



Westminster Scrutiny Commission

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Report of:	Head of Member Services
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1. Executive Summary

- 1.1 The Scrutiny Commission last looked at Tri-borough developments at its meeting on 18th May 2011. Since then, individual committees have been holding in-depth sessions on relevant Tri-borough business cases. This culminated in summaries of scrutiny discussions being submitted to Westminster City Council's Cabinet on 27th June. This meeting of the Scrutiny Commission represents an opportunity for the Commission to review general progress following the decisions by Cabinet on 27th June.
- 1.2 With each committee playing an active role in scrutinising developments in relation to its portfolio area(s), it is recommended that the Commission refine its role to receive regular updates and hold question and answer sessions on the general strategic direction of Tri-borough developments and address cross-cutting issues as highlighted through the work of individual committees.
- 1.3 Cross-cutting themes that have already been identified include: sovereignty and reversibility, the impacts on service quality, governance support, the challenges of organisational cultures, managing risk, reputation and resident consultation, and the forward timetable

Recommendations

1. That the Commission review progress in light of the Cabinet meeting on 27th June and agree on the way forward for the scrutiny of Tri-borough developments as set out in points 3.1 and 3.2.
2. That Members look to focus the Commission's work on providing oversight of the general strategic direction of Tri-borough developments and address cross-cutting themes as identified through the detailed scrutiny of individual committees.

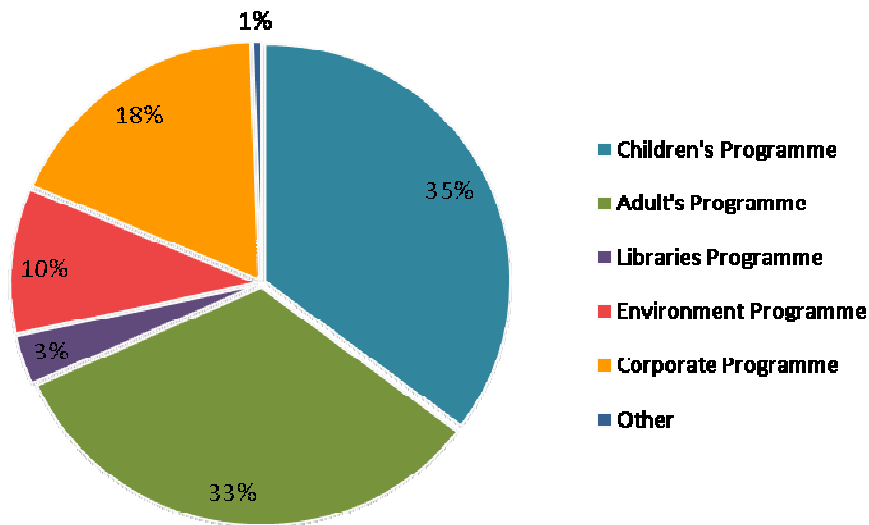
2. Introduction

- 2.1 Since the last Scrutiny Commission meeting on 18th May 2011 at which progress on Tri-borough proposals was reviewed, more detailed business plans have been produced for the integration of Children's Services, Environment Services and Adult Social Care Departments and elements of Corporate Services and boroughs' Libraries Services.
- 2.2 The savings as set out in the business plans are summarised in the following tables.

Tri-borough Savings Summary

Service Area	Savings £m by 2015/16
Children's Programme	11.8
Adult's Programme	11.0
Libraries Programme	1.1
Environment Programme	3.3
Corporate Programme	6.0
Other	0.2
Total	33.4

Savings by Programme



Savings - Attributed by Borough¹

	WCC	H&F	RBKC
Children's Services	£2.50m	£5.30m	£4.00m
Adult Social Care	£3.55m	£5.30m	£2.09m
Libraries	£0.45m	£0.27m	£0.39m
Other	£0.00m	£0.12m	£0.12m
TOTAL	£6.50m	£10.99m	£6.60m

- 2.3 The business plans were presented to Westminster City Council's Cabinet on 27th June 2011.
- 2.4 In preparation for the Cabinet discussion and decisions, scrutiny has played an active and important role in facilitating greater engagement with and consideration of the plans. In an innovative step, scrutiny has focused on influencing policy development ahead of rather than after Cabinet decisions. Although it should be noted that individual scrutiny committees have been giving attention to the development of Tri-borough plans for some time, recent intensive scrutiny includes:

¹ Attribution around Environment and Corporate services is being further considered.

- Dedicated scrutiny of the Children's Services business plan by the Children, Young People and Community Protection Policy and Scrutiny Committee. Activity included a meeting with senior officers and the Cabinet Member on 14th June and a visit by members to the Youth Offending Team (YOT), one of the services identified for inclusion in the Tri-borough model.
- A special meeting of the Housing, Property and Community Services Policy and Scrutiny Committee on 16th June to consider the business case for an integrated Tri-borough Library Service.
- A special meeting of the Adult Services and Health Policy and Scrutiny Committee to consider the Tri-borough business case for Adult Social Care.
- The Finance and Transformation Policy and Scrutiny Committee received an update and posed questions on plans for Tri-borough Corporate Services.
- The Built Environment, Enterprise and Volunteering Policy and Scrutiny Committee received an update and asked questions on developments relating to Environment Services.

2.5 From these scrutiny sessions, summaries of the points raised in relation to the business plans for Children's Services, Adult Social Care and Libraries were submitted to Cabinet on 27th June for its consideration. Copies of these summaries can be found as at appendix A to this paper.

3. Future Scrutiny

3.1 The scrutiny of tri-borough proposals and developments is currently being looked at by every scrutiny committee. In light of this and in line with the Commission's official remit to scrutinise the work of the Leader of the Council, it is recommended that the Commission take on a role in providing oversight of the process whilst in-depth scrutiny of particular portfolio areas continues to be conducted by individual committees.

3.2 Under such an arrangement, the Commission will continue to keep track of the strategic direction of Tri-borough developments and provide a forum by which cross-cutting themes (such as sovereignty and reversibility) arising from the scrutiny by each committee can be addressed.

3.3 In summary a number of cross-cutting issues which the Commission may wish to address include: sovereignty and reversibility, the impacts on service quality, governance support, the challenges of organisational cultures, managing risk, reputation and resident consultation, and the forward timetable.

4. Scrutiny with other boroughs:

4.1 Currently the chairman of the Adult Services and Health Policy and Scrutiny Committee meets with counterparts at the Royal Borough of Kensington and Chelsea and London Borough of Hammersmith and Fulham on a bi-annual basis. At the most recent meeting in May 2011, Westminster's chairman put forward a proposal that possibilities for closer links on the scrutiny of health issues be investigated. However, there was not the appetite from the other boroughs and it was decided to postpone the consideration of scrutiny arrangements till a later date.

- 4.2 On the children's services directorate, the chairman of the Children, Young People and Community Protection Policy and Scrutiny Committee has extended invites to counterparts in the other boroughs to attend Westminster's committee meetings.
- 4.3 As each committee is affected differently by Tri-borough developments, it will be up to the discretion of individual chairman as to the best ways to engage with other boroughs. However, the Commission may wish to consider if and when it would wish to invite scrutiny chairmen from the other boroughs, either to participate in discussions or as observers.

Background Papers

Report to Cabinet: Tri-borough Implementation Plans – 27 June 2011

Adult Services & Health Policy & Scrutiny Committee

Summary of the Committee's meeting on 21 June 2011 considering service plans and proposals for Tri-borough Adult Social Care

The Adult Social Care Business Case sets out savings of £10.95 million to be achieved across the three boroughs by 2014/15. Broadly the business case sets out plans to deliver savings by combining services, through: developing a joint commissioning team led by a single Director of Adult Social Care, a single integrated provider organisation combining adult social care and community health services, and a shared single commissioning support organisation that will allow for expertise and associated costs to be shared.

On 21 June 2011, the Committee considered the Tri-borough business case and gave particular attention to issues including maintaining standards, the methodology in establishing projected savings, sovereignty, assured delivery of savings, and further developing links between health and social care.

The Committee gave cautious support to the proposals on the understanding that the quality of services would be a key priority and arrangements increased the likelihood of realising future savings. The Committee also looked forward to being kept informed of the development of links between social care and health.

The Committee made a number of comments and recommendations in order to feed into the Cabinet's consideration of the business case on 27th June 2011. These included:

- **Quality and Standards:** The Committee sought assurances that existing standards in service delivery would be maintained, and improved where possible. This could be made more explicit in the proposals. However, it also noted that the Interim Strategic Director of Adult and Community Services could not guarantee the quality of services on the basis of the plans outlined in the business case.
- **Joint Steering Group:** Clarification was needed on the two Member representatives from each borough, and whether they would include executive and/or scrutiny Members.
- **Central London Community Healthcare:** The Committee emphasized the need, as set out in the service plan recommendations, that any legal agreement with Central London Community Healthcare would need to be robust in seeking to ensure clarity of service standards and lines of accountability.
- **Monitoring:** The Committee noted that monitoring was an integral part of the commissioning process, but stressed the need for the consistent and effective monitoring of service delivery to be expressed more explicitly in the business case.
- **Health and Social Care:** Tri-borough proposals for joint working between health and social care were currently under-developed, and needed to be taken forward sensibly in order to improve service user experience and overcome obstacles that have previously hindered more integrated working.
- **Savings:** The Committee noted the breakdown and difference between the assured, projected and possible savings. However, it was felt that this could be made more explicit and clear in the business case.

- **Westminster Local Involvement Network (LiNK):** It was noted that the LiNK had not yet issued a position statement on the Tri-borough proposals but there was agreement that they should be kept closely involved in developments.
- **Sovereignty:** It was vital that Tri-borough working maintained the sovereignty of the individual boroughs in setting common service levels and specific provision, and enabled the commissioning of services to respond to differing local needs.
- **Future scrutiny:** The Committee stated its commitment to the further scrutiny of emerging tri-borough proposals, plans and progress.

Children, Young People and Community Protection Policy and Scrutiny Committee

Summary of the Committee's meeting on 14 June 2011 considering the business case for Tri-borough shared children's services

The Children's Service Business Case sets out savings of £11.8 to be achieved across the three boroughs by 2014/15. Broadly the business case sets out plans to: develop a Single Management Team, a Single Fostering and Adoption Team, a Single Youth Offending Team, a Single Local Children's Safeguarding Board (LCSB), share Education Services and make savings in commissioning and finance.

On 14 June 2011 the Committee considered the Tri-borough business case and gave particular attention to issues including projected savings, sovereignty, how savings and services would be delivered, quality assurance, and how risks and benefits would be apportioned.

The Committee gave cautious support to the proposals based on the understanding that the challenge of realising savings over the coming years posed questions as to the sustainability of the department as a standalone entity.

The Committee made a number of comments and recommendations in order to feed into the Cabinet's consideration of the business case on 27th June 2011. These included:

- **Savings:** The balance of savings given in the report was considered robust and realistic, and the projected assured savings of £1.14 million were achievable.
- **Long-term viability of services:** It was important that the long-term viability of providing children's services in Westminster was taken into account, particularly as delivery units were already small.
- **Timing of education traded services:** There was concern that the timing of providing traded services had resulted in uncertainty among Westminster's schools, and that reassurance needed to be given that this was being taken forward.
- **Realising benefits:** It was important that the benefits to Westminster of Tri-Borough working were realized, and that the amount of investment being made in the programme in relation to what is being gained was established.
- **Quality assurance:** There were concerns whether adequate consideration was being given to maintaining quality assurance in commissioning and service delivery, in addition to the back office savings agenda.
- **Sovereignty and reversibility:** It was important that Westminster maintained its sovereignty in common service levels and specific provision, and that any tri-borough agreement was reversible.
- **Protecting front line delivery:** Although the Committee expressed some reservations about establishing shared children's services and awaited more detail, members recognised the need to focus on delivering further back office savings while striving to protect front line delivery.

- **Future scrutiny:** The proposals for tri-borough working were given qualified support and the committee would continue to scrutinise emerging tri-borough proposals, plans and progress.

Housing, Property and Community Services Policy and Scrutiny Committee

Summary of special meeting on the business case for an integrated tri-borough library service – 16th June 2011

The business case outlines how £1.1 million can be saved across the three boroughs through the creation of an integrated library service, whilst sustaining and developing existing library services to meet local community needs and support wider council priorities. It is proposed that these savings will be realised through the creation of a single senior management structure, increased service efficiency and the provision of an integrated core service, with the opportunity for additional services to then be commissioned locally by individual authorities.

In taking a decision on the recommendations set out in the business case, the Policy and Scrutiny Committee would like the Cabinet to consider the following points.

The Committee considers there to be substantial merit in the proposals and agrees there is a strong case in striving to make savings in back-office and management structures in order to prevent cuts to frontline services. For this reason the Committee believes it to be beneficial to develop the plans to the next stage, subject to a number of assurances as set out below.

- **Benefits to Westminster:** At the core of any decision, the Cabinet should be entirely satisfied that Westminster will be in a better situation as a result of implementing the proposals than if they were not. This requires a thorough understanding of the nature of the risks associated with making the changes and a comparison of the impact of cuts that would have to be made in the event that plans were not taken forward.
- **Sovereignty and cross-subsidy:** The Committee recognises that each authority will retain its ability to set its own service priorities and to commission specialist services locally. Additionally, although the potential single senior management structure will have three sets of service requirements to meet, this is not dissimilar to the common scenario of an organisation managing multiple contracts and in all likelihood the three boroughs will share certain common priorities.

While recognising that each Council has a duty to identify and correctly assign costs to the relevant Council, the Committee would like to see explicit assurances that Westminster residents will not in any way end up subsidising a higher level of service in the other boroughs. One potential area for complication was identified as unfair time allocation to particular boroughs by the senior management team. In order to avoid such a situation, the Committee would like to see detailed job descriptions put in place for the senior management team and effective monitoring of duties/performance. It will also be vital to distinguish between the characteristics of a failing service and one with lower level services, as set by the individual authority.

- **The risk of a failing service and reversibility:** Connected with the previous point, Westminster needs to be prepared in the event of the service failing in one of the other boroughs. It would not be acceptable if problems in another borough detrimentally affected the quality of library service provision in Westminster. For this reason, the issue of reversibility needs to be given serious attention.

- **Consideration of dual borough options:** The Committee appreciates that tri-borough library proposals fit into a wider approach of tri-borough plans being investigated. However, as part of looking at a range of options for making savings whilst helping to sustain service provision, the Committee would expect to see some exploration of dual borough as well as tri-borough proposals.
- **Greater clarity on the impact of reductions in the event that proposals are not agreed:** A key part of tri-borough working is the need to be clear with stakeholders and the public as to what is being sought through the plans and the potential scenarios in the event that proposals are not taken forward. The Committee therefore believe that there is some worth in highlighting what reductions would have to be made to frontline services if the savings through tri-borough plans were not to be realised.
- **More detail on redundancies:** The Committee recommends that details be made available as soon as is practicable on where the redundancies currently labelled as 'additional posts' will come from.

BUILT ENVIRONMENT ENTERPRISE AND VOLUNTEERING POLICY AND SCRUTINY COMMITTEE

The Committee received an update on the implementation of Tri-borough proposals on services within its terms of reference, as follows:

Building Control

The Committee noted that the scoping reports for Building Control outlined that between £10k and £40k per annum could be saved from these services being combined. This modest saving is constrained by the restrictions of the existing legislative framework for Building Control which requires that any reductions in costs are returned to the customers of the service.

As identified in the April 2011 report, following discussions with the Cabinet Member for the Built Environment the decision has been made to approach the external market and explore options for the future delivery of Building Control Service for Westminster. A draft service specification has been prepared and discussions are taking place with the procurement team on how best to approach the market.

As a result of this the Committee noted the intention to remove Building Control from Tri-Borough initiative.

Special Events

The Committee noted the Special Events service provides an advice and management function for filming and events taking place in Westminster. It supports the safe planning and regulation of filming and events, and balances these activities with the needs of residents and businesses. The service also co-ordinates any council resources that are needed to support filming and events, such as cleansing, waste management, traffic control, food safety and special effects safety.

The Committee noted that initial conversations have taken place between the three boroughs to identify possible synergies and any available cost savings through joint service delivery, or shared procurement. However, given the Olympic period, and the preparatory work required, these discussions have been put on hold until post 2012.

Emergency Planning

The Committee noted that the Emergency Planning service delivers the council's legal duty under the terms of the Civil Contingencies Act 2004 to provide and maintain robust and resilient contingency plans. These plans are designed to enable the mobilisation of resources, at short notice, in response to a major incident in addition to ensuring that core critical services are maintained in the event of major disruption.

A series of workshops are planned to take place to determine whether a tri-borough business continuity structure may be used without waiting for a formal tri-borough contingency planning unit, and so assist the general drive towards tri-borough working in other service areas across the three authorities.

Also being reviewed is the procurement of training across the three boroughs. For example local authority liaison officer courses, first aid training, and senior management table top exercises. The workshops will also cover a wider scope, looking at potential further pan-London mutual aid agreements.

Economic Development

The Committee noted that economic development activities have not been prioritised in the first round of the Tri-borough discussions. This is because the service, by its very nature, is a localised response to the unique nature of the economy in Westminster and is unlikely to generate any efficiency savings from greater collaboration.

Environmental Services

Detailed work has suggested that current contractual arrangements and preparations for the Olympics in Westminster do not encourage an “Environmental” Tri-borough service at present. The Committee noted that H&F and K&C are proposing to form a combined environmental services management team offering senior management reductions of approximately 50%. This leaves open the option for Tri-borough working in the future. Licensing is not in the scope of future consideration due to the different approaches and unique local policies in place in the three authorities. Exploratory work is however progressing in several specific areas:

Premises Management services have met with their counterparts in the other two boroughs and discussed how the three might work more closely to share good practice and deal with common issues.

Adult Education

The Committee noted that there is potential for WAES to work more closely with the adult education services in H&F and K&C. WAES is a much larger organisation than either of these services and is the only one with the organisational infrastructure to effectively support the work of the three services. Initial discussions have been undertaken with the other two authorities and there is an interest in serious consideration being given to this option. Joint working could provide significant economies of scale for services in respect of Finance, HR, ICT and management information. In addition, there could be savings in management costs.

For work on this to progress further it will be important for decisions to be taken about the future organisational and governance arrangements for WAES and for decisions to be taken about property.