REPORT TO:	Cabinet Member - Performance and Governance Cabinet Council
DATE:	17th February 2010 4th March 4th March
SUBJECT:	Governance Review – Workstreams on the Sefton Borough Partnership and Area Management
WARDS AFFECTED:	All
REPORT OF:	Chief Executive
CONTACT OFFICER:	Samantha Tunney, Assistant Chief Executive Steph Prewett, Ass Director Neighbourhoods
EXEMPT/ CONFIDENTIAL:	No

PURPOSE/SUMMARY:

For the Cabinet Member for Performance and Governance to recommend to Cabinet the proposed structure and membership of the Sefton Borough Partnership and a number of principles relating to the partnership and area management development, with a view to making recommendations thereon to Council.

REASON WHY DECISION REQUIRED:

The Governance Review determined that most decisions should be implemented in the Municipal Year 2010/11, this decision on the structure, membership and principles governing the area management development and partnership development will allow a new structure to start in the new Municipal Year.

RECOMMENDATION (S):
The Cabinet Member Performance and Governance is requested to recommend to Cabinet, that Council:

    i)   Approve the broad principles of area management as set out in paragraph 3.5

    ii)   Approve the timescale for development of area management and the related area based thematic groups in the next municipal year (May 2010 to April 2011)

    iii)   Approve the broad areas for development of area management as in paragraphs 3.6 and 3.7.

    iv)   Approve the proposed roles and membership of the SBP Board and Operations Board, as set out in paragraphs 4.2-4.5

    v)   Approve the approach to membership and structure outlined in paragraphs 4.6-4.11

    vi)   Note the intention that quarterly reports from the Assistant chief Executive and Assistant Director Neighbourhoods will be submitted throughout the Municipal Year which will incorporate changes to membership and development of area management and area based thematic groups;

    vii) Give delegated authority to the Cabinet Member for Performance and Governance to approve any in year changes to the principles agreed in this report, but where the development relates to Area Management, that any proposals be approved by Cabinet.

KEY DECISION: Yes

FORWARD PLAN: On appropriate forward plan for decision of Cabinet and Council 4th March

IMPLEMENTATION DATE: Following expiry of the call in of the minutes of this meeting.

ALTERNATIVE OPTIONS:

Continuation of the current structure, though a number of issues and inefficiencies have been raised through the consultation of the governance review.

IMPLICATIONS:

Budget/Policy Framework: .

Financial: There are no direct financial implications arising from this report, as these have all been considered and taken account of in the Council's overall budget.

CAPITAL EXPENDITURE	2006/ 2007 £	2007/ 2008 £	2008/ 2009 £	2009/ 2010 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
REVENUE IMPLICATIONS				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal: There are a number of statutory functions held by thematic groups which will continue to undertaken by the respective thematics, but changes will be considered in the new structure and a definitive answer on accountabilities will be taken before May 2011

Risk Assessment: None.

Asset Management: None

CONSULTATION UNDERTAKEN/VIEWS:
Full Partnership Day December 2008
Thematic Workshops November and December 2008
Specific governance workshops March 2009
A number of reports to SBP Board and Executive in 2009
Regular reporting to the Governance Review Working Group
Full Council Briefing on Area Management
SBP Board meeting 2nd December
Small Review Group meetings between July and November
Informal meetings with Area Committees November and December 2009
Full Council Briefing 14th January 2010
SBP Executive 18th January 2010
Governance Review Working Group 4th February 2010

CORPORATE OBJECTIVE MONITORING:

Corporate Objective		Positive Impact	Neutral Impact	Negative Impact
1	Creating a Learning Community	√		
2	Creating Safe Communities	√		
3	Jobs and Prosperity	√		
4	Improving Health and Well-Being	√		
5	Environmental Sustainability	√		
6	Creating Inclusive Communities	√		
7	Improving the Quality of Council Services and Strengthening local Democracy	√		
8	Children and Young People	√		

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT
Statutory Guidance, The Roles and Responsibilities of the Lead Member for Children's Services and the Director of Children's Services, Department of Children, Schools and Families (July 2009)
Section 15 of the Local Government &Housing Act 1989

1. **Background**

1.1   This report provides the Cabinet Member for Performance and Governance with a final report on the Governance Review workstream relating to the Sefton Borough Partnership and Area Management.

1.2   The governance review identified both these workstreams in a baseline document published in December 2008.

1.3   Sefton Borough Partnership has a long history of partnership working, externally recognised as good practice, and current strong delivery on the Local Area Agreement.

1.4   The partnership has been identified nationally as best practice. Government Office North West have consistently recognised the strengths of the partnership, including the engagement process for the development of the round 3 Local Area Agreement and the continuing achievement of outcomes. However, in the last update from Government Office North West reflected that LSP's had to change to become more strategic and to have a recognised part of the structure, which considered resources, shared services and organisational change.

1.5   Throughout the 13 months of the governance review, and for some months preceding, governance has been considered in a number of specific and routine meetings. This extensive consultation and engagement has led to a number of proposed reforms.

2. **The drivers for change for Sefton Borough Partnership**

2.1   The Governance Review baseline statement (December 2008) identified 4 issues for Sefton Borough Partnership:

- The SBP needs to develop effective, and shared, risk management systems and agree a 'base template' to enable a risk register to supplement Sefton's Corporate Risk Register to be developed which can also slot neatly into key partners risk registers.

- Elected Members involvement / 'buy in' to the Partnership and its Thematic Groups – comments have been made by some Members to the effect that they feel remote and are not involved in the process that delivers the Vision for Sefton. A key priority for the Overview and Scrutiny Committee (Performance and Corporate Services) will be the continued review of the LAA delivery outcomes, which should be used to build strong links between non-executive Members and the SBP.

- There needs to be a mechanism for effective membership review, with clarity around the procedures for appointments / election to the Partnership.

- The role of the Executive in relation to performance management needs to be developed so that the Executive defines, for the Thematic Groups, what it expects in terms of outcomes

2.2   Part of the early work for the governance review was undertaken through the CAA workshops held in November and December 2008. This provided an overview of where thematic groups placed the partnership, compared to their groups. In all four thematic groups the overall partnership (Board and Executive) was not thought to be as strong on delivery and function as the thematic groups.

2.3 This view was supported by the comments captured at the workshops.

Extracts from Comments from the workshops

Aims and objectives
- No input from governing bodies, no links between Theme and Board
- LSP does not hold theme groups to account
- Insufficient transparency

Structure and membership
- Question about the role of the LSP Board
- Need to prove LSP effectiveness and additionality
- How do people get onto the LSP?

Decision making and reporting
- Does the Board ever say 'No'?
- What is the accountability split between Board and Executive?
- Indicators need to be used to inform debate and decisions

2.4 The governance workshop, which was held on March 10th 2009, revisited some of these concerns articulated by the governance review and the CAA workshops. This workshop included members both of the partnership and those not on the partnership.

2.5 Some of the relevant issues are outlined below.

- Workshop participants reflected on the value of the SBP and the positive impact that partnership working was having in Sefton. Some participants explained that Councillors could feel isolated from the process and this was compacted by the representation of some groups on the SBP Board not having clarity. There was an in-depth discussion on the advantages and disadvantages of the Local Area Agreement (LAA) process which had enhanced priority setting in the partnership but had also dominated the agenda and was hard to engage with. It was agreed that in framing and refreshing the terms of reference the balance should be right so that the LAA was only one part of the focus of the SBP.

- There was discussion on the basis of the Executive, all of the workshop participants felt that the Executive should be different from the Board and that the Executive should be actively involved in delivering the Vision determined by the Board. There was some discussion about the individual participants of the Board and recognition that clarity had to be an aim of the review.

- The code of conduct, political balance on the partnership were not considered in detail but there was general agreement to these elements being considered if the SBP Executive were charged with updated and reviewing membership.

- It was agreed that the SBP Executive should be asked to consider reviewing the membership of the SBP Executive and Board to better reflect the improvement discussed.

2.6 A small review group was established which consisted of a number of members of the SBP Board. They met four times between July and November and their agreed fundamental principles are summarised below:

- **On what being a Strategic Board means**: Strategy is the overall process of deciding the 'where' and the 'how', It does not need to deliver that strategic direction, but will need to be assured that it is being followed.

- **On what a vision for Sefton should be**: Identifiable as Sefton, and specific to Sefton's unique set of circumstances. Not necessarily everything the Council or other organisations are doing.

- On what should underpin the membership of the Board:
  - Leadership
  - Leaders of organisations, the non-executive
  - Strong links to the governing bodies
  - Smaller more focused membership
  - No duplication

3. The drivers for change for Area management

3.1 The Council's Decentralisation Agenda / Area Management was covered in the original Governance Review stage 1 document (December 2008) key points are replicated here.

The corporate commitment to the sign up and introduction of area management was agreed by the Council. The two key reasons for its introduction into Sefton are firstly, to enable the Council to have greater engagement with residents at a local level and further strengthen the role of ward members. Secondly, it provided an opportunity to co-ordinate, influence and deliver effective services at a local level.

The Area Committees will be the lead and key decision makers for area management and will be supported by area focused teams to deliver improvements to their neighbourhoods.

It is proposed that over the coming months, Officers will explore with Political Groups, how the Area Committees (supported by the Area Management teams) can take on the following key responsibilities:

- Engaging with the relevant parts of the Council and Sefton Borough Partnership structures to look at how services and priorities can be delivered at a local level.
- Monitoring the performance of targets and services that can be measured at an area level, this includes the Neighbourhood Charters.
- Feeding up local concerns and issues back into Council, other key partner organisations and Sefton Borough Partnership structures.
- Development of plans that set out local priorities, targets and actions.
- Influencing mainstream service outcomes.
- Consulting and engaging with local residents on all issues that affect local areas.
- Being the key conduit for consultation on large scale developments of strategies that impact on the area.
- Commissioning services, where appropriate and where resources permit.

3.2 Work has been undertaken to evidence how services are delivered at an area level. This has reviewed:
- How services are currently delivered
- What information is used to inform delivery and planning – existing data
- How are decisions taken and who is involved
- Where improvements can be made

3.3 The key findings from this piece of work were:
- Standard services delivered across the Borough – little evidence of local tailoring

- Willingness from those providing services to work closer with partners at an area level
- Varying degrees to which members are involved in existing area based arrangements
- Members want increased powers, budgets and influence at an area level

3.4 The sessions held in November and December 2009, through informal meetings of the Area Committees raised the following issues
- Equal service will not tackle inequality; the inequality in areas has been there for generations
- The links between the different areas of inequality should be more specific, is it family and/or area based
- Area Committees need to be made more useful to residents and Members
- Engagement by partners is very important
- Need for services to know and understand their areas
- A recognition that the evidence needs to be enhanced and can be better interpreted by using local knowledge
- Data at Area Committee level masks issues
- Interested in decentralisation to a manageable level
- Recognition that there is some overlap on issues and there are some benefits e.g. working together on joint priorities / bigger budgets.
- Need a mechanism to be able to manage issues around disparate priorities between the Area Committees
- General consensus that the Area Committee needs more power, more resources and to bring people to the table (partners)
- Recognition that partners will need to discuss how best to meet need, and have greater understanding of what resources are being spent in areas
- Strong links needed to local geographically based partnerships (such as Southport Partnership).

3.5 These issues have been incorporated into the area management approach, and also the full briefing session held with Council in November 2009 about Area Management and potential models. The consistent principles from all of these consultations are clear requests from members for increased powers, budget and influence at an area level.

3.6 The development, over the next few months, for the emerging area management model will be
- Complete the resource mapping exercise
- Continue the agreed interim arrangements
- Work with services to get them to think and act on an area basis, rather than Sefton and their own service (recognition that this will not apply to all services)
- Strengthen the Area Committees and give them more influence
- Strengthening links with developing Customer Relationship Management to ensure Members are fully updated on issues being raised in their areas

3.7 All the consultation has led to a strong need for the following areas to be incorporated into area management with a timescale of the next municipal year (May 2010 – March 2011)
- Priority Setting
- Local Plan Development
- Monitoring of service delivery by areas
- Influencing service delivery within the area
- Consultation and information mechanism for things that impact on an area
- Management of locally based projects
- Devolution of Council functions, where appropriate

- Involvement of partners
- Areas having a direct link to deliver partners and having a more explicit link to Sefton Borough Partnership

4. The proposed structure combining Area Committees and the Sefton Borough Partnership

4.1 The structure is outlined in the attached diagram (Appendix A). This shows a stronger link between areas and the Sefton Borough Partnership and a new top-level structure of the SBP, comprising of a Sefton Borough Partnership Board, and the Sefton Borough Partnership Operations Board.

4.2 The revised role of the Sefton Borough Partnership Board is to provide:
- Strategic vision
- Leadership
- Opportunities for governing bodies of key Sefton agencies to have consensus on priorities and direction that can then be enabled through their own organisations

4.3 The proposed membership of the Sefton Borough Partnership is based on the governing representatives of key Sefton Agencies:

Core members
- Sefton Council Leader and Leaders of the other Political Groups
- Chamber of Commerce
- Primary Care Trust Board
- Merseyside Police Authority (Councillor from Sefton)
- Merseyside Fire and Civil Defence Authority (Councillor from Sefton)
- Merseyside Probation Board
- Chair of Community Empowerment Network (CEN)
- Sefton Council for Voluntary Service (CVS)

Advisory members (to be called upon when their expertise or agreement is necessary)
- Merseyside Waste Disposal Authority (Councillor from Sefton)
- Merseyside Passenger Transport Authority (Councillor from Sefton)
- Registered Social Landlord representative
- College representative (from their governing bodies)
- Parish Council representative
- Representatives from the agreed geographical areas, to be determined by the area management development (May 2010 to March 2011)
- Government Office North West (Observer)

4.4 The proposed role of the SBP Operations Board is to:
- Deliver the Strategic Vision (of the Board)
- Manage all resources, including all public sector resource (finance assets and staff) and as appropriate third sector resource
- Performance understanding and direction, of Sefton as a whole and particularly on the priorities agreed by the SBP Board

4.5 The proposed membership of the SBP Operations Board is the senior managers of key Sefton Agencies, comprising of:
- Chief Executive, Sefton Borough Council
- Chief Executive, NHS Sefton
- Chief Superintendent Sefton Area, Merseyside Police
- Area Commander, Merseyside Fire and Rescue Service
- Senior Manager, Sefton Area, JobCentre Plus

- Chief Executive, Sefton CVS
- Senior Manager, Sefton Area, Probation
- Representative from Registered Social Landlords (currently nominated through the Housing Partnership)
- Senior Manager, Sefton Area, Merseytravel
- Strategic Director, Children, Schools and Families (statutory responsibility within the role to provide a leadership role within the Children's Trust, as well as working with the LSP as explained in the Statutory Guidance on the Roles and Responsibilities of the Lead Member for Children's Services and Director of Children's Services)
- Director of Public Health, joint Sefton Borough Council and NHS Sefton
- Representative from Further Education (Principal of one of the three Colleges)

4.6   The SBP Board and SBP Operations Board will continue to review their membership, with quarterly reports to Performance and Governance Cabinet Member. It is suggested that proposed changes to membership will be reported to the Cabinet Member, and that he be given delegated authority by Council to approve changes that fit with the role of both groups.

4.7   The need to adequately provide the links between the statutory responsibilities of the Children's Trust and the Crime and Disorder Reduction Partnership will be an issue that may inform membership amendments. Additional key agencies could be determined to have influence and there will be the option for a reduction in membership if agencies are not able to influence adequately at a Sefton level.

4.8   The proposed new structure incorporates a wider engagement event. This will be timetabled to allow this engagement to influence future priorities (this will happen in February or March each year) and to consider yearly performance (this will happen in August or September). The rationale is to allow wider engagement and influence than the current structure gives, potentially allowing young advisors, school governors and others to attend an event where the SBP is actively stating its aims and whether it has met it's agreed aims.

4.9   The Area Based Thematic Groups are also shown on the proposed structure. The rationale for this development are the principles of influence of partners through area committees, the need for services and delivery targeted by geographical area in Sefton and the need to engage with other partnership structures which are geographically based (through the linked workstream of partnership mapping). The recommendation in this report are that development of the thematic area based groups are reported to Cabinet Member for Performance and Governance in line with the developments of area management, and following the same timescale of May 2010 to April 2011. Reports on changes to area management will need to be reported to Cabinet Member for Communities, but approved by Cabinet.

4.10   It should be noted that the final role of area committees and potential area based thematic groups is still subject to further consultation with Leaders Group, political groups and all members. The intention is to develop a simplified structure with less bureaucracy and duplication. There will be the potential in this development to have a combination of members and partners meeting at an area level as this could be the most productive approach for Sefton or for individual areas, there could also potentially be the option of specific task and finish groups to deliver on thematic issues in areas or for smaller geographical areas. The structure remains fluid at the present time with the guiding principles and local circumstances determining the eventual approach.

4.11   The principle of political balance will broadly relate to the SBP Board and will be determined by the nominations to Outside Bodies as currently happens at the start of

each Municipal Year. The approach to political balance will use Section 15 of the Local Government and Housing Act 1989 that sets out the process for the allocation of seats based on the political balance of the Council. If members of the authority are divided into political groups there is a duty to allocate seats on specified bodies to the political groups in accordance with the Act, though the SBP is not a specified body it is proposed it will follow these principles. Whilst the above Act does not refer to appointments to outside bodies / partnerships where less than 3 appointments are made, the principle of proportionality on the overall representation on such bodies is applied as far as possible.

Appendix A: Proposed Governance Structures

Overview and Scrutiny

Cabinet	—	Council

Linacre and Derby Area Committee	Litherland and Ford Area Committee	Netherton and Orrell and St Oswald Area Committee	Sefton East Parishes Area Committee	Crosby Area Committee	Formby Area Committee	Southport Area Committee

Area Based Plans
Incorporating Council, Partner and Voluntary sector Resource and Actions at an area level

Area Based Thematic Groups
Scope and structure to be determined incorporating links to locally focussed partnerships and organisations

Sefton Borough Partnership Strategic Board ← **Sefton Borough Partnership Operations Board** ← **Statutory Functions** e.g. CDRP, Children's Trust

Wider Stakeholder Event twice a year