

AGENDA ITEM: 5Page nos. 1 - 31

Meeting	Cabinet Resources Committee
Date	4 April 2012
Subject	Legal Service proposed shared Service with London Borough of Harrow – Business Case
Report of	Leader of the Council
Summary	This report sets out the business case for a shared legal service with Harrow Council
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Status (public or exempt)	Public
Wards Affected	All
Key Decision	Yes
Reason for urgency / exemption from call-in	Not applicable
Function of	Executive
Enclosures	Appendix 1: Business Case Appendix 2: Employee Equalities Impact Assessment Appendix 3: Trade Union Comments
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1. RECOMMENDATIONS

Cabinet Resources Committee is asked to:

- 1.1 Approve the business case for the creation of a shared legal service with the London Borough of Harrow;
- 1.2 Agree to the delivery of the Council's legal services requirements through the proposed shared legal service on the basis set out in the report for a period of five years to commence on 2 July, 2012; and
- 1.3 Instruct the officers to:
 - (i) Develop and finalise the formalisation of the proposed arrangements for the shared legal service into an Inter Authority Agreement to be entered into by the London Boroughs of Barnet and Harrow.
 - (ii) Report on the finalised terms of the proposed Inter Authority Agreement to the Leader and the Deputy Leader and Cabinet Member for Resources and Performance and seek their authorisation for its completion.

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet, 20 February 2012 (Decision Item 5), as part of business planning for 2012/13 – 2014/15, approved savings in respect of the Corporate Governance Directorate incorporating those specifically relating to the Legal Service over the period 2012-15; and
- 2.2 Council, 6 March 2012 (Item 4.1) approved the business planning report described in section 2.1 (above).

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 These proposals will ensure the delivery of a cost effective legal service that is fit for purpose to support the Council's corporate priorities:
 - better services with less money;
 - sharing opportunities, sharing responsibilities;
 - a successful London suburb.
- 3.2 The legal shared services project is being taken forward through the corporate transformation programme, which is the London Borough of Barnet's primary vehicle for implementing significant changes to the provision of public services. The work of this programme is led by three principles:
 - a relentless drive for efficiency;
 - a new relationship with citizens;
 - a one public sector approach.

4. RISK MANAGEMENT ISSUES

4.1 Risks will be actively managed in line with the corporate risk management approach.

4.2 The key risks in respect of the creation of a shared legal service are as follows:

ID	Risk Description	Mitigation
1	Not being able to deliver a viable business case due to lack of financial information	Due diligence has been carried out to understand the costs of the future service, alongside considerations of overheads, set up costs, and pension costs
2	Buy back of legal service by New Support and Customer Service Organisation (NSCSO) and Development and Regulatory Services (DRS) providers	If buy back of legal service by future providers does not happen, Barnet Council will indemnify Harrow Council for any associated redundancy costs. This risk currently exists for Barnet Council and therefore this position is no different under a shared service arrangement
3	Staff may not buy into the proposed shared service	Information needs to be shared with staff in order that individuals understand the purpose and benefits of entering into these arrangements for future service delivery
4	The re-designed service is not flexible enough to cope with unexpected demand from either the retained council or the outsourced services	Governance arrangements will be developed to enable this Council to have strategic oversight of the joint legal service, including approval of annual business plans, and agreement of key policies and strategies

4.3 The Legal Services Project Board and One Barnet Programme Board will continue to provide appropriate escalation routes.

5. EQUALITIES AND DIVERSITY ISSUES

5.1 An Equalities Impact Assessment (EIA) has been conducted for the shared legal service. A phased milestone approach will be taken to reviewing any equality impacts of the proposed transfer. The in scope staff have been compared against the profile of the council at the outset of this project. This analysis shows that the Legal Services has a higher proportion of female employees as well as a younger staff profile compared to the general council profile. As part of the council's continued commitment to equalities and towards its employees, any equality issues that are subsequently identified will be addressed through the agreed monitoring process.

5.2 London Borough of Barnet has a relocation protocol which will address the issues identified in the EIA. Prior to the transfer LBB will discuss with the new provider, and its recognised trade unions, plans for relocation of employees and work to identify practicable and cost effective solutions where the relocation affects current employees.

- 5.3 An employee EIA has been carried out and attached as Appendix 2. Consideration was given to do an external EIA but given that this proposal refers to the transfer of staff, an outward EIA is not required.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

Financial Implications

6.1 Current baseline

The baseline for the legal service for 2012/13 is set out below. This factors in savings identified in the budget that was approved by Council on 6 March 2012. The total net budget is £1.69m, which includes £606,000 of income generated by the service.

6.2 Future service costs

a) Direct Costs

The Joint Legal Service (JLS) will provide a fixed number of hours of legal service for the same direct cost of the current Legal Service for 2012/13 based upon the hours presently delivered directly by the in house team. The exact number of hours to be provided (likely to be in the 35,000 to 39,000 range) is undergoing a due diligence process, and will be confirmed prior to the signing of the Inter Authority Agreement. This means that the proposed joint service will enable the £90,000 saving included in the budget proposals to be realised in 2012/13.

There is also an ongoing commitment that the unit cost of the service will reduce year on year to enable the medium term financial strategy savings of £50,000 in 2013/14 and a further £50,000 in 2014/15 to be realised.

b) External Costs

The total projected expenditure on external legal costs in 2011/12 is £1.76m (excluding expenditure on One Barnet and the Regeneration schemes), and this is split between external legal "spend" incurred by the Legal Service budget, and external legal "spend" paid for from other Services budgets.

The hourly cost of external legal support will vary, but analysis of current external costs suggests that an average "blended" rate of £150 per hour is currently being incurred. The business case then assumes that, over time, 23% of the legal support currently externalised will be commissioned from the JLS. This would be commissioned at £90 per hour, making a saving of approximately £150,000 per annum.

The £145,000 saving would not necessarily be immediately cashable, as current legal budgets are not sufficient in service departments to cover actual costs. However, there will still be a benefit to the Council that will need to be tracked and realised over the life of the contract.

6.3 Overheads

An analysis of the current overhead costs (estates, finance, HR, IT) to the Legal Service shows that it has a current support cost of £220,000. Some of these support costs are variable and can be reduced and/or transferred to the JLS. Other costs are fixed (office accommodation, servers) and cannot be scaled back until the Council enters into the NSCSO project. The proposed agreement with Harrow includes £221,000 of overheads annually which will be chargeable to Barnet. This means that the proposed levels of overheads in the contract for the JLS with Harrow are affordable and in line with current overheads incurred in respect of the service.

6.4 Set-Up Costs

There will be set up costs in respect of the joint service, including information technology, communications and training and development. Barnet's contribution to these set up costs amounts to £200,000 and this sum will be re-charged by Harrow to Barnet but spread over a 5 year period.

6.5 Relationship between JLS and other contracts

There is an important interdependency between the Legal Service in scope as part of this project, and the legal support currently being provided to services that will be part of either NSCSO or DRS.

An analysis of client and provider side activity, and the hours assigned to these activities, suggests that approximately 9,500 hours will relate to provider activities in scope for NSCSO or DRS. It is proposed that staff involved in delivering this work will transfer to the JLS, but the Council indemnifies Harrow for potential redundancy costs that might arise as a result of the NSCSO and DRS contracts. It is projected that, should a redundancy liability arise, this could equate to approximately 6FTE.

Procurement Implications

6.6 There will be an inter authority agreement (IAA) between Barnet and Harrow to ensure that the requirements of the service are clearly specified and agreed and legally binding. It is proposed that this IAA will be developed and finalised by officers from both authorities and be entered into pursuant to authorisation by the Leader acting under executive powers prior to the implementation of the JLS.

6.7 The provision of legal services is currently exempt from the advertisement and tendering requirements of the Public Contracts Regulations 2006. This may change if the European Commission's proposed reforms to procurement legislation are implemented into UK law. The procurement law implications of this proposed arrangement will therefore need to be monitored over the next two years to ensure the arrangement continues to be exempt and compliant.

Performance and Value for Money Implications

6.8 The shared service will be based at Harrow Civic Centre and the staff will be employed by Harrow. In this context, whilst both authorities view the proposed arrangement as a partnership, the responsibility for day to day operational

management of the JLS will sit with Harrow. The IAA acts as a contract and service level agreement between the two parties.

- 6.9 Strategic oversight of the service will take the form of a strategic management board. It is anticipated that Barnet representatives would include the Leader of the Council, the Chief Executive and the Director of Corporate Governance or their nominees. This Board will ensure that the partnership aspirations, service requirements and cost effectiveness are being delivered through the JLS.
- 6.10 A business plan will be submitted to the strategic management board on an annual basis for approval.

Staffing Implications

- 6.11 The Council will continue to meet all of its statutory and contractual obligations in regard to change and its impact upon our staff. This process will be managed in compliance with the Councils Managing Organisational Change Procedure. The Council has recently implemented a Relocation Protocol which we would expect a new employer to adhere to. Where the change results in a TUPE transfer the Council will meet all of its statutory obligations provided by the Transfer of Undertakings (Protection of Employment) Regulations 2006, and, under the TUPE Transfer Commitments LBB implemented in the summer of 2011, all terms and conditions are protected for at least a year including pension provision.
- 6.12 The scope of services to be provided by the JLS will incorporate all aspects of law and legal practice currently delivered by the in-house team, whether directly or commissioned subject to the scope of the successful bidders' solutions for the DRS and NSCSO procurements which are currently in dialogue.
- 6.13 Staff will transfer on a "fully funded basis". This means that the pensions deficit will not transfer to Harrow from Barnet in respect of these staff. To reflect that the liability will remain with Barnet, the employee budget associated with the recovery of the pension deficit (the difference between the total contribution rate of 24.8% and the fully funded contribution rate) will be removed from the Legal Service funding and will remain with Barnet.

7. LEGAL ISSUES

- 7.1 The proposal would be effected by a delegation by Barnet of its legal function to Harrow under section 101 of the Local Government Act 1972 and the relevant Executive Function Regulations. The Barnet staff will transfer to Harrow's employment then all staff in the team will be made available to Barnet under section of the 113 Local Government Act 1972 which will enable each council to delegate decisions to them etc as if they were their own staff.
- 7.2 To satisfy the fiduciary to council tax payers, it is necessary for the Committee to be satisfied that the IAA represents value for money and adequately protects the council's risk.

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

- 8.1 The council's constitution, in Part 3, Responsibility for Functions, paragraph 3.6 states the terms of reference of the Cabinet Resources Committee including "approval of schemes not in performance management plans but not outside the council's budget or policy framework".

9. BACKGROUND INFORMATION

- 9.1 Historically the provision of legal services has been provided "in-house" as this was seen to be the most cost effective method of provision to the Council.
- 9.2 In 2001, when the Housing Regeneration schemes were about to progress, it was determined that there was insufficient capacity, expertise and resource within Legal Services to deal with these highly specialised and complex schemes. External lawyers were procured to advise on the schemes. In the following years, other large schemes such as Cricklewood / Brent Cross Regeneration and Primary Schools Capital Investments Programme (PSCIP) have also necessitated the procurement of external firms.
- 9.3 More recently, due to capacity issues arising from growth of instructions in various areas such as contract and employment, some individual matters have had to be outsourced. Counsel is also instructed mainly in employment matters or child protection or other cases in the High Court where there are no rights of audience for solicitors.
- 9.4 The Legal Service was initially part of the New Support and Customer Services (NSCSO) project but was taken out of the scope of this project after the options appraisal recommended that options for in-house transformation of the Legal Service and other delivery options be explored.
- 9.5 Alternative delivery options with a number of local authorities have been investigated. Harrow is viewed as the preferred partner for the shared service arrangement. Representatives of both Authorities confirmed that delivery of savings and more efficient and effective services were seen as prime objectives of any shared arrangement. Geographic proximity and Harrow's membership of the West London Alliance are further persuasive factors towards an examination of business case viability.
- 9.6 Financial due diligence has been carried out to compare the costs of the proposed shared service with the current legal service budgets and medium term financial strategy projections.
- 9.7 The core cost of the service as set out in the Harrow proposal (Section 7, Appendix 1) is in line with the Legal Service budget for 2012/13. The Harrow proposal reduces the cost of the service in 2013/14 by £50,000 and in 2014/15 by a further £50,000 to enable the Legal Service Medium Term Financial Strategy targets to be met.
- 9.8 The pension fund deficit in respect of the staff transferring will not transfer to Harrow. It will remain with Barnet, and the employee budgets associated with

the recovery of the pensions deficit will also remain with Barnet. These total £121,000 and have been removed from the Legal Service baseline.

- 9.9 Support costs of £220,000 will be levied on top of the cost of the service. This reflects the costs of ongoing accommodation and information technology costs. These costs do not sit within the Legal Service budget, but sit within other support service budgets in Barnet. Analysis of the current support costs of the Legal Service confirms that this figure is reasonable. Variable costs will be removed from support service budgets on transfer of the service, and fixed costs have been stripped out of the baseline for the NSCSO procurement process. These will transfer into a commissioning budget for the legal service.

10. JOINT LEGAL SERVICE

- 10.1 The Harrow business case proposal is set out in Appendix 1. This paper explains how the transfer of the Barnet legal team to Harrow will enable the Council to access the same volume of legal resource as currently available, with a high quality and more resilient service, at a reduced cost.

The key benefits identified within the proposal are as follows:

- A reduction in direct cost base;
- A greater range and depth of services available at a single point, with less need for onward referral;
- The active cost management of work which is outsourced to external lawyers;
- The potential for significant savings through work which is currently outsourced being done by the legal team at a reduced hourly rate;
- The ability to manage changing workload requirements more effectively due to the greater number of staff;
- Lower management costs, as the management team can support more staff;
- Greater operational flexibility to deliver services whilst staff are on leave;
- An improved ability to plan work efficiently, with a wider population of staff;
- An improved ability to manage peaks and troughs in workload;
- Increased viability of employing specialists – e.g., personal injury lawyers, as the demand across a wider client base is likely to make it financially sound. This will reduce the cost of external services;
- Attracting and keeping the best staff, through the greater opportunity for career progression within a larger department; and
- Reduced overheads – a larger department needs to fund only one law library & case management system, the per capita training cost is cheaper with volume, overall space usage is generally less (leading to reduced overhead allocations).

The effect of the above incremental cost reductions is a lower cost of service delivery, but with a greater range and resilience of service.

- 10.2 Appropriate governance will need to be put in place to enable the arrangement to operate as a partnership. This will include strategic oversight of the service, regular monitoring of the IAA and development and approval of key strategies and policies.

Appendix 1 - Business Case

Business Case for Legal Services Agreement between the London Borough of Barnet and the London Borough of Harrow

Dated: 13th March 2012

EXECUTIVE SUMMARY

This Business Case proposes arrangements for Barnet's legal services to be provided by a merged team of lawyers based in, and managed by, Harrow. This would be one of the most ambitious shared services arrangements for professional services in local government. The proposal offers significant benefits for both councils and will ensure the continued provision of high quality, cost effective legal support to key services. It will also form a platform for future growth opportunities with increased scale and resilience.

Whilst it is necessary to frame this arrangement by setting out how Harrow will deliver Barnet's legal services, it is fully the intention of the Harrow management to integrate the staff from Barnet into the new joint team and to operate the agreement with Barnet in the manner of a partnership, with consultation on major changes and consideration of differing views and needs between the parties.

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1. Background

The spending constraints facing local authorities have necessitated detailed reviews of the services that they offer, the costs of those services and consideration as to whether they can be delivered in a more cost effective manner. This has led to a number of both support and front line services being shared by a group of (usually geographically adjacent) authorities, to outsourcing of services and to the termination of some services.

The legal services operated by many local authorities typically deal with a core case load of work which can generally be fairly well forecast, and have to respond to additional work to respond to additional works initiated by third parties, which is outside their control and difficult to predict and plan for. Examples of the latter include planning inquiries, judicial reviews and employment tribunal claims. They also have to deal with emerging and developing areas of law such as procurement and information governance.

These demands are usually met by a mix of in-house staff (usually solicitors), and external barristers and solicitors, typically procured through a panel.

Harrow

Harrow has a legal team of 29.5 lawyers (FTE) and 8 support staff. The team was 'Highly Commended' in last year's MJ Awards (and shortlisted in this year's LGC ones) for

innovation in service efficiency. Systematic performance management, investment in staff well-being, the application of lean management principles, developing in-house expertise to reduce external spend, 'paper lite' working practices, Lexcel accreditation and shared procurement opportunities developed through the London Boroughs' Legal Alliance all mean that Harrow enjoys a high quality legal service at the lowest possible cost to its Council tax payers.

Barnet

Barnet has a legal team of 31.6 FTE lawyers and support staff. Barnet has been seeking to join its legal team with another practice for some years as part of its drive for efficiency and to deliver better services with less money.

Although both councils have sizeable in house legal teams, a volume of work is outsourced to external suppliers (because of specialisms and/or capacity issues) and there are also pinch points in service delivery caused by workloads peaks and/or staff availability.

2. Proposal

This paper explains how, by transferring its legal team to Harrow, Barnet can enjoy the same number of lawyer hours as now, an excellent and more resilient legal service, all at a reduced cost.

These benefits would be delivered through:

- Reduction in direct cost base;
- Greater range and depth of services available at a single point, with less need for onward referral;
- The active cost management of work which is outsourced to external lawyers;
- The potential for significant savings through work which is currently outsourced being done by the legal team at a reduced hourly rate;
- Ability to manage changing workload requirements more effectively due to the greater number of staff;
- Lower management costs, as the management team can support more staff;
- Greater operational flexibility to deliver services whilst staff are on holiday, ill etc;
- Improved ability to plan work efficiently, with a wider population of staff;
- Improved ability to manage peaks and troughs in workload;
- Increased viability of employing specialists – e.g., personal injury lawyers, as the demand across a wider client base is likely to make it financially sound. This will reduce the cost of external services;
- Attracting and keeping the best staff, through the greater opportunity for career progression within a larger department;
- Reduced overheads – a larger department needs to fund only one law library & case management system, the per capita training cost is cheaper with volume, overall space usage is generally less (leading to reduced overhead allocations).

The effect of the above incremental cost reductions is a lower cost of service delivery, but with a greater range and resilience of service.

3. Anticipated benefits to Barnet

These will include:

- Reduced headcount for Barnet;
- Reduced space requirements;
- Greater clarity over the core service costs of the department;
- Reduction in cost of service over time;
- Broader skills base;
- Greater depth from larger teams;
- Opportunity to significantly reduce spend on external legal advice through 'in-sourcing' to the enlarged department.

4. Service Delivery Model

The expanded service will be hosted by Harrow, with those Barnet staff that form part of the legal service transferring to Harrow under TUPE regulations, other than the Monitoring Officer for Barnet who will remain employed by and based in Barnet.

New Practice

Both Councils have put a lot of effort into ensuring that the merged practice is a conspicuous success. Research suggests that the main reason why mergers fail to realise their potential is a neglect of the different cultures in the merging teams. Both authorities believe that at least as much attentions should be given to 'human due diligence' as to the financial and governance elements of the proposed arrangement.

The starting point of the due diligence exercise is a cultural audit which attempts to identify the key elements of and differences between the cultures in the two teams.

The results of this audit will underpin the programme for individual appraisal, team building and practice development planned for the months after the new practice starts.

The aim is to develop a unified practice which builds on the strengths brought to it by all members of staff. Transferring staff will be inducted into Harrow in the same way as all new LB Harrow staff, and a senior Barnet manager will be invited to explain Barnet's way of doing things and its plans for the future to Harrow staff.

Training will also be undertaken with the enlarged team in order to more quickly assimilate the combining groups into a cohesive and effective unit.

The defining characteristics of the service will be the following:

Quality

- The provision of responsive, high quality legal services at a competitive cost
- Effective quality assurance standards, including external accreditation where appropriate
- Performance management and development based on continuous improvement
- The collection and acting on client feedback, including complaints
- Bespoke service standards based on client needs
- Effective risk management
- Delivery of solutions focused advice, offering the best legal solution to deliver the client's aims
- Advice includes alternatives, options and risks
- Approach which is risk aware not risk averse

Client Relationship Management

- regular client liaison to ensure clients' needs are met

- variety of communication methods, according to client's needs and preferences
- project management approach to casework
- identification of client relationship leads for each key client
- negotiation and agreement of service level agreements to capture scale and nature of work, plus relevant KPIs for delivery

Innovation

- exploit technology to enable efficiencies in working practices
- use management techniques, such as lean, to streamline administrative processes
- develop staff in leadership and management
- reduce costs by delivering services in house where appropriate e.g. in-house advocacy & training
- exploit opportunities for income generation to deliver quality services at lower cost
- reduce carbon emissions by reducing car travel and paper

Collaboration

- work with other legal practices to share knowledge and best practice
- undertake joint procurement to drive down costs
- work with suppliers to develop solutions for the future and to share risks
- work with public sector and voluntary sector in our local community

Knowledgeable and motivated staff

- staff wellbeing and development programme that attracts and keeps the highest calibre staff
- project management approach to ensure appropriate level of staff undertaking tasks
- effective knowledge management systems
- lean management structure with effective team working that encourages autonomy and creativity
- in house training
- flexible working practices to allow staff to manage work/life balance & improve productivity

5. Services

The Service will offer legal services in all the major areas of local government law, including child and adult protection, procurement, employment, FOI, etc as well as training tailored to meet the needs of specific staff groups.

A full list of the services which the team will be able to provide is attached as Annex 1.

Initially at least it is expected that the current Barnet staff will work on its projects post transfer, but as the new team settles down, teams will take on work for both councils who will enjoy the benefits of a wider and more experienced staff team with increased resilience.

6. Governance and Agreement

The proposal would be effected by a delegation by Barnet of its legal function to Harrow under section 101 of the Local Government Act 1972 and the relevant Executive Function Regulations. The Barnet staff will transfer to Harrow's employment then all staff in the team will be made available to Barnet under section of the 113 Local Government

Act 1972 which will enable each council to delegate decisions to them etc as if they were their own staff.

The delegation would need to be agreed by both Councils' Cabinets. The basis on which Harrow will exercise the delegation will then be captured and agreed in an Inter Authority Agreement. It is necessary to have a robust legal agreement to set out the councils' respective obligations and responsibilities. In this respect the arrangements will cover similar ground to a commercial agreement. However, the arrangement is based on co-operation between the two councils for their mutual benefit, recognising the shared aims of the two councils to ensure high quality cost effective legal support – aims which they can each achieve more readily by working together.

This section of the proposal sets out the key terms of the arrangements.

Core terms

- Barnet will commit to an agreed number of legal service hours in each year, which reflect (initially) the current level of service and subsequently (on an annual basis) the budget hours requested by Barnet;
- All the legal work required by LB Barnet will be offered to the legal team (other than in agreed areas, for example work already externally committed or work which is outsourced as part of the transformation programme);
- The following year's budget hours requirement will be agreed 3 months prior to the commencement of any budget year. This should enable any changes to be implemented to the benefit of both parties;
- The agreement will run for 5 years.

Staffing and hours

- If staff in the legal team have to be made redundant as a result of any outsourcing or service delivery changes¹, Barnet will pay all the redundancy and other costs arising within the legal team as a result of this. The redundancy liability will be capped at a sum which is the maximum which Barnet would have paid had they remained the employer dealing with any redundancies flowing from their programme;
- Following the current outsourcing projects, the core budget hours will be reduced in proportion to the reduction in the volume of legal work required by Barnet. The calculations assume no reduction in the overhead being charged as it is significantly discounted (see below). Incremental increases in future years, however, to be paid for from the savings generated, will be at a proportionately lower rate, reflecting the effective lower base hours requirement.²
- Barnet will keep Harrow informed on the progress of its transformation programme more generally and will do what it can to explore opportunities for the legal team to continue to support Barnet in relation to any service delivery through alternative means.

Overheads and set up costs

- An agreed element of overhead cost including a reduction over time to reflect efficiency benefits is included in the forecasts. The overhead base will be scaled

¹ There needs to be further discussion as to exactly what outsourcings are included in this catch all description of One Barnet/other outsourcings and therefore the scope of Barnet's commitment to cover consequential redundancy and other costs

² This proposal is still being discussed

back in the event that there is a reduction in hours needed as a consequence of the current outsourcing programme³

- Set up costs of £200,000 has been agreed, subject to finalising costs from Harrow, where the finalisation is dependent upon their access to detailed information to enable them to provide the required solution. These are set out in Appendix 4. The Barnet element of these will be paid for in equal monthly instalments over 5 years.

Pension

- Barnet employees who TUPE transfer to Harrow will be admitted into Harrow LGPS. These employees will also have the option to transfer their accrued pension benefits from Barnet LGPS to Harrow LGPS. For those employees who do elect to transfer their accrued pension benefits, this will be managed through a bulk transfer payment from Barnet LGPS to Harrow LGPS.

Billing

- The budget year will run from April to March;
- The costs of delivering the basic hours service, including the agreed overhead, will be paid for in equal monthly instalments;
- The annual hours to be provided will be allocated into 12 months by dividing the total annual number of hours by 12;
- Any hours requested over the monthly allocation will be invoiced separately at the agreed standard blended rate;
- Once agreed in the annual budget process, the required hours volume will be fixed for that year, except through written agreement with Harrow. The purpose of this is to ensure that Harrow is not exposed through sudden downward changes in demand to costs that it would not otherwise bear;
- Detailed reporting of the hours worked for Barnet will be provided electronically to Barnet each month;
- The legal team management will seek to fill any short-term capacity availability by selling the time to other local authorities/public bodies/clients.

Time required over the agreed contract hours

- All hours required in excess of the agreed monthly hours will be charged at the rate of £90/hour. This rate reflects current market rate for charges between local authorities and will also be used to fill capacity gaps, where possible. The rate reflects the costs of hiring, redundancy, downtime, training and overheads for these staff. It is anticipated that the principal source of this work will be in sourced legal work which is currently being undertaken by third party firms.
- Any surplus arising on this work will be available for distribution as described below.

Surpluses

- If, after taking into account all the applicable costs expended in running the CLS (and a reasonable agreed amount for "working capital" purposes) a surplus results, that surplus will be distributed to the participating local authorities on the ratio of contracted hours for each authority in that budget year;

Client relationships and reporting

³ This proposal is still being discussed

- Service Level Agreements will be entered into for the key service areas, setting out areas of legal work required, resources needed to deliver services, skills and experience relevant for the service, client liaison and reporting arrangements and agreed KPIs for measuring performance
- There will be designated client relationship lead officers in the legal team for each of the key service areas to ensure clarity of reporting and communication lines
- The legal team management will hold regular meetings with the department directors and senior management of Barnet and will discuss with them, inter alia, the likely demands for time over the forthcoming weeks and months.
- To recognise the "shared services" nature of the arrangements and the importance of strong governance, there will be quarterly meetings with Barnet's designated contract manager to review operational efficiency, statistics, KPIs, trends and projections and to enable the development of the service to meet both councils' aims.
- Any concerns about performance or breaches of the terms of the agreement will be dealt with under the dispute resolution provisions. Either council can take action for breach of the terms, ultimately leading to the ability to terminate the agreement.

7. Financial forecast

The forecast has been prepared using base data for costs and hours provided by the participating authorities together with estimates of the benefits of savings. Where this data is not known, conservative estimates have been made to seek to ensure that any benefits will not be overstated.

The summary base financial forecasts for the combined practice for the five years from April 2012 are as follows:

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Harrow	v12 £	v12 £	v12 £	v12 £	v12 £	v12 £
Income	(463,770.00)	(463,770.00)	(463,770.00)	(463,770.00)	(463,770.00)	(463,770.00)
Expenditure	2,264,640.66	2,114,640.66	1,964,640.66	1,964,640.66	1,964,640.66	1,964,640.66
Net Direct Cost	1,800,870.66	1,650,870.66	1,500,870.66	1,500,870.66	1,500,870.66	1,500,870.66
Central overheads	717,000.00	717,000.00	717,000.00	717,000.00	717,000.00	717,000.00
Total	2,517,870.66	2,367,870.66	2,217,870.66	2,217,870.66	2,217,870.66	2,217,870.66
Barnet	v12 £	v12 £	v12 £	v12 £	v12 £	v12 £
Income	(606,400.00)	(606,400.00)	(606,400.00)	(606,400.00)	(606,400.00)	(606,400.00)
Expenditure	2,466,586.03	2,296,586.03	2,246,586.03	2,196,586.03	2,196,586.03	2,196,586.03
Net Direct Cost	1,860,186.03	1,690,186.03	1,640,186.03	1,590,186.03	1,590,186.03	1,590,186.03
Central overheads	594,000.00	221,000.00	221,000.00	221,000.00	221,000.00	221,000.00
Total	2,454,186.03	1,911,186.03	1,861,186.03	1,811,186.03	1,811,186.03	1,811,186.03
Combined Budget	2011-12 £	2012-13 £	2013-14 £	2014-15 £	2015-16 £	2016-17 £
Income	(1,070,170.00)	(1,070,170.00)	(1,070,170.00)	(1,070,170.00)	(1,070,170.00)	(1,070,170.00)
Expenditure	4,731,226.69	4,411,226.69	4,211,226.69	4,161,226.69	4,161,226.69	4,161,226.69
Net Direct Cost	3,661,056.69	3,341,056.69	3,141,056.69	3,091,056.69	3,091,056.69	3,091,056.69
Central overheads	1,311,000.00	938,000.00	938,000.00	938,000.00	938,000.00	938,000.00
Total	4,972,056.69	4,279,056.69	4,079,056.69	4,029,056.69	4,029,056.69	4,029,056.69

The figures above include the anticipated ongoing external legal spend for Barnet.

The cost reductions above are amplified by the reduction in the effective hourly costs of running the combined service. This is because the base model assumes that Barnet will continue to have 35,500 hours of staff time, as at present, despite planned reductions in

cost, both in the figures for the standalone departments and as a result of the operation of the Combined Service. The effects of this in each of the five years of the contract are as shown below:

Recalculation of Unit costs

Hourly Rates (excluding External Legal and Income)

		2010/11	2011/12	2012/13	2013/14	2014/15
	Hours	£/h	£/h	£/h	£/h	£/h
Harrow	31,000	57.67	52.83	47.99	47.99	47.99
% Reduction over contract term						16.78%
Barnet	35,500	49.56	44.77	43.36	41.95	41.95
% Reduction over contract term						15.35%
Combined	66,500	53.34	48.53	45.52	44.77	44.77

Hourly Rates (with overheads)

		2010/11	2011/12	2012/13	2013/14	2014/15
	Hours	£/h	£/h	£/h	£/h	£/h
Harrow	31,000	80.79	75.96	71.12	71.12	71.12
% Reduction over contract term						11.98%
Barnet	35,500	66.29	51.00	49.59	48.18	48.18
% Reduction over contract term						27.32%
Combined	66,500	73.05	62.63	59.62	58.87	58.87

The table above indicates that on departmental controllable costs alone (the effect of external legal fees and department income are omitted here), the combination will save Barnet about 15%. When overheads are included, the benefit to Barnet over the contract term increases to 27%.

The combination offers greater opportunities than purely synergistic cost savings. These will become viable through the increased size of the Harrow practice, where the greater demand for specialist lawyers will make it cost-effective to hire this resource rather than buying it externally. Greater flexibility that comes from a larger team will allow for more effective holiday and absence cover. Where external legal services are required, the expanded practice should be able to source this cheaper as it is a larger buyer than either Harrow or Barnet separately. Management costs for the enlarged Service will be lower per lawyer than is currently the case.

A number of these variable cost savings opportunities should significantly reduce the operating costs of the Barnet Legal Department. These relate to:

- Improved operating efficiencies;
- In-sourcing of work currently outsourced to third parties;
- Adding new complementary services to those currently being offered;
- Lower headcount and space requirement which, when taken with other savings opportunities, may permit savings in central costs for Barnet in future.

The last of the bullet points above cannot meaningfully be factored into the forecasts, but the estimated (prudent) potential of the first two items is as follows:

	2011-12	2012-13	2013-14	2014-15	2015-16	2106-17
	£	£	£	£	£	£
Savings - insourcing	0.00	(35,714.29)	(71,428.57)	(107,142.86)	(142,857.14)	(142,857.14)
- insurance		0.00	(50,000.00)	(50,000.00)	(50,000.00)	(50,000.00)
- efficiencies through size and process		0.00	(50,000.00)	(100,000.00)	(150,000.00)	(150,000.00)
Total	0.00	(35,714.29)	(171,428.57)	(257,142.86)	(342,857.14)	(342,857.14)

The above opportunities total £1.15m benefit over the five year period.

The biggest potential savings relate to legal services currently being provided by third parties to Barnet. These are running at approximately £1.2m per year, i.e. £6m over the contract term. It has been assumed that £1.4m of this total is carried out by Harrow staff over this period at a saving of £50/hour to Barnet. This savings assumption for Barnet is understated if the blended rate of external legal cost is higher than £140/hr, and further savings could be obtained by transferring a higher proportion of this external work than the current 23% to the expanded practice. By way of example, every £100,000 worth of external work at a blended rate of £140/hr that is brought within the expanded practice saves Barnet £35,700 approximately. At a blended rate of £160/hr, that saving is £43,700 approximately. Clearly, therefore, there is the potential to save in excess of 35% on the proportion of this significant external cost that is brought in-house. This saving provides both a direct benefit to Barnet, as it reflects a direct reduction in cash spent. In addition, it provides the opportunity for an indirect benefit, in the form of a distribution, which is discussed further below.

The savings from insurance relate to the in-sourcing of Personal Injury legal work for Barnet. In 2010/11 this totalled some £300,000. We are conservatively assuming a net saving of £50,000 per annum after year one by Harrow undertaking some of this work. This too is the anticipated benefit to Barnet as a result of reducing the cash cost of obtaining the service.

Efficiencies relating to better workflow management, more efficient process etc are anticipated to save some £450,000 over the contract life. This figure will be refined once the teams have been brought together.

In terms of cost/hr, the impact of the projected insourcing and other savings is projected to reduce the full hourly cost for the Barnet service from £70.46 for the 2011/12 year to £51.62 in 2016-17, a saving of 26.7%.

Barnet outsourcing projects

Barnet has already committed to two major outsourcing projects. It is not clear whether the legal services aspects of these will be part of the final contract but the possibility exists that a number of the current legal staff will be TUPE'd to the new provider in January 2013, or will be made redundant.

If this occurs, it is proposed that the base hours in the contract will be reduced proportionally to the reduced headcount compared to that transferred to Harrow and the direct costs (the costs of the legal department except for those costs allocated to the department as part of the central costs of the authority) will also reduce proportionally.

Overheads

Overheads are calculated in a different way by different organisations. The costs which are included also vary by organisation. The basis adopted in establishing the increased overheads of the enlarged practice has been to consider what costs might be required if the service were to operate semi-autonomously. This results in a notional charge for accommodation, light heat etc, departmental management but a true charge for IT, as this is outsourced by Harrow. The charges are calculated to cover only the costs of the contracted hours, as the rate for additional time is calculated to include an element for overheads.

Overheads of £221,000 are chargeable on Harrow's cost base for the accommodation and servicing of the Barnet legal team. This is approximately 37% of the overhead cost currently charged to the Barnet Legal department.

Set up costs

The set up costs are those costs required to get the Barnet legal team operating from Harrow. They include the transfer of data, people and archives and setting up operations in Harrow. Integration and training costs are also included to accelerate the integration and efficiency of the Combined Service. Barnet's share of these costs is £200,289. It has been agreed that these costs will be paid by Barnet in equal instalments over the life of the contract.

Surpluses

Following completion of each financial year, a surplus may be available for distribution, to the extent that there is one available after accounting for all the costs of running the enlarged practice and for any required contingencies. The timing of settlement of any surplus will be at the discretion of Harrow, and will be based upon the department's working capital requirements. The surplus will be allocated to each participating Authority on the basis of that Authority's base contracted hours as a proportion of the total base hours contracted by the enlarged practice in the year to which the surplus relates.

List of services currently provided by the Harrow and Barnet Legal Departments

Commercial, Contracts and Procurement

- Advice on the application of EU procurement rules and individual Council Financial Regulations and Standing Orders
- Advice on contract matters
- Drafting and negotiation of contracts
- Advice on State Aid
- Establishment of special purpose vehicles - e.g. partnering arrangements; companies limited by guarantee
- Major commercial projects - e.g. PFI/PPP not listed in the section above
- Complex company or trust structures
- Construction contracts

Property

- Property law advice
- Encroachment/trespass
- Right to buy (prior to conveyance)
- Sales
- Purchases
- Leases
- Agreements
- Licences

Enforcements/Prosecutions

Advice and conduct of proceedings in relation to [all Council enforcement functions]* including:

- [Trading Standards]*
- Education Welfare
- [Planning enforcement]*
- [Highways]*
- Anti-social behaviour
- [Car parking fines]*

- [Statutory and other nuisance]*
- Benefits
- [Environmental]*
- [Housing]*
- [Food standards]*
- [Advice on enforcement policy and procedures]*

Employment

- Advice to the employer, its managers and HR advisers on employment law and procedure
- Conduct of disciplinary appeals and employment tribunal cases
- TUPE

Litigation

- Advice on litigation and how to avoid it
- Advice to either Party's insurers
- Advice and conduct of proceedings in relation to negligence
- Personal injury
- Property damage
- Trespass
- Commercial litigation
- Professional negligence
- Judicial review and defending civil claims
- Debt recovery
- Housing repossessions and advice
- Statutory appeals
- Injunctions
- Homelessness appeals
- Disrepair

Exclusions

Insured litigation for anyone other than Barnet that accesses legal representation for insured cases through its insurers.

Planning

- [Advice on town and country planning matters]*

- [Road naming orders]*
- [Building Regulations advice]*
- [Advice on common land and village greens]*
- [Orders and advice on and including drafting section 106 Planning Obligations, Enforcement Notices and Stop Notices]*
- [Listed buildings (Enforcement and Repair Notices)]*
- [Conservation Areas (Order and enforcement) plus Article 4 Directions]*
- [Tree Preservation Orders]*
- [Compulsory purchase]*
- [Rights of Way]*
- [Appeals]*
- [Other orders etc under the Localism Act 2011]*

Highways

- [Rights of Way]*
- [Inquiries relating to Definitive Map Modification Orders]*
- [Highways enforcement notices]*
- [Stopping up of highways]*
- [Compulsory purchase]*
- [Side roads orders and bridge schemes]*
- [Parliamentary procedure]*
- [Special Parliamentary Orders]*
- [Major highway schemes]*

Information and Complaints

- Legal advice on Freedom of Information Act applications and Data Protection Act subject access requests
- Legal advice on corporate complaints and Ombudsman investigations

Children's Services

- Advice to social workers and multi agency conferences on all aspects of child care law
- Conduct of child protection proceedings
- Advice to adoption panels

Adult Social Care

- Advice on community care law including charging and contracting
- Advice to approved social workers on mental health issues
- Conduct of proceedings under mental health and community care legislation

Education

- Advice to schools on full range of legal issues(or will we ask Barnet schools to pay separately for this which is the preferred option)
- Specialist education law advice to the authority in its capacity as Childrens Services authority
- Special Educational Needs Tribunals and advice
- Arranging and administering and clerking school admission appeals where the council is the admission authority and independent appeal panels for exclusions for maintained schools.

Electoral law

- Legal advice on the conduct of elections

Housing

- [General Advice all aspects of housing including policy and homelessness]*
- Homelessness
- Possessions

[Licensing]*

- [Advice]*
- [Attendance at licensing hearings where required]*

Regulation of Investigatory Powers Act

- Legal advice on the application of the Act to Council activities
- General legal advice including advice relating to legislation affecting local government

Training and Information

- Updating and advice on forthcoming legislative changes; and
- Whatever legal advice and assistance the Parties may from time to time require.

Those areas of legal services denoted []* are associated with functions which may be outsourced by Barnet as the first phase of the procurement of the One Barnet Programme.

Appendix 2 – London Borough of Barnet Employee Equality Impact Assessment

Legal Shared Service with London Borough of Harrow

[This document remains live with information being added at each critical milestone]

EIA Contents

- 1 Introduction
2. Any Anticipated Equalities Issues at each milestone and identified mitigation
3. Monitoring Summary
4. Project Milestone Outcomes, Analysis and Actions
5. Briefing, Sharing and Learning

1. Introduction

1.1 Aims and objectives

The London Borough of Barnet's strategic change programme has at its heart an aim to become a truly citizen-centric council ensuring that our residents can lead successful and independent lives. This is the council's response to address several drivers for change that have been identified:

- The financial pressures resulting from the global recession has brought the era of consistently increasing public sector budgets to an end. Within the council there is a funding gap of £53m over the next three years, and our public sector partners face challenges of a similar scale.
- Despite consistent improvements in service delivery, satisfaction with Barnet Council, as with other local authorities, has been on a consistently downward trend.
- Digital technology continues to change and develop, as do the ways that people use it to change and grow. Residents will continue to expect us to deliver against those standards of instant information and access to services.
- Our identification of the need to develop a new partnership with our residents to deliver services in future is echoed by the Coalition Government's focus on a Big Society.
- The Government's focus on localism and devolution sets a national context for our aim to provide local leadership and join up services across the public sector.

The strategic change programme is delivered through adoption of three key principles:

- **A new relationship with citizens** - Enabling residents to access information and support and to do more for themselves
- **A one public sector approach** - Working together in a more joined up way with our public sector partners to deliver better services
- **A relentless drive for efficiency** - Delivering more choice for better value

The specific objectives of the proposed Legal Services shared service with Harrow are set out in the CRC paper and this also addresses how this shared service proposal will link with the programme objectives.

1.2 Description of the critical milestones

This Equality Impact Assessment will take a milestone approach to assess equality impacts as the project progresses.

Proposed milestones identified are:

- **Outset data**
- **Confirmation of in scope to transfer**
- **Post transfer**

1.3 Key Stakeholders

Key stakeholders are employees, managers and Trade Unions

A range of information and consultation mechanisms will be put in place and these will include:

- Provision of information to Trade Unions will be in line with the Council's TU Engagement Process for One Barnet Projects
- Staff Groups
- TUPE briefings for in scope employees and managers
- Consultation with Trade Unions on any proposed measures
- 1-1 consultation

2. Anticipated Equalities Issues at each milestone and identified mitigation

2.1 Outset data

The proposed transfer of Legal Services as described in this business case will place 31.6 FTE members of staff in scope to TUPE transfer to the London Borough of Harrow (LBH). This transfer will be a TUPE transfer as described in the TUPE Regulations 2006. In addition to the employment protections provided by the TUPE Regulations the Council's TUPE agreement will apply to this transfer and will form part of the contract between LBB and LBH. The main protections are:

- Terms and Conditions may not be changed in the first year after transfer
- In scope employees to remain within LGPS
- Continuation of current Trade Union Representation
- A central Trade Union facility pot

The analysis of the data at Section 3 when compared against the profile of the Council shows that there are material differences (>5%) for the following characteristics:

Females, Age Group with a Date of Birth 1975-1984 and Ethnic Groups: White Irish; Asian and Asian British: Indian; Black or Black British: African. There are no declared disabilities.

The reason for this is because of the profile of those in scope - it is not about how the 'in scope' list has been drawn as all staff within Legal Services have been identified as in scope at the outset.

It is known that this service will move location to London Borough of Harrow offices and as part of the measures consultation process the equality impacts of this move will be assessed.

2.2 Confirmation of in scope to transfer

There hasn't been any significant change to the groups following the most recent EIA.

LLB and LBH will continue to consult with those in scope, and consult on travel time's and working arrangements as part of the process of staff engagement to mitigate the impact of the change to the large female cohort.

Please refer to EIA data overleaf.

2.3 Post transfer

An EIA will be completed for this purpose later in the process.

3. Monitoring Summary

Table 1- Employee EIA Profile (this profile is in accordance with the requirements of the Equality Act 2010 and the Council will collect this information so far as we hold it)

Where the information on the table relates to less than 10 people this is marked as ** to protect confidentiality. The full data set is held by HR and the detail is reviewed at each milestone.

Critical Milestones									
		Council Comparator data		Project Outset		Confirmation of in scope		Post Transfer	
Number of employees		3183	22.5%	37	46.3%	36	45%		
Gender	Male	2009	37.4%	6	16.2%	5	13.9%		
	Female	1174	62.6%	31	83.8%	31	86.1%		
Date of Birth Range	1985-1996	156	4.9%	**	**		2.7%		
	1975-1984	670	21.0%	13	35.1%		37.8%		
	1965-1974	888	27.9%	9	24.3		24.3%		
	1951-1964	1262	39.6%	15	40.5%		35.1%		
	1941-1950	204	6.4%	**	**		**		
	<1940	3	0.1%	**	**		**		
Ethnic Origin	White: British	1606	50.5%	**	**		24.3%		
	White: Irish	106	3.3%	**	**		8.1%		
	Other White	209	6.6%	**	**		2.7%		
	White: Greek Cypriot	38	1.2%	**	**		2.7 %		
	White: Turkish Cypriot	17	0.5%	**	**		2.7%		
	Mixed: White and Black Caribbean	0	0.0%	**	**		0.0%		
	Mixed: White and Black African	0	0.0%	**	**		0.0%		
	Mixed: White and Asian	18	0.6%	**	**		0.0%		
	Other Mixed	52	1.6%	**	**		0%		
	Asian and Asian British: Indian	220	6.9%	**	**		18.9%		
	Asian and Asian British:	34	1.1%	**	**		0%		

	Pakistani								
	Asian and Asian British: Bangladeshi	25	0.8%	**	**		2.7%		
	Other Asian	59	1.9%	**	**		0%		
	Black or Black British: Caribbean	175	5.5%	**	**		5.4%		
	Black or Black British: African	274	8.6%	**	**		16.2%		
	Other Black	25	0.8%	**	**		0%		
	Chinese	19	0.6%	**	**		0%		
	Other Ethnic Group	56	1.8%	**	**		0%		
	Not declared/Not assigned	250	7.9%	**	**		16.2%		
Disability	Physical co-ordination	0	0.0%	0	0.0%	0	0.0%		
	Hearing	7	0.2%	0	0.0%	0	0.0%		
	Vision	3	0.1%	0	0-0%	0	0.0%		
	Reduced physical capacity	10	0.3%	0	0.0%	0	0.0%		
	Learning difficulties	11	0.3%	0	0.0%	0	0.0%		
	Mental illness	5	0.2%	0	0.0%	0	0.0%		
	Mobility	9	0.3%	0	0.0%	0	0.0%		
	Other disability	9	0.3%	0	0.0%	0	0.0%		
	Not stated/assigned	3129	98.3%	0	0.0%	0	0.0%		
Faith or Belief	Christian	1484	46.6%	16	43.2%		37.8%		
	Buddhist	16	0.5%	**	**		**		
	Hindu	191	6.0%	**	**		10.8%		
	Jain	14	0.4%	**	**		**		
	Jewish	98	3.1%	**	**		5.4%		
	Muslim	133	4.2%	**	**		5.4%		
	Sikh	15	0.5%	**	**		2.7%		
	Other Faith/religion	113	3.6%	**	**		8.1%		
	No religion	528	16.6%	**	**		10.8%		
	No response on faith	249	7.8%	**	**		5.4%		
	No form returned	40	1.3%	**	**		**		
	Atheist	47	1.5%	**	**		**		
	Agnostic	39	1.2%	**	**		**		
	Humanist	9	0.3%	**	**		**		
Not assigned	207	6.5%	**	**		13.5%			
Sexual	Heterosexual	2138	67.2%	26	70.3%		70.3%		

Orientation								
	Bisexual	12	0.4%	0	0.0%		**	
	Lesbian or Gay	39	1.2%	0	0.0%		**	
	prefer not to say	666	20.9%	**	18.92		18.9%	
	Not Assigned	328	10.3%	**	10.81		11%	
Marital Status	Married	1036	32.5%	10	27.0%		35.1%	
	Single	806	25.3%	**	**		16.2%	
	Widowed	20	0.6%	**	**		**	
	Divorced	92	2.9%	**	**		5.4%	
	Civil partnership	7	0.2%	**	**		**	
	Cohabiting	38	1.2%	**	**		**	
	Separated	12	0.4%	**	**		**	
	Unknown	1163	36.5%	12	32.4%		43.2%	
	Not assigned	9	0.3%	11	29.7%		**	

4. Project Milestone Actions

4.1 Outset data

To start early discussions – in advance of the measures consultation - about the individual implications of a change of location

In addition actions look at the impact of the project on the following, amongst other potential factors:

- Flexible working arrangements and their impacts on parents and carers
- Working from home
- The impact of potential changes to holidays / term-time working
- The impact on staff of changes to their working culture
- The impact on staff of additional health and safety training
- The impact on staff of a different programme of investment and development

4.2 Confirmation of in scope to transfer

*Were there any unexpected equalities impacts that you did not identify at the first stage
How will the learning be brought forward to the next milestone.*

Since the start of this project, and when we last ran the equalities data set, there had been a decrease of 1 employee, in scope. As we have not recruited replacements, there has been a reduction in some of the protected characteristics. This workforce change and the change showing the retained posts will be reflected in the post-transfer review data set.

Having reviewed LBH's tender, the equality impact for staff that has been identified is the change of location to Harrow. We know some employees choose to work locally as they have caring arrangements. There may also be employees who cannot drive/travel long distances due to medical or disability reasons.

In addition, we have designed a Relocation Protocol which has been shared with the trade unions. This document sets out our expectations on how relocations should be managed by the new provider.

The council has also decided to advertise all established posts (that are currently filled by agency temps) to all staff so that staff can apply for them where their preference is to remain locally.

4.3 Post transfer

Any unexpected equalities impact on those in-scope post transfer will be addressed through an Equalities Impact Assessment conducted closer to the final milestone

5. Briefing, Sharing and Learning

This table summarises the briefing activities. This EIA forms the primary briefing tool and has been shared as detailed below.

Milestone Description	Briefing Date	OBPB	Cabinet/ CRC	Overview and Scrutiny – if applicable	GFC	Trade Unions	
<i>Outset data</i>	20 Dec 2012	20 Dec 2012	16 Jan		17 April 2012	20 Dec 2012	
<i>Confirmation of in scope to transfer</i>							
<i>Post transfer</i>							

Appendix 3 – Trade Union Comments

In accordance with the Trade Union and Employee Engagement Framework the CRC report has been circulated and the following responses were received from the various Unions concerned.

1. UNISON had no comments to make but was eager to consult with its members following publication.
2. GMB commented on the absence of TUPE transfer commitment from paragraph 6.11 which has been rectified. GMB also stated that it would respond once the document is made public and it had considered the report in more detail, as well as the opportunity to meet with its members.