

Date:	9 May 2017
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Title:	Tri-borough to Bi-Borough Programme Update
Report of:	Charlie Parker, Chief Executive
Cabinet Member Portfolio	Leader of the Council
Wards Involved:	All
Policy Context:	City for All
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1. Executive Summary

- 1.1 Westminster City Council and Kensington and Chelsea have recently served 12 months' notice on the Tri-borough arrangements in respect of Tri-borough Children's Services, Tri-borough Adult Social Care and Tri-borough Public Health Services.
- 1.2 While maintaining current services, the two boroughs now intend to establish successor bi-borough services.
- 1.3 Currently we have had no indication from Hammersmith & Fulham that other shared services will be affected.
- 1.4 This report aims to update the Audit & Performance Committee on the Tri-borough to Bi-Borough Programme Arrangements and Timelines. It should be noted that planning is in its early stages and more detailed update will therefore be submitted to the Westminster Scrutiny Commission for analysis and feedback on 24 May.

2. Key Matters for the Committee's Consideration

- 2.1 To note the arrangements the Council has put in place to ensure the exit from the current Tri-borough arrangements and transition into new bi-borough are as smooth as possible.

3. Background

- 3.1 Westminster City Council and Kensington & Chelsea have served 12 months' notice to Hammersmith & Fulham on the Tri-borough arrangements concerning Tri-borough Children's Services, Tri-borough Adult Social Care and Tri-borough Public Health Services.
- 3.2 The decision has been taken in the face of uncertainty caused by Hammersmith & Fulham preparing over some time, to make alternative in-house plans without any formal engagement with the other two local authority partners about these key services. This is causing anxiety to shared staff and placing potential risks to the provision of these joint services for vulnerable people in each borough.
- 3.3 As a result, Westminster's Cabinet met on Monday 27 March, and formally agreed to give notice to terminate the shared staffing arrangements in respect of the services named above. The Royal Borough of Kensington & Chelsea has also taken the same decision. Both boroughs remain absolutely determined to continue to work together for the benefit of local people.
- 3.4 Tri-borough's legal agreements set out that with any termination of the arrangements all parties are obliged to minimise disruption to delivery of services and to staff during the period of notice, which could be for a period of up to 12 months. To assist with this, Westminster and Kensington & Chelsea have called for a joint project team with Hammersmith & Fulham to oversee the transition.
- 3.5 While maintaining current services, Westminster and Kensington & Chelsea now intend to establish successor bi-borough services in order to give certainty to staff and ensure the long term planning of any new services are pared and executive well in advance of a future "go-live" date for the new bi-borough services.
- 3.6 It remains possible that the two boroughs will retain more capacity than they need for their own purposes in the hope of selling specialist services to H&F (e.g. fostering and adoption, Multi Agency Safeguarding Hubs (MASH)).
- 3.7 Sue Redmond has replaced Liz Bruce as the statutory (tri-borough) Director of Adult Social Services (DASS) on an interim basis. Westminster City Council and RBKC are seeking a permanent successor for the new bi-borough service. Steps are underway to appoint a permanent Executive Director for Children's Services.
- 3.8 To date, we have had no indication from LB Hammersmith & Fulham that other shared services will be affected.

3.9 Programme Arrangements

The Tri-borough Exit Programme aims to deliver the following

- Establish the steps needed to (building on the successes of Tri-borough):
- Safeguard vital frontline services – Children’s, Adult & Public Health
- Provide certainty to staff
- Establish effective bi-borough arrangements for Children’s, Adult and Public Health
- Ensure maximum collaboration and transparency between RBKC, LBHF and WCC

3.10 To achieve this, the below workstreams have been established to focus on delivering the programme outputs.

- HR
- Legal
- Finance
- Commissioning
- Adult Social Care/Public Health
- Children’s Services

3.11 Each workstream will monitor and review all existing external relationships/contracts; the cost of any new contracts; contracts that extend beyond the end of Tri-Borough, any financial arrangements supporting them; and liaison with supply chain as necessary.

3.12 Although the workstreams are being led by the relevant service areas, staff from other services will support and provide expertise as appropriate.

3.13 A Communications Strategy will also support this work, ensuring that all staff, staff in affected services and partners / external stakeholders are updated as and when appropriate.

3.14 Programme Boards have been established at member and officer level and there are regular meetings with RBKC at both levels.

3.2 Issues

3.2.1 The table below provides an outline of any risks identified so far, as well as the mitigating actions being undertaken.

Risk	Mitigation
Governance arrangements to be agreed	Identify and approach proposed programme members
Risk to quality of BAU of key front line services – Children, Adult and Public Health Services	Timeline of events to reassure staff. Comms plan to address key areas of concern. Service areas to develop plans for delivery until new arrangements in place, monitoring risks and issues
Loss of staff due to uncertainty – significant numbers of staff will be affected	Timeline of events to reassure staff. Comms plan to address key areas of concern. Identify contingency budget and resources
Financial implications – Risk to budgets due to the move to Bi-Borough Service for Children, Adult and Public Health Services	Finance to identify financial implications and budget required. Secure contingency budget
Risk to realised non cashable transformation benefits – service efficiencies and improvements	Service areas to develop plans for delivery until new arrangements in place, monitoring risks and issues. Contingency plans developed
Smaller services may not be able to separate out easily, e.g. Adoption services, Education Services, Youth Offending Services	Design new target operating model for these areas
Shared functions may need to change e.g. Backoffice, IT, training, complaints	Review and if required, design new target operating model subject to discussions with LBHF
Approach from Children, Adult and Public Health Services: Should PH be its own workstream Approach to joint working: definition of scope, stakeholder engagement, approach to delivery	Decision at board level about: <ul style="list-style-type: none"> • PH as a separate or integrated workstream • Scope

3.3 Timelines

- 3.3.1 Following the serving of the s113 notice to Hammersmith & Fulham, the three authorities have up to 12 months to disaggregate the services, but can, with agreement, potentially start new services earlier.
- 3.3.2 As work is still at a very early phase, key timelines and milestones for workstreams are still being confirmed. However, officers will share any agreed timelines with the Westminster Scrutiny Commission on 24 May.

**If you have any queries about this Report or wish to inspect any of the
Background Papers please contact Anne Pollock x2757
apollock@westminster.gov.uk**

APPENDICES:

Appendix A - Letter to LB Hammersmith & Fulham serving notice of termination in respect of: Tri-borough Children Services, Tri-borough Adult Social Care and Tri-borough Public Health Services

Letter to Nigel Pallace, then chief executive and Hitesh Jolapara, s 151 officer

Appendix A

28 March 2017

Dear Nigel and Hitesh

Re: Notice of termination in respect of: Tri-borough Children Services, Tri-borough Adult Social Care and Tri-borough Public Health Services

It is with great regret that we are writing this letter, enclosing notices of termination from the Royal Borough of Kensington and Chelsea and Westminster City Council, under our s113 Agreements, in respect of Tri-borough Children Services, Tri-borough Adult Social Care and Tri-borough Public Health Services.

We have been aware for some time that the Leader of LBHF, Cllr Cowan, has been stating to staff that "Tri-borough is dead". Indeed, this has even appeared in corporate documents. With the resignation of the Executive Director for Adult Social Care & Public Health, and the subsequent review by Mrs Redmond as to the future of these services, it is apparent that the Leader of LBHF has given a clear steer that LBHF wishes to pursue a "mono-borough" People's Service. We are also aware that since January 2017, consultants have been engaged to design such a People's Service to include not only Adult Social Care, but also Children Services and Public Health.

It is now beyond doubt that LBHF is making alternative plans for these services, which will inevitably lead to the termination of our shared arrangements. The lack of formal notice in the face of LBHF's clear intention is a source of uncertainty, which in turn is causing anxiety to our shared staff in all three Councils, and placing potential risks to our joint services for vulnerable people in our respective boroughs.

As you know, we have never been given any reasons by LBHF, nor any rationale for the wish to dismantle the Tri-borough arrangements for these services in relation to these high performing and critical services.

When the Tri-borough arrangements were first established, it was always clear that individual Council sovereignty should not be undermined, and the agreement be above party politics. As a result, we have all reduced costs during a time of fiscal austerity and improved our collective service offer to end users and our residents through the various shared arrangements. Indeed, the Ofsted inspection of Children's Services in March 2016, found that the partnership across the three boroughs contributed to the high quality of each borough. Key Stage 2 and GCSE results improved in all three boroughs with a far smaller school standards service, helping to achieve a high percentage of schools judged by Ofsted to be good or outstanding - well above national averages - in each borough. In January 2016, HM Inspectorate of Probation commented positively on the shared Youth Offending Service.

There are numerous other examples where we can show that by working together, the three boroughs have achieved great results with less money and fewer staff. We are aware though that there have also been major issues with two of our jointly procured contracts, i.e. SEN Transport and Managed Services. However, these have not been successful for a number of reasons, which are not solely due to the partnership itself.

Nonetheless, it is clear that LBHF Members do not see a future for the Tri-borough partnership. Furthermore, it is regrettable that in the last two years or so, LBHF have only been able to focus on some of the drawbacks. This has been demoralising for senior managers and unfair to hard working staff, who are doing an excellent job for residents across the three boroughs. Moreover, LBHF's approach has slowed the further progress our shared services could have made had LBHF focused on supporting the partnership rather than undermining it.

We would not have chosen to end the Tri-borough arrangements, which our Councils believe to have been a great success. However, in order to support our shared staff, to provide them with some certainty and to protect our services, we have no choice but to serve notice ourselves. The attached notices will give effect to LBHF's intentions to terminate our shared services arrangements. You will see that under our s113 Agreements the notice requires all parties, including LBHF, to minimise both disruption to the delivery of services and to staff during the period of notice. We would expect this as a minimum and ideally, we should form a joint project team to oversee the transition.

Of course, serving of the notice does not prevent the three Councils from agreeing to review the current arrangements and find alternative ways of working together. We are prepared to work on different models and willing to keep certain services together, e.g. fostering and adoption, from which all three boroughs' children have benefited.

If, on reflection, LBHF decides to continue some of our joint arrangements, we would need greater commitment from LBHF to those shared services. However, if LBHF is not willing to explore any options for continued partnership, perhaps on a different basis, then we would invite you to consider agreeing earlier cessation of services by mutual agreement.

As previously stated, it is with great regret that we find ourselves having to serve notice, essentially to give effect to LBHF's intention to terminate the shared services arrangements in relation to Tri-borough Children Services, Tri-borough Adult Social Care and Tri-borough Public Health Services. We would be neglectful of both our staff and the interests of our residents if we did not do so.

Yours sincerely,

Nicholas Holgate, Town Clerk
Executive

Charlie Parker, Chief

cc Kim Dero, LBHF