



City of Westminster

Minutes

Meeting:

Westminster Scrutiny Commission

Date of meeting:

25 January 2010 at 7.00pm

Attendees:

Councillors: Judith Warner (Chairman)
Ian Adams
Alan Bradley
Angela Harvey
Andrew Havery
Audrey Lewis
Barrie Taylor

Apologies:

None.

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1. MEMBERSHIP OF THE COMMISSION

- 1.1 No apologies for absence had been received.

2. DECLARATIONS OF INTERESTS

- 2.1 None declared.

3. MINUTES

- 3.1 Councillor Ian Adams commented on the monitoring arrangements for Academies referred to in Minute 4.7. Mike More (Chief Executive), confirmed that the need for the local education authority to maintain a brokerage role in providing information on schools and available choices to parents and communities, and in offering to provide services to schools and Academies had been acknowledged by the Education Commission Sub-Committee. He also commented on the need to lobby the Government for greater clarity in how local education authorities would work with schools and Academies.
- 3.2 Councillor Audrey Lewis suggested that the 'Our New Council Handbook' referred to in Minute 4.18 be published on the City Council's web site, together with subsequent updates. The Chief Executive confirmed that the Handbook was to be made available on the internet and agreed to inform Members when updates were made.
- 3.3 The Chairman confirmed that issues raised in the recorded Minutes would be discussed later in the meeting, when the Chief Executive responded to requests for further information made at the last meeting of the Commission.
- 3.4 **RESOLVED:** That the Minutes of the meeting held on 25 November 2009 be approved and signed by the Chairman as a correct record.

4. PROPOSED CHANGES TO THE WESTMINSTER CITY PARTNERSHIP

- 4.1 In November 2009, the Westminster City Partnership considered proposals to change its structure and way of working, in order to give the Partnership a stronger and more defined role that focussed on improving local public services through much closer working between key agencies. The environment in which the Partnership operated had changed significantly over the last year and it was anticipated that the financial situation would become more difficult as partners faced reductions and constraints on mainstream and discretionary grant funding and rising demand for services. Views were currently being sought on the proposals, and the key issues and options for taking forward change would be considered by the City Partnership at its meeting on 4 March 2010.
- 4.2 Nicola Howe (Senior Policy Adviser - Policy, Innovation & Partnerships Unit) informed the Commission that the proposals aimed to put in place a structured partnership approach to mainstream public services, through jointly planning and commissioning Unified Public Services (UPS). Westminster's innovative proposal aimed to ensure that the total public spend of approximately £1.6 billion per year was directed as efficiently as possible,

through closer partnership working that focused on the needs of local people and sought to avoid overlap and duplication between organisations. The Leader of the Council had stressed that unifying public services in Westminster was central to his vision of a Living City, and had proposed that the City Partnership needed to change its structure and focus in order to drive forward UPS. The Commission noted that Westminster would be at the forefront in changing its partnership arrangements in this way.

- 4.3 It was proposed that the core City Partnership group, the Local Area Agreement Partnership Board, the wider Westminster City Partnership workshops and the informal Westminster Commissioning Chief Executives Group would be replaced by three new groups:
- a Westminster Board
 - a Strategic & Commissioning Group; and
 - City Shapers/Leaders
- 4.4 The new structure would also aim to balance three main elements of partnership working:
- strategic commissioning and prioritisation
 - partners working together to deliver innovation; and
 - effective engagement with stakeholders and communities
- 4.5 Following the City Partnership's discussions in November, consultation on the proposed changes had included three workshops staged in December for members of the core Partnership and LAA Partnership Board. A wide range of opinions and concerns about how the City Partnership should operate in the future had been expressed and the following key points had been made:
- While there was broad acceptance that some change was needed and that a drive to unify public services was right, some partners were unconvinced about the proposed structural change to support this.
 - There was concern that public sector partners such as the Police and JobCentre Plus would remain principally accountable to regional and national bodies, which could conflict with a stronger local drive.
 - The community and voluntary sector were concerned that having reduced or no formal representation would diminish their contribution and influence; and that the public sector was moving away from partnership with community and voluntary organisations.
 - There was concern that private sector and third sector providers should have some involvement within the new structure.
 - There was less support for a wider consultative City Shapers group, as it was perceived to have no power.
- 4.5 Councillor Andrew Havery acknowledged that change was needed and sought clarification of what would be achieved in practice and what quality improvements and cost reductions were expected. If it was too early in the process for this to be done, Councillor Havery suggested that case studies be provided that illustrated how the proposals would bring about improvements, and also highlighted the need for tax-paying representatives and utility and infrastructure providers to have a role in the City Partnership.
- 4.6 Nicola Howe confirmed that under the proposals, greater focus would be given to raising the profile of UPS projects such as Family Recovery and the

Children's Trust. Emphasis would also be given to the Total Place national programme, which would aim to achieve savings and efficiencies through partners and organisations working together. The need to focus on mainstream resources rather than discretionary funding would also increase when funding for Local Area Agreements ended in April 2010. Other examples of what had been achieved or done differently included the establishment of Local Area Renewal Partnerships and the Westminster Works Board, which had encouraged closer working with Jobcentre Plus to address unemployment issues. Members noted that the Audit Commission had considered the Westminster City Partnership to be successful.

- 4.7 Councillor Ian Adams commented on the annual public spend of £1.6 billion and sought examples of perceived or projected areas of duplication. Nicola Howe confirmed that one area of duplication was in back office support between public sector agencies, and that other areas could include data and performance management, human resources and procurement.
- 4.8 Councillor Adams sought clarification of how the governance of the new organisation would be determined and of how the proposed model would impact on sub-regional arrangements and efficiencies. Nicola Howe commented that a report recently commissioned by London Councils had looked at UPS across London and established that potential savings as high as 15% could be achieved through closer joint working in areas such as the management of chronic conditions and tackling anti-social behaviour and worklessness. The City Council's lead role in the Westminster City Partnership would also be reflected by a higher representation of officers at Board meetings. Councillor Adams highlighted the potential benefits of partnership working to utilise available front line staff, and improve customer delivery in areas such as intervention.
- 4.9 Councillor Adams also sought clarification of the financial mechanism of the Partnership, and asked whether there would be tension if the City Council wished to maintain a 0% Council Tax increase while other partners wished for greater investment. The Chief Executive confirmed that financial drivers would aim to tighten up financial arrangements with partner agencies having their own accountabilities, and with the Board acting as broker between separate organisations. Councillor Adams suggested that there could be a potential disconnect between democratically elected organisations and other partners, if Total Place led to the Westminster Board moving from an organisation-based budget towards one that was area based.
- 4.10 Councillor Angela Harvey considered it appropriate for the City Council to be strongly represented on the new Board, as it collectively contributed over 50% of Partnership funding. She also commented that clarity was needed on how the new structure would support people in their private, business, professional or academic lives. Clarity was similarly needed on how small and new businesses would be supported and on how procurement would operate and be allocated.
- 4.11 While supporting partnership working, Councillor Harvey considered that Local Area Renewal Partnerships focussed on process, were inward looking, and were not cost effective in serving the people that paid for it or in providing

a return for their investment. She also commented that the City Shapers/Leaders may disengage if they felt that the advisory Board had no effective influence.

- 4.12 Councillor Harvey suggested that much could be learned from the private sector on how joint ventures could be undertaken. Nicola Howe confirmed that the new structure was better placed to work with the private sector, and commented that the proposal to address waste in the public sector had been supported by the London Chamber of Commerce. The Chief Executive acknowledged that there was frustration in the private sector over what was seen as a lack of productivity and joined-up working in the public sector, and commented that the principal behind the proposed restructure was to establish a tighter Board and Commissioning Group that would drive forward integration.
- 4.13 Councillor Harvey commented on the need to be aware of the size of the Westminster economy and the qualitative and quantitative measures of what was taking place, in order that what was being delivered by the £1.6 million of public sector funds could be measured against other activities. Councillor Harvey also asked how much of the £1.6 million was spent on people rather than projects, and the Chief Executive confirmed that the figure amounted to less than half.
- 4.14 The Commission noted that local government was the most efficient part of the public sector paying less for its people than other areas such as the police and NHS, and Councillor Harvey expressed concern that there would be pressure for local government pay to go up with a loss of efficiency and productivity.
- 4.15 Councillor Alan Bradley highlighted the importance of looking beyond the process of the City Partnership to see what the proposed restructure would do for the people of Westminster. Councillor Bradley commented that to be effective, decisions concerning UPS would need to be taken within the partnership and not within its individual constituents.
- 4.16 The Commission noted that the City Council differed from other partners as it was democratically elected, and expressed concern that the other organisations involved in decision making could create a democratic deficit. Nicola Howe acknowledged that although the Partnership was not constituted to have decision-making powers, which currently remained with the individual organisations, this could change in the longer term depending on national and local interest. The Chief Executive acknowledged the role of democracy in the City Partnership, and commented a mechanism was needed that would enable agencies to integrate more effectively and align decision making processes. Members noted that other challenges arising from the proposed restructure included how decision making could be sustainable if not always in the financial interest of every organisation, and whether partners could move to a position of pooled budgets and cross-subsidising.
- 4.17 Councillor Audrey Lewis commented that although the Partnership was a useful organisation in building relationships, there was no sense of it being a mainstream organisation as the constituents of its individual groups were

unknown. Councillor Lewis suggested that publicity for the organisation could be given through a themed event that would enable people to see that groups within the geographical area were working together. Councillor Lewis agreed that advisors, observers and representatives from the voluntary and community sectors should be invited to attend and take part in meetings, which needed to be given better publicity. She also suggested that the decision making part of the group should be strengthened, and that communication of the work needed to be improved so that the role of the City Partnership was more meaningful to its members and wider groups. Nicola Howe acknowledged that the Partnership currently had a low profile, and hoped that the new structure would lend itself to easier communication. The Commission noted that although membership of the Board had been kept small, a wider range of groups could become involved in the City Shaper informal discussions.

- 4.18 Councillor Lewis suggested that the City Council would be in a better position to identify what changes were needed if the existing structure, how it operated and what had happened over recent years had been subject to scrutiny.
- 4.19 Councillor Barrie Taylor highlighted the potential for the City Partnership in providing employment opportunities, and of improving efficiency in the delivery of services. Councillor Taylor suggested that the democratic obligations of the Partnership would not be an issue, as the Board would have to address the mandate held by elected Members. He also commented that if the Partnership sought to achieve a sense of Total Place, strategic bodies such as the GLA and EU would need to become involved, together with utility companies, retailers and providers such as foundation trusts. Nicola Howe acknowledged the need for people to feel involved in a worthwhile way, and for their comments and opinions to be heard and effective.
- 4.20 Councillor Judith Warner questioned the timing of the reorganisation, and suggested that the City Partnership would become an additional tier of government that was self elected and organised from the top down, and which would be non-accountable, non-transparent and undemocratic. Councillor Warner also suggested that the Partnership would be a forum for discussion rather than focussing upon the views of the community and on the delivery of services, and commented that the way in which London was governed and managed was becoming over complex.
- 4.21 The Chief Executive acknowledged that current arrangements required complex machinery through Local Strategic Partnerships, and confirmed that the proposed changes to the City Partnership would seek to reduce this by creating a narrower group of authorised decision makers. The Strategic Commissioning Group would also aim to deliver change, such as in establishing a single property strategy for the Council and NHS, and would seek to make performance frameworks more locally determined and make them work to all agencies. The Commission noted that the business community currently had no role in the Local Strategic Partnership, and that it was proposed that the Westminster Board would comprise of a smaller group of accountable individuals who would meet two or three times year to take a sounding of how Westminster's statutory services were performing. The Chief Executive confirmed that how the City Partnership would connect with the

Council would be a matter for the Leader of the Council and the Cabinet Member who would be on the Westminster Board.

- 4.22 The Chief Executive commented that the points raised had highlighted the role of democratic influence, together with concerns as to whether the new Partnership would be too inward looking or whether it would drive forward real improvements. Local residents were asking more questions about accountability and how public money was being spent than ever before, and the discussion had similarly illustrated the extent to which partnership working across the City was not always clear.
- 4.23 The Chief Executive acknowledged that the move towards more area based budgeting would need governance. While there was no assumption of centralisation, the different needs of individual partners were recognised, and the Westminster Board would seek to align different agencies.
- 4.24 **RESOLVED** that the comments made by the Westminster Scrutiny Commission on the proposals to change the structure of the Westminster City Partnership and the way it works be included in the response to consultation.

5. QUESTION AND ANSWER SESSION WITH THE CHIEF EXECUTIVE – ISSUES ARISING

- 5.1 At its meeting on 25 November 2009, the Westminster Scrutiny Commission had undertaken the first of the intended regular Question and Answer sessions with the Chief Executive (Minute 4). A wide range of issues were dealt with at the meeting, and a number of requests for further information had been made. In response, the Chief Executive now presented a report that provided the Commission with the following further details and updates:

Organisation

- Metrics and wider assessment of performance following the reorganisation.
- An overview of the underlying causes of the parking deficit, and what action is being taken to address it.
- Clarification of how the demand for services has been affected and changed by the recession over the past 12-18 months and any trends identified.
- Scenarios for managing future cuts.

Human Resources

- A list of senior officers that had left the City Council, together with details of how the costs of redundancies were measured against the financial benefits of future savings.
- Details of arrangements that had been put in place for knowledge management as senior officers leave the City Council

Policy

- Further details of the Westminster's property strategy, usefulness of Property Boards and progress in identifying a new head quarters for the City Council.

- A response to the parking enforcement issues raised in the recent BBC Cutting Edge programme.
- A list of upcoming major procurement projects, including opportunities for and viability of putting other procurement and projects through Westco.

Communication

- How communication with Ward Members and residents could be improved.

- 5.2 Councillor Angela Harvey sought clarification of when the new IT service for CCTV enforcement and Integrated Street Management would come into effect, together with details of the cost to the City Council while the service has been unavailable. The Chief Executive commented that the non-availability of CCTV for parking enforcement had contributed to £6 million in loss of income. The Commission noted that the City Council was pushing hard to address the technical requirements set by the Vehicle Certification Agency to resolve questions of legality and technical problems, and that it was hoped that the issues could now be resolved quickly without having to resort to legal processes. Members also noted that if legal action were taken, advice would be sought as to whether the City Council could recover any lost income. The Chief Executive agreed to provide the Commission with a written update on the current plan for IT support for Integrated Street Management and Premises Management.
- 5.3 Councillor Andrew Havery sought clarification of why there were no plans for achieving savings through putting procurement or other projects through Westco. The Chief Executive confirmed that service areas were being reviewed to establish whether services could be traded through the company in future. Measures had also been taken to make the City Council's Procurement Code more effective, and the Commission noted that discussions were taking place to move towards joint framework agreements for particular services such as catalogue purchasing and Capital construction contracts between selected authorities, which may involve Westco.
- 5.4 Councillor Havery also questioned whether demand for social services had increased in response to demography rather than the recession, and whether there had been any exceptional increases in demands on services as a result of the recession. The Chief Executive commented that while there had not been an impact in temporary accommodation, rough sleeping and cases of adult social care had increased, together with demand for housing benefit and debt advice. The Commission noted that there was however no certainty that these increases were related to the recession. The Commission also noted that there had also been an increase in youth unemployment for the 16 to 25 age group, and in post graduate unemployment. Councillor Barrie Taylor commented on the effectiveness of debt advice, particularly with 6th Form students in Westminster's Academies. The Chief Executive confirmed that the increase in need had been anticipated, and that additional funding had been made available as part of the City Recovery Plan through LAA funding and other mechanisms.
- 5.5 Councillor Audrey Lewis suggested that corporate communication with Ward

Members needed to be improved, and commented that the Members' Portal was frequently out of date. Councillor Lewis also asked other Members whether Ward Champions were effective. The Chief Executive confirmed that general communication with Members now fell within the remit of Members' Services. He also commented that the Members' Portal and Members' Services were at the end of the process, and that it was the originating decision makers and Chief Officers that needed to acknowledge and inform Ward Members.

- 5.6 Councillor Judith Warner also considered consultation processes were poor with little chance for Members to become involved, and commented that local intelligence from Wards was often out of date, largely corporate and not specific to residents. Councillor Warner suggested that the tolerance and acceptability level within communities for strategic activities the City Council wished to implement could be scoped by Ward Champions through Area Forums. The Chief Executive agreed that the principal of regular Ward bulletins that anticipated forthcoming issues could be explored, and Councillor Warner suggested that issues could be also be highlighted by Ward Champions.
- 5.7 Councillor Alan Bradley expressed concern over how the Property Boards operated, and had found that decisions made at the first meeting had been subsequently disregarded and that points made had not been addressed. The Chief Executive commented that this concern had also been expressed by other services, and confirmed that he had spoken with the Director of Resources to ensure that there was good minute taking and continuity in the development plan. The Commission acknowledged that the City Council had a social responsibility in addition to the role of landlord, and Councillor Bradley commented that the need to develop a policy for the City Council's management of shops, shopping parades and housing properties had been discussed at the Property Board but not taken forward. The Chief Executive confirmed that the City Council's role and approach to the retail sector had been raised in a number of places, and that while the current policy was still to largely maximise rental income, the need to mitigate commercial distress by tenants and to broker rent deals was recognised. Councillor Havery commented that there was wide support for policies to be reviewed, and suggested that while yield and income was a consideration, the current policy was not succeeding in its objective of maximising property and rental incomes as there were a large number of rents that had not been used for some time.
- 5.8 Councillor Angela Harvey asked whether the City Council had obtained expert advice had obtained in order to establish an effective system of knowledge management as people left Westminster or worked on other projects. The Chief Executive acknowledged the importance of an effective continuity and succession plan being in place to enable information being shared, and suggested that this could merit further scrutiny.
- 5.9 The Chief Executive updated the Commission on Transformation projects, which included improving Customer Experience, Safe and Clean Streets, Joint Integrated Commissioning, Adult Transformation and the Children's Trust.

- 5.10 The Commission also received an update on the future location of the City Council's Head Office in Victoria, and noted that discussions were continuing following a tentative expression notice of interest in another property in Victoria Street.

6. ANY OTHER BUSINESS

- 6.1 No other business was raised.

7. TERMINATION OF MEETING

- 7.1 The meeting ended at 9:35 pm.

Chairman

Date