



## **Cabinet Committee Report**

**Date:** 10<sup>th</sup> November 2010

**Subject:** Update on Proposals to Develop Shared Local Authority Children's Services

### **Background**

The last report to this Committee in July provided an initial outline of proposals to develop shared education services across Westminster City Council (WCC) and the London Borough of Hammersmith and Fulham (LBHF). The Committee agreed that these proposals should be explored in more detail alongside the possibility of shared services for the wider range of children's services.

In recent months the Royal Borough of Kensington and Chelsea (RBKC) has also shown an interest in the development of shared children's services and consequently recent discussions have been across the three LAs.

### **Proposals for Shared Children's Services**

Discussions are ongoing in relation to the full range of children's services across the three LAs. However, this report outlines proposals to implement shared services as soon as possible in the following areas:

- Education services
- Youth Offending services
- Fostering and Adoption services
- Local Safeguarding Children Board (LSCB)

The development of shared education services will take place in two phases. The first group of shared education services will be implemented from April 2011 and be fully operational for the new academic year in September 2011. The remaining services will be brought together as part of phase 2 beginning in October 2011 and fully operational by September 2012.

These initial proposals could pave the way for a fuller integration of services across the three LAs.

## Outstanding Issues

To ensure that these proposals can be implemented successfully, and that the maximum benefits can be realised, there are a number of issues which must be addressed in the short-term:

- Decision making as to legal and political accountability
- Political decision making processes must be in place across the three LAs to ensure that any issues that arise may be resolved as quickly as possible
- A financial framework for the development of shared services across the three LAs needs to be agreed – this will need to address a number of issues including:
  - Apportionment of savings
  - Calculation and apportionment of any redundancy costs
  - How recharges and overheads can be released
  - How project management/implementation costs will be calculated and shared
  - How costs of support services to future services will be factored in
- Agreement needs to be reached at the three LAs about the potential implications of any re-organisation and the processes that need to be put in place
- A common approach and timetable for communication and consultation with staff and key stakeholders across the three LAs is needed

## Recommendations

1. That the proposal to develop shared Education provision across WCC, RBKC and LBHF be agreed, subject to agreement by LBHF and RBKC councils, and for the implementation to be phased as set out in Appendices 2, 3 & 4 to include the establishment of a joint commissioning unit and the possible establishment of an arm's length delivery unit for education services across the three LA's by September 2012, with the first group of shared education services implemented from April 2011 and fully operational for the new academic year in September 2011.
2. That agreement is given for the development of shared provision for the Local Children's Safeguarding Board, Fostering and Adoption services and Youth Offending services by September 2011, subject to agreement by LBHF and RBKC Councils.
3. With a view to the implementation in line with these timescales, that the Strategic Director of Children and Young People be authorised to :
  - i) reach agreement with fellow Directors of Children's Services on reorganisation proposals on a service by service or part service basis with a view to agreeing the future scope of such services; management arrangements; the staffing structures for such services; the advisability of harmonising terms and conditions across boroughs and the implementation of a joint commissioning strategy;
  - ii) consult with affected staff and unions on the basis that any sharing of services will initially take place by affected staff either being seconded to work with staff at other boroughs or will be transferred to the employment of a host borough depending on the detail of the agreement to be reached with other boroughs on a service by

service or part service basis;

iii) implement the sharing of the services identified at paragraph 2.3 below on the above basis; to agree the terms of any secondment either to or from the Council; to agree any necessary changes to staffing structures and authorise any resulting redundancies in accordance with the Council's usual procedures and do everything necessary to give effect to the above recommendations, including (but not limited to) entering in to any necessary legal documentation and the giving of any necessary undertakings.

4. That it is agreed that the implementation of these proposals and any future proposals in relation to children's services be aligned with the requirements and timescales for the wider development of shared services across the three LAs.



City of Westminster

# Committee Report

Item No:	
Date:	10 <sup>th</sup> November 2010
Classification:	For General Release
Title of Report:	Update on Proposals to Develop Shared Local Authority Children's Services
Report of:	Michael O'Connor – Strategic Director (Children and Young People), Westminster Council
Wards involved:	All
Policy context:	Financial strategy
Financial summary:	The preliminary figures from the first set of shared services indicate full year savings of £715k from 2012-13 after meeting one-off redundancy costs. This will contribute towards the planned savings of £500k in 2012-13 from Education services and a further £2.5m in 2011-12 from Children's Services.
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## **1. Introduction**

- 1.1 At the Cabinet Committee on 6<sup>th</sup> July 2010 it was agreed that:
- initial proposals to develop shared Education services across Westminster City Council (WCC) and London Borough of Hammersmith and Fulham (LBHF) be further developed and set out to this Committee (option 1B i.e. reduction in management posts and further headcount reduction); and
  - opportunities to develop shared service provision with LBHF, and other LAs, across the full range of children's services be further explored (options 2/3).
- 1.2 Subsequently further detailed discussions have taken place between WCC and LBHF to validate these initial findings and agree a timetable and process for the development of shared services where appropriate. More recently, these discussions have extended to include Royal Borough of Kensington and Chelsea (RBKC).
- 1.3 This report sets out proposals to develop shared provision across the three LAs in four specific areas. Discussions are ongoing across the full range of children's services.

## **2. Three Borough Roadmap**

- 2.1 The paper to the July Cabinet Committee was based upon a high level analysis of possible future operating models for clusters of children's services across WCC and LBHF. The potential savings associated with these proposals are clearly limited by the fact that shared services or outsourcing was only being considered across two LAs. RBKC have now been included in the development of proposals to create shared services across children's services.
- 2.2 Derek Myers, Chief Executive at RBKC, is leading on the development proposals for shared provision for children's services. The timetable currently being worked to is as follows:
- Idea to proposition– agreement to be reached on what services are in and out of scope; all major risk identified; new operating models sketched; and rough estimates of costs and gains agreed by February 2011.
  - Proposition to plan – formal consultation with unions; invitations for voluntary redundancy; first wave of merged teams; and start of market testing for alternative delivery models to take place between March and October 2011.
- 2.3 Following a series of discussions and workshops with senior managers from the three children's services departments a list of services that should be considered for the development of shared services was agreed. Subsequently work has begun to design shared services in four areas with a view to early implementation. These include:
- Education services
  - Fostering and Adoption services
  - Local Safeguarding Children Board (LSCB)
  - Youth Offending services

Appendix 2 sets out a high level project timetable.

- 2.4 Whilst this only represents a small number of services at present, there could be a number of benefits arising from these initial proposals that could help pave the way for a fuller integration over the coming years and the realisation of greater financial benefits. These could include:
- an opportunity to learn about the processes, timescales and costs associated with the development of shared services that can inform future decisions about other services;
  - a re-organisation of existing services to improve efficiency and cost effectiveness would make services more attractive to potential partners in the future;
  - the development of a brand across three high performing departments that could be very attractive to potential partners; and
  - clustering of related services that could be attractive to new/existing providers in the market
- 2.5 The principles underpinning the development of shared services and possible future delivery models must include:
- focussing on the needs of children, young people and families and providing integrated locality based services;
  - commissioning the outcomes we need from services, not the services themselves;
  - ensuring flexibility is designed into services to respond to changes in demand;
  - ensuring that legal and political accountability issues are addressed;
  - streamlining and harmonising back-office functions, procedures and management and thereby reducing infrastructure costs;
  - seeking out partners in the private, voluntary and community sectors; and
  - maximising opportunities for income generation and trading
- 2.6 It is important to note, that the full implications of the Comprehensive Spending Review (CSR) are not yet clear and any further reductions to grant could generate additional financial pressures. Furthermore, each of the three LAs is at a different stage in terms of its preparation for reductions to funding. The implications for the development of shared services will only become clear as each authority refines its financial strategy over the coming months.

### **3. Education Services**

- 3.1 All three LAs share an ongoing commitment to raising educational achievement. However, the strategies and resource commitments each LA has implemented over recent years have differed. We have all faced the added challenge of raising achievement amongst a diverse and mobile school population. Again, however the different challenges each LA has faced must be recognised:
- The size of the school estate and the number of pupils differ
  - The legal status of schools differ – community schools, voluntary aided, Foundation and Academies
- 3.2 On the other hand the three LAs must all respond to changing national financial and policy drivers that indicate less resources and a reduced role for the LEA. It seems likely that the duty to intervene where a school is failing and to provide additional support for the most vulnerable children and young people will remain. We believe

the best and most sustainable way to continue to provide high quality services in these areas is to pool resources and expertise across the three LAs.

- 3.3 It is therefore proposed that the full range of education services be developed as a shared provision across the three LAs. This will take place in two phases:
- Phase 1 (April 2011 to September 2011) – first group of shared services implemented
  - Phase 2 (October 2011 to September 2012) – development of shared provision across remaining education services and the establishment of joint commissioning and the possible establishment of an arm's length delivery unit

#### ***Shared Education Services - Phase 1 (April 2011 to September 2011)***

- 3.4 Appendix 3 sets out a proposal for the three LA education services at the end of Phase 1. As a first stage to sharing of services it is proposed that where possible this be accomplished without the necessity of a complete restructure of services by the making and acceptance of secondments of staff with a view to flexible working arrangements being implemented. Where it proves necessary because of the nature of the service or difficulty in matching staff to roles it is proposed that partial restructuring takes place with one borough acting as host borough for the purposes of all or part of any particular service. It is considered that with suitable goodwill and pace in decision making from LBHF and RBKC such a structure could be implemented from April 2011 and be fully operational by September 2011 to coincide with the new academic year. All three LAs agree that there is an urgency to develop shared services in a number of areas given reductions to grant. The degree to which services are met by the general fund rather than grant has also helped to identify services where immediate steps are needed. These include:
- 14-19 support
  - Education Business Partnership (EBP)
  - Alternative provision
  - Governor support
  - School improvement delivery
- 3.5 The anticipated savings to Westminster are expected to be £373k in a full year. Detail is set out in Appendix 1. This saving also assumes that schools will buy-back certain services.

#### ***Shared Education Services - Phase 2 (October 2011 to September 2012)***

- 3.6 Once Phase 1 is embedded it is proposed to widen the scope of shared provision to all remaining education services. This includes:
- School admissions
  - School exclusions
  - SEN statements and placements
  - Early years advisory
  - Education welfare (enforcement of attendance)
  - Education psychology
  - LAC education

A significant proportion of expenditure in relation to these services is attributable to the Dedicated Schools Grant (DSG) and other grants such as the Sure Start grant. Any potential savings to DSG can only be redirected to other areas of education spend if agreed with Schools Forum. The key aim of the merger of these services will be to improve efficiency and cost effectiveness overall. A by product of such efficiencies may be to make such services more attractive to other potential partners.

- 3.7 Consideration will also be given to alternative delivery models at arm's length from the three LAs. Were this to proceed, the procurement timetable would dictate that, depending on the nature and value of the service(s) in question, a minimum of nine months lead in time from the point at which a re-let strategy is in place. Appendix 4 sets out a possible structure to be in place at the end of Phase 2. For consideration of an arm's length model to progress key principles need to be agreed and a joint commissioning unit for education will need to be established across the three LAs.
- 3.8 It will be essential to involve schools in the design of the new service arrangements, and the development of the new commissioning-delivery units more generally, over the coming months in order to ensure ongoing goodwill towards the three LAs and to make sure buyback requirements are responded to.

#### **4. Youth Offending Services – Statutory Functions**

- 4.1 The three LA Youth Offending Teams (YOTs) fulfil responsibilities to reduce youth crime by running a statutory service required to respond to all children and young people who offend and are dealt with by the Police and Courts. This includes provision of appropriate adults at Police stations, and an administrative, advocacy and assessment service for the courts. All community sentences imposed by the courts are supervised by YOTs, who also work with young people who are in custody, and on their release.
- 4.2 The key proposals are:
- Delete the three existing Head of YOT posts and replace with a single Head of Service by September 2011 at the latest
  - Establish a single Court Team by September 2011
  - Establish a single central Business Support Team by September 2011
  - Development of shared specialist roles to work across three Areas Teams by September 2011 – will include Reparation and Youth Offender Panel co-ordinators
  - Exploration of future delivery options for September 2012 onwards
- 4.3 The Head of Service will be line managed by a manager from one of the LAs and a management board is proposed, comprising senior managers from all the boroughs and partner agencies.
- 4.4 It is proposed that one authority employs the Head of Service, Business Support Team and Courts Manager. Remaining staff will be employed locally across the three boroughs.
- 4.5 The anticipated savings to Westminster are expected to be £243k in a full year. Detail is set out in Appendix 1.

## 5. Fostering and Adoption Services

- 5.1 Initial talks between the three LAs have identified a number of opportunities in merging fostering and adoption services. There are three broad areas where efficiencies could be achieved:
- sharing management;
  - amalgamating specific functions - e.g. training for foster carers and recruitment, panels; and
  - sharing foster carers
- 5.2 More detailed work is needed in relation to other functions, including Family and Friends carers and post-adoption/special guardianship support, but it is anticipated that many of these areas will also achieve efficiencies through merger, although the sums saved may be modest.
- 5.3 There are some challenges and risks that need to be managed. Each LA has very different payment structures for foster carers and this is a complex area where we cannot afford to disadvantage carers or risk losing them. There is also a sense of loyalty that foster carers feel for their host LA. A significant number will have worked for that LA for ten or more years. Also, there will be close working relationships between children's social workers, fostering supervising SWs and foster carers themselves which could be jeopardised by hasty changes.
- 5.4 However, there are further opportunities over and above merely merging services as above. We intend to explore the possibility of developing a joint venture vehicle that could trade and generate income. Currently all three LAs are competing with a range of independent fostering agencies (IFAs), some of which are non-profit and others are private companies, sometimes part of very large commercial organisations. They compete aggressively in the market for a relatively small number of foster carers and charge a large premium to LAs who use those carers.
- 5.5 By merging our three separate pools of foster carers we can create a critical mass that might enable us to trade and sell foster care placements to other LAs. Our initial view is that we could best achieve this by firstly merging services and then seeking an external partner with whom we could create a joint vehicle, using the skills and commercial expertise of an independent partner. This would potentially create an organisation to compete with the largest IFAs. There are two immediate advantages to such an approach:
- We can recruit foster carers who live further from inner west London in order to sell placements to a wider range of LAs (at present we only recruit carers who live within reach of the home borough).
  - We can sell placements at commercial rates thereby generating income. The existing IFAs all appear to be profitable and there is no reason why a joint vehicle as described could not achieve similar profitability and indeed the reputation of three good LA services may put us in a strong position, although it will be necessary to put in place additional support to foster carers to justify the premium.

This model has been agreed in principle with LBHF and discussions are continuing with RBKC.

- 5.6 The anticipated initial savings to Westminster are expected to be £90k in a full year. This is based upon a reduction of two FTE posts. Detail is set out in Appendix 1. As explained above further savings/income could potentially be achieved by pursuing the option above. Additional savings may also be possible through selling of placements and avoidance of IFAs.

## **6. Local Safeguarding Children Board (LSCB)**

- 6.1 LSCBs are statutory bodies that have a duty to promote safeguarding of children and young people across all local agencies. They operate independently of the local authority and all proposals are subject to consultation with the existing three boards and stakeholders. Westminster's LSCB discussed broad outline proposals on 21st October and raised a number of issues pertaining to governance, structure, funding, professional practice and HR issues on which they have requested further clarification and/or resolution.

### **6.2 *Child Death Overview Panel (CDOP)***

Current funding from Central Government is expected to cease in April 2011. This is currently used for business support and independent chairing of the CDOP which already operates across the three LAs. The key proposals are:

- CDOP to only focus on resident children, leaving responsibility for non-resident children to local hospitals. This will reduce the need for business support from four days per week to two days by April 2011. Incorporating CDOP support into the work of the LSCB Team (see below) will additionally make it more sustainable.
- Responsibility for chairing of the CDOP to be moved to a local chair from April 2011. This is likely to be the WCC Designated Nurse for Child Protection and will therefore reduce the costs currently associated with independent chairing.

### **6.3 *Training***

Currently LBHF has a more comprehensive LSCB training programme than the other two LAs. The proposal is that the new LBHF LSCB Training Officer is jointly funded across the three LSCBs from April 2011. This will reduce spending on training consultants, enable the use of more local expertise, exploit economies of scale and provide a more standardised package of LSCB training across the three areas.

### **6.4 *Tri-Borough LSCB***

Each LSCB is currently supported by a small number of posts in each local authority (e.g. LSCB Development Manager). It is proposed that this support is merged to a single staff group to be hosted by one of the three boroughs.

A proposed structure of the shared LSCB team is as follows:

- 1 x LSCB Manager
- 1 x LSCB Training Officer
- 0.8 x LSCB Senior Business Support Officer including CDOP activity
- 1 x LSCB Business Support Officer including training administration activity

It is also proposed that a single LSCB be established across the three LAs by September 2011. This body would be independently chaired, and there will be an associated saving from having one instead of three chairs.

- 6.5 The future cost of a three borough LSCB is projected to be £236k, divided equally across each LA. The anticipated savings to Westminster are expected to be £6k in a full year. Detail is set out in appendix 1. However there may be additional savings to WCC from transferring the LSCB training coordination function to the Tri-Borough LSCB. Detail is set out in Appendix 1.
- 6.6 It is anticipated that additional benefits will be achieved through significant reductions to requirements on partner agencies to attend LSCB meetings, sub groups, etc.
- 6.7 It should be noted that there is a potential risk that PCT's may seek a reduced contribution to LSCB funding when they make the move to merged three borough arrangements in 2011.

## **7. Legal implications**

- 7.1 As previously advised there are a number of options by which shared arrangements might be put in place. Initial proposals for implementation of shared services are through secondment and partial or complete reorganisations of certain services and hosting by individual boroughs. Section 2 of the Local Authorities Goods and Services Act 1970 allows LAs to provide each other with professional and other services and Section 113 of the Local Government Act 1972 allows the secondment of staff on agreed terms. Section 39 of the Crime and Disorder Act 1998 allows two (or more) local authorities to establish one or more Youth Offending Teams for both (or all) their areas.
- 7.2 On the basis that legal and political responsibility will continue to rest with individual boroughs care will need to be taken to put sufficient delegations to Officers in place to allow day to day operation of the services, whilst policy matters are reserved to the relevant Cabinet Member in each borough.
- 7.3 In the short term it may be necessary to put agreements in place to specify levels of service where individual boroughs host certain services. In the medium term consideration might be given to harmonisation of terms and conditions across the boroughs and/or delivery of services through arms' length agencies. Further consideration will need to be given to the legal implications of such options as and when they might emerge.

## 8. Financial Implications

- 8.1 The table below sets out the potential savings to Westminster that could follow from the implementation of these proposals. This is based on savings that could be realised in phase 1 of the development of shared education services and for the other three services.

	Potential savings on a cash basis		
	2011-12 £'000 (part-year)	2012-13 £'000 (full-year)	2013-14 £'000 (full-year)
Education services	217	373	373
Youth Offending	142	243	243
Fostering & Adoption	26	90	90
LSCB	5	8	8
Children's	173	342	342
<b>Total</b>	<b>391</b>	<b>715</b>	<b>715</b>

- 8.2 These savings have to be considered against the potential costs of redundancy. It is difficult to calculate this precisely as it is not clear to which LA these costs will fall or what the average payment will be. Assuming the worst case scenario for WCC staff and an average redundancy payment of £20k then redundancy costs would be approximately £390k. Details of how these figures have been calculated are included in Appendix 1. With the potential redundancy costs there will in effect be no net saving 2011-12. There are also likely to be costs of setting up the new arrangements.
- 8.3 There are specific planned savings of £500k for Education services by 2012-13 and a stretched target saving of £2.5m for Children's Services in 2011-12. As more services are considered on a shared basis this stretch target may be achievable over the 4 year financial service review period.
- 8.4 It is difficult at this stage to assess the impact of the comprehensive spending review including changes in grant funding on the savings above. Many services, especially education are funded by grants.
- 8.5 Existing Children's Services savings (both committed and target) require a reduction in net controllable budget of 21% (£10.4m) over the next 4 years. Further savings from the Comprehensive Spending Review announcements could require an additional 21% (£10.2m) reduction from Children's Services budget baseline. This would result in CSR savings affecting services that focus on prevention and could expose WCC to undesirable levels of risk.

## **9. Staffing Implications**

- 9.1 Depending on the total number of staff impacted by these proposals formal consultation will commence in a 30 or 90 day cycle. The timeline must be consistent across all three boroughs to ensure fair recruitment to any new structure. Appendix 5 sets out these timelines.
- 9.2 Children's Services will be the first to develop shared services. This may impact on re-deployment of redundant staff.
- 9.3 In order to facilitate the initial re-structure, it is anticipated that employment terms and conditions will remain that of substantive employing authority.
- 9.4 Consultation with the recognised trade unions will be carried out at Regional as well as branch level to ensure consistency of information about the implementation of the new services.
- 9.5 Due to the potential size of this project and the merger of different organisations equality impact assessments will be required in the initial stages to ensure that there are no adverse consequences for any group protected by the Equality Act 2010.

## **10. Business Plan Implications**

- 10.1 The proposals will enhance the Council's corporate priorities and the Children's Services Departmental business plan priorities.

## **11. Consultation**

- 11.1 There are City Wide implications, and all ward members will be encouraged to engage.

## **12. Crime and Disorder Act 1998**

- 12.1 There are no specific implications under Section 17 of the Act.

## **13. Health and Safety Issues**

- 13.1 There are no significant health and safety implications.

## **14. Human Rights Act 1998**

- 14.1 There are no specific implications.

## **15. Risk Management Implications**

- 15.1 There no specific risk management implications.

## **16. Reason for Decision**

- 16.1 To seek approval to develop shared services across WCC, RBKC and LBHF for education services, youth offending, fostering and LSCB subject to political approval at RBKC and LBHF.

**If you have any queries about this report or wish to inspect one of the background papers please contact Carl Purcell on 020 7641 2630, email [cpurcell@westminster.gov.uk](mailto:cpurcell@westminster.gov.uk)**

## **Background Papers**

'Progress on Merger of Services' Cabinet Committee Report 6<sup>th</sup> July 2010

## Appendix 1 – Business Case Summary

Services	WCC Separate Savings Initiatives (£000s)			Westminster Potential Savings in Cash from Shared Services (£000s)					
	Cmtdd Savings from 3 LA	Other Cmtdd Savings	Future 3 LA FTE	Current		FY11/12 Total Saving	FY12/13 Total Saving	FY13/14 Total Saving	
				Current WCC FTE	FY10/11 Budget (Net)				
<b>Education</b>									
14-19	-500	-32	2	5	213	-85	-146	-146	
Education Business Partnership		0	2	5	83	-48	-83	-83	
Governor Support (Strategic Advisory)		0	1	2	99	-57	-99	-99	
Secondary Alternative Provision		0	10.3	11	81	-26	-45	-45	
School Improvement Delivery					14.2	774			
Admissions & Exclusions					11	25			
Education Welfare/ Enforcement of Attendance					6.1	200			
Education Psychology					10.8	582			
SEN Statements & Placements Provision					6	305			
Early Years Advisory					10.5	235			
Education for Pupils in Care/ Virtual School					10	690			
<b>TOTAL for Education</b>		<b>-500</b>	<b>-32</b>	<b>15</b>	<b>92</b>	<b>3,286</b>	<b>-217</b>	<b>-373</b>	<b>-373</b>
<b>Childrens Services</b>									
Youth Offending Services (Statutory)	0	-50	55	21	728	-142	-243	-243	
Fostering & Adoption	0	0	tbc	25.5	5,159	-26	-90	-90	
Local Safeguarding Board	0	0	3.8	1.5	87	-5	-8	-8	
Residential Care/ Supported Accommodation & Placements									
Strategic Joint Commissioning with Health									
Play									
Family Centres/ Court Assessments									
Staff Development & Training									
Children with Disabilities Day Centres & Home Support Respite Care									
Emergency Duty Team									
Independent Reviewing Officers									
Early Intervention (incl Family Recovery)									
Children's Centres									
Safeguarding & QA/ Childcare Review Unit									
Youth									
<b>TOTAL for Children's Services</b>	<b>-2,500</b>	<b>-50</b>	<b>58.8</b>	<b>48</b>	<b>5,974</b>	<b>-173</b>	<b>-342</b>	<b>-342</b>	
<b>GRAND TOTAL</b>	<b>-3,000</b>	<b>-82</b>	<b>74</b>	<b>139.6</b>	<b>9,260</b>	<b>-391</b>	<b>-715</b>	<b>-715</b>	

## Implementation Costs

### REDUNDANCY

Redundancy - based on WCC staff only - average cost estimated to be: 20

	Cost (£000s)
14-19	100
Education Business Partnership	100
Governor Support (Strategic Advisory)	40
Secondary Alternative Provision	-
Youth Offending Services (Statutory)	80
Fostering	40
Local Safeguarding Board	30
TOTAL	390

#### Note:

Using existing WCC staff numbers, worst case for WCC assumes that no WCC staff are selected for the future 3 LA services and redundancy will be required for all of them based on an average redundancy amount\*.

No formal agreement regarding how redundancy costs are to be offset or divided has been reached across the 3 LAs. Risk to WCC that it will be asked to contribute to a pooled redundancy cost figure which will cancel out any savings to WCC due to the staffing levels in RBKC and LBHF being quite markedly higher in many of the services.

\* Please be advised that exercise extreme caution in the use of averages to give an accurate picture because there is a lot of variance in the data, especially with regards to years of continuous service. In Phase 1 this varied between 1 year and 36 years. The average in Phase 1 was £19,900 and £14,500 for Phase 3. These figures do not include any pension costs if the individual is over 55 and in the LGPS anyone in TP (teachers) would not have their pension released as it is discretionary and seldom exercised.

### SUPPORT COSTS

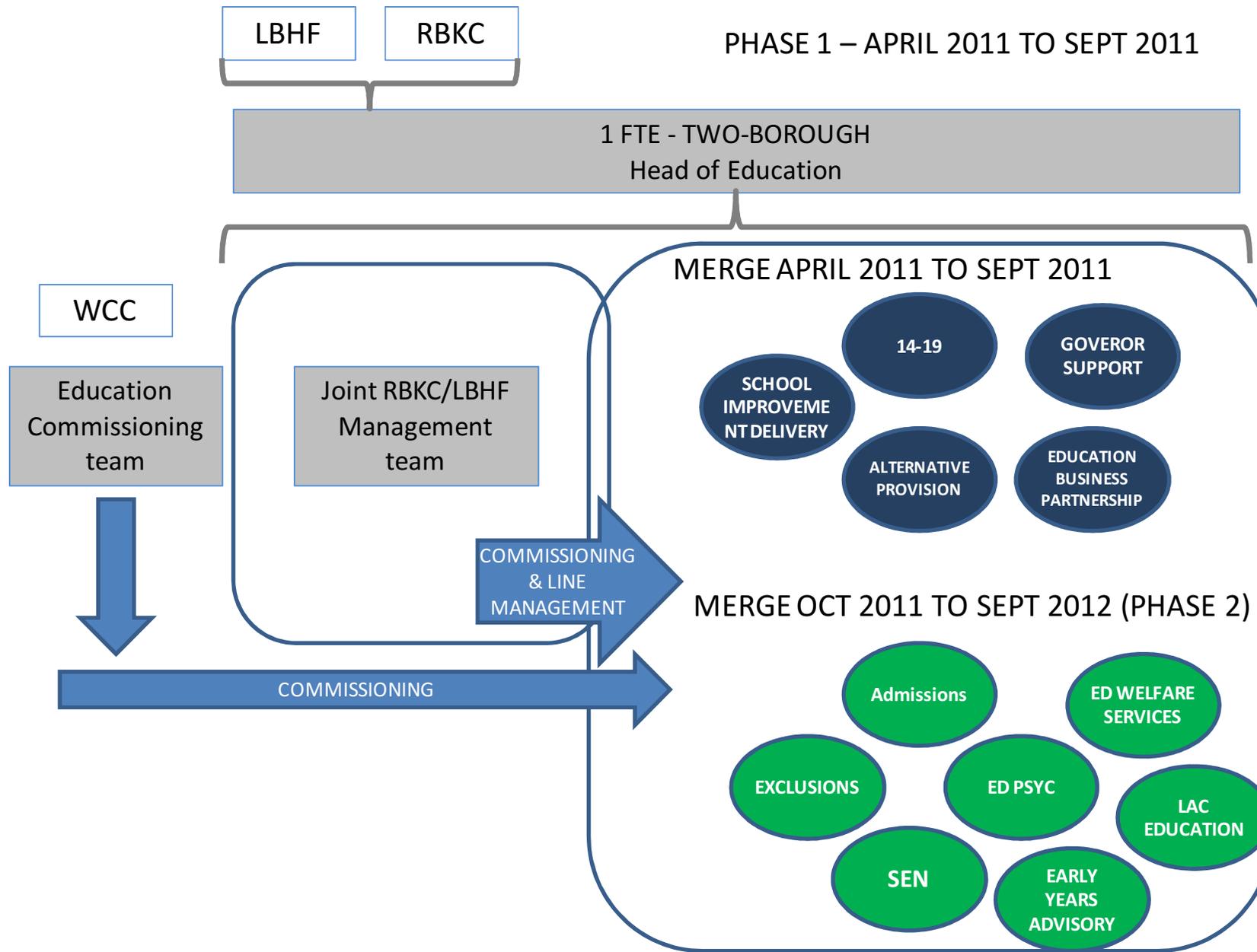
Project Support: Project support costs will be incurred by WCC, but are expected to be supported through the Transformation & Project Management Unit and the costs covered by the Unit budget. There is also an expectation that contributions from other LAs towards project costs will be made, however this is yet to be formally agreed.

## Appendix 2 – High Level Project Timetable

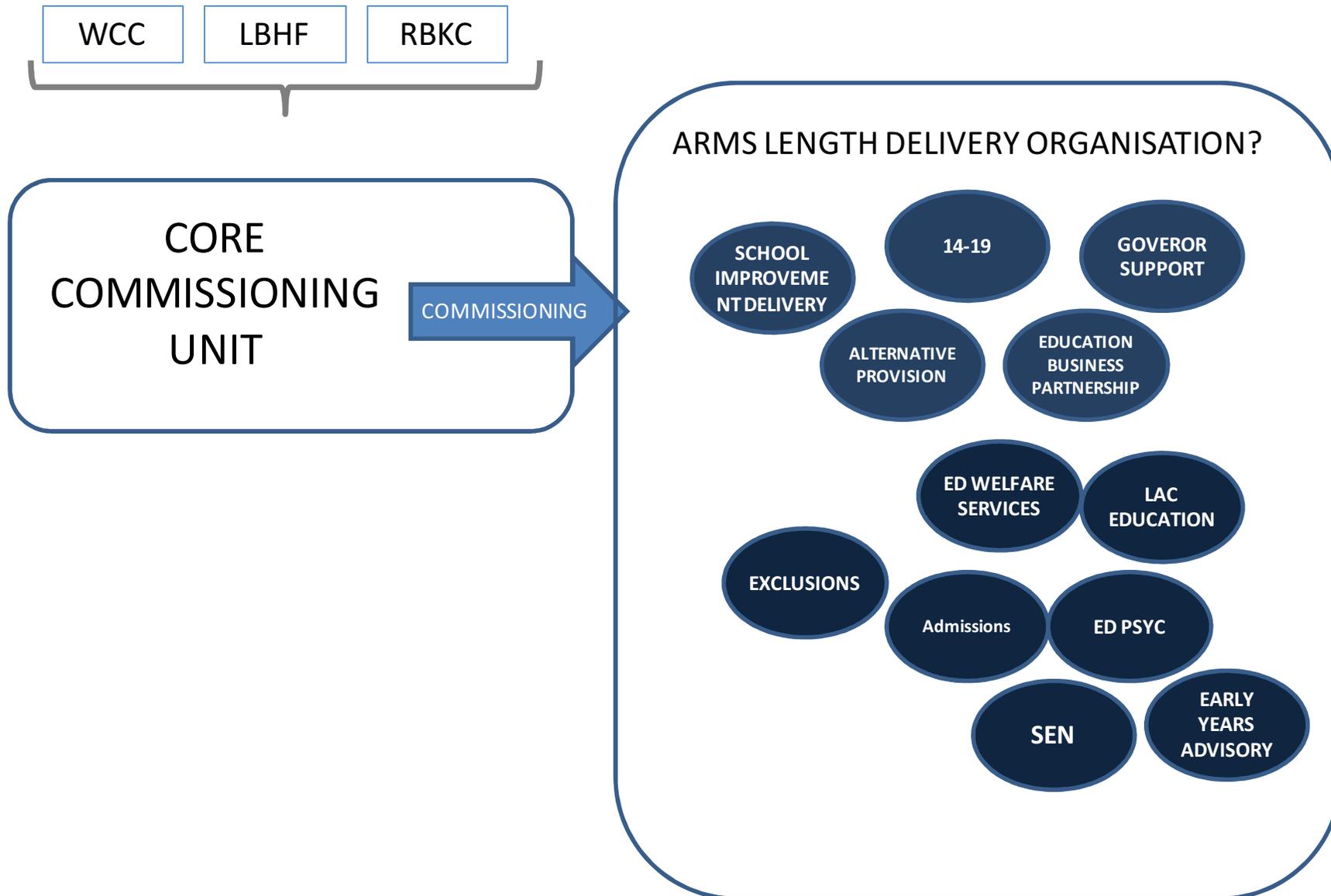
HIGH LEVEL MILESTONE PLAN Merger of Children's Services, WCC, RBKC & H+F												
PROJECT	2010		2011								2012	2013
	Nov	Dec	Jan	Feb	March	Apr	May	June	Sep	Oct		
Education	★ Cab Report agreement to proceed	△ Cost and Savings signed off	△ Enablement report submitted			★ Launch of Shared Education Services △ Recruitment to new structure begins			△ First group of shared education delivery		△ Full implementation of (phase 1) shared education delivery service	
		△ Detailed design complete	△ Implementation plan signed off					△ Management of new structure in place			△ Full implementation of new commissioning delivery model (30/09/2012)	
LSBC	★ Cab Report agreement to proceed	△ Costs and Savings signed off	△ Sign off project governance and project plan				△ Move to a single LSBC team achieved			△ Move to a tri-borough LSBC (subject to consultation)		
	△ Consult with LSBCs		△ Agreed planning for mobilisation			△ Agree and Sign off plan and Project Structure and Resourcing						
Fostering and (Adoption)	△ Agree on support for project	★ Cab Report agreement to proceed	△ Outline design for Fostering and Adoption						△ Delivering Fostering/Adoption Services			
		△ Revised Scope complete	△ Agreed planning for Mobilisation			△ Agree and Sign off plan and Project Structure and Resourcing						
			△ Sign off Project Governance and project plan									
YOT	★ Cabinet report agreement to proceed	△ Cost and Savings signed off									△ Replace three Head of YOT posts with a single Head of Service	
		△ Validate revised model								△ Establish a single court team		
		△ Agree draft project plan, resources and timelines for mobilisation								△ Establish a single central Business Support Team		
	△ 15th - Assess existing functions and roles and responsibilities									△ Development of specialist roles to work across three Area Teams		

KEY  
 Major Milestone  
 Major Decision Point

Appendix 3 – Education Services: Phase 1



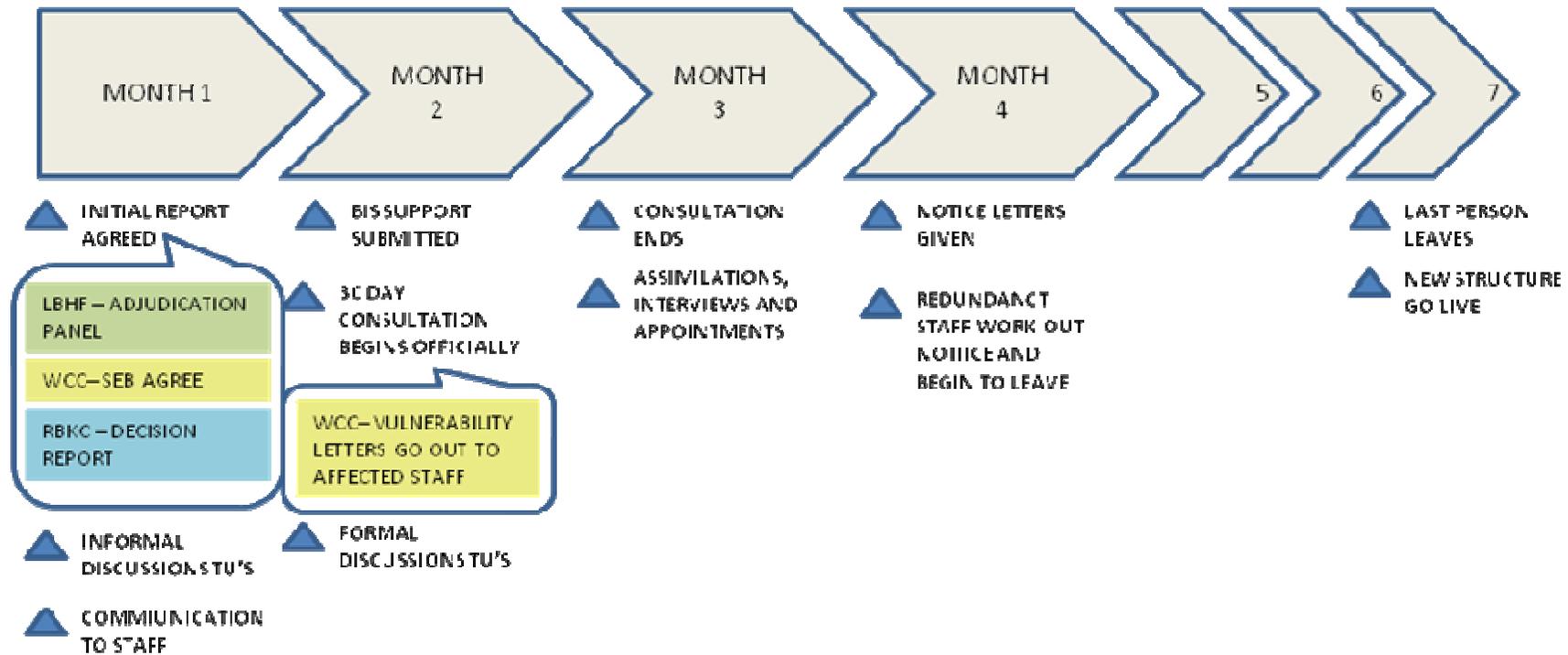
PHASE 2 – OCT 2011 TO SEPT 2012



# Appendix 5

## 30 DAY CONSULTATION PERIOD MAPPING DRAFT TIMESCALES

Less than 99 staff at risk of redundancy in each LA



### FOR APRIL 2011 IMPLEMENTATION



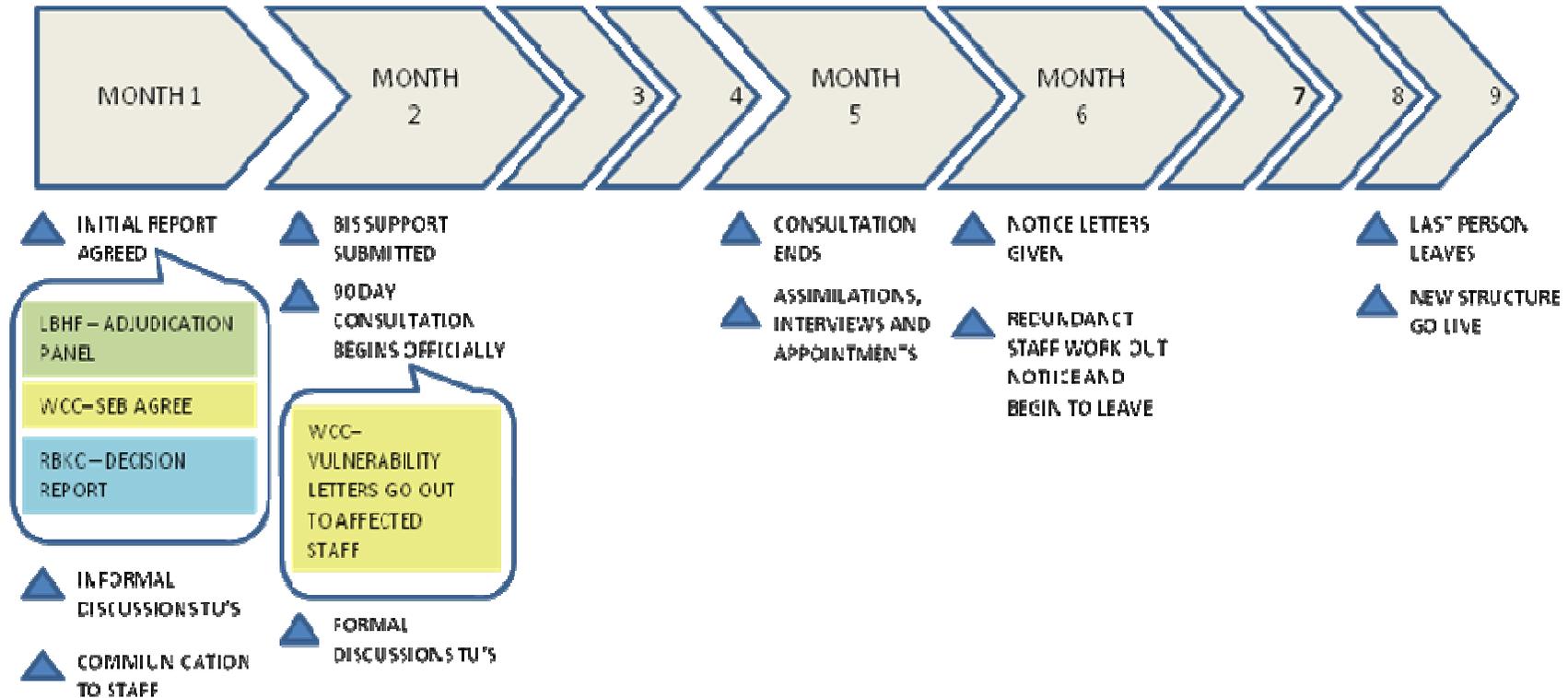
### FOR SEPTEMBER 2011 IMPLEMENTATION



## DRAFT TIMESCALES

### 90 DAY CONSULTATION PERIOD MAPPING

MORE than 99 staff at risk of redundancy in each LA



### FOR APRIL 2011 IMPLEMENTATION



### FOR SEPTEMBER 2011 IMPLEMENTATION

