

**The Co-operative Council Citizens' Commission
Room 101, Lambeth Town Hall**

2.00pm – 4.00pm

Friday 24 September 2010

Minutes

PRESENT:

Commissioners: Councillor Jackie Meldrum (Chair)
Councillor Paul McGlone
Srabani Sen
Martin Green

Delegates: Prof. Ewan Ferlie (Kings College, London)
Adam Schoenborn (ResPublica)
Chaplain Ras Seymour McLean (Ethiopian World
Federation, including London Local)
Mark Venus (Ethiopian World Federation, including
London Local)
Bill Madlock (GMB)
James Binks (HM Treasury)

Officers supporting

Commission: Sophia Looney, Director of Policy, Equalities and
Performance
Mike Wiltshire, Policy Manager
Thomas Man, Senior Policy Officer
Julie Stoltman, Senior Policy Officer
Wayne Chandai, Democratic Services

APOLOGIES:

1. Welcome and introductions

The Chair of the meeting, Councillor Jackie Meldrum, welcomed everyone and highlighted the aims and objectives of the meeting.

2. Delegate initial statements

**Professor Ewan Ferlie, Professor of Public Service Management and
Head of Department of Management, Kings College London**

Prof. Ferlie addressed the Commissioners and complimented them on the idea of a Cooperative Council but had some questions on

- Mode of governance
 - 1) What are the strengths, limits and weaknesses of any governance mode adopted?
 - 2) Will the overall balance between in house and externalised provision shift?
 - 3) If the latter grows, how will the council seek to influence?

- Theory of cooperation/network failure
 - 1) Economists have a theory of market failure;
 - 2) Do you have a theory of cooperation/network failure?
 - 3) E.g. simple goods (spot purchase on the market); large volume of routine transactions (use a bureaucracy);
 - 4) Weaknesses of the network forms (emergence; long time scales; loss of direct control; high transaction costs)?

- ICTs and organisational change
 - 1) Radical organisational change driven by new ICTs;
 - 2) Single points of access;
 - 3) Has this happened so far?
 - 4) If not, what is new?
 - 5) Existing organisational jurisdictions may blunt the use of ICTs;
 - 6) ICTs interact with their organisational and public policy context (Dunleavy et al, 2006);

- Culture and capacity;
 - 1) How to build a unified culture (many different professions and occupations)?
 - 2) Diffuse qualities such as openness, innovation and learning;
 - 3) Capacity as well as culture (individual, group and organisational skill levels);
 - 4) Organisational resilience in face of large challenges;

- Relationship with health care
 - 1) Very little detail here;
 - 2) Cm 7881 (2010) suggests:
 - PCT health improvement functions to pass to Local Authorities;
 - Local Authority led 'health and well being boards' to join up health and social care and give councils influence over GP Commissioning;
 - All hospitals to become Foundation Trusts;
 - Growth of 'employee led social enterprises' but no privatisation;
 - Patient influence – PROMs;
 - Liberating' word is interesting;

Adam Schoenborn, Senior Researcher, ResPublica

Adam Schoenborn explained to the Commissioners that ResPublica was a relatively new think tank and they were excited about the Lambeth's Cooperative Council idea.

In the last 10 years public sector spending had increased (by 5%) but that increase was not reflected in the quality and productivity of services provided where it fell by 3.4%. The private sector however had seen considerable growth over this period. It was clear that public sector reform over the last decade delivered less for more and tackling this could be a massive challenge for the Cooperative Council concept.

Minority Ownership provided a positive avenue for delivery of services, and taking the Corporative Council idea further potential challenges would be managing devolving budgets and community asset transfer.

Chaplain Ras Seymour Mclean, Office of the Chaplain, Ethiopian World Federation

Chaplain Ras Seymour addressed the Commissioners and welcomed the opportunity to consult on the idea of the Corporative Council.

He highlighted the following issues:

- There were imbalances in the current economic polices of the Council, as well as education and health imbalances.
- The Council were facing an impossible task of decreasing budgets and an increasing demand on services.
- Voluntary groups can also play a key role in supporting spiritual and cultural education – which provides people with a more rounded sense of self. Local communities can also be strengthened through the provision of arts/cultural activities which explore the heritage of different communities
- Local groups need the support of Lambeth Council to develop spiritual and cultural services within the borough. There is also the potential to develop these services and market these nationally/internationally – providing unique cultural services for specific groups

Additional concerns were raised; Councillor Jackie Meldrum said these concerns would be forwarded to the appropriate department within the Council for response.

Bill Modlock, GMB

Bill Madlock addressed the meeting and said the following:

- It was a misguided notion that the private sector could provide better services.

- Contractors reduce the quality of services provided and local resolutions would always be more beneficial to all concerned.
- In areas where contractors have taken over they had no regard for the people delivering those services who normally earn minimum wage. This means that the companies were successful and profitable but the services users and workers would be losing out.
- The Council should help the workforce change their culture, and give them new skills, that would also help protect jobs.
- Future investment into council services should be considered.

There were also growing concerns about the younger generation within Lambeth, and if they were ignored that would be detrimental to the borough. In the past there were various voluntary organisations that targeted the youth, such as scouts and cadets but that has subsided in the last few years. In addition at present, numerous resources were not being used effectively or to their full potential, such as schools and other public buildings. These could be used by the community/community groups."out of hours" and provide a valuable space and resource for local people.

He also told the Commission that there was potentially an appetite for the Cooperative Council idea and that in some areas it could work, but there was a danger that services would not improve and a question as to whether it was possible to ring fence a certain set of services and give them to another organisation. Another challenge facing the Cooperative Council, which Bill Modlock, emphasised was our current procurement system and the way in which the council procures services, which would present difficulties for small, community based organisations. .

James Binks, HM Treasury, Local Government team - Head of efficiency, capital and pay branch

James Binks was very impressed with the white paper and it looked at the challenges of finance. Key issues that the Commission needed to consider were:

Numbers – He said that there was a huge challenge ahead with the uncertainty of the public spending cuts. It was not clear on how much Lambeth needed to do and where any savings would come from.

Mixed provision – He said the following questions would need to be addressed i.e. what can be delivered for better value? Who would you outsource services too?, How would you manage a mixed market? And who will make these decisions?

Partnership and Public Services - What challenges could be faced with data sharing? Good and strong leadership would be needed to work through some of these issues.

Joined up working and exploring commonalities with other boroughs also seems sensible and London Councils have already done some work on joining back office systems.

Performance should be linked to greater transparency and you should look at payments by results.

Question and Answer session

In response to questions from Commission members, it was also clarified:

- That the idea of a Cooperative Council could be an opportunity to localise health services. It was felt that health services were too general and did not take the ethnically diverse population into consideration.
- An open debate on how this idea could work was warranted, and needed.
- The “not for profit” sector could be in a better position to positively assist with the idea of a cooperative Council.
- Democratic engagement would be a big part of this idea, and would need to be promoted more. The organisation would need to encourage people to take part and promote ways in which they can.
- Local residents could be used for oversight purposes as they were ultimately the service users.
- Equitable access to services could possibly be an issue, schemes and systems that allow service providers to respond to individual needs would need to be investigated.
- Keeping and supporting local businesses should be a priority (i.e. market traders)
- National guidance was available on how procurement could influence a localised agenda.
- The use of data was very important and it should be shared, however care needed to be taken when deciding what data to share. Sharing strategic data was deemed acceptable, but sharing personal data needed to accompany clear reasons/a robust justification as to why it was needed.
- A focus on de-commissioning could assist with the idea of a cooperative Council.
- Certain communities were unable to get into main stream employment, this idea could be an opportunity to assist these areas of the community in creating social enterprises and local businesses opportunities.

CLOSE OF MEETING

The meeting ended at 4:07pm.