



London Borough of Hammersmith and Fulham | The Royal Borough of Kensington and Chelsea | Westminster City Council

TRI-BOROUGH PROPOSALS FOR COMBINED SERVICES

HAVE YOUR SAY ON THE FUTURE OF YOUR COUNCIL

Three councils that cover central and west London are proposing to combine some services to deliver a more efficient service at a time when we have less money from government with which to fund local services.

This document explains what we are proposing to do and asks for public views on the proposals, which are known as the 'Tri-borough' project.

We are interested in your views on Tri Borough working and you can help shape the proposals by answering the questions in this consultation paper, by emailing your comments to **yourviews@tri-boroughworking.info** or by completing the Tri-Borough online survey at **<http://responses.tri-borough.sgizmo.com>**



LEADERS' FOREWORD

Our three councils have won reputations for innovation and providing high quality public services. At a time of great financial challenge for local government, we want to carry on delivering high quality services. This is why our Chief Executives have published proposals to work together in many areas so that we can safeguard the services that matter to you the most.

If implemented, these plans will mean that in the future we will work together to jointly commission services in many areas. The focus of the work in the early stages will be around combining children's services, adult services, some environmental services and support functions.

While some of the emphasis should quite rightly be on cost reduction, we hope that this approach will lead to the delivery of better, more integrated local public services while at the same time safeguarding local interests, accountability and decision making.

The proposals may be considered by some to be bold or radical, but in time we believe that combining services in local government will be seen as a common sense solution to reducing cost in an age of austerity.

Our three council Cabinets have supported the proposals in principle but would like feedback from across our communities. We want to fully involve our residents, staff, councillors, unions and stakeholders before agreeing to implement detailed plans.

We urge you to comment on these proposals and look forward to receiving your views.



Cllr Stephen Greenhalgh
Leader of the
London Borough of
Hammersmith and Fulham



Cllr Sir Merrick Cockell
Leader of the
Royal Borough of
Kensington and Chelsea



Cllr Colin Barrow
Leader of
Westminster City Council

INTRODUCTION

Westminster City Council (WCC), Hammersmith & Fulham Council (H&F) and the Royal Borough of Kensington & Chelsea (RBKC) would like your views on proposals to combine services in many areas.

The proposals come at a time when councils up and down the UK are under huge financial strain because of the national deficit. Local government faces a spending reduction, in real terms which will mean that the three councils will have to collectively save around £100 million over the next three years, on top of the £71.5m savings already identified in 2011/12.

The aim of combining services is to reduce overhead, management and support costs so that a higher proportion of the money available goes to the frontline delivery of those services.

The three councils expect the proposals would save around £35 million a year by 2014/15.

Your views on this report are welcome by 21st April 2011. If you would like further information on any of the proposals set out, a full copy of the proposals report is available at each of the council's websites. Alternatively, please call 020 8753 2351 and we will post you a copy.

The main proposals

Hammersmith & Fulham, Westminster City Council and the Royal Borough of Kensington & Chelsea have put forward initial proposals for:

- A reduction of chief executive posts from three to two.
- Combined children's and education services. Assessment of children at risk will continue to be done on a borough basis but specialist functions and management will be combined.
- Combined adult social care with a single director in charge of commissioning services. Discussions are underway with Central London Community Healthcare NHS Trust about working closely with GPs in providing integrated community health and adult social care services across the three areas.
- A combined libraries service.
- Combined corporate overheads, including IT and Human Resources (HR).
- Combined facilities management and dangerous structures services.
- Some combined environmental services, initially across two boroughs in some instances, including leisure, highways, and transport and parking correspondence. The three councils are to look at moving towards a single management team for the environmental services (e.g. street cleaning) in the future.

Question 1: The Principle

Do you support the principle of the three councils – The Royal Borough of Kensington & Chelsea, London Borough of Hammersmith & Fulham and Westminster City Council, combining services?

Potential benefits

The aim is to reduce management, support and other overhead costs in a way that does not adversely impact on the delivery of those services and can lead to better, more integrated public services.

The overall aims are:

- To reduce the number of middle and senior managers in combined services by 50%.
- To reduce 'the overheads' on direct services to the public by 50%.
- To ensure that by 2014/15 the costs of overheads and middle and senior management will be a smaller proportion of total spend than in 2010/11.

Local identity and accountability

If the proposals are implemented, each of the three councils would retain their identity, decision making powers and local councillors. Each council will continue to set their own budget and policies. Services key to local areas, such as housing management, licensing and planning will be not be combined.

To safeguard autonomy, a 'Sovereignty Guarantee' has been signed which sets out a number of commitments to local autonomy, including that:

1. Local residents will continue to elect the same number of councillors to each council.
2. Each council will continue to set its own council tax and publish its own budget and accounts.
3. Each council will continue to be able to set its own spending priorities.
4. No council can be 'out-voted' by the two other councils in a way which requires that council to adopt a policy, accept a cost or change a priority that its decision makers are not willing to support.
5. The costs of changes and the benefits achieved from change will be fairly attributed and shared to the satisfaction of all three councils.
6. The boundaries of the areas for which each council is responsible will not change. Each council will continue to speak up for its own residents, even where there is an apparent conflict of interest between the boroughs.
7. Each council will be able to set its own policy for how services are delivered.
8. The councils will commission services from contractors, voluntary bodies and others together, but can also decide to commission, or grant aid, on their own.

Question 2: Sovereignty

Do you support the main points of the Sovereignty Guarantee? Would you urge us to strengthen it, or share sovereignty?

PROPOSALS IN MORE DETAIL

A SUMMARY OF POTENTIAL SAVINGS BY 2014/15

Reduction of chief executives from three to two

Geoff Alltimes, Chief Executive of Hammersmith & Fulham Council, intends to stand down in October 2011. If the tri-borough proposals are agreed, H&F Council intends to ask RBKC Chief Executive Derek Myers to lead the two authorities as part of a long-term interim arrangement. Two existing directors will be appointed local managing directors and will chair local management boards alongside existing duties – hence this will not create a separate costly tier of management.

Combined education and children's services

It is proposed that there will be one director and management team working across the three authorities.

A shared service to schools would be established at the start of the next academic year, with a plan developed for the possible outsourcing of traded schools services in 2012.

Integrated management of specialist services, including youth offending, fostering and adoption, placement service, strategic commissioning with health, court assessment and local safeguarding board would be in place from September 2011 onwards. Safeguarding teams would still be based and managed in local areas.

Combined adult social care (commissioning)

The three authorities currently spend £242m on adult social care employing 1,500 staff. Around £18 million is spent on overheads with 263 people providing back office and management support. The proposals involve reducing that figure by more than half to save £9.8 million by 2014/15.

Under the proposals, there would be a single commissioning team across the three authorities with a single director. The ambition is to work with GPs from 2013 in creating a single commissioning unit.

Discussions are under way about transferring provider services to Central London Community Healthcare NHS Trust (CLCH).

A consultation with council staff and stakeholders will take place from April to June 2011 on the possible transfer of staff from the three authorities. Assessment, support planning, rehabilitation, safeguarding and social work could be integrated in the CLCH's community health functions, offering families and individuals integrated health and social work for the first time. The emphasis of this work is to work closely with GPs in enabling people to be cared for safely in their own homes.

The former Director of Community Services at H&F, James Reilly, has been appointed Chief Executive of CLCH, from February 2011.

Information Technology

Shared directories and networks including unified communications, data centre consolidation, rationalisation and consolidation of business systems and of the associated core service support and

management will produce total savings of £6.7 million by 2014/15, around £2.7 million of which have already been identified as savings in adult social care, leaving a net position of £4 million.

Libraries

It is proposed to save £1.6 million by creating a single management, single integrated reference and information service, with productivity improvements.

Leisure

A combined management of parks and sport, integrating contract and management functions would result in a number of benefits. These include joint procurement securing better terms than letting three individual contracts.

Parking office

It is proposed that H&F and RBKC set up a joint centre for administration of penalty charge notices and correspondence with WCC having the option to join after 2014 when its current contract expires.

Building control

Combining the out of hours response service would mean that fewer surveyors would need to be on call across the three councils.

HR

Initially Westminster City Council will transfer its HR service to one of the other boroughs when its current HR contract expires in 2012. In the medium term a tri-borough combined service will be market tested.

Property and facilities management

The three councils currently spend £36 million on facilities management services, such as security, cleaning, engineering services, building management and printing. It is anticipated savings of between 5-15% could be saved by bringing teams together but also by reducing the number of buildings we use across three councils to reflect three slimmer councils.

Insurance

Creating a single team to run a single tender will result in lower costs across three councils.

Question 3: Main areas for combined services

The main services where we are looking to share services are children's services, adult services, libraries, leisure, parking administration, building control and back office services like HR and insurance. Do you think that these are right areas?

Service areas where we are unlikely to share services

There are some areas where we do not believe there is a case for combined services. These include core democratic functions and local services like licensing and planning. We want to keep democratic services that support councillors separate, to reinforce the sovereignty guarantee. These services include areas like running council meetings, policy and communications. In areas like planning the local nature of the work means that there is little scope to realise efficiency gains.

Question 4: Services excluded from combined services

Do you agree that areas like planning, licensing, policy and communications should be kept separate from the combined services?

THE TRI BOROUGH PROJECT

We will shape the final plans in response to your views, other public comment and the detailed work we are doing on the proposals – to make sure that they are robust and deliverable. Some of the first projects will start this Autumn, where they already have agreement, but most will only proceed once they have been subject to a democratic vote through the Cabinet's of the three councils in May or June 2011.

Our intention is to improve local services and deliver better value for money. But we are open to other ideas about how this can be achieved.

Question 5: Your view on tri-borough

On balance, do you think that these proposals will deliver better value for money and improved services across Kensington & Chelsea, Hammersmith & Fulham and Westminster ?

How to have your say

- Please answer the questions, and make any other comments you wish, and send them to **Tri-borough proposals consultation, Westminster City Hall, 64 Victoria Street, London SW1E 6QP**
- You can also email your comments to **yourviews@tri-boroughworking.info**
- Complete the tri-borough online survey at **<http://responses.tri-borough.sgizmo.com>**
- The deadline for comments is **April 21st 2011**.

What happens next?

Your comments and views will be fed into a Cabinet report on next steps that is due to be considered by the three respective councils in May 2011.

Further information

A full copy of the report is available at:

www.lbhf.gov.uk/combinedservices

www.rbkc.gov.uk/triborough

www.westminster.gov.uk/tri-borough

Alternatively, please call **020 8753 2351** (H&F), **020 7361 2826** (RBKC), **020 7641 2168** (WCC) to request that a printed version of the full report.

SAVINGS PROPOSALS

This is a full list of the proposed areas for shared services and the projected savings:

| £ million estimated saving for three councils | | |
|--|------------|-------------|
| Tri-borough services | by 2011/12 | by 2014/15 |
| Education Services | 0.7 | 1.0 |
| Children's Services | 0.8 | 9.5 |
| Adult Social Care | 0.9 | 9.9 |
| Libraries | | 1.6 |
| Insurance | | 0.3 |
| Facilities management | | 2.0 |
| ICT | 0.4 | 4.0 |
| Chief Executive leadership | 0.1 | 0.2 |
| Building control | | 0.1 |
| Corporate & other management overheads | | 2.5 |
| HR | | 2.7 |
| Total | 2.9 | 33.8 |
| Services still under consideration | | |
| Customer Services | | |
| Highways | | 0.4 |
| Emergency planning | | |
| Environmental health | | |
| Community Safety (CCTV) | | |
| Parks management | | 0.1 |
| Services that might suit joint procurement later | | |
| Waste collection and street cleansing | | |
| Services where H&F and RBKC might be the first to combine | | |
| Legal Services | | |
| Parking back office | | 0.3 |
| Services not recommended for integration | | |
| Planning | | |
| Licensing | | |
| Housing and regeneration | | |
| Culture | | |
| Policy/communications | | |
| Governance | | |
| Housing benefit services | | |
| All savings | 2.9 | 34.6 |

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