

Item No. 14.	Classification: Open	Date: 20 October 2015	Meeting Name: Cabinet
Report title:		Better Placed Joint Committee with London Borough of Lambeth and London Borough of Lewisham	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Peter John, Leader of the Council	

FOREWORD – COUNCILLOR PETER JOHN, LEADER OF THE COUNCIL

Getting a job or a promotion can enrich an individual's life, and possibly even be a life changing experience. This is especially so where our residents face barriers to work, making that new job or promotion even more worthwhile. But we know from experience that getting over those barriers can be tough for some.

Research tell us that national employment programmes do not always provide the right support at the right time to help people with more acute needs get back into work in places like Southwark. That's why over the last year we've been working with our neighbours in Lambeth and Lewisham on a project called "pathways to employment". Pathways uses key workers, who can better target the support required to individuals to improve their skills and job prospects. By working together we're bringing £1m worth of funding into the three boroughs, with a further £1m anticipated - all geared towards getting our residents upskilled and into work.

And our ambition goes further. We want to work with Lambeth and Lewisham to deliver a truly joined-up approach to employment and skills. That's why we want to get our governance arrangements right. We are therefore establishing a joint committee. It will mean joint action on employment and skills is bound in decision and risks and rewards properly shared across our boroughs. It also strengthens our ability to make the case to government to give us greater local control over employment and skills funding and powers. And ultimately means we're supporting people back to work and with it delivering a fairer future for all Southwark residents.

RECOMMENDATIONS

Recommendations for the Cabinet

1. That cabinet note the proposal to establish a Joint Committee with the London Boroughs of Lambeth and Lewisham to support governance arrangements of the Lambeth, Lewisham and Southwark (LLS) Better Placed Community Budget programme.
2. That cabinet note the draft terms of reference (Appendix A) and memorandum of understanding (Appendix B) that will be agreed at the inaugural meeting of the Joint Committee.

Recommendations for the Leader of the Council

3. That the Leader agrees to establish a Joint Committee with the London Boroughs of Lambeth and Lewisham to support governance arrangements of the

LLS Better Placed Community Budget programme.

4. That the Leader agrees the draft terms of reference (Appendix A) and memorandum of understanding (Appendix B) that will be adopted at the inaugural meeting of the Joint Committee.

BACKGROUND INFORMATION

5. The council is committed to achieving a fairer future for all as set out in the council Plan 2014-18. A key priority of the plan is to improve skills and employment opportunities as part of supporting a strong local economy, in particular helping some of the most vulnerable residents to access jobs across Southwark and London. At the same time the council is committed to delivering value for money and high quality services in all we can do.
6. It is for these reasons that the cabinet is setting up a Joint Committee with Lambeth and Lewisham, in particular to provide improved governance and delivery of the Better Placed Community Budget initiative. The Better Placed initiative is about ensuring residents across the three boroughs of Lambeth, Lewisham and Southwark, especially those with complex needs, get the right intervention at the right time, from welfare through to work, supported by skills and training provision that meets the needs of the wider London labour market.
7. More broadly, the establishment of the committee is part of the council's approach to improving working across borough boundaries, joining up delivery where it makes sense to do so and achieving economies of scale in activity where priorities with neighbouring boroughs align.

KEY ISSUES FOR CONSIDERATION

8. This report proposes the establishment of a Joint Committee between the London Boroughs of Lambeth, Lewisham and Southwark to support governance arrangements of LLS Better Placed Community Budget initiative.

Better Placed Community Budget – improving employment & skills locally

9. Although employment levels are relatively high across the three boroughs, there are still significant numbers of unemployed residents and welfare recipients, many of whom are individuals with complex needs. This is why in 2013/14 the boroughs of Lambeth, Lewisham and Southwark came together to establish an informal partnership involving the Leaders and the Mayor of Lewisham and senior leads from Jobcentre Plus and the Skills Funding Agency. This is what is now referred to as the Better Placed partnership.
10. The purpose of the work was to better understand the individual needs of those with the most complex circumstances, who were further away from the labour market and faced particular barriers to work, training and skills progression. The partnership wanted to be clear on why current approaches, in particular those related to national employment support programmes being delivered locally, were not consistently helping our most vulnerable residents back into employment.
11. This work led to the development of a pilot employment project, Pathways to Employment. Pathways was designed to test an integrated work and skills

system with a single pathway for claimants with complex barriers to employment. Pathways was about taking an individual from their universal credit/welfare application to employment using a key worker approach.

12. The first phase of the Pathways programme, which is due to conclude shortly, secured £150,000 of Transformation Challenge Award (TCA) funding. A second phase of Pathways is now planned with over £1.1m of TCA funding secured, and the possibility of a further £1.1m from European Social Fund. Consequently there will be a significant increase in scale alongside opportunities to better integrate with existing employment support activity. There will also be opportunities to join up commissioning approaches on a multi-borough basis. It is therefore timely to consider strengthening governance arrangements. This will help minimise risks attached to a higher level of funding and programme delivery and realise opportunities for further integration of services and approaches, where relevant.

Strengthening governance

13. To date, the community budget initiative has been managed through the informal partnership first set up by the two borough Leaders and Mayor of Lewisham. The partnership has directed joint activity through a Leaders' Group which provides political oversight to a programme board made up of senior officers from each of the Councils and senior leads from Jobcentre Plus, Skills Funding Agency, and related partners across the employment and skills sector locally.
14. The current partnership has no formal joint decision making capacity in of itself. All formal decisions, if ever required, must be made on an individual organisational basis. This would often be assumed by the relevant partner who chooses to act as lead for a particular set of activities or funding. This is reasonable whilst the project is of relatively small scale but it becomes increasingly insufficient as the project expands in size. A longer term sustainable governance position is therefore required.
15. At the outset of the Better Placed partnership, the boroughs' intention was always to explore the possibilities for greater integration and joint commissioning. This reflected the three boroughs commitment to deliver a genuinely transformative service delivery model that worked for all residents across the area. Greater integration would mean that Lambeth, Lewisham and Southwark were better placed to respond proactively to the wider devolution agenda, most recently set out in the Cities and Local Government Devolution Bill. Joint work would also be grounded in tangible and practical action, delivering better value for money to the public purse.
16. Establishing a Joint Committee at this time will therefore strengthen the governance arrangements for the Better Placed partnership and community budget programme going forward. It will provide a platform for joint working and oversight in the future. A Joint Committee will provide a proper legal and financial oversight. It will provide a sound legal basis for joint decision making and allow transparency, whilst permitting each local authority to retain autonomy and independence where and when this is more appropriate.
17. Beyond the financial and legal benefits, the Joint Committee is an important symbol of the three boroughs' stated intention to collaborate to achieve better outcomes for residents locally. The committee creates the infrastructure for the

boroughs to lobby for funding or for devolved responsibility in order to help advance a joint approach to employment, skills and welfare across the area. Furthermore, the responsibilities of the Joint Committee can be amended over time, thereby meaning that the boroughs can continue to be flexible, agile and pragmatic in their approach.

The Joint Committee model

18. It is proposed that the Joint Committee is executive in nature in that every member appointed to the Joint Committee by an authority operating executive arrangements must be a member of that authority's executive (i.e. Cabinet).
19. Joint Committee meetings will be open to the public. The administration and process for agenda management including publishing will be decided across the authorities and is at the discretion of the committee, subject to any legislative requirements and the standing orders of the constituent authorities. Because this is a new committee, there is an opportunity to maximise opportunities from a digital by default approach.
20. Joint Committees are subject to overview and scrutiny requirements under section 9 of the Local Government Act 2000 and to call in. In practice that means each borough publishing a record of the decisions taken within the authority. The procedure for what happens if a decision is called in, within any one authority, will be developed in accordance with each authority's local arrangements for scrutinising executive decisions.
21. At present the law does not permit local authorities to discharge their functions through a non-local authority body or through mixed bodies. Therefore, stakeholders and other partners can be co-opted on to the committee but in an advisory capacity only. As a result relevant key stakeholders who have a substantial impact on furthering the outcomes of the Better Placed partnership and community budget programme (e.g. JobcentrePlus) would be co-opted as members of the committee. It will be for the committee to determine such arrangements.
22. To be quorate, there must be a representative from each borough at the meeting. The proposal for Southwark is for the Leader of the Council to be the named member, with an appropriate cabinet member determined as deputy. In the absence of the leader, the presence of the deputy from the respective borough will allow for the meeting to remain quorate. Each authority will have one vote. The members will appoint a chair and this will rotate every 12 months unless members agree to retain the chair for another 12 month term. As Southwark will be servicing the meetings it is envisaged that meetings will take place at Southwark premises unless agreed otherwise by members of the board.
23. Draft terms of reference for the Joint Committee are set out at Appendix A.
24. In order to establish a joint committee, there will need to be a legal document in place. A Joint Committee must be authorised by Cabinet decision. Sections 101(5) and 102 of the Local Government Act 1972 and The Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2000 provide that two or more authorities may discharge any of their functions jointly by a Joint Committee. In addition to authorising the Joint Committee, Cabinet will also be delegating executive functions to another local authority, which

requires Cabinet approval.

25. Subject to the conditions in paragraph 20 being met, there is no specific requirement as to the form of agreement but it would be sensible to have a partnering agreement to sit alongside the terms of reference for the Committee, which is common in other joint committees. As such a draft Memorandum of Understanding which acts as the collaborative / partnering agreement is attached at Appendix B.

Supporting the Joint Committee

26. Southwark will take lead responsibility for the administration and servicing of the committee, with the other boroughs providing support. Each council will all have different democratic requirements, as laid out in their respective constitutions and in line with relevant legislation. It will be for the lead authority to work with partner boroughs to ensure the servicing of the Joint Committee is in line with any local constitutional requirements.
27. There will be a resource implication attached to the administration and servicing arrangements for the Joint Committee. Southwark will monitor the impact on local resources over the first year of operation and review, if appropriate, whether additional financial contributions are required from partner boroughs. Given the likelihood that meetings will be infrequent and the opportunities afforded from a digital by default approach, the expectation is that resource implications are not significant.

Next steps

28. If all three boroughs agree to the establishment of a Joint Committee, it is envisaged that the first meeting of the Committee takes place before the end of 2015 (and following agreement being reached on the Memorandum of Understanding). A review of arrangements is anticipated in April 2016.

Policy implications

29. The power to form a Joint Committee between two or more local authorities is found under section 101(5) of the Local Government Act 1972. There are many Joint Committees across the country, particularly for the oversight of Local Enterprise Partnerships and other growth-based initiatives.
30. The South London Partnership is in the process of setting up a Joint Committee. The Growth Boroughs (Barking and Dagenham, Greenwich, Hackney, Newham, Tower Hamlets and Waltham Forest) are set up as a Joint Committee and are about to publish a prospectus for devolution. Central London Forward is looking at establishing a Joint Committee.
31. Devolution is top of the political agenda at the moment nationally and in London. The Government has made clear that it requires strong governance to be place to devolve responsibility or funding. For example, the Association of Greater Manchester Authorities (AGMA) reaffirmed their Joint Committee in 2008 which “provides streamlined decision making; excellent co-ordination of services across the combined administrative area; mutual co-operation; partnering arrangements, and added value in the provision of shared services”.

32. These arrangements were established under section 20 of the Local Government Act 2000 and Regulations 4, 11 and 12 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2000 and section 101(5) of the Local Government Act 1972.

Resource implications (CED/MD/15/19)

33. This report relates to the governance arrangements for the new Joint Committee, and as such it is not expected that there will be any significant resource implications directly related to it. Any costs related to the governance of the Joint Committee will be contained within existing budgets in the first year of operation with the option of receiving further contributions from partner boroughs if a review of expenditure shows this to be necessary.
34. Resource implications relating to the implementation of the Better Placed Community Budget programme, including those regarding funding, will need to be considered by the Joint Committee at the appropriate time.

Community impact statement

35. The public sector equality duty requires public bodies to consider all individuals when carrying out their day to day work, in shaping policy, in delivering services and in relation to their own employees. It requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out their activities.
36. This report asks that the Leader agrees to establish a Joint Committee with the London Boroughs of Lambeth and Lewisham to support governance arrangements of the LLS Better Placed Community Budget programme. The work of the three boroughs in this regard is about ensuring residents, especially those with complex needs, get the right intervention at the right time, from welfare through to work. This is about creating the right level of opportunity for residents to gain work and improve skills to access future jobs across London. As such the work of the Joint Committee is ultimately about eliminating any unnecessary barriers to employment by providing residents with the right advice, signposting and support.
37. More broadly, as a cross-borough initiative, the work promotes improved partnership working across the councils and with key partners in the Jobcentre among other important stakeholders.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Governance (CE/15/010)

38. The resource implications in paragraphs 33 and 34 are noted. It is observed that there is no resource implications directly associated with the governance of the Joint Committee and that decisions regarding funding will be made by the Joint Committee at the appropriate time.

Director of Law and Democracy

39. The director of law and democracy notes the report sets out the procedure for

the establishment of Joint Committees.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix A	Draft terms of reference - Joint Committee of the London Boroughs of Lambeth, Lewisham and Southwark
Appendix B	Draft Memorandum of Understanding – Supporting the Joint Committee of the London Boroughs of Lambeth, Lewisham and Southwark

AUDIT TRAIL

Cabinet Member	Councillor Peter John, Leader of the Council	
Lead Officers	Eleanor Kelly, Chief Executive	
Report Author	Stephen Gaskell, Head of Strategy and Partnerships	
Version	Final	
Dated	8 October 2015	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments included
Strategic Director of Finance and Governance	Yes	Yes
Director of Law and Democracy	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		8 October 2015

APPENDIX A

Draft Terms of Reference

Joint Committee of the London Boroughs of Lambeth, Lewisham and Southwark Purpose and function:

The London Boroughs of Lambeth, Lewisham and Southwark have established a Joint Committee to discharge executive functions on behalf of the three boroughs, in so far as they relate to joint activities or areas of common concern in relation to growth, economic development and skills. Over time the committee may consider other areas. The committee will:

- Provide oversight and decision-making of the Pathways to Employment pilot.
- Work together to transform local public services in employment support.
- Work collectively with employers, colleges and other stakeholders on jobs and skills, where appropriate.
- Represent the collective interests of the constituent boroughs to national and local government and other bodies, where appropriate.
- Jointly bid for funding, training and employment programmes e.g. EU funding and oversight of that funding.
- Manage and allocate spending of funding and other financial resources within its remit.
- Take on additional responsibilities and funding delegated from Government where the Committee judges this to be in best interest.

The governance arrangements provide flexibility so that these functions can be added to or amended over time.

The Joint Committee does not have power to exercise non-executive functions on behalf of the three boroughs.

Membership

It is proposed that each council appoint its Leader / Mayor to sit on the Joint Committee. Each council should also appoint a named substitute (to be an executive member for those operating executive governance arrangements) to attend in the Leader / Mayor's absence.

Partners and stakeholders will be invited to be part of/or send representatives to the meetings of the Joint Committee as appropriate; they will attend in an advisory capacity only.

Quorum

The quorum for meetings will be at least one member from each of the boroughs.

Voting

Each member of the Joint Committee will have one vote and all questions coming or arising before the Joint Committee shall be decided by a majority of the members of the Joint Committee present and voting (in accordance with paragraph 39 of Schedule 12 to the Local Government Act 1972).

Overview and scrutiny

Decisions of the Joint Committee are subject to scrutiny and 'call in' by each or any of the three boroughs.

Each of the three boroughs has established overview and scrutiny arrangements for the Joint Committee.

In the event that a decision of the Joint Committee or any sub-committee is 'called in' the Chief Executive (or an officer designated by the Chief Executive) for the relevant borough will attend the relevant scrutiny committee together with the member or their substitute nominated from that borough to be on the Joint Committee.

Administration

Administrative support for the meetings of the Joint Committee will be provided by Southwark Council and the Chief Executive of Southwark Council will be formally designated as clerk to the Joint Committee with responsibility for the provision of administrative support.

Lead Borough / Accountable Body Arrangements

Where necessary a lead borough shall be identified from amongst the parties to implement any necessary activities. Subject to any change from Joint Committee members, below details the initial roles and responsibilities of Joint Committee members:

London Borough of Lambeth – lead accountable body for procuring and contracting with third parties

London Borough of Southwark – lead accountable body for administering the Joint Committee

London Borough of Lewisham – lead accountable body for bidding for and holding grant funding and managing Community Budget staff

Any changes to this will be accepted by unanimous agreement by voting members.

APPENDIX B

Draft Memorandum of Understanding (MoU)

Supporting the Joint Committee of the London Boroughs of Lambeth, Lewisham and Southwark

BETWEEN:

- (1) THE LONDON BOROUGH OF LAMBETH of Town Hall, Brixton Hill London SW2 1RW
- (2) THE LONDON BOROUGH OF LEWISHAM of Town Hall, Catford Road London SE6 4RU
- (3) THE LONDON BOROUGH OF SOUTHWARK of Town Hall, 160 Tooley Street, London SE1P 5LX

Hereinafter called "the three boroughs".

1. Introduction

- 1.1. The London Boroughs of Lambeth, Lewisham and Southwark are establishing a Community Budgets / Better Placed Joint Committee to:
 - Share risk and facilitating joint decision-making in relation to the community budget pilot, including but not limited to the Pathways to Employment programme;
 - Provide a mechanism that could be used to support joint decision-making in relation to future joint initiatives and local co-commissioning arrangements; and
 - Support devolution of responsibilities from Whitehall in relation to welfare and employment support.

2. Purpose

- 2.1. The purpose of this MoU is to clarify the relationship, roles and responsibilities of the three boroughs in establishing a Joint Committee.

3. Status of this Memorandum of Understanding

- 3.1. The Memorandum of Understanding is an operational document. It is not a formally binding legal agreement and the partnership is not a legal entity.
- 3.2. The Authorities enter into the MoU intending to honour all their obligations in a spirit of commitment to joint working and co-operation. The Partners individually and collectively agree to use all reasonable endeavours to comply with the terms and spirit of the Memorandum of Understanding.

- 3.3. Under the Memorandum of Understanding the Partners cannot employ staff, let contracts or commit financial resources on behalf of the constituent Partners without their formal agreement.

4. Management and governance arrangements

- 4.1. Administrative support for the meetings of the Joint Committee will be provided by the London Borough of Southwark on a lead borough basis and the Chief Executive of Southwark Council will be formally designated as clerk to the Joint Committee with responsibility for the provision of administrative support and to ensure that all access to information requirements are met.

5. Meetings

- 5.1. Joint Committee meetings will take place as required, likely to be twice a year.

6. Funding and finance

- 6.1. Any funding requirements will need to be agreed by the voting members and liabilities will be split equally unless otherwise agreed by unanimous decision of voting members.
- 6.2. London Borough of Lewisham will be responsible for administering and holding grant funding, and will be the accountable body for any such grant funding.

7. Duration

- 7.1. This MOU will take effect from October 2015 and will terminate on such date as shall be agreed by all the Parties. This is a non-statutory agreement and is subject to the applicable national and international laws of the states to which the Parties belong.

8. Review, amendments, dispute resolution and termination

- 8.1. The content of this MOU will be reviewed annually or at the request in writing of one of the Parties. Amendments can only be made on the agreement of the three boroughs.
- 8.2. Disputes and/or disagreements between the members of the Joint Committee will be referred to the chief executives of the authorities to deal with the matter directly.
- 8.3. Disputes and/or disagreements arising from officers in the boroughs in the Joint Committee will go to Directors and then to Joint Committee members.
- 8.4. The Parties will actively seek to develop co-operation, MOUs and other forms of agreement with other local authorities and regional stakeholders.

9. Intellectual Property Rights

9.1. Subject to the rights of third parties, the Partners will share equally the intellectual property rights to all data (except personal data), reports, specifications, designs, inventions or other material produced or acquired including copyrights in the course of their joint work. The Partners agree that any proposal by one Partner to permit a third party to utilise the documents and materials produced by the partnership shall be subject to the agreement of all other Partners. Any changes, amendments or updates made to the documents and materials, if made under the terms of the Memorandum of Understanding, shall be jointly owned by the Partners.

10. Freedom of Information Requests

10.1. If any partner receives a freedom of information request in respect of shared work associated with the Memorandum of Understanding it will be shared at the earliest opportunity with the other relevant authorities in order to determine and achieve a consensus as to what information shall be released.

11. Termination

11.1. Any of the Partners may withdraw from the Memorandum of Understanding at any time. Any Party wishing to withdraw from the Memorandum of Understanding must obtain the approval of all members of the Joint Committee, who will give any such approval subject to conditions that will ensure an orderly winding down of that Partner's responsibilities without detriment to the other Partners that would arise from premature withdrawal. No Partner may withdraw agreed funding which has already been committed by the Lead contracting party to third parties, or which would expose the lead accountable Partner to financial loss.

11.2. If the Memorandum of Understanding is terminated, the Partners agree that any reports, studies or any other information which has been jointly prepared by the Partners can be used by each of the Partners separately.

12. Indemnities

12.1. The three boroughs agree to indemnify against any costs, losses, liabilities and proceedings which the Lead Boroughs may suffer as a result of or in connection with its obligations hereunder provided and to the extent that such costs, losses, liabilities and proceedings over and above that which each borough to this Agreement is required to contribute and such extra costs are not due to any avoidable negligent act or omission (determined at law) of the Lead Borough or breach by the Lead Borough of its obligations hereunder.

12.2. Any Lead Borough appointed hereunder shall indemnify the other Parties against any costs, losses, liabilities and proceedings over and above that which each borough to this Agreement is required to contribute and such costs which the other Party or Parties may suffer as a result of or in connection with any breach of the Lead Borough's obligations hereunder and/or any avoidable negligent act or omission (determined at law) in relation thereto.

12.3. Each borough to this Agreement shall inform the other boroughs at the earliest opportunity of any issue or matter or legal process or proceedings which may affect the three Boroughs' obligations under this Agreement.

13. Signatories

Signed for and on behalf of Lambeth Council

Name.....
Title.....

Signature
Date.....

Signed for and on behalf of Lewisham Council

Name.....
Title.....

Signature
Date.....

Signed for and on behalf of Southwark Council

Name.....
Title.....

Signature
Date.....