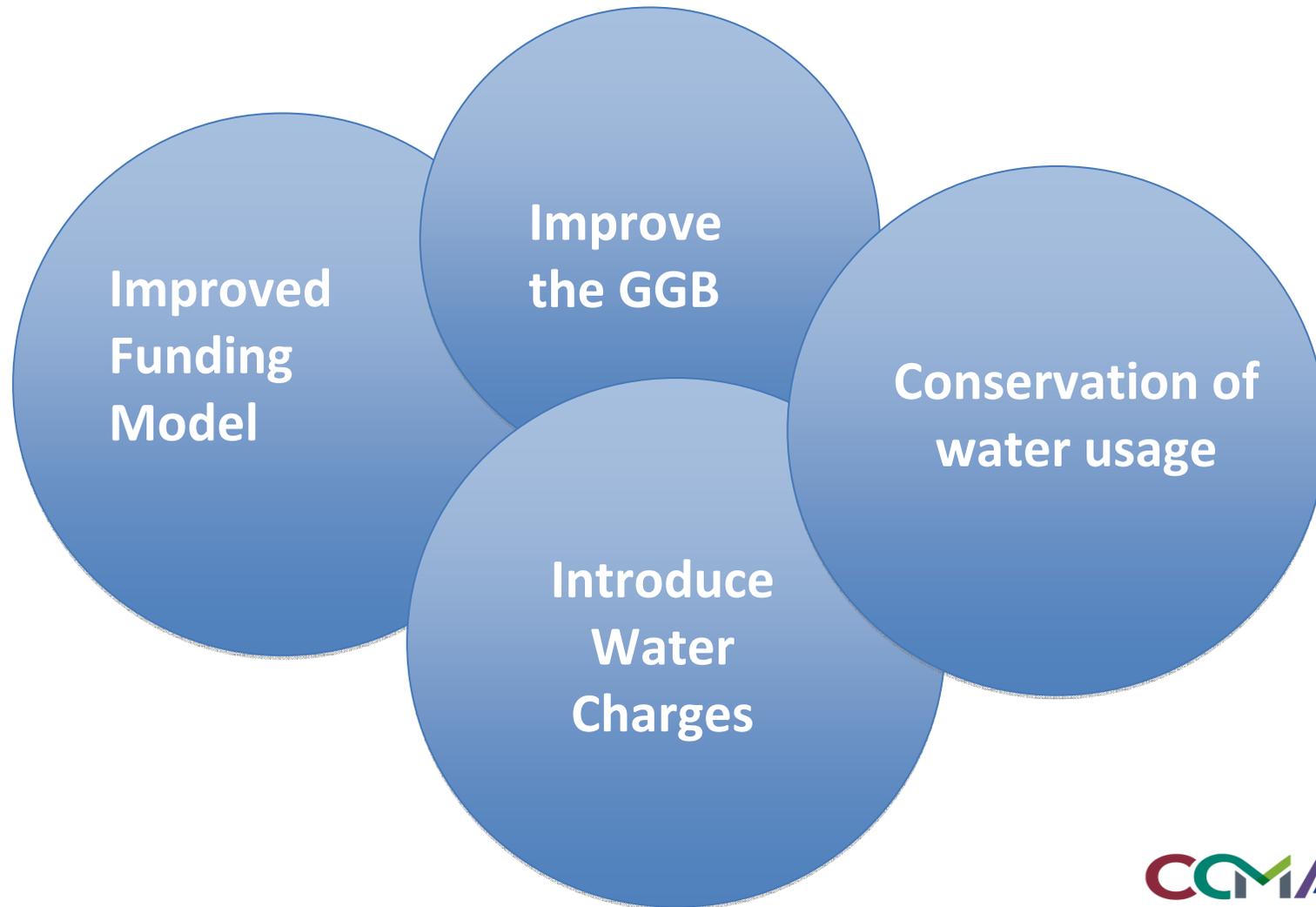
From many to one...

Internationally, we see a trend toward amalgamation of municipal water services

Evidence shows that single function utility has delivered cost reductions and quality of service improvements over time.

(Source: DECLG Position Paper, January 2012)

In summary, Ireland needed...



What has been decided?

- **The Irish Government made a decision to establish a water utility for the delivery of water services.**
- Irish Water to be established as subsidiary of An Bord Gais, as a semi-state company.
- Legislation has been enacted to establish Irish Water as an entity.
- All Assets /liabilities and Risks to transfer from LAs to IW
- Legislation will permit SLAs between LG Sector and IW

Looking ahead

Proposed Responsibilities and Timescales

	Local Authorities	Irish Water
Current Phase	Water Services Authorities	Planning new utility.
Interim Phase (interim legislation in 2013)	Water Service Authorities	Some functions (domestic metering)
Transition phase (2014-2017)	Agents of Irish Water for delivery of services	Water Service Authority Service level agreements with local authorities
Steady State (post 2017)	May remain as agents of Irish Water Ongoing relationship re strategic planning, wider water management, emergency planning	Water Services Authority, responsible for capital investment & operations

Transition to Irish Water....

WSTO - Dublin established Nov 2012

WSTO - Waterford established Feb 2013

Sponsor: CCMA and Water Services Committee



Vision: Support the delivery of the Water Sector Reform Programme on behalf of the Local Authority Sector

Role: To look after the interests of the LA sector during the transition period, and provide support for the CCMA in negotiating the Service Level Agreement on behalf of all LAs.

Resources: From within the sector, headed by a Senior Responsible Officer.

Transition to Irish Water....

What LA Resources will be required for Irish Water programme?

Project	Breakdown of LA Staff Required	Total Staff Required
Irish Water Programme	75 for Irish Water secondments	TOTAL 214 staff
Transition Office	20 for Water Services Transition Office (Dublin & Waterford) 2 - 5 per LA (34 x 3.5 = 119 total) 6 months data collection	

Water Services Transition Office

Terms of Reference for the TO

The Transition Office is a support office established by the LA sector, for the LA sector. It will:

- Facilitate LA inputs into the Government's water reform programme.
- Provide timely and relevant information through the collection, assimilation, and interpretation of data, and assist and support the delivery of the Implementation strategy. *This data is required by the local authority sector in the first instance for our own use, and to assist in the negotiating process.*
- Engage and negotiate with the other PMO's and CER on behalf of the LAs (i.e. Service Level Agreements) and feed into the Water Services Committee.
- Review and assist with the response to proposed legislation on water services and Water Framework Directive
- Ensure customers continue to be provided with a similar and uninterrupted service
- Assist with the development of the new role of water services in local government post-transition
- Highlight "Governance" issues and any impacts on LAs

Water Services Transition Office

Communications Strategy

- Monthly eZine, **Water:Source**, circulated to Managers, LA Liaison Officers, staff as requested
- Appointment of Communications Officer
- Appointment of LA Liaison officers: two per LA.
- Workshop to brief LA Liaisons on the questionnaires (Tullamore)
- WSTO will be the single point of contact for the local authority sector for all matters relating to information and data gathering during the transition period.
- Email: wsto@lgma.ie

Water:Source



Information and news from the Water Services Transition Office (WSTO)

Edition 2 - March 2013

New Waterford Regional Office gets to work....

Welcome on board, Waterford, the new hosts of the TO Regional office! Located in Waterford City Council offices, the second Transition Office will draw in 12 staff from Waterford, Kilkenny, Carlow and Wexford. The Dublin and Waterford teams, together, will have responsibility for the overall transition process including 13 DECLG workstreams, stakeholder communications, Service Level Agreements (SLAs), and crucially, development of a Legacy Plan to ensure the sustainability of local government functions post-Irish Water. The Waterford Office is led by Colette Byrne and Michael Quinn, Directors of Service-Water Services, in Waterford City and County Councils respectively, who report to WSTO Senior Responsible Officer Ray O'Dwyer. Waterford was selected after an open call issued to all County & City Managers in November 2012. The team is pictured below at a full-day planning workshop hosted by the Dublin Transition Office



New head of Irish Water announced

Dublin City Council Manager, John Tierney, was recently confirmed to the role of Managing Director of Irish Water, the new public water utility which is being established within Bord Gáis. He will take up the role in late April, for an initial period of three years. Mr. Tierney brings 35 years of experience in the local government sector to the new post, and

in his own words, "I now look forward to working with local authorities, experts from the utility sector within Bord Gáis, and experts from the water sector, to bring together our collective strengths, expertise and experience to create a world class water authority that provides an excellent service to our communities for the future."

Transition Office and BGE recruitment update

Shortlisting for the technical and administrative positions advertised by the TO in December 2012 has recently been completed, and interviews are taking place currently to fill the remaining positions.

Irish Water has also circulated details of 75, mainly technical, secondments available within the new organisation, with indicative posts at the levels of: Senior Engineers, Senior Executive Engineers, Executive Engineers, Staff Officer, Director of Service, and SEO, based in either Cork or Dublin depending on the role. Details were circulated by the HR Departments within individual local authorities, and the closing date for applications was February 15th.

Workforce Audit kicks off this month

A workforce audit will be carried out and concluded by the WSTO in March 2013 and will be based on the CCMA's 2011 questionnaire. The results of the audit will inform the development of the Service Level Agreements (SLAs) that will be negotiated with Irish Water in 2013. The SLAs will determine the operation of Water Services by Local Authorities as agents for Irish Water during the transition period of 2014-2017.

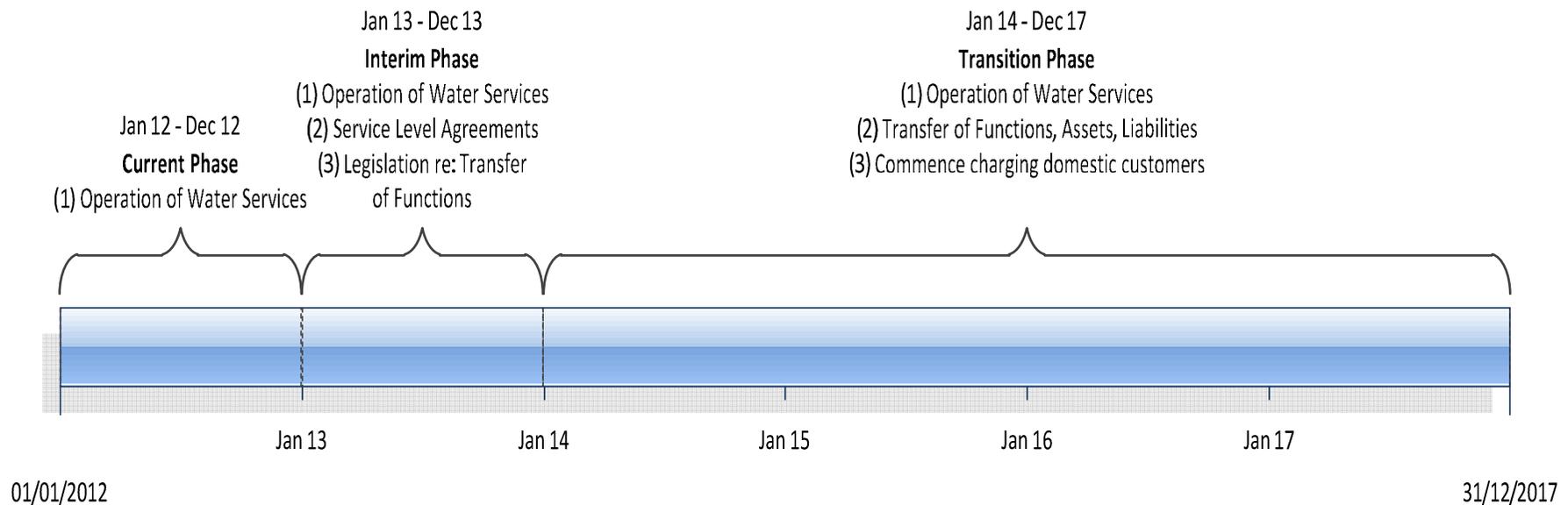
The results of the survey will enable the WSTO to carry out a workforce plan for the Water Services staff during and after the transition period.



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Transition to Irish Water....

Transition Timeline



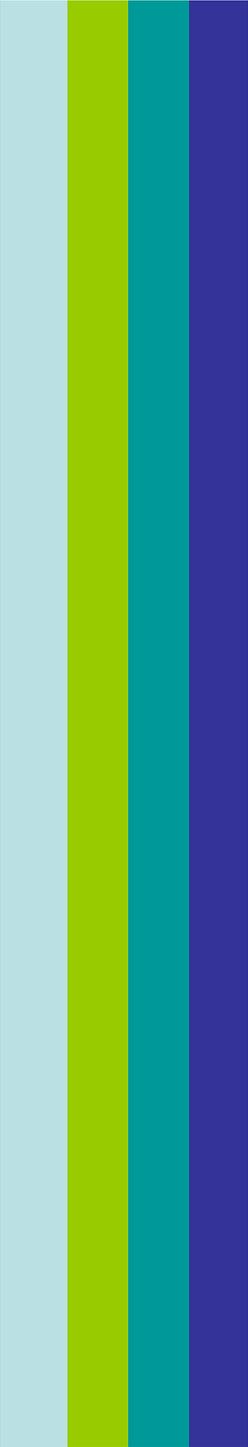
Timeline for Transition to Irish Water

Progress to Date

- Transition Office contributes to the following Workstreams;
 - WS2 Policy Framework & Sector Governance
 - WS4 Group Water Sector & Private Water Services
 - WS5 Environmental Regulation
 - WS7 Operations
 - WS8 Capital Programme
 - WS9 People, Skills, & Change Management
 - WS11 Finance & Funding
- Fourteen BGE/IWP Target Operating Model (TOM) Workshops took place over a six day period in late January and February. These Workshops were attended by LA nominees on behalf of the Transition Office.

Next Steps

- Preparation of position papers to articulate the sector view on the Transition phase
- Development of Service Level Agreements
- Document and articulate issues which will impact the Future Model of Local Authority post January 1st 2014



In conclusion.....

A “Changing and Challenging Time”

Any questions?

Thank You!