

Bi and Tri-Borough Executive Decision Report

Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken	<p>THE LEADER OF THE COUNCIL Cllr Stephen Cowan</p> <p>Date of decision: <i>1 December 2014</i></p> <p>Forward Plan reference: <i>[insert]</i></p>	
	<p>THE LEADER OF THE COUNCIL Cllr Nicholas Paget Brown</p> <p>Date of decision: <i>December 2014</i></p> <p>Forward Plan reference: <i>[insert]</i></p>	
	<p>CABINET MEMBER FOR FINANCE AND CUSTOMER SERVICES Cllr Melvyn Caplan</p> <p>Date of decision: <i>December 2014</i></p> <p>Forward Plan reference: <i>[insert]</i></p>	
Report title (decision subject)	SHARED LEGAL SERVICES AGREEMENT	
Reporting officer	<p>London Borough of Hammersmith and Fulham Jane West, Executive Director of Finance and Corporate Governance</p> <p>Royal Borough of Kensington and Chelsea Nicholas Holgate, Town Clerk and Chief Executive</p> <p>Westminster City Council Charlie Parker, Chief Executive</p>	
Key decision	Yes	
Access to information classification	PUBLIC	

1. EXECUTIVE SUMMARY

- 1.1 The past few years has seen a revolution in the way in which legal services are delivered in the UK as a result of the introduction of Alternative Business Structures (ABS) by the Legal Services Act 2007 combined with economic circumstances that have meant that the cost of legal services is dictated by the purchaser rather than the provider. This new marketplace has opened up opportunities for those who wish to seize them. Therefore the market has changed and is continuing to change. This is the context in which we are currently working.
- 1.2 Our legal services can become a centre of excellence attracting the best lawyers from both private practice and the public sector. Those teams will be able to service not just their own customers within the authorities but by using economies of scale, shared experience and highly motivated professionals provide top quality services across the public sector in London and beyond. The first step in this journey is the creation of a single legal services organisation for LBHF, RBKC and WCC which will form the platform on which to build a leading, innovative, modern legal provider.
- 1.3 This report seeks the necessary authority to enter into an agreement under s113 of the Local Government Act 1972 to create a shared legal services by joining up the current Bi-borough Legal Services with Westminster Legal Services. This report forms the output of this Tri-borough Corporate Services Review and takes into account the Critical Friends Board Review and details the business case for the establishment of shared legal services.
- 1.4 The business case for a Shared Legal Services is attached as **Appendix 1**, which sets out the key elements of the business case and operating models considered. In summary, the recommendations aims to deliver annual savings of £1,263,466 by 2015/16, at an estimated implementation cost of up to £200,000 and total potential annual savings of £1,465,466 by 2017/18.
- 1.5 The business case is for a strong and resilient in-house shared service with mix of external provision where it is necessary or most cost effective. In coming to this solution we explored several other options as follows:
- All legal work done in house
 - All legal work outsourced and retain no legal provision internally.
 - Use of s101 of the LGA 1972 to TUPE all legal staff from the other two councils to single team under a single authority.
 - The setting up of an Alternative Business Structure (ABS) and a company
 - Joint Venture or setting up of an Alternative Business Structure (ABS) with a private sector partner
- 1.6 The recommended in-house shared legal services provision allows flexibility to manage the shifting demands of three authorities, whilst establishing a single leadership and entity which can act as a foundation for exploring further options in the future such as an Arms Length Company and /or an ABS with or without a private

sector partner. Once our shared legal services is in place, has embedded the operating model, and, realised the benefits of the changes, we can start exploring these options.

- 1.7 Furthermore the business case for setting up the shared legal services and the recommendations in this report provides the foundation for reviewing and optimising the mix of in-house and outsourced service delivery within Legal and exploiting further opportunities for sharing legal services with other boroughs and providing legal services to other boroughs and public sector organisations. These opportunities will be dependant on business case and decisions would be made on a case by case basis.
- 1.8 **Appendix 2** of the report sets out the key provisions of the proposed legal agreements under s113 of the Local Government Act 1972, which will be used for the combination and integration of the services, posts and functions. These will provide, together with the various schedules, a suitable framework to operate and further develop shared legal services.
- 1.9 The agreements will follow the same format as current legal agreements for the existing shared services. The agreement is intended to represent a prudent minimum to ensure the parties have a clear understanding of the arrangements and to provide suitable processes to resolve any disputes.
- 1.10 The key principle underpinning the agreement is the sharing of staff using s113 of the Local Government Act 1972 under which staff of one authority can be treated as the staff of another for the purposes of their statutory functions as opposed to a commercial arrangement whereby one authority provides professional services to another.

2. RECOMMENDATIONS

- 2.1 To note and agree the business case and thereby create an integrated Legal Services across the three Boroughs, subject to staff consultation.
 - 2.1.1 That the following posts are deleted with effect from 31 January 2015:
 - Bi-borough Director of Law (H&F and RBKC) – 1 FTE
 - Head of Legal and Democratic Services (WCC) – 1 FTE
 - 2.1.2 That a new post (1 FTE) of “Director of Law” is created from 31 January 2015.
 - 2.1.3 To continue to review and optimise the mix of in-house and outsourced service delivery within Legal Services as well as explore options for sharing and selling our services beyond the three boroughs, to realise the vision of becoming a leading public sector legal services business.
- 2.2 That the Chief Executive of Westminster City Council for WCC, the Town Clerk for RBKC and the Interim Chief Executive of Hammersmith & Fulham, be authorised to enter into the s113 Agreement in respect of Legal Services on the terms set out in

Appendix 2 or such other broadly similar terms as they, in consultation with the relevant Director of Law, considers appropriate.

- 2.3 That the Chief Executive of Westminster City Council in consultation with the Cabinet Member for Corporate and Customer Services in WCC, the Town Clerk in consultation with the Leader of the Council for RBKC and Interim Chief Executive in consultation with the Leader of the Council for LBHF, be authorised to approve hosting arrangements for legal services and make any ancillary decisions to enable the services to operate effectively as a shared services.

3. REASONS FOR DECISION

- 3.1 The proposed shared service arrangements for Legal Services need to be formalised through agreements pursuant to s.113 of the Local Government Act 1972 in order to establish the legal relationship between the parties and comply with the Councils' various public law duties including their fiduciary duties to their Council Tax payers.

4. BACKGROUND

- 4.1 In February 2014 the Chief Executive of Westminster City Council was appointed as Senior Responsible Officer (SRO) for a Tri-borough Corporate Services Review. The Executive Director of Finance and Corporate Governance at LBHF was asked to produce detailed business planning propositions for particular services, including:

- ICT
- Procurement
- Legal Services
- Revenues & Benefits
- Customer Services (for RBKC and LBHF only)

These business cases were produced and were subject to the Critical Friends Board Review commissioned by LBHF and some are now subject to further review.

- 4.2 This report relates only to Legal Services and forms the output of the Tri-borough Corporate Services Review. The report and recommendations also take into account the Critical Friends Board Review and details the business cases for the establishment of shared legal services
- 4.3 This report builds on the significant changes that have already been delivered or are underway across the three boroughs' corporate services since June 2011. These are on track to save target annual savings of £13m by 2015/16 and include:
- Tri-borough services: Treasury and Pensions, Insurance and Internal Audit, Anti Fraud and Risk Management have been established. Agreement has been gained for the implementation of a Tri-borough ICT division and a Tri-borough Chief Information Officer has been appointed. The framework procurement of ICT services has concluded and a project is underway to transition WCC to the new suppliers, BT and Agilisys.

- Bi-borough services: Legal Services, Human Resources and Procurement have been implemented and a shared Director of Finance established. Innovation and Change Management has also been created. Some processes have been streamlined for Tri and Bi-borough departments but it is recognised that much more can be done. These changes have already delivered savings by removing six senior management roles.
 - Tri-borough outsource programmes. Managed Services is well underway to full delivery. The Business Intelligence programme is making good progress through a virtual Tri-borough team and has launched pilots for Freedom Passes, Tenancy Fraud and Single Person Discounts.
- 4.4 Despite what has been achieved, the customer feedback captured as part of the Corporate Services Review has highlighted that Tri and Bi-borough services are hampered by the multiple corporate services imposing their own processes and procedures. Tri and Bi-borough services are also dissatisfied with the piecemeal and inefficient support they receive from Corporate Services across the boroughs. They are frequently unsure where to take advice from. At its worst, advice from corporate services can be contradictory. Frontline services believe that existing corporate arrangements are building inefficiency into their services.
- 4.5 Legal Services is only one of these corporate services, which front line services wish to see joined up. This report only deals with Legal Services, as following a review of Tri-borough services commissioned by Hammersmith & Fulham Council each corporate service is being considered for shared services separately.

Vision and design principles

- 4.6 A vision, objectives and set of design principles have been developed based on findings from customer engagement conducted over the life of the programme. These articulate the strategic ambition for internal facing Tri-borough Corporate Services and have been used by each in-scope function as a basis for developing their proposed operating models and business cases. The vision and objectives are as follows:

Vision:

Integrated Tri-borough Corporate Services that through active partnership with all departments across Tri-borough, fully maximise opportunities to make savings through increased efficiency and deliver services that are simple to access, clear, robust and professionally credible.

Objectives:

- Efficiency - maximising opportunities for savings
- Simplicity – a common and clear way of doing things
- Transparency – costs and service standards are explicit and well understood
- Assurance – to enable effective decision making
- Satisfaction - for the people we serve

- Sovereignty – enabling sovereign decision making
- 4.7 The design principles in the business case have also been informed by engagement with staff in legal services across the three boroughs. Significant work has been undertaken to prepare for the ‘go live’ which was initially due to be 1 October 2014. So that now the service is ready to move quickly taking into account the comments and recommendations in the Critical Friends Board Review report.

Critical Friends Board Review

- 4.8 In summary the Critical Friends Board Review Report makes positive comments about the shared services project in the three Councils and makes some recommendations for improvements. It says that “there have been successes in the implementation of the original proposals, most notably in the core objective of sharing management resources, but it is recognised that the boroughs can go further in the other areas and that some key challenges still remain”. Some of the specific points that are made in the report that apply to Legal Services are as follows:
- 4.9 *The commitment of the three boroughs to joint working and service provision should be explicitly reaffirmed to achieve larger savings, greater value for money and higher quality service standards.* The proposal for Shared Legal Services delivers significant savings for a service of this size. A summary of the savings is set out in the next section and the details of the savings are set out in Appendix 1.
- 4.10 *Decisions should be taken urgently, and no later than the end of this year, by the leaders of the three boroughs, on a) the scope for further joint service provision; b) the future of existing joint services if and when they underperform; and c) the further streamlining of management structures.* The Legal Services business case was developed and finalised in the summer. It was considered by the Hammersmith & Fulham Finance and Delivery Policy and Accountability Committee on 2 July 2014. In relation to Legal Services, Members raised the issue of conflict of interest and as well as formal sovereignty that ‘soft’ sovereignty issues be addressed. This has been addressed through a conflict protocol and separate Monitoring Officer provision. This can be further enhanced for example by Hammersmith & Fulham designating an officer other than the Director to be the Monitoring Officer.
- 4.11 *Tri-borough organisational structures should be made simpler to encourage wider collaboration. Existing and future tri-borough service provision should be open to other boroughs where this offers further efficiency and service improvements.* Legal Services have taken on board the branding issue and it is not proposed to be called Tri-borough Legal Services but Shared Legal Services (although there is potential to develop a more creative brand should a decision be taken). It should be noted that our Legal Services has been in discussion with another London Borough about providing their legal services. Therefore collaboration is happening and it is important that a decision is made regarding the three boroughs’ legal services urgently, as otherwise our shared legal services would not be in a position to take on work from another borough.

- 4.12 As mentioned above the report also identifies some challenges and areas for improvement. In relation to a shared legal services all the challenges can be addressed. These are discussed in the next section.

5. PROPOSAL AND ISSUES

Section 113 Agreement

- 5.1 The proposals for the Shared Legal Services, if approved, will require the service to have in place a s113 agreement so that staff can deliver services for all three Councils. Before entering into an agreement under s.113 the affected staff must be consulted. The main provisions of the s113 agreement, which will apply to the shared service are set out in Appendix 2.

Business Case

- 5.2 The proposals detailed in Appendix 1 will deliver a significant level of savings from 2015/16 to 2017/18. These are summarised in the table below.

Table 1 – Total 3 year savings for 2015/16 to 2017/18

£	WCC	RBKC	H&F	Total
2015/16	610,930	295,860	356,676	1,263,466
2016/17	51,667	51,667	51,667	155,000
2017/18	15,667	15,667	15,667	47,000
Total	678,263	363,193	424,009	£1,465,466

- 5.3 Further details of the savings that will be achieved are set out in Appendix 1. The business case also sets out the non-cashable benefits that will be achieved through creating the proposed Shared Legal Service.

Recommendations of the Critical Friends Board

- 5.4 The issues identified in the report can be addressed as follows:
- 5.5 **Savings through shared management** – has since 2010 delivered in excess of £5m, or 54% savings, by cutting senior management posts (Tiers 1-3) across LBHF from 106 to 54. However, there are concerns that, although officers are working to their brief within the current operating model, the resulting joint officer management structures pose challenges in terms of retaining sovereignty and individual borough accountability and independence. In relation to Legal Services the sovereignty issue can be further strengthened for example by Hammersmith & Fulham designating a separate officer to be the Monitoring Officer. That MO to support them in that role could commission legal services from the Shared Legal Services or our Panel of Solicitors or from another source where there are potential issues relating to sovereignty or conflict. As part of the negotiation of the final terms of the s113

agreement there will be a thorough review of sovereignty and oversight issues to make sure that the relationships between the three partners avoid conflicts, do not impede sovereignty and ensure effective and efficient oversight of the work of the new body.

- 5.6 **Working 'at scale'** - *The tri- borough arrangements allow LBHF to operate 'at-scale' – benefiting from a larger geographical footprint, shared resident pool and increased operational flexibility and resilience.* In relation to Legal Services this is certainly the case. The scale achieved by the three boroughs' legal services would enable it to take on work for other boroughs, generating income and create further flexibility and resilience.
- 5.7 **Sharing best practices** - *Creating a trusted network of sharing has been a mechanism for more innovative cost savings, increased revenue generation, service delivery improvements as well as providing staff with new working experiences.* Again this is true of Legal Services. The creating of Bi-borough Legal services has expanded the knowledge and experience of staff and enabled us to consider the Tri-borough proposals. Once this shared service is established it will enable us to increase revenue generation.
- 5.8 **Tri-borough' - what's in a name?:** This recommendation will be very easily implemented with some thought to branding the new Shared Legal Services.
- 5.9 **'Arms-length' company structure.** The Critical Friends Board also recommends that “LBHF should consider the options for creating a more radical 'arms-length' company structure for the delivery of certain services which lend themselves to a shared service model in the context of the broader London landscape (e.g. Legal services)”. The creation of an Alternative Business Structure (ABS) was already envisaged as an option that should be explored once the Shared Legal Service is created, which would require a company to be set up in order to trade. This is the model adopted by the Harrow and Barnet shared legal services (HBLaw). First the two legal services were joined up in 2012 and then this year (2014) they applied for and obtained an ABS approval and set up a company, in readiness to provide services to private sector organisations.
- 5.10 We had envisaged exploring the option of an ABS/ company after two years or so into our Shared Legal Services. However, in the light of the Critical Friends Review recommendation this option can be explored soon after the shared service is established. A further report could be brought to the Cabinets in the summer (2015) if approval to the recommendations above is given by December 2014.
- 5.11 **Procurement and Legal are key to 'tri- borough'**, The Critical Friends Board recommend that legal and procurement functions should work more strategically, with better end-to-end commercial leadership and formalised links into the businesses they support. This comment is made in the context of the procurement of the SEN Transport Contract in particular. Our business case if implemented would address this issue. We will provide a combined contract legal team, which is currently divided between the Bi-borough Legal Service and WCC's outsourced provision. One single in-house team working closely with procurement would provide the end-to-end

commercial leadership and the closer links needed to support such procurement. There are good examples of in-house legal support provided to joint procurement, which has and continues to be successful.

6 OPTIONS AND ANALYSIS

- 6.1 A range of options were explored in the business case before conclusions were drawn and recommendations made. These are described in Appendix 1, section 5.

7 CONSULTATION

- 7.1 Consultation with Members has taken place via the Tri-borough Corporate Services Members' Steering Group, which includes Corporate Services Cabinet Member representation from all three boroughs. This group provides political steer, promotes the programme to Cabinet and wider Council colleagues and seeks to address and resolve issues raised by Members efficiently and effectively.
- 7.2 Extensive consultation/ engagement with staff and main customers of the services has taken place in order to satisfy the requirements of s.113 described above and the Councils' wider employment law duties. Formal consultation, on proposals for the re-organisations, with staff and their recognised trade union representatives can be undertaken before a decision, but the implementation will only start following the decision. The consultation is carried out in accordance with the Councils' statutory obligations as required under appropriate employment law provisions, primarily the Trade Union and Labour Relations (Consolidation) Act 1992 and the Employment Rights Act 1996 as amended. This is supplemented by a set of overarching HR policy principles adopted by the three Boroughs contained within the Tri-Borough HR Policies Agreement.
- 7.3 Consultation mechanisms on proposals to re-organise and integrate teams across either the three partner boroughs follow established and generally consistent principals overseen by a Joint Management and Trade Union Tri Borough Forum consisting of the HR Directors of the 3 partner Councils and representatives (both at regional and branch level) of the three Councils' recognised trade unions. Consultation in practice consists of the introduction of such proposals initially to the Forum for initial comment followed by staff and trade union consultation within the relevant service areas and includes team consultation meetings, individual one-to-one consultation meetings, briefing and updates. Documentation is also made available electronically to the relevant staff groups and Trade Unions and usually includes the written proposals (rationale document) and other associated documentation including current and revised job descriptions, staff assimilation tables, regularly updated sets of staff question and answers, current and proposed structure charts.
- 7.4 Consultation can take 30 days depending on the numbers of staff affected in the establishment. However, as there are no compulsory redundancies likely to take place for Legal Services the consultation period can be shortened. There has been significant staff engagement since July and staff are keen to have a decision and

proceed with implementation. Therefore a three week consultation is felt appropriate but this can be extended if requested by staff or unions.

- 7.5 Following consultation, implementation of the proposals (original or as amended) takes place. The three Councils mitigate against any compulsory redundancies in a variety of ways including but not exclusively seeking volunteers first and through tri-borough redeployment processes and other opportunities. Some staff, during informal engagement, have expressed the wish to take voluntary redundancy and these will need to be considered individually and as a result no compulsory redundancies are proposed
- 7.4 A Tri-Borough HR Working Protocol document has also been established which supports managers and staff by giving further clarity and detail on the creation and operation of integrated teams as they affect the day to day employment issues of staff employed by one of the three Boroughs and where such teams are managed by an employee of one of the three Boroughs or their partners. The protocol reflects the fact that those managers managing integrated teams will need to be clear about the contractual terms of the staff they manage but who are employed by one of the other two boroughs.
- 7.5 The Director of the service will move to the terms and conditions of the host borough or if no host borough is decided they will remain on their existing terms and conditions, of their employing borough. Individuals who are unsuccessful in obtaining a post at their current level will be able to apply for a post one level below. Salaries will be protected in accordance with the employing Council's existing policy. If unsuccessful at that level they are potentially redundant and subject to redeployment.
- 7.6 Those staff who have jobs which are similar to a job in the new structure should be ring-fenced for that job together with anyone who has been previously unsuccessful and wishes to be considered for a job at the next lower level. Salary is not the sole determinant of similarity, job content is more important. These staff may then either be directly assimilated, if the number of people and jobs are the same, or competitively assimilated through interview and assessment if these are more staff than jobs. For Member Level appointments, even if there is only one person for the post they will be subject to Member level appointment.

8. EQUALITIES IMPLICATIONS

- 8.1 Equalities implications have been addressed in earlier reports. The public sector equality duty has been considered by officers in the development of the proposals. This is an internal change, which should not affect services. We are therefore not aware of any equality implications other than those which relate to the Councils' role as employers.

9. LEGAL IMPLICATIONS

- 9.1 The proposed legal relationship between the Councils is described above. Section 113 of the Local Government Act 1972 allows a local authority to enter into an agreement

with another authority for the placing at the disposal of the latter for the purposes of their functions, on such terms as may be provided for by the agreement, of officers employed by the former. Officers placed at the disposal of the “borrowing” authority are treated as an officer of that authority for the purposes of all their statutory functions whilst remaining an employee of the “lending authority” for employment law purposes. Before entering into an agreement under s.113 the affected staff must be consulted (see section 7). The nature of s.113 means that no direct EU procurement issues arise in relation to the proposed agreements.

- 9.2 The Directors of Legal Services are both of the opinion that the agreements provide a prudent framework for the integration and combination of the services and that the Council may lawfully enter into the agreements.

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1 With respect to Westminster City Council, the implementation costs will initially be met from a Central Transformation Reserve. There will be appropriate governance procedures in place to monitor/review the costs seeking to draw down against this reserve. Once the savings start to be delivered, it is expected that these implementation costs will be recouped.
- 10.2 With respect to Hammersmith & Fulham Council, the shared legal services savings identified in this report are reflected in the relevant Corporate MTFs programmes for 2015/16 through to 2017/18.
- 10.3 With respect to the Royal Borough of Kensington & Chelsea, the one-off cost of implementation will be met from the Transformation Reserves.
- 10.4 A standard financial protocol has been agreed across the three boroughs for each service. This establishes a base for financial performance monitoring for services and details the service specific financial and management responsibilities.
- 10.5 The financial protocols will be reviewed on an annual basis by the Directors of Finance in each Council. The financial protocols include requirements for:
- Financial Planning
 - Revenue Estimates
 - Financial Management and Reporting
 - Closing and the Audit of Accounts
 - Risk Management and Insurance Requirements
 - Sharing of Costs
 - Mechanism for Variations
- 10.6 Budgets will be provided to the budget holders at the start of the financial year and will link to the individual Council’s approved budgets and the service mandate. The respective service finance teams will continue to provide financial information for senior managers and members to agreed timescales and format, working with operational and provider services to ensure the information is “owned” by the service.

- 10.7 Each borough will incur a fair share of the costs of functions. 'Fair' means that the costs borne by each borough should relate to the work done for it by the pooled function. One borough will not subsidise another.
- 10.8 The financial position of all three Councils means that Boroughs should use a cost sharing methodology that is economical to administer.
- 10.9 Each Borough will make recharges for indirect and overhead costs that will be added to the direct costs of combined functions. These 'overheads' will be for things like HR services provided for staff, or accommodation costs for space used. Charges will be invoiced quarterly on the basis of the budget set at the beginning of the financial year, adjusted for pay costs budgeted to be incurred by each Borough. The Host Borough will calculate actual charges, using this methodology, every quarter and will issue adjusting invoices or credit notes as necessary.
- 10.10 Staff appointed into shared roles will remain employed by their existing authority, even though they have taken up posts in the new structure. Boroughs need to avoid time-consuming recharging, so the approach being taken is:
- Boroughs incur costs for those staff they employ
 - The host borough consolidates all the costs together into one statement every quarter
 - This cost sharing methodology will be applied to the costs in the statement, each Borough will make an extra payment or receive a refund accordingly.
- 10.11 There will be some one-off implementation expenses such as redundancy costs. These will be shared in proportion to the savings made by each borough.
- 10.12 The host Borough will be the body responsible for applying all aspects of this methodology, and the other two boroughs will provide every assistance to enable that to be carried out. The Director of Finance for the service for the two/three Boroughs will be the nominated officer responsible for ensuring this methodology is applied.
- 10.13 Revisions or amendments to the protocols will be agreed on an annual basis or, where applicable, throughout the year. Revisions or amendments will be signed off by the three s151 officers and Chief Executives.
- 10.14 Services will continue to provide a professional working relationship with the Councils' internal and external auditors.

11. RISKS AND MITIGATIONS

Risk	Impact/s	Mitigation/s
Risk of proposal not being approved	<ul style="list-style-type: none"> • Loss of momentum and credibility of the change • Vision unlikely to be realised • Additional savings not realised 	<ul style="list-style-type: none"> • Close engagement with key stakeholders throughout Corporate Services Review process
Risk of senior corporate leaders not demonstrating the values and	<ul style="list-style-type: none"> • Decisions take longer • Staff confusion and low morale 	<ul style="list-style-type: none"> • Single defined Corporate Service leadership

behaviours consistently	<ul style="list-style-type: none"> • Undermined credibility for the programme • Reduced benefits 	<ul style="list-style-type: none"> • SRO and Portfolio Board leading by example to staff • Executive Directors championing Tri-Borough to Members
Risk of change overload for staff within Corporate Services and users of those services	<ul style="list-style-type: none"> • Change fatigue and dis-engagement • Disjointed and mixed messages for customers • Reputational risk 	<ul style="list-style-type: none"> • Monitor organisational 'temperature' • Clear and coherent overall plan/ view of change happening to inform decision making. • Phased implementation of Corporate Services projects • Effective communication and engagement plan
Risk of lack of capacity within ICT, HR and Accommodation to implement Corporate Services change within the proposed timescales	<ul style="list-style-type: none"> • Inability to meet agreed timescales with consequent delay to benefits realisation (financial and non-financial) 	<ul style="list-style-type: none"> • ICT, HR and Accommodation involved early in Corporate Services Review projects and in implementation planning • Phasing of projects during 2014/15 provides some flexibility in timing of moves and ICT delivery
Risk of corporate functions conducting change outside of the Corporate Services Portfolio.	<ul style="list-style-type: none"> • Mis-alignment with strategic ambition (ie. blueprint) • Complexity and confusion for customers • Overlap and duplication • Missed opportunities • Shared services operating illegally 	<ul style="list-style-type: none"> • Single leadership and change governance • Portfolio team to maintain awareness of all change in Corporate Services, Tri-Borough and mono-borough
Risk S113 agreement not updated on annual basis across Corporate Services.		<ul style="list-style-type: none"> • Finance Integration Board overseeing updates to legal agreements

Background papers used in the preparation of this report - Local Government Act 1972 (as amended)

[Note: Please list only those that are not already in the public domain, i.e. you do not need to include Government publications, previous public reports etc.]

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List of Appendices

Appendix 1 – Shared Legal Services Business Case

Appendix 2 – Main provisions of the proposed s113 Agreement/s