



AGENDA

MAYOR AND CABINET

Date: THURSDAY, 17 FEBRUARY 2011 at 10.00 am

**Committee Rooms 1 & 2
Civic Suite
Lewisham Town Hall
London SE6 4RU**

**Enquiries to: Kevin Flaherty
Telephone: 0208 314 9327 (direct line)
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MEMBERS

Mayor Sir Steve Bullock	(L)
Councillor Best	(L)
Councillor Egan	(L)
Councillor Fitzsimmons	(L)
Councillor Klier	(L)
Councillor Maslin	(L)
Councillor Millbank	(L)
Councillor Onuegbu	(L)
Councillor Smith	(L)
Councillor Wise	(L)

Members are summoned to attend this meeting

**Barry Quirk
Chief Executive
Lewisham Town Hall
Catford
London SE6 4RU
Date: February 8 2011**



INVESTOR IN PEOPLE

The public are welcome to attend our committee meetings, however occasionally committees may have to consider some business in private. Copies of reports can be made available in additional formats on request.

ORDER OF BUSINESS – PART 1 AGENDA

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Agenda Item 1

MAYOR AND CABINET		
Report Title	Declarations of Interests	
Key Decision		Item No. 1
Ward		
Contributors	Chief Executive	
Class	Part 1	Date: 17 February 2012

Declaration of interests

Members are asked to declare any personal interest they have in any item on the agenda.

Personal interests

There are two types of personal interest :-

- (a) an interest which you must enter in the Register of Members' Interests*
- (b) an interest where the wellbeing or financial position of you, (or a "relevant person") is likely to be affected by a matter more than it would affect the majority of inhabitants of the ward or electoral division affected by the decision.

*Full details of registerable interests appear on the Council's website.

("Relevant" person includes you, a member of your family, a close associate, and their employer, a firm in which they are a partner, a company where they are a director, any body in which they have securities with a nominal value of £25,000 and (i) any body of which they are a member, or in a position of general control or management to which they were appointed or nominated by the Council, and (ii) any body exercising functions of a public nature, or directed to charitable purposes or one of whose principal purpose includes the influence of public opinion or policy, including any trade union or political party) where they hold a position of general management or control,

If you have a personal interest you must declare the nature and extent of it before the matter is discussed or as soon as it becomes apparent, except in limited circumstances. Even if the interest is in the Register of Interests, you must declare it in meetings where matters relating to it are under discussion, unless an exemption applies.

Exemptions to the need to declare personal interest to the meeting

You do not need to declare a personal interest where it arises solely from membership of, or position of control or management on:

- (a) any other body to which you were appointed or nominated by the Council
- (b) any other body exercising functions of a public nature.

In these exceptional cases, unless your interest is also prejudicial, you only need to declare your interest if and when you speak on the matter .

Sensitive information

If the entry of a personal interest in the Register of Interests would lead to the disclosure of information whose availability for inspection creates or is likely to create a serious risk of violence to you or a person living with you, the interest need not be entered in the Register of Interests, provided the Monitoring Officer accepts that the information is sensitive. Where this is the case, if such an interest arises at a meeting, it must be declared but you need not disclose the sensitive information.

Prejudicial interests

Your personal interest will also be prejudicial if all of the following conditions are met:

- (a) it does not fall into an exempt category (see below)
- (b) the matter affects either your financial interests or relates to regulatory matters - the determining of any consent, approval, licence, permission or registration
- (c) a member of the public who knows the relevant facts would reasonably think your personal interest so significant that it is likely to prejudice your judgement of the public interest.

Categories exempt from being prejudicial interest

- (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception)
- (b) School meals, school transport and travelling expenses; if you are a parent or guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor;
- (c) Statutory sick pay; if you are in receipt
- (d) Allowances, payment or indemnity for members
- (e) Ceremonial honours for members
- (f) Setting Council Tax or precept (subject to arrears exception)

Effect of having a prejudicial interest

If your personal interest is also prejudicial, you must not speak on the matter. Subject to the exception below, you must leave the room when it is being discussed and not seek to influence the decision improperly in any way.

Exception

The exception to this general rule applies to allow a member to act as a community advocate notwithstanding the existence of a prejudicial interest. It only applies where members of the public also have a right to attend to make representation, give evidence or answer questions about the matter. Where this is the case, the member with a prejudicial interest may also attend the meeting for that purpose. However the member must still declare the prejudicial interest, and must leave the room once they have finished making representations, or when the meeting decides they have finished, if that is earlier. The member cannot vote on the matter, nor remain in the public gallery to observe the vote.

Prejudicial interests and overview and scrutiny

In addition, members also have a prejudicial interest in any matter before an Overview and Scrutiny body where the business relates to a decision by the Executive or by a committee or sub committee of the Council if at the time the decision was made the member was on the Executive/Council committee or sub-committee and was present when the decision was taken. In short, members are not allowed to scrutinise decisions to which they were party.

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Agenda Item 2

MAYOR AND CABINET		
Report Title	Minutes	
Key Decision		Item No.2
Ward		
Contributors	Chief Executive	
Class	Part 1	Date: 17 February 2011

Recommendation

It is recommended that the minutes of that part of the meeting of the Mayor and Cabinet which were open to the press and public, held on 19 January 2011 be confirmed and signed (copy attached).

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LONDON BOROUGH OF LEWISHAM

MINUTES of that part of the meeting of the MAYOR AND CABINET, which was open to the press and public, held on WEDNESDAY, 19 JANUARY 2011 at LEWISHAM TOWN HALL, CATFORD, SE6 4RU at 6.00 p.m.

Present

The Mayor (Sir Steve Bullock)(Chair); Councillor Smith (Vice-Chair), Councillors Best, Egan, Klier, Maslin, Millbank, Onuegbu and Wise.

Apologies for absence were received from Councillor Fitzsimmons.

<u>Minute No.</u>	<u>Action</u>
1.	<p><u>Declarations of Interests</u> (page</p> <p>The Mayor declared a personal non prejudicial interest in Item 9 as Chair of London Councils Grants Committee.</p>
2.	<p><u>Minutes</u> (page</p> <p>RESOLVED that the minutes of that part of the meetings of the Mayor and Cabinet, which was open to the press and public held on December 1 2010 and December 22 2010, be confirmed and signed, subject to the apologies for absence of Councillor Onuegbu being added to the minutes of December 22 and her name being deleted from the attendance record.</p>
3.	<p><u>Outstanding References to Select Committees</u> (page</p> <p>The Mayor received a report on issues which he had previously considered that awaited the responses he had requested from Directorates.</p> <p>RESOLVED that the report be received.</p>
4.	<p><u>Youth Task Force</u> (page</p> <p>The report was presented, with the aid of powerpoint slides, by Pete Walsh, the Chair of the Youth Task Force.</p> <p>The Mayor praised the report and the efforts of everyone who had contributed to its production. He asked that the report and its findings be widely shared and should include the borough's MPs, GLA member and the LSP. He reminded those present that young people had always been his priority and that they faced growing challenges since the recession. He now expected</p>

Minute No.

Action

officers to come back to him issue by issue with proposals for action on an ongoing basis.

RESOLVED That:

(i) the contents of the Youth Task Force report be noted; and

(ii) officers be asked to explore options for implementing Task Force recommendations and to return to Mayor and Cabinet with a further report detailing implications and a delivery plan.

5. Young Mayor of Lewisham – Budget Proposals for 2009/10
(page

The 2009/10 Young Mayor, Jakob Sakil presented his budget proposals to the Mayor and answered questions from the Cabinet.

The Mayor congratulated Jakob and his Young Advisers on their work and said he and his colleagues were very happy to embrace all the suggestions that had been made. He also praised Jakob on his excellent GCSE results which demonstrated the considerable efforts he had put into the Young Mayoralty had not deflected him from his academic studies.

RESOLVED That the following proposals made by the Young Mayor of 2009/10 be endorsed:

(i) Role model and mentoring programme
£10,000

(ii) Positive Stories £7,500

(iii) Performing and learning new skills £5,000

(iv) Sports Tournaments £3,000

(v) Block Parties/community events and intergenerational work £4,500

6. Local Development Framework – Lewisham Town Centre Area Action Plan Further Options Report (page

RESOLVED That

(i) the Lewisham Town Centre AAP Further Options Report and the accompanying Sustainability Appraisal be approved, for statutory public consultation in accordance with the Statement of Community Involvement, and the Council be recommended to do the same; and

(ii) power to make any minor changes to the text and format of the documents prior to consideration by the full Council be delegated to the Executive Director for Regeneration.

7. Bereavement Services – Proposed Increase In Cemeteries and Crematorium Fees and Charges (page

RESOLVED that

(i) the Cremation fee be increased by £60;

(ii) there be an increase of 2.5% for crematorium memorials,

(iii) there be an increase of 10% for all cemetery fees and charges; and

(iv) a fee of £25 for the levelling of a grave be introduced.

8. Establishment of a Strategic Race Equality Organisation in Lewisham (page

RESOLVED that

(i) the review undertaken by Lord Ouseley be noted; and

(ii) a new organisation be established as set out in paragraphs 7.3 – 7.5 and paragraph 8 of the report.

9. London Borough Grants Scheme - 2011/2012 Expenditure (page

The Head of Law briefed the Mayor on a Judicial Review being defended by London Councils which might cause the figures to be amended at a future date.

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RESOLVED

that

ED CYP

(i) the overall expenditure for the London Councils Grants Scheme in 2011/2012 be £17,691,000;

(ii) a sum of £451,716 be allocated in respect of the London Borough of Lewisham's contribution as outlined in the London Councils' notification to Chief Executives on 17 December 2010; and

(iii) a saving in 2012/13 be noted assuming a further reduction in the Councils contribution to the Scheme.

10. The 2009 Annual Social Services Performance Letter from the Care Quality Commission (CQC) and PAN (page

RESOLVED

That

(i) the outcome of the annual performance assessment for 2009/10 and the rating that the Council has received; and

(ii) where improvements have not already been addressed and achieved, officers should include specific actions to achieve them in relevant service improvement plans for 2011/12.

11. Proposed Jevington Way Article 4 (1) Direction (page

RESOLVED

That an Article 4 (1) Direction be made.

12. Comments of the Elections Committee on the Electoral Agenda: the next five years (page

RESOLVED

That the issues raised by the Elections Committee on the report "Electoral Agenda: the next five years" be noted and that the Elections Committee be consulted on all matters related to electoral changes, especially on boundary changes

13. Management Report – November 2010 (page

RESOLVED that the Management Report be noted.

14. Results of Ofsted's annual unannounced inspection of children's contact, referral and assessment arrangements (page

The Mayor expressed his thanks to all the staff who had contributed to the excellent outcome of the inspection.

RESOLVED That the results of Ofsted's annual unannounced inspection of contact, referral and assessment arrangements within Lewisham children's services as detailed in their letter be noted.

15. Setting the Council Tax Base & Discounts for Second Homes and Empty Properties (page

RESOLVED That

(i) the Council at its meeting on 24 January 2011, be recommended to agree a Council Tax Base of 88,486.96 for 2011/12; and

(ii) the current local policy on discounts, with the minimum discount of 10% for second homes and 0% for empty dwellings for 2011/12 be continued.

16. Proposals to consult on the provision of additional permanent primary places (page

The Mayor believed the Council had coped extremely well thus far in meeting with sustained demand for extra primary places but that there was now a need to explore many options and ask challenging questions in order to find lasting solutions to provide adequate numbers of places for primary age children.

RESOLVED That

(i) the description of current and projected demand for primary mainstream places and their supply, and its strategic implications be noted;

(ii) subject to the results of any required further feasibility work which shows options to be affordable in the light of Lewisham's recent

capital settlement, and of consequent outline agreement with potential providers and other stakeholders, consultation should commence on the following options to increase permanently the supply of school places from September 2012:

- Subject to agreement following consultation on the closure of the current training function provided by Lewisham Leadership and Development Centre on the site, expand Kilmorie Primary School from 1.5 to 3 forms of entry.
- Through use of the site of the former Ennersdale Primary School on Leahurst Road, extend provision at Trinity School so that it becomes an all-age school offering 2 forms of entry in the primary phase, with the option of an SEN Resource base, whilst retaining its current 4 forms of secondary entry.
- Extend provision at Prendergast Ladywell Fields College so that it becomes an all-age school offering 2 forms of entry in the primary phase, with the option of an SEN Resource base, whilst retaining its current 8 forms of secondary entry.
- Establish 2 forms of entry of primary provision on the site of the former Watergate school (Church Grove) as an annexe to an existing good or outstanding school.
- Expand Coopers Lane Primary School from 2 to 3 forms of entry; Increase the number of permanent places available in the New Cross/Deptford Primary Places Planning Locality (PPPL5) by considering the financial and educational implications of a range of options, including:
 - i. expanding Kender Primary School from 1 to 2 forms of entry, and/or
 - ii. expanding Deptford Park Primary School from 3 to 4 forms of entry (whilst considering the option of incorporating SEN Resource base provision),and/or

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Action

- ii. establishing 2 forms of entry on the site of the Mornington Centre as an annexe to an existing good or outstanding school.

(iii) officers be instructed to continue to investigate the opportunities offered by Council-owned sites;

(iv) officers should bring a subsequent report with recommendations for his consideration to include:

- the results of feasibility studies and any consequent consultations on the proposed projects set out
- any other proposals to meet the demand for permanent primary places informed by funding allocations for 2011-14 and by the James Review of capital expenditure.

17. Exclusion of the Press and Public (page

RESOLVED that under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 3, 4 and 5 of Part 1 of Schedule 12(A) of the Act, as amended by the Local Authorities (Executive Arrangements) (Access to information) (Amendments) (England) Regulations 2006 and the public interest in maintaining the exemption outweighs the public interest in disclosing the information:

The following is a summary of the items considered in the closed part of the meeting:

101 Minutes (page

RESOLVED That the minutes of the meetings held on December 1 2010 and December 22 2010 be confirmed as a correct record.

102 Inclusion of Community Support Team in the Learning Disability Supported Living Recommissioning Programme (page

Minute No.

Action

RESOLVED

That

- (i) the Council's in-house supported living service, the Community Support Team (CST), for adults with a learning disability be outsourced;
- (ii) the services for 18 people with a learning disability resident in 4 shared addresses be tendered as 1 Lot of Tranche 5 of the SPLD Recommissioning Programme using the Learning Disability Framework Agreement; and
- (iii) the services for 21 people in receipt of outreach support be included in a parallel piece of procurement to develop outreach and floating support services.

The meeting ended at 7.39pm.

Chair

Agenda Item 3

MAYOR & CABINET		
Report Title	Outstanding References to Select Committees	
Key Decision	No	Item No. 3
Ward		
Contributors	Head of Business and Committee	
Class	Part 1	Date: 17 February 2011

1. Purpose of Report

To report on items previously reported to the Mayor for response by directorates and to indicate the likely future reporting date.

2. Recommendation

That the reporting dates of the item shown in the table below be confirmed.

Report Title	Author	Date Considered by Mayor & Cabinet	Scheduled Reporting Date	Slippage since last report
Integrated Transport – Bakerloo Line Extension – Sustainable Development Select Committee	ED Regeneration	October 20 2010	February 23	Yes
Mortgage Rescue Scheme – Housing Select Committee	ED Customer Services	December 1 2010	March 23 2011	Yes

BACKGROUND PAPERS and AUTHOR

Mayor & Cabinet minutes, October 20 2010 and December 1 2010 available
from Kevin Flaherty 0208 314 9327

MAYOR AND CABINET		
Report Title	Report Back On Matters Raised By The Overview And Scrutiny Business Panel	
Key Decision	No	Item No. 4
Ward		
Contributors	Head of Business and Committee	
Class	Open	Date: 17 February 2011

1. Purpose of Report

To report back on any matters raised by the Overview & Scrutiny Business Panel following their consideration of the decisions made by the Mayor and Cabinet on 19 January 2011.

The Overview and Scrutiny Business Panel agreed that the following reference be made to the Mayor.

2. London Borough Grants 2011-12 – Item 9 Mayor & Cabinet January 19 2011

Following discussions at the Overview and Scrutiny Business Panel meeting, Business Panel members were convinced that the report needed to be re-examined in light of the Judicial Review and a legal finding which agreed with the contention there were deficiencies in the Equalities Impact Assessment. The Business Panel was concerned that although the decisions he agreed were implementable on the basis of the information supplied, he should consider whether the legal findings required a further report.

And, the Panel noted that a further report will be necessary to consider how Lewisham budgets for those organisations repatriated to our borough.

Business Panel has agreed to refer this matter to the Mayor and Cabinet to ask the Mayor to re-examine his decision in light of the Judicial Review.

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Chief Officer Confirmation of Report Submission	
Cabinet Member Confirmation of Briefing	
Report for: Mayor	<input type="checkbox"/>
Mayor and Cabinet	<input checked="" type="checkbox"/>
Mayor and Cabinet (Contracts)	<input type="checkbox"/>
Executive Director	<input type="checkbox"/>
Information <input type="checkbox"/>	Part 1 <input checked="" type="checkbox"/> Part 2 <input type="checkbox"/> Key Decision <input checked="" type="checkbox"/>

Date of Meeting	17 February 2011
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Title of Report	2011/12 Budget
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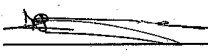
Originator of Report	Group Manager - Budget Strategy	Extn: 46932
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	√	
Legal Comments from the Head of Law	√	
Crime & Disorder Implications	√	
Environmental Implications	√	
Equality Implications/Impact Assessment (as appropriate)	√	
Confirmed Adherence to Budget & Policy Framework	√	
Risk Assessment Comments (as appropriate)	N/A	
Reason for Urgency (as appropriate)	N/A	

Signed:  Executive Member

Date: 8 February 2011

Signed:  Executive Director

Date: 8/2/11

Control Record by Committee Support	
Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	

MAYOR & CABINET			
REPORT TITLE	2011/12 Budget		
KEY DECISION	Yes	Item No.	5
WARD	All		
CONTRIBUTORS	Executive Director for Resources		
CLASS	Part 1	Date	17 February 2011

1. EXECUTIVE SUMMARY

- 1.1 Following the global financial crisis and the requirement to rebalance the public finances, the Government has set out challenging financial parameters to eliminate the public sector deficit within the next four years. Previous Governments have shared the balance of planned reductions in the fiscal deficit more evenly between tax increases and spending cuts. The current plan is for three-quarters of the deficit to be eliminated by the use of public sector spending cuts.
- 1.2 Anticipating the impact of the financial crisis, Lewisham Council in the Spring of 2010, proposed a savings target of £60m over three years in the General Fund. Indications for schools and health spending were that they would largely be protected. The expectations were that there would be severe restrictions in capital funding in the region of 45% and a significant overhaul was promised for housing and welfare.
- 1.3 In an unprecedented move in recent years, the Government in June 2010, made in-year savings of £6.3bn. This impacted immediately on Lewisham requiring £3.295m of in-year savings.
- 1.4 On 20 October 2010, the Spending Review outlined departmental savings to Local Government of 26% over a four year period. This also indicated a heavy front-loading of revenue savings. The resultant provisional Local Government Settlement was received on 13 December 2010. This set out a two-year Settlement and indicated the retention of a 26% cut to local Government over a four year period.
- 1.5 Modelling this level of cut over two years gives Lewisham a General Fund revenue budget savings target of £33.4m in 2011/12 and £23.2m in 2012/13. Extrapolating this over the four years, gives Lewisham an overall savings target of £88m. This confirmed the front-loading of 10.6% in the first year. An added complexity has been the rolling into mainstream funding of some previously designated special and specific grants which for Lewisham total £28.377m.
- 1.6 This report sets out the impact of the financial settlements as they impact on the Council's overall resources:
- the 2011/16 Capital Programme;
 - the 2011/12 Housing Revenue Account and level of rents;

- the 2011/12 Revenue Budget;
- a Council Tax level for 2011/12; and
- the Treasury Strategy for 2011/12.

2. PURPOSE

- 2.1 The purpose of this report is to set out the overall financial position of the Council in relation to 2010/11 and to set the budget for 2011/12. This allows for the Council Tax to be agreed and Housing Rents to be set for 2011/12. It also sets out the Capital Programme for the next five years and the Treasury Strategy.
- 2.2 The report also sets out revenue savings proposals that need to be agreed to balance the budget for 2011/12 and begin to address the budget requirement for future years.

3. RECOMMENDATIONS

- 3.1 It is recommended that the Mayor considers the comments of the Public Accounts Select Committee on 15 February 2011, which incorporates the views of the respective Select Committees.
- 3.2 That, having considered the views of consultees on the budget, subject to proper process and consultation, if required, the Mayor:

Capital Programme

- 3.3 notes the 2010/11 Quarter 3 Capital Programme monitoring, as set out in paragraphs 5.1 to 5.5;
- 3.4 recommends that Council approves the 2011/16 Capital Programme of £369.573m, as set out in Table A4;
- 3.5 recommends prudential borrowing be used essentially to provide bridging finance for the Heathside & Lethbridge capital;

Housing Revenue Account

- 3.6 recommends that Council sets an increase of dwelling rents of £3.88 per week or 4.99% in accordance with the Rent Restructuring formula, Department for Communities and Local Government (DCLG) guidance and tenant rent panel recommendations;
- 3.7 recommends that Council sets an increase in the hostels accommodation charge by £3.61 per week or 7.12% in accordance with the Rent Restructuring formula;
- 3.8 recommends that Council approves the following average weekly increases for dwellings for:
- 3.8.1 service charges to non Lewisham Homes managed dwellings (Brockley):

- caretaking £0.50
- grounds £0.45
- communal lighting No increase
- Tenants Levy No increase

3.8.2 the introduction of a new service charge for Brockley tenants and leaseholders for Lumber Collection at £0.30 per week and window cleaning at £0.05 per week;

3.8.3 the introduction of a new service charge for Brockley leaseholders for Resident Involvement at £0.22 per week and Customer Services at £0.33 per week;

3.8.4 asks Members to note that a Council consultation report on service charges to tenants and leaseholders in the Brockley area, presented to area panel members on 6 January 2011, as attached at Appendix X4;

3.8.5 service charges to Lewisham Homes managed dwellings:

- Caretaking 8.82% (£0.44)
- Grounds Maintenance 2.30% (£0.02)
- Lumber Collection 15.38% (£0.04)
- Window Cleaning -66.67% (-£0.04)
- Communal lighting No increase
- Tenants Levy No increase

3.8.6 the introduction of a new service charge for Lewisham Homes tenants for Block Pest Control at an average of £1.81 per week for those who receive the service;

3.8.7 asks Members to note that a Lewisham Homes consultation report on Service charges to tenants and leaseholders, presented to area panel members on 8 December 2010, at attached at Appendix X5;

3.9 recommends that the Council approves the following average weekly percentage increases for hostels and shared temporary units for:

Service charges (hostels) - caretaking/grounds 3.6% (£0.45). The overall rise in Hostel Service Charge will therefore be £0.45 per week and increase the weekly charge from £12.41 to £12.86 per week.

*In lieu of Council Tax 0.0% (£0.45)

* Members should note that although no rise in Council Tax for 2011/12 is being recommended, the charge to residents will rise due to the reconfiguration of hostel units resulting in lower overall numbers of units upon which Council Tax can be recovered;

3.10 recommends that Council approves an increase in garage rents by inflation of 4.6% (£0.35 per week) for Brockley residents and 22.47% (£1.78 per week) for Lewisham Homes residents, as set out in Section 6 of this report;

3.11 notes that there are no proposals to increase charges for sheltered housing and very sheltered housing;

- 3.12 notes that there are no proposals to increase Linkline Charge to tenants for line rental and maintenance, as set out in Section 6 of this report;
- 3.13 notes that Private Sector Leasing rents moved to the Local Housing Allowance (LHA) rate as at January 2011 according to bed size or capped LHA limit, as set out in Section 6 of this report;
- 3.14 agrees the Housing Revenue Account budget strategy proposals in order to achieve a balanced budget in 2011/12;

Dedicated Schools Grant

- 3.15 agrees to recommend to Council that the Dedicated Schools Grant allocation of £225m be the Schools Budget for 2011/12;

General Fund Revenue Budget 2011/12

- 3.16 notes the overall variance against the agreed 2010/11 revenue budget, as set out in paragraphs 7.4 to 7.24 and Appendix Y1;
- 3.17 notes the already approved revenue budget savings of £11.823m for 2011/12, as summarised in Appendix Y2;
- 3.18 agrees to recommend to Council further revenue budget savings of £8.864m for 2011/12, as summarised in Appendix Y3 and set out in detail in Appendix Y4;
- 3.19 notes the implications of the provisional Local Government Finance Settlement for 2011/12, including the changes to specific grants, as set out in Section 8 of this report;
- 3.20 agrees to recommend to Council to fund revenue budget pressures of £7.350m in 2011/12, as set out in Section 8 of this report;
- 3.21 subject to decisions on the above proposals, agrees to recommend to Council to set a General Fund Budget Requirement of £281.099m for 2011/12;
- 3.22 agrees that the Executive Director for Resources issues cash limits to all Directorates once the 2011/12 Revenue Budget is agreed;

Council Tax

- 3.23 subject to decisions above, agrees that an increase of 0% in Lewisham's Council Tax element for 2011/12 is recommended to Council on 1 March 2011;
- 3.24 subject to final notification from the Greater London Authority (GLA), agrees that the overall increase in Council Tax for 2011/12 is 0%, which includes the indicative GLA precept for 2011/12 being frozen at its existing 2010/11 level;

Future Years' Revenue Budgets

- 3.25 notes the implications of the provisional Local Government Finance Settlement for 2012/13, including changes to specific grants, as set out in Section 10 of this report.

- 3.26 notes the prospects for the revenue budget for 2012/13 and future years;
- 3.27 agrees to recommend to Council further revenue budget savings of £12.476m (£9.020m for 2012/13 and £3.456m for 2013/14), as summarised in Appendix Y3 and set out in detail in Appendix Y4;
- 3.28 ask officers to continue to develop firm proposals to help meet the forecast budget shortfalls in future years;

Treasury Strategy

- 3.29 recommends Council to approve the prudential indicators and authorised limits, as set out in Section 11 of the report and Appendix Z1;
- 3.30 recommends Council to approve the 2011/12 Treasury Management Strategy, as set out in Section 11 of the report, including the Investment Strategy and the revised credit rating criteria (Appendix Z3);
- 3.31 recommends that the Council agrees the credit rating criteria as set out in Section 11 of this report, but that it formally delegates responsibility for managing institutions which meet these criteria to the Executive Director for Resources, as set out in Appendix Z6 for information;
- 3.32 recommends Council to delegate to the Executive Director for Resources authority during 2011/12 to make amendments to the Borrowing and Investment Strategies provided there is no change to the Council's authorised limit for borrowing;
- 3.33 recommends that the Council adopts the revision to the Minimum Revenue Provision (MRP) policy, as set out in Appendix Z2.

Specific Recommendations for Appendix Y8 – Fees and Charges

- 3.34 To approve the recommendations in relation to:-
 - 3.34.1 parking charges set out at paragraph 6.27 of this report;
 - 3.34.2 school meals set out at paragraph 7.12 of this report;
 - 3.34.3 early years nursery places at paragraph 8.9 of this report;
 - 3.34.4 the highways charges at paragraph 9.10 of this report;
 - 3.34.5 the trade refuse at paragraph 10.7 of this report;
 - 3.34.6 the Community Education Lewisham at paragraph 11.4 of this report;
 - 3.34.7 the Registrars at paragraph 13.6 of this report;

- 3.34.8 the Community Centres at paragraph 14.4 of this report;
- 3.34.9 pest control at paragraph 15.3 of this report;
- 3.34.10 the local land charges at paragraph 16.7 of this report;
- 3.34.11 the building control at paragraph 17.2 of this report:
- 3.34.12 the court costs and debtors fees at paragraphs 17.3 and 17.4 of this report;
- 3.34.13 future policy at paragraph 18.3 of this report;

Specific Recommendations for Appendix Y9 – Early Years

The Mayor is asked to note the consultation response and to agree:

- 3.35.1 the closure of Amersham Early Years Centre;
- 3.35.2 that the closure date for Amersham Early Years Centre is August 2011;
- 3.35.3 for a formal consultation to start with staff at all three remaining Early Years Centres (Honor Oak, Ladywell and Rushey Green) to reduce costs through re-organisation;
- 3.35.4 that the final decision about re-organisation is delegated to the Executive Director for Children and Young People;
- 3.35.5 that officers progress proposals to grant to a private or voluntary sector the lease of Rushey Green EYC and bring back the results of the consultation before making the final decision on the granting of the lease;
- 3.35.6 the exploration of options for the delivery of Council provided child care at Ladywell and Honor Oak Early Years Centres being provided by a third party that secures the continuation of the specialist provision for children with complex needs, with the results of the exploration of options being brought back, before making the final decision about third party provision.

Specific Recommendations for Appendix Y10 – Early Interventions Grant

The Mayor is asked to:

- 3.36.1 Note the establishment of the Early Intervention Grant and the significant reductions in available resources;
- 3.36.2 Agree that consultation begin on the proposed priorities for expenditure of the Early Intervention Grant and future service design and ask officers to bring a report back to the Mayor and Cabinet on the outcome of that consultation at the earliest opportunity.

- 3.36.3 To note any representations on proposals to discontinue grant funding/service agreements with those organisations set out in the Annex to this report and having considered them to decide whether to discontinue that provision as proposed with effect from 31st March 2011.
- 3.36.4 To note any representations on proposals to continue funding for organisations as shown in the annex to this report and having done so to decide whether to reduce funding by 20% for those organisations where this is proposed as suggested with effect from 31st March 2011

Specific Recommendations for Appendix Y11 – Connexions

The Mayor is asked:

- 3.37.1 To revoke his decision made on 17th November 2010 to reduce by 20% the amount spent by the Borough on Information, Advice and Guidance (IAG) to young people by renegotiating its current contract for Connexions IAG delivery with the Borough's provider, Babcock PLC;
- 3.37.2 To agree that the contract for IAG with Babcock is not renewed or re-let.

Specific Recommendations for Appendix Y12 - Libraries

The Mayor is recommended to:

- 3.38.1 Note the budget strategy for the Library and Information Service as detailed in section 6.
- 3.38.2 Agree the closure of Blackheath Village Library, Sydenham Library, Crofton Park Library, New Cross Library and Grove Park Library with effect from 28 May 2011.
- 3.38.3 Request officers to pursue the potential for asset transfer to deliver community library services in the affected neighbourhoods, as set out in Section 12, and report the outcome in due course to Mayor & Cabinet.
- 3.38.4 Return to Mayor and Cabinet with a full report on the process and the financial findings.

Specific Recommendations for Appendix Y14 – Fairer Charging

Having considered the outcomes of the consultation on Adult Social Care Charging process undertaken from the 1st September 2010 to the 30th November 2010 approval is sought to :-

- 3.39.1 Increase the charge for meals from £3.00 to £3.50 from 1st April 2011
- 3.39.2 Increase the percentage of net disposable income considered in Fairer Charging and Fairer Contributions assessments to 90% in April 2011 and 100% in April 2012.

- 3.39.3 Increase the maximum weekly charge for services from £290 to £395 in April 2011 and to £500 in April 2012.
- 3.39.4 Agree that a minimum level of Disability Related Expenditure (DRE) should be taken into account without the requirement to provide receipts, this rate to be £5 p.w. from 1/4/2011 and reviewed in April 2012.
- 3.39.5 Agree that Disability Related Expenditure should always be taken into account for clients receiving or applying for a disability related benefit and that where clients do not apply for a disability related benefit consideration of DRE will be on a case by case basis.
- 3.39.6 Agree that the Council's Fairer Contributions Policy will be based on 100% of service cost and that existing subsidies should be removed from in-house services over 3 years.
- 3.39.7 Agree that the Income Support Buffer should remain at 35% in April 2011 but be reviewed in April 2012.
- 3.39.8 Confirm that carers services provided at home and reablement services to eligible clients will continue to be free for users
- 3.39.9 Ask officers to develop options for charging for transport
- 3.39.10 Ask officers to develop options for variable charges for meals prepared at day centres.
- 3.39.11 Note that an assessment of the impact of the proposals on clients will be completed after 6 months of implementation.

4 STRUCTURE OF REPORT AND POLICY CONTEXT

4.1 The 2011/12 Budget Report is structured as follows:

- | | |
|------------|------------------------------------|
| Section 1 | Executive Summary |
| Section 2 | Purpose |
| Section 3 | Recommendations |
| Section 4 | Structure of the Report |
| Section 5 | Capital Programme |
| Section 6 | Housing Revenue Account |
| Section 7 | Dedicated Schools Grant |
| Section 8 | General Fund Revenue Budget |
| Section 9 | Council Tax |
| Section 10 | Future Years' General Fund Budgets |
| Section 11 | Treasury Strategy |

Section 12	Consultation on Budget
Section 13	Financial Implications
Section 14	Legal Implications
Section 15	Human Resources Implications
Section 16	Crime and Disorder Implications
Section 17	Equalities Implications
Section 18	Environmental Implications
Section 19	Conclusion
Section 20	Background and Further Information

Policy Context

- 4.2 The Council's strategy and priorities drive the Budget with changes in resource allocation determined in accordance with policies and priorities. The 6 Sustainable Community Strategy priorities, agreed with the Local Strategic Partnership (LSP) and the Council's 10 Corporate Priorities are set as follows:

Sustainable Community Strategy

- **Ambitious and achieving:** where people are inspired and supported to their potential.
- **Safer:** where people feel safe and live free from crime, antisocial behaviour and abuse.
- **Empowered and responsible:** where people are actively involved in their local area and contribute to supportive communities.
- **Clean, green and liveable:** where people live in high quality housing and can care for and enjoy their environment.
- **Healthy, active and enjoyable:** where people can actively participate in maintaining and improving their health and well-being.
- **Dynamic and prosperous:** where people are part of vibrant communities and town centres, well connected to London and beyond.

Corporate Priorities

- **Community Leadership and Empowerment:** developing opportunities for the active participation and engagement of people in the life of the community.
- **Young people's achievement and involvement:** raising educational attainment and improving facilities for young people through partnership working.

- **Clean, green and liveable:** improving environmental management, the cleanliness and care for roads and pavements, and promoting a sustainable environment.
- **Safety, security and a visible presence:** partnership working with the police and others to further reduce crime levels and using Council powers to combat anti-social behaviour.
- **Strengthening the local economy:** gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
- **Decent Homes for all:** investment in social and affordable housing to achieve the decent homes standard, tackle homelessness and supply key worker housing.
- **Protection of children:** better safeguarding and joined up services for children at risk.
- **Caring for adults and older people:** working with health services to support older people and adults in need of care.
- **Active, healthy citizens:** leisure, sporting, learning and creative activities for everyone.
- **Inspiring efficiency, effectiveness and equity:** ensuring efficiency and equity in the delivery of excellent services to meet the needs of the community.

4.3 In taking forward the Council's Budget Strategy, in engaging our residents, service users and employees, and in deciding on the future shape, scale and quality of services, we are driven by the Council's four core values:

- We put service to the public first
- We respect all people and all communities
- We invest in employees
- We are open, honest and fair in all we do

4.4 Early last year, Sir Richard Leese, Leader of Manchester City Council and Sir Steve Bullock, were requested by the then Secretary of State to consider a strategic approach to the public services response to the economic pressures which were very clearly on the horizon. The primary aim of this work was to provide a framework for the exploration of efficiencies and to mitigate against the worst impact on citizens. The output of this work provided a series of ten questions which all local authorities should consider in meeting the current challenge. Lewisham has used the questions to generate a local approach to explore efficiencies, cost reductions and savings.

The Ten Questions and Nine Guiding Principles

4.5 Q1 – Are you taking a coordinated approach with partners, centred on the Customer, to transforming, sharing and reshaping services in the front and back office?

4.5.1 The Council has had a coordinated approach to Customer Transformation over the past three years based on the Customer Services Strategy. This has delivered significant transformational change by examining services through the eyes of our

customers and putting design at the heart of what we do to deliver effective and efficient local services tailored to customer needs. We have worked within the Council and with partners to deliver services innovatively, whilst releasing officer time, removing waste and improving the customer experience. This has contributed towards the delivery of £7.9m cash-releasing efficiency savings across the Council over the past 3 years. For example, in Housing Benefits, we worked collaboratively with partners to redesign the assessment process to better support customers making a benefit claim and removed the burden of repeat contact to our offices to progress their application. Not only do customers' experience a more efficient and robust service, the average time taken to process a benefit claim has dropped from 22 days to 8 days, but in addition we have released 7% efficiency savings from the budget with a further 9% planned over the next three years.

- 4.5.2 Within Adult Social Care, we consolidated four business support teams into a central advice and information service. This was to provide a consistent and effective first point of contact, called the SCAIT team. Working with our partners enabled us to understand the complexities of existing service delivery; identify ways to improve initial contact from a customer perspective with different needs, and build collective commitment across organisations to do things differently. SCAIT has provided clear and simple points of access for customers, that is understood by service users and providers, and is consistent and of high quality.
- 4.5.3 This approach to transforming, sharing and reshaping services in both the front and back office to both deliver savings and also focus on improving the service to customers and service users is a key part of the savings process for the next three years. There are about a £1.2m of savings proposed across the Council which result from moving services into Access Point, CallPoint and the SCAIT team which have enabled savings in the back office. These are across Customer Services, Regeneration, Community Services and CYP.
- 4.5.4 Transformation reviews which have sought to streamline processes with a view to driving out inefficiencies, lower costs and improve the service to customers have resulted in savings proposals of over £1m in highways, revenues and benefits and planning.
- 4.6 Q2 – Are you engaging with all your partners, taking a 'Total Place' approach, to secure outcomes for the customer which maximises value for money?
- 4.6.1 A range of examples of such work exist. For instance, joint commissioning arrangements in both Children's and Adults Services; community safety arrangements in partnership with the Police at a neighbourhood level/joint procurement of energy across London Councils, with proposals for reducing the council's learning budgets as a result of an agreement with the London Boroughs of Greenwich, Bexley and Lambeth.
- 4.6.2 Lewisham was one of thirteen national pilots for Total Place, an initiative which aimed to develop new ways of delivering better outcomes at lower cost. The four themes on which the Council has been working are, the management of offenders; worklessness & unemployment, Health & Social Care and assets & energy. In each of these areas the Council has been working with our public sector partners locally, our local community & voluntary sector, regional agencies and Central Government departments. These programmes are inevitably long-term, but promise to reduce costs and improve outcomes through better designed and personalised services.

- 4.6.3 Following on from Total Place, Lewisham has been chosen as one of sixteen areas across the country to pilot the Community Budgets initiative. Each Community Budget area will be allowed to pool certain funding streams across partner organisations to allow them to develop new ways to tackle the problems associated with families with complex needs.
- 4.7 Q3 – Are you improving processes, systems and practices whilst you transform and share resources to ensure that new services are efficient and designed for the customer throughout?
- 4.7.1 The Council is undertaking work to streamline systems, processes and practices. This includes CONTROCC, streamlining income processes to carry out financial assessments and reassessments faster and inform clients of their likely contribution to their care as quickly as possible. We are changing the way invoices are raised so that they reflect more accurately the cost of services actually received. This example contributes £200k of savings to the budget strategy for 2011/12.
- 4.7.2 The Council will complete the transformation of its web site this year. As a result we will be able to transfer a significant number of transactions onto this channel which will result in a more efficient and cost effective service to customers and local people.
- 4.7.3 Delivering a cashless Council will make both efficiency savings and improve practice, providing for greater security in Council transactions. Savings are outlined in this report of £150k.
- 4.8 Q4 - Do you have the data available to understand how your council is performing, and do you share and benchmark this information against others to identify areas for increased efficiency?
- 4.8.1 Lewisham Council reports its performance against 80 headline indicators in a monthly Management Report. These 80 headline indicators are a mixture of indicators, which cut across the Council's ten priorities. Some of these measures are drawn from the former national performance management framework and others are local measures. The Council rigorously tests data to ensure its veracity and reliability. The Management Report sets out three distinct prisms through which the Council benchmarks its performance:
- compared to external benchmark
 - compared to current target and;
 - compared to the previous year
- 4.8.2 Both the Management Report and the Council's disciplined approach to data quality management have been held up by our regulator as models of best practice.
- 4.8.3 Lewisham also submits performance data for the Local Authority Performance System (LAPS), which is managed by London Councils. The LAPS tool currently provides quarterly comparative information, for both performance and cost, across a wide range of service areas. Our analysis of this data enables the Council to see how it is performing relative to other authorities, which submit their data for comparison.

- 4.8.4 Lewisham is also a member of the London Authorities Performance Management Network. The forum which is convened by London Councils, brings together performance leads from across London to share good practice and develop approaches to improve performance management.
- 4.8.5 Following the abolition of the national performance management framework and the introduction of the single data list from Whitehall, the Council is reviewing its data collection and performance reporting arrangements.
- 4.9 Q5 – Are you considering where you can collaborate with others on the procurement of technology, goods and service provision, and how you can achieve wider social objectives through innovative procurement?
- 4.9.1 In terms of ICT services, we use OGC Buying Solutions facilities for a number of items. Their framework agreements are pre-tendered and fully EU-compliant, saving time and money in procurement. We buy our Desktop/laptop kit via "e-auctions". A number of Councils aggregate their spending power to get competitive prices for buying in 'bulk'. Our mobile phone contract is based on OGC or better pricing, saving us considerable sums on previous years, and we are moving away from BT for Broadband provision after running a mini tendering process via the OGC, which will further reduce our costs.
- 4.9.2 Procurement of the replacement Social Service system was via a joint process with three other boroughs, and Lewisham's Libraries are about to join with the London Libraries consortium for a pan London replacement of the Libraries Management system
- 4.9.3 Our Microsoft licensing model was developed in conjunction with the OGC (who used our negotiations as a benchmark) and once again the pricing is based on the aggregated buying power of a number of Authorities. The OGC deal was praised by the Treasury as contributing to "the Government's efficiency targets in support of its Operational Efficiency Programme, and clearly demonstrating the huge benefits that can be achieved through collaborative procurement"
- 4.9.4 We have recently completed a major joint procurement exercise with Bromley Council for the provision of our Outsourced ICT support Services contracts, using a shared specification and contract documentation and overall this generated a saving of around 35% of the current budgets. It is expected that further joint procurement, and shared services with Bromley will follow as the contracts develop. The contract for our new Data Centre provider, which was procured at the same time, will also help us in achieving "Carbon Neutral" status as it uses the latest technology to ensure it is highly energy efficient.
- 4.10 Q6 – Are you considering how you can improve asset management when sharing services, and when considering organisational structures?
- 4.10.1 Over the last 12 months, the Council has continued to strengthen its asset management arrangements. A review has commenced of local public sector infrastructure to establish, given the current savings requirements, how the estate can be rationalised. Lewisham's public sector partners now meet every 6 months to jointly develop and deliver improvements to the borough's physical infrastructure. We are now examining the potential for the joint procurement of facilities management arrangements and shared services. Discussions are taking place with neighbouring boroughs on sharing information on the estate rationalisation

proposals close to borough boundaries.

4.11 Q7 – Do you understand your workforce and how to get the best out of them?

4.11.1 Lewisham is ambitious for the community it serves, and committed to the continued development of the productivity and effectiveness of our workforce. The indicators concerned with the overall representation of the workforce identify that Council performance has improved. Similarly, the Council reflects the ethnic origins of the community in its workforce with representation of BME staff at senior level increasing on a year on year basis.

4.11.2 The People Management Strategy focuses on the importance of having an effective, motivated and efficiently organised workforce to deliver this vision. The Council aims to be a “learning organisation” – creating a positive environment in which all staff can improve their approach to learning how they can best deliver value to the public. The Council has been continuously accredited by the Investors in People (IIP) standard since 1996. The IIP assessment process has been an integral part of our continuous workforce development for over a decade – enabling us to identify and implement good practice

4.11.3 We have a well-motivated and skilled workforce that is clear about the priorities of the organisation and their role in achieving the organisation’s overall goals and in delivering specific service objectives. This is evidenced in our latest employee survey that demonstrated, among other things, that 90 per cent of staff have a comprehensive understanding of their service goals, 13 percentage points above public sector norms.

4.12 Q8 - Does your Council have the leadership capacity and skills needed to develop innovative solutions and engage communities and frontline staff?

4.12.1 The Audit Commission has in its own inspection report identified the political and managerial leadership of the organisation as strong. The Council has also been recognised as having an outstanding approach to engaging with its community. The evidence presented in a recent inspection demonstrated the Council’s comprehensive approach to engaging with its residents and citizens across the borough. This resulted in the award of a green flag for excellence in community engagement.

4.13 Q9 – Are you considering whether you have the most efficient management layers and structures in place and can these be shared, integrated or aligned with those of partners?

4.13.1 ‘New Directions’, the Chief Executive’s paper on organisational structure and cost savings has outlined the approach to affecting cost reduction across senior management. It sets out a plan to increase managerial spans of control across the council and reduce senior management costs. The most obvious step will be to reduce the Council directorates from 5 to 4. The total cost of services needs to be re-engineered so they can be secured at much lower cost, saving approximately £2.5m.

4.13.2 This will involve re-designing services from top to bottom as well as examining how work can be re-organised to lower cost. It must also involve reducing the cost of management and the cost of overheads to service delivery (such as assets, plant,

machinery, support service costs and so on). At the present time the overall cost of management in Lewisham is low relative to comparator Councils. However, this does not mean that management costs cannot be lowered further. It will be necessary to reduce the layers of management, increase managerial spans of control and re-group specialties across the Council to save money. What the Council needs to retain is a management structure that secures service delivery (through direct employment or service contracting), assures accountability to the Council and is innovative and flexible enough to continue to change and adapt services into the future. To this end, the Council's management arrangements will be altered over the coming period so as to lower the overall cost of management.

4.14 Q10 – Are you considering how flexible your staff are and how specialist professional skill sets can be shared across your partner’s organisations?

4.14.1 A number of budget proposals contained in this report include delivering savings as a result of providing these jointly with partners. For example, the proposals on reducing the Council’s learning budgets has been produced as a result of an agreement with the London Boroughs of Greenwich, Bexley and Lambeth to deliver training jointly.

4.15 Nine Guiding Principles

4.15.1 Lewisham has developed an underpinning set of nine guiding principles, designed to assist in the process of bringing forward savings proposals and to aid decision making.

4.15.2 Outlined below are the nine guiding principles:

- 1) Consider the social impact of proposed changes
- 2) Avoid short-term fixes
- 3) Co-ordinate action across the whole Council
- 4) Encourage self-reliance, mutualism and cooperative endeavour
- 5) Prioritise support for those in greatest need
- 6) Not favour one locality over others
- 7) Involve service users, staff and other stakeholders in service redesign
- 8) Coordinate action with other public agencies and the voluntary sector, and consider shared solutions
- 9) Listen to all voices, take account of all views and then we move forward to implement.

5 CAPITAL PROGRAMME

5.1 In considering the Council’s overall financial position, the Capital Programme is considered first. This is to ensure that any revenue implications of capital decisions can be taken into account.

5.2 This section of the report considers the Capital Programme. It is structured as follows:

- 2010/11 Quarter 3 Capital Programme Monitoring
- Capital Programme Budget 2011/16

2010/11 Quarter 3 Capital Programme Monitoring

5.3 The 2010/11 Quarter 3 Capital Programme monitoring report as prepared for the Executive Director for Resources in January 2011, projected resources of £373.851m, associated expenditure of £367.652m and as a consequence, under programming of £6.199m.

5.4 This represents an improvement to the position reported to Mayor & Cabinet on 17 November 2010, as restated for the transition from a three to a five year budget basis which was forecasting comparable over-programming of £1.376m. The improvement of £7.575m in the five year programme is principally attributable to a re-profiling of capital resources which has resulted in capital receipts being brought forward from future years.

5.5 Table A1 sets out the development in the Capital Programme. It indicates that:

- The under-programming is concentrated in the final two years of the five year programme, where there is considerable uncertainty on the timing and amount of the capital receipts.
- There is a timing issue in the third year of the Programme, where there is forecast over-programming of £4.480m which will require corrective action.

Table A1: Developments in the Programme

		2010/11	2011/12	2012/13	2013/14	2014/15	Effective Programme	Future	Total
		£m	£m	£m	£m	£m	£m	£m	£m
Original Budget	Projected Expenditure	124.013	91.519	16.778	37.482	36.000	305.792	37.400	343.192
	Projected Resources	(124.013)	(90.222)	(18.244)	(36.075)	(36.030)	(304.584)	(39.493)	(344.077)
	Net Over/ (Under) Programming	0.000	1.297	(1.466)	1.407	(0.030)	1.208	(2.093)	(0.885)
Changes Previous Monitoring Reports	Net Change in Expenditure	(48.178)	23.364	63.540	14.127	4.869	57.722	0.000	57.722
	Net Change in Resources	47.322	(23.955)	(57.925)	(16.127)	(6.869)	(57.554)	0.064	(57.490)
	Net Change Over/ (Under) Programming	(0.856)	(0.591)	5.615	(2.000)	(2.000)	0.168	0.064	0.232
Changes Quarter 3 Monitoring Report	Net Change in Expenditure	1.450	2.615	0.072	0.001	0.000	4.138	0.000	4.138
	Net Change in Resources	(0.878)	(3.193)	0.259	(5.651)	(2.250)	(11.713)	0.000	(11.713)
	Net Change Over/ (Under) Programming	0.572	(0.578)	0.331	(5.650)	(2.250)	(7.575)	0.000	(7.575)
Current Projections	Projected Expenditure	77.285	117.498	80.390	51.610	40.869	367.652	37.400	405.052
	Projected Resources	(77.569)	(117.370)	(75.910)	(57.853)	(45.149)	(373.851)	(39.429)	(413.280)
	Net Over/ (Under) Programming	(0.284)	0.128	4.480	(6.243)	(4.280)	(6.199)	(2.029)	(8.228)

5.6 The forecast spend of £77.285m in 2010/11 compares with actual spend at the end of December 2010 of £38.698m (50%). This is consistent with the spend profile in previous years.

Capital Programme Budget 2011/16

5.7 The Capital Programme must be considered in the context of a situation in which resources will be considerably restrained in the medium term principally because of the impact of the Government austerity package and the demands for capital investment remaining high principally because of the size and duration of capital projects.

5.8 The overall national and global economic position was detailed in a briefing to the Mayor in November 2010 which summarised the key issues as follows:

- The Comprehensive Spending Review announced by the Government in October 2010, indicated that public sector capital expenditure would face cuts of around 45%. Resources provided by Central Government represents 62% of the Lewisham Capital Programme and consequently this will have a significant impact.
- The Government have indicated that there will be no revenue support for borrowing after the current financial year. Previously, supported borrowing had provided resources of approximately £14.7m per annum.
- Cuts to revenue funding means that there is unlikely to be the scope for any additional revenue support for either funding capital expenditure or financing the revenue costs associated with prudential borrowing.
- Going forward, the only tenable source of additional funding for the Capital Programme is capital receipts from the sale of surplus Council assets. Previous reports have emphasized the difficulty of realising sums from this source.
- As a consequence of Lewisham's early work on our Building Schools for the Future (BSF) Programme, and the positive progress in this regard, a better outcome has been ensured than might have been anticipated through the Spending Review.

Resources

5.9 The estimated resources available within the 2011/16 Capital Programme are as set out in Table A2 and discussed in paragraphs 5.11 to 5.22. The movements in resources from quarter three to those in Table A2 are summarised in Appendix W1.

Table A2: Projected Resources

	2011/12	2012/13	2013/14	2014/15	2015/16	Effective Programme	Future	Total
	£M	£M	£M	£M	£M	£M	£M	£M
Supported Borrowing	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Prudential Borrowing	(8.275)	(6.950)	(0.750)	0.000	0.000	(15.975)	0.000	(15.975)
Capital Receipts	(37.079)	(16.478)	(8.350)	(12.050)	(4.000)	(77.957)	(2.750)	(80.707)
Grants	(78.586)	(52.484)	(50.628)	(41.369)	(36.200)	(259.267)	(1.400)	(260.667)
Revenue	(9.580)	(3.265)	(1.275)	(1.230)	(1.200)	(16.550)	(0.029)	(16.579)
	(133.520)	(79.177)	(61.003)	(54.649)	(41.400)	(369.749)	(4.179)	(373.928)

Table A2 illustrates that:

- Aggregate resources decline throughout the five year term of the Programme.
- The largest decline is in the principal resource of capital grants.
- As revenue funding reduces, capital receipts will become increasingly important to the Capital Programme.

5.10 The prospects for resources are summarised in the following paragraphs.

Supported Borrowing (£0m)

- 5.11 The debt charges associated with supported borrowing were previously partially reimbursed by Central Government through the Revenue Support Grant mechanism. However, the Spending Review removes revenue support for borrowing after the current financial year and consequently no supported borrowing is included in future years' Programmes.

Prudential Borrowing (£15.975m)

- 5.12 Prudential borrowing requires provision within revenue budgets to finance the costs of servicing the debt and is funded by savings generated by directorates.
- 5.13 Prudential borrowing currently relates to the Council's vehicle replacement programme and the continuing investment in highways, following the Best Value Review. Highways prudential borrowing of £3m per annum was included for the 3 year period 2010/13, as part of the 2010/11 Budget Report. No further allocation for the years 2013/14 – 2015/16 has been made as a result of the difficulty of identifying related savings within the corresponding revenue budgets.
- 5.14 Additional borrowing of up to £0.7m, £1m and £0.950m was also included in the Capital Programme for potential vehicle replacements for the three years 2010/13. Provision was made in revenue and capital budgets in anticipation of the outcome of a review of the most efficient way to provide vehicles to meet the Council's operational needs. The review has yet to be concluded and consequently the potential borrowing requirement cannot be finalised.
- 5.15 Due to the scarce nature of resources, it is recommended prudential borrowing be used essentially to provide bridging finance for the Heathside & Lethbridge capital project until associated capital receipts are available. Therefore a total of £6.8m of resources have been included within the capital programme funded by Prudential borrowing in the years 2010/11 to 2013/14. This borrowing will be repaid in full with the capital receipts to be generated by the disposal of the land in various phases to the development partner.

Capital Receipts (£77.957m)

- 5.16 There is considerable uncertainty associated with the projection of capital receipts, principally because of the volatility in the residential and commercial property markets. The disposals programme is rigorously reviewed on a quarterly basis and was reviewed again in January 2011. Table A2 contains the officers' best, but prudent, assessment of the likely timing and value of receipts.
- 5.17 The revised Programme reflects a period where investment in infrastructure by Government will be significantly reduced. Resourcing the Programme in future years will require increasingly difficult decisions on capital receipt generation from asset disposal. Difficult choices are likely to be needed, traditional site disposal with an immediate receipt is likely to be replaced with an expectation of either a deferred receipt or a subsidised (or nil value) transfer.
- 5.18 In recognition of the risks associated with capital receipts, the policy has been to not commit expenditure until the actual receipt has been realised.

Grants (£259.267m)

- 5.19 Estimated grants assume that funding will be provided following Lewisham Homes achieving a two star rating following inspection. However, in July 2009 the Housing Minister announced a proposal to defer payment of Decent Homes funding until 2011/12 for those authorities which gain a two star status. A bid was submitted under the new bidding arrangements in January of this year. The outcome is not expected until the Spring. It is also not clear how any shortfall arising from the bid might be made up. The resources and budgets associated with this are included in Table A2 in line with the original assumptions (i.e. the resources and budgets currently remain unchanged). This cash flow will therefore require subsequent amendment when the level of Central Government funding is confirmed and when other funding mechanisms have been investigated.
- 5.20 In December 2010, the Department for Education (DfE) announced capital funding allocations that nationally indicated a reduction of 60% from 2010/11 levels. The review by DfE of Education Capital has not concluded and will now inform allocations from 2012 onwards. The pressures from rising pupil rolls were recognised by an increased allocation. For Lewisham, the allocation in 2011/12 for basic need and maintenance totals £16.338m and is included within Table A2.
- 5.21 Other grant resources included in Table A2 include the funding for the Building Schools for the Future design and build schools, Primary Capital Programme funding from Department for Children, Schools and Families (DCSF, housing Major Repairs Allowance and Transport for London (TfL) LIP funding for Surrey Canal road station. These grants have not been affected by the cuts included within the CSR. The Disabled Facilities Grant is funded by DCLG and has in recent years funded 60% of this programme. No announcement has been made by DCLG as yet, This is expected in January / February, therefore no grant is assumed for any of the years post 2010/11.

Revenue (£16.550m)

- 5.22 Corporate revenue support to capital has been maintained at £3.250m in 2011/12 and has been provisionally assumed at £2m for 2012/13. From 2013/14 to 2015/16 no allocation has been assumed due to potential pressures on revenue budget. Decisions will need to be made in future years. Schools revenue contribution to capital has been assumed at £1.2m for each of the years within the Capital Programme 2011/12 to 2015/16.

Programmes and Projects

- 5.23 In view of the resource position set out above, the current programme has been rigorously reviewed. Current commitments, budget risks and future demand have been analysed and cash flows updated.
- 5.24 Table A3 sets out proposed amendments to the current programme where officers have identified developments within the existing programme and subsequent decisions by Mayor & Cabinet.

Table A3: Capital Programme Risks, Re-profiling and Future Demand 2011/16

Project/ Programme	2011/12	2012/13	2013/14	2014/15	2015/16	Effective Programme	Future	Total
	£m	£m	£m	£m	£m	£m	£m	£m
<u>Budget Risks</u>								
Kender New Build: Phase 3 South (NDC)	(1.485)	-	-	-	-	(1.485)	1.485	-
AMP Programme	(0.800)	0.800	-	-	-	-	-	-
Lewisham Homes ICT	(0.600)	-	-	-	-	(0.600)	-	(0.600)
Worksmart Underspend	(0.125)	-	-	-	-	(0.125)	-	(0.125)
Travellers Site	(0.564)	0.564	-	-	-	-	-	-
ICT Tech Refresh	(0.250)	0.250	-	-	-	-	-	-
Heathside & Lethbridge Financing Costs	-	-	-	6.800	-	6.800	-	6.800
<u>Future Demand</u>								
<u>Housing needs</u>								
Private Sector grants	-	-	0.800	0.800	0.800	2.400	-	2.400
DFG	-	-	0.707	0.707	0.707	2.121	-	2.121
Housing Options programme	-	-	0.400	0.400	0.400	1.200	-	1.200
Cash Incentive scheme	-	-	0.200	0.200	0.200	0.600	-	0.600
<u>GF</u>								
Aids & Adaptations and Disabilities scheme	-	-	0.450	0.450	0.450	1.350	-	1.350
ICT Tech Refresh	-	-	0.500	0.500	0.500	1.500	-	1.500
Primary Places	13.338	-	-	-	-	13.338	-	13.338
Schools Maintenance grant	3.000	-	-	-	-	3.000	-	3.000
Schools AMP	-	-	1.200	1.200	1.200	3.600	-	3.600
Lewisham Mortuary – Cremator	1.500	-	-	-	-	1.500	-	1.500
AMP Programme	-	-	2.000	2.000	2.000	6.000	-	6.000
Surrey Canal Road Station	2.200	-	-	-	-	2.200	-	2.200
<u>Lewisham Homes Re-profiling</u>								
Decent Homes Programme	-	-	-	-	36.000	36.000	(36.000)	-
TOTAL	16.214	1.614	6.257	13.057	42.257	79.399	(34.515)	44.884

5.25 The key areas of change regarding risks and future demand are included in Table A3 and are discussed in more detail in paragraphs 5.26 to 5.31.

Travellers' Site

- 5.26 Details of the review of the need for a Travellers' site in Lewisham and the site search were included in a report to Mayor & Cabinet on 1 December 2010. A total budget of £1.1m has been earmarked for the project, split 50/50 in 2011/12 and 2012/13. However, as highlighted in the report this is unlikely to be sufficient, but the likely cost is not possible to estimate until a preferred location or locations are identified.

Heathside & Lethbridge

- 5.27 Budget was approved in 2010/11 for the future phases of the project funded initially from the Capital Programme. This will now be funded upfront by prudential borrowing that will be repaid by capital receipts from the disposal of the cleared land to the development partner in phases.

On Going Housing needs

- 5.28 Budget has been included for Private Sector Grants, Housing Options Programme, Cash Incentive Scheme and Disabled Facilities Grant (DFG) in line with previous years' budgets and expenditure achieved. DFG is assumed to be fully funded by Lewisham in 2011/12 to 2015/16, as DCLG have not made an announcement yet as to the availability of the grant. If any grant is made available to Lewisham the budget will remain the same and the resources will accrue to the Capital Programme.

Primary Places

- 5.29 As detailed in paragraph 5.20, Lewisham has been awarded basic need and maintenance grants totaling £16.338m for 2011/12. The budget for this has been included in the Capital Programme in full. Future reports to Mayor & Cabinet will detail proposals on how this funding will be spent.

Lewisham Mortuary Cremator

- 5.30 Due to changes in legislation, it is necessary to replace the cremator at Lewisham crematorium. It is estimated that this will cost in the region of £1.5m. A budget for this amount has therefore been provisionally provided for in the Capital Programme. This will be the subject of a future report to members.

Surrey Canal Road

- 5.31 The cost of works required at Surrey Canal Road Station are forecast at £2.650m to be spent as follows:- £0.450 million in 2010/11 and £2.200 million in 2011/12. The budget for 2010/11 has been confirmed by TfL to be fully funded by grant in-year. It is assumed that the 2011/12 spend will be fully funded by TfL over the following five years, as part of the ongoing LIP funding at £0.500m for years 2011/12 to 2014/15 and £0.200 million for 2015/16. Therefore, the issue for the Capital Programme is essentially one of providing bridging finance.

Lewisham Homes

- 5.32 As detailed in paragraph 5.19, the level of funding to be provided from Central Government for Decent Homes, now that Lewisham Homes has achieved a 2 star rating is uncertain. The budgets in the Capital Programme match the resources based on the original assumption of funding. Housing finance is currently being reviewed nationally and the wider implications for the Lewisham Capital Programme will be assessed when this is finalised.

Aggregate Programme

- 5.33 The total resources available to the programme and overall proposed Capital Programme budget for the period is set out in Table A4

Table A4: Total Resources & Budgets

	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m	Effective Programme £m	Future £m	Total £m
Total Resources	(133.520)	(79.177)	(61.003)	(54.649)	(41.400)	(369.749)	(4.179)	(373.928)
Projected Expenditure								
Committed Schemes	57.655	33.524	14.128	4.869	0.000	110.175	0.000	110.175
Un-Committed Schemes	59.651	46.865	37.482	36.000	0.000	179.998	37.400	217.398
	117.306	80.389	51.610	40.869	0.000	290.174	37.400	327.574
Future Demands	16.214	1.614	6.257	13.057	42.257	79.399	(34.515)	44.884
Total Projected Expenditure	133.520	82.003	57.867	53.926	42.257	369.573	2.885	372.458
Net Over/ (Under) Programming	0.000	2.826	(3.136)	(0.723)	0.857	(0.176)	(1.294)	(1.470)

- 5.34 The table indicates that the five year programme is under-programmed by £0.176m with the under-programming concentrated in 2013/14. The under-programming is directly related to the capital receipts projected to be realised in this period where, because of the uncertainty, it is not considered prudent to commit expenditure in anticipation of such receipts.
- 5.35 It should be noted that there is a minor timing issue in 2012/13 where there is an over-programming of £2.826m. Officers have examined the programme to determine the scope to either defer expenditure to 2013/14 and future years or accelerate receipts. Deferral of expenditure is likely to occur from natural programme slippage, as £2.826m represents approximately 3% of the forecast expenditure for 2012/13. This is further backed up by the fact that the Programme is only 42% committed for the years 2011/12 to 2012/13.

Potential Additional Resource Requirements

- 5.36 There are three uncommitted capital projects/ Programmes which have material implications on the under / over-programming position of the Capital Programme. These projects/programmes have not yet been approved and are therefore not currently included in the Capital Programme. These are summarised below.

Excalibur & Giffin Street Redevelopments

- 5.37 On both these schemes, Mayor & Cabinet has received reports setting out the detailed proposals of the proposed redevelopments. On Excalibur, officers are currently negotiating with London & Quadrant the land value of the development and the arrangements to reimburse the Council's costs of securing vacant possession. On 20 October 2010, Mayor & Cabinet agreed a report on Giffin Street which set out the next steps to deliver the housing element of the Programme once the new Tidemill School is completed in summer 2011. Officers are currently considering how best to deliver the housing component of the scheme given the resource position of the Capital Programme. The current estimate of budget required for Excalibur is £5.3m over the four years 2011/12 to 2014/15. For Giffin Street, the current estimate is £4.75m over the years 2011/12 to 2012/13. It is proposed that the budget will be funded upfront from prudential borrowing which will be repaid by capital receipts from the disposal of the land for the various phases of the development to the development partner.

Catford Redevelopment

- 5.38 Following the acquisition of the Catford Shopping Centre, Officers have been considering how to redevelop the area and have entered into discussion with Tesco on proposals for a new store. In order to progress the redevelopment, at some stage, a master plan for the area will be required and the Council will need to deliver vacant possession of Milford Towers. Both of these are significant projects for which no resources have yet been identified. At some stage, the Council will be able to realise its investment in the Shopping Centre, but at this early stage there remain uncertainties as to site values and timing. The current estimate of the budget that could be required for Catford is £6.7m over the 4 years, 2011/12 to 2014/2015. A further report on Catford is scheduled to be considered by Mayor & Cabinet in March 2011. This will set out a high level business case for the development and consider the options for redevelopment.

Risk Management

- 5.39 The risks related to the Capital Programme are managed programme-wide and scheme by scheme. Regular meetings of directorate Project Review Groups and the Corporate Project Board review project progress and spend to ensure that any material variances are identified promptly and appropriate remedial action taken. Officers review anticipated capital receipts quarterly and projections are updated and reported in the regular reviews of the programme to Mayor & Cabinet.
- 5.40 The risks to the programme have changed over the last 12 months when the risks associated with the housing market, contractor failure and securing adequate project management skills were identified. The housing market risk remains and, following the cuts in social housing funding, has probably grown in significance. Construction prices are currently low with tender returns regularly below estimates. Constructors are squeezing their supply chains and profit margins in order to win work and this can leave them prone to financial failure. Officers will continue to assess financial risks before appointing any major contractors to schemes.
- 5.41 Primary school places remain a key concern. It is estimated that the short term growth in pupil numbers across the borough could lead to a requirement for up to 18 additional forms of entry by September 2011. Some permanent expansion has been agreed and the rebuild of Gordonbrock and Brockley schools is now in progress, but

these measures fall short of the projected needs. As set out above, £16.338m of DfE capital has been provided in 2011/12 and officers are currently considering how this should be allocated.

- 5.42 Capital resources have been reviewed in detail following the publishing of the Spending Review and the other announcements from the Government about cuts. It was announced that there would be significant cuts to capital funding of around 45%. Full details of what this means in practice are still to be announced, it is known that there will be no revenue support for borrowing after 2010/11.
- 5.43 The Council's Capital Programme includes a number of complex projects such as Building Schools for the Future, Customer Services transformation and the redevelopment of Deptford and Catford Town Centres, where skilled programme and project management are required to successfully deliver to time and cost. The Council's current successful approach to the development of internal capacity remains vulnerable to pressures from across the market for highly skilled programme and project managers.

Summary

- 5.44 The proposed 2011/16 Capital Programme totals £369.573m and brings together all of the capital projects across the Council. It sets out the key priorities for the Council over the next 5 years and will be the subject of regular review.
- 5.45 Over the next five years the Council faces a period of financial uncertainty as revenue spending is cut and Government borrowing approvals and grants are reduced. This places increased reliance on the Council's capacity to generate capital receipts from asset sales to fund infrastructure development. For this reason, any new projects or programmes will need to clearly demonstrate a sound business case for investment.

6. HOUSING REVENUE ACCOUNT

- 6.1 The financing of housing expenditure is currently under major review by the Government and is likely to be subject to considerable change. This section of the report considers the Housing Revenue Account (HRA) under the current regime. It is structured as follows:
- Brief review of 2009/10 Housing Revenue Account
 - Update on the 2010/11 financial position of the HRA
 - Housing Revenue Account Budget 2011/12 and the Medium Term Budget Strategy
 - Outcomes of the tenant consultation period

Brief Review Of 2009/10 Housing Revenue Account Outturn 2009/10

- 6.2 In 2009/10, there was a surplus of £365k on the Housing Revenue Account (HRA). This surplus was caused by additional rental and service charge income due to the

slippage in the stock transfer process and additional leaseholder income.

- 6.3 Lewisham Homes declared a surplus of £1.282m on its activities for 2009/10. This was made up by a surplus on the management fee of £805k and a surplus on the repairs trading activities of £477k. As per the management agreement, the Authority and Lewisham Homes will agree appropriate use of this surplus for reinvestment in Lewisham Homes' services and repairs.

Update on the 2010/11 Financial Position of the HRA

- 6.4 The latest forecast on the HRA for 2010/11 is that net expenditure can be contained within budget by the year end. There are current pressures on energy and rent/service charge collection, but these are being mitigated by the use of reserves and revenue working balances held for that purpose. Expenditure against repairs & maintenance budgets is expected to be contained within the sums allocated.
- 6.5 The last forecast position was reported more fully to Public Accounts Committee and Mayor & Cabinet on 9 and 17 November 2010, respectively.

Housing Revenue Account Budget 2011/12 and Medium Term Budget Strategy

- 6.6 The Housing Revenue Account (HRA) is a statutory account which contains the Landlord costs and income for the housing stock. It is a ring-fenced account that cannot cross-subsidise, or be cross-subsidised by the general fund.
- 6.7 The delivery of Lewisham's housing management service has undergone significant changes over the past few years. All housing authorities have an obligation to bring their stock up to the decent homes standard. Lewisham submitted its option appraisal in July 2005 which recommended a mixed investment vehicle approach. Lewisham's housing stock is managed through a combination of an Arms' Length Management Organisation (ALMO), i.e. Lewisham Homes, and a private company managing the Brockley PFI. The Council directly manages the Hostel stock. A large proportion of the Council's previously owned stock (approximately 40%) has been transferred to RSL ownership and management with the last Chrysalis stock transfer completing on 11 October 2010.
- 6.8 Table B1 sets out the actual dates and numbers for the various stock transfers.

Table B1: Stock Transfers

Transfer	Actual Date of Transfer	Number of Tenanted Units in Transfer
Lewisham Park	23 April 2007	163
Phoenix	3 December 2007	5,509
Grove Park	7 July 2008	1,092
Foreshore	4 August 2008	32
Orchard	26 January 2009	87
Lee	12 October 2009	474
Chrysalis	11 October 2010	2,425

- 6.9 The stock options appraisal was agreed in July 2005 as being the most effective way to meet the Decent Homes Standard. A critical element of this was that the ALMO should achieve two stars in its inspection and hence access the £153.8m agreed by Government to finance its investment programme. The two stars have been achieved, but proposals published by the Homes and Communities Agency (HCA) suggest that the amount that Lewisham may hope to receive will be, at best, significantly less than this. As the position on such investment is not yet clear, the estimates below have been set out excluding its potential impact.
- 6.10 These changes have placed considerable challenges both on the HRA and the General Fund, particularly in relation to support costs. Therefore, the HRA position cannot be considered in isolation from the General Fund. The HRA has reduced income both from rents and subsidy whilst the pressure to incur expenditure is still considerable. The lower income base will reduce the ability to be flexible in incurring additional expenditure.

Housing Revenue Account Budget 2011/12 & Medium Term Budget Strategy

- 6.11 The draft HRA subsidy determination 2011/12 was released by DCLG on 5 November 2010. The final determination was released on 10 January 2011. This provided small additional resources over and above the contents of the draft determination. The settlement has been incorporated into the HRA budget model and revised forecasts have been produced.

Table B2: Summary Housing Revenue Account (HRA) forecast

Heading	Financial year
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	2010/11	2011/12	2012/13	2013/14
	£'000	£'000	£'000	£'000
Rental income - dwellings	(65,392)	(63,125)	(65,263)	(67,409)
Hostel Income	(2,155)	(2,237)	(2,275)	(2,314)
Less – provision for bad debts	800	800	800	800
Net rental income	(66,747)	(64,562)	(66,738)	(68,923)
Housing subsidy income	(5,115)	(2,384)	14	1,960
Housing Subsidy – PFI Credit	(10,353)	(10,353)	(10,353)	(10,353)
Tenants Service charges	(3,975)	(4,019)	(3,998)	(3,975)
Leasehold Service charges	(3,958)	(3,683)	(3,683)	(3,683)
Other income	(3,524)	(4,544)	(3,998)	(4,006)
Total net income	(93,672)	(89,545)	(88,756)	(88,980)
ALMO Management fee	20,471	19,479	19,112	18,848
RB3 fee (PFI)	13,860	14,315	14,400	14,488
Repairs & Maintenance	20,561	19,830	20,037	20,445
Hostel Expenditure	2,193	2,226	2,271	2,328
Other Management costs	4,463	4,381	4,404	4,431
Other Costs	4,859	4,586	4,601	4,651
Investment programme (MRA)	13,687	13,036	13,396	13,661
Capital transactions	13,578	12,543	12,053	11,688
Total expenditure	93,672	90,096	90,256	90,530
Net surplus / (deficit)	0	(551)	(1,500)	(1,550)

Housing Revenue Account Forecast

- 6.12 This shows that savings of approximately £1.550m are required over the three year financial planning period. This requirement reflects the efficiencies achieved over recent years, and the relative financial strength of the HRA. However, uncommitted resources are only £2.5m, which is a relatively low level, particularly given the inherent uncertainties relating to self-financing proposals.
- 6.13 In addition, the decline in the size of the stock as a result of the stock transfer programme has to some extent limited the scope for further savings, as stock transfers take properties out of the HRA altogether. Whilst the focus is always on reducing management and support costs, a declining stock base means that these costs need to be spread over a smaller base, and as an element of management costs are somewhat fixed this poses some future challenges in achieving further reductions.
- 6.14 The current estimated cumulative deficit on the HRA for the period 2011/12 to 2013/14 ranges from £0.551m to £1.550m. In other words, savings of £0.551m are required to balance the budget in 2011/12, and total savings of £1.550m by 2013/14. Options to achieve this are set out in Appendix X1. Residents were consulted on the savings proposals and their feedback is contained in Appendix X2. If all of these were adopted in 2011/12 – and a significant proportion of these are management efficiencies – then there would be a surplus on the HRA in that year. This could in turn be reinvested on a one-off basis to meet key priorities, such as contributing towards bridging the financing gap on achieving the Decent Homes Standard

- 6.15 The current forecasts assume no changes to the HRA subsidy regime. However, the DCLG issued consultation papers on 21 July 2009 and 23 March 2010 on proposed reforms of Council housing finance, including abolishing the current subsidy system. These proposals stated that voluntary implementation could be as early as 2011/12 financial year or, if primary legislation was required, 2012/13. Subsequent announcements have confirmed the government's intention to implement a new system on 1 April 2012, but details have yet to be published. Without this information, officers are not in a position to assess the impact of this on the HRA in Lewisham
- 6.16 Table B3 (which is an extract from the previous table) shows the base position for 2011/12, taking account only of known factors such as changes in stock numbers and the impact of the subsidy determination. It then summarises the proposed savings against each relevant line. Fuller details are contained in Appendix X1.

Table B3: HRA Base Position for 2011/12

	2011/12	Proposed savings	Comments
	£'000	£'000	
Rental income - dwellings	(63,125)	0	Rental income is

			essentially determined by the subsidy system
Hostel Income	(2,237)	0	As above
Less – provision for bad debts	800	0	It would not be prudent to adjust this in the light of current performance
Net rental income	(64,562)	0	
Housing subsidy income	(2,384)	0	Determined by the subsidy system
Housing Subsidy – PFI Credit	(10,353)	0	Fixed long-term contract
Tenants Service charges	(4,019)	(190)	See Appendix X1 – item 1
Leasehold Service charges	(3,386)	342	See Appendix X1 – item 2
Other income	(4,544)	(140)	See Appendix X1 – item 3
Total net income	(89,545)	12	
ALMO Management fee	19,479	(500)	See Appendix X1 – item 4
RB3 fee (PFI)	14,315	0	Fixed long-term contract
Repairs & Maintenance	19,830	0	No savings proposed in order to protect key front-line service
Hostel Expenditure	2,226	(104)	See Appendix X1 – item 5
Other Management costs	4,381	(107)	See Appendix X1 – item 6
Other Costs	4,586	(67)	See Appendix X1 – item 7
Investment programme (MRA)	13,036	0	No savings proposed in order to protect key investment programme
Capital transactions	12,243	0	Long-term fixed costs
Total expenditure	90,096	(778)	
Net surplus / (deficit)	(551)		
Net agreed savings		(766)	

- 6.17 Under these proposals, the Lewisham Homes management fee would reduce from £20.471m in 2010/11 to £18.979m in 2011/12.
- 6.18 Further savings are being explored on the client side and other budget changes made to reflect reduced expenditure on external charges and contract payments. Any additional savings that can be achieved will be used to create an additional one-off surplus in 2011/12, for reinvestment in key projects such as bridging the Decent Homes funding gap. Once the position for 2012/13 is clearer, following details of the self-financing settlement being released to local authorities, officers will be better able to advise on the longer-term options.

- 6.19 Separate reports included as Appendix X4 and X5 to this report, detail proposals in respect of service charges for Brockley and Lewisham Homes residents.

Rental Income & Allowances

- 6.20 The 2011/12 financial year is the 10th year of what was originally a 10-year rent restructuring programme which was due to be complete by 2011/12 financial year.
- 6.21 However, as part of the HRA Subsidy Determination announcement for 2011/12, the Government extended the rent restructuring period by 5 years to 2016/17. The aim of this decision was to bring the convergence programme into line with the forecasts being used for the new self financing regime.
- 6.22 As the current housing subsidy system continues in 2011/12, the Council is effectively obliged to set rents at the level determined by that system, progressively closer to a formula rent, which for 2011/12 is an average of £85.72 per week. The average weekly rent is currently £77.82 and, following the final HRA subsidy settlement issued on 10 January 2011, it is estimated that rents will increase by 4.99% (£3.88 per week) to £81.70.
- 6.23 This forecast is based on RPI inflation @ September 2010 which was 4.6% and a guideline rent increase of 6.62%. This is based on the current assumed rent convergence date of 2015/16 i.e. five years from 2011/12, as per the subsidy settlement.
- 6.24 A 6.62% rise in guideline rent will result in Lewisham paying in an additional £4.045m into the national rental pool. The 4.99% rise in actual rent will raise £3.468m in rents to offset some of this payment. Whilst the authority could choose to have a lower rent rise, for example for each 1% (£0.78per week) reduction in the proposed rent rise, the Authority would lose income of £694k. The shortfall in rental income would need to be bridged by additional savings.
- 6.25 Conversely, a rise over the 4.99% limit would incur a loss of subsidy via additional limitation recharges to the HRA. For every additional £1.00 raised over the limitation allowance, the Authority would lose approximately 50% in subsidy. This means that to raise an additional £1.00 in rental income, the Authority would have to raise actual rents by an additional £2.00.
- 6.26 There have been no changes in the methodology for calculating formula rents.

Other Associated Charges

Garage Rents

- 6.27 Allowance has been made for a 4.6% inflationary increase to garage rents in the Brockley area, based on the RPI rate at September 2010.
- 6.28 It has been recommended that a flat rate Garage rental amount of £9.70 per week (excluding VAT) is introduced for existing garage licences in the Lewisham Homes managed area. The current average rental amount is £7.92 per week which represents an average increase of 22.47% or £1.78 per week. The additional income raised would be used for reinvestment in the Garage Stock, and reduce current void

levels. Lewisham Homes has estimated that initial investment requirements would be £200k and £150k per year in planned maintenance thereafter.

- 6.29 It has been further recommended that new lets from April 2011 should fall into 3 categories:

Group A = £9.70 per week would be the standard letting price for garages where there is lower demand.

Group B = £15.00 per week would be for those garages where there are low vacancies and higher demand.

Group C = Any allocated and managed parking bays £5.00 per week.

- 6.30 This proposal was put forward to Lewisham Homes residents as part of the consultation exercise. No comments were received.

Tenants Levy

- 6.31 As part of the budget and rent setting proposals for 2005/6 a sum of £0.13p per week was 'unpooled' from rent as a tenants service charge in respect of the Lewisham Tenants Fund. There was no increase in 2009/10 or 2010/11 following consultation with Housing Panels.
- 6.32 Lewisham Tenants Fund (LTF) put forward proposals to leave the levy at £0.13p for 2010/11. These were submitted to Housing Panels and agreed. Therefore the levy for 2011/12 remains at £0.13p per property per week.

Hostel Charges

- 6.33 Hostel accommodation charges are set based on rent restructuring rules and will rise by around 7.12% (£3.61 per week) under the rent restructuring formula.
- 6.34 Hostel services charges have been increased to ensure full cost recovery. This requires that the charge for Caretaking and Grounds Maintenance are raised by 3.6% or £0.45 per week. In addition, the charge for council Tax will rise by £0.45 per week to ensure full cost recovery is maintained after the hostel unit numbers were reconfigured resulting in a reduction in the total number of units.
- 6.35 There are no proposals to increase support charges as it has been assumed that Supporting People grant will not receive an inflationary increase for 2011/12. The charge for Sheltered Housing tenants will be held at £10.66 per week. The charge for Very Sheltered Housing tenants will be held at £94.53 per week. There are approximately 312 sheltered housing tenants and 37 Very Sheltered Housing tenants.

Linkline Charges

- 6.36 There are no proposals to increase Linkline charges as it has been assumed that Supporting People grant will not cover any inflationary increase for 2011/12. The charge will therefore remain at £4.59 per week for Line rental and £0.82 per week for maintenance.

Private Sector Leasing (PSL)

- 6.37 Rent income for properties used in the Private Sector Leasing (PSL) scheme is a General Fund resource. Following consultation, the Department for Work and Pensions (DWP) announced that the threshold for 2011/12 for housing benefits subsidy allowances will be based on the January 2011 Local Housing Allowance, less 10%, plus a management fee of £40 per property, subject to a maximum capped amount of £400 per week. It is recommended that rents for private sector leased properties are kept within the 2011/12 weekly threshold, as set out in Table B4.

Table B4: Local Housing Allowances for 2011/12

Bed Size	Total LHA Inner Lewisham	Total LHA Outer Lewisham
1 Bed	£211.34	£180.19
2 Bed	£268.47	£211.34
3 Bed	£310.00	£246.66
4 Bed	£400.00	£310.00
5 Bed	£400.00	£393.08

Energy Charges

- 6.38 As part of last year's rent setting process, the Mayor agreed to continue with the current formula methodology for calculating increases in Energy charges to tenants and leaseholders. This formula was originally approved by Mayor & Cabinet in December 2004.
- 6.39 The current charging methodology allows a limited inflationary price increase, plus a maximum of £2 per week, per property increase on the previous years charge. Consumption levels are also updated and included in the formula calculation.
- 6.40 The continuation of the current methodology for increases in Energy charges left a deficit in the HRA in 2009/10 and 2010/11, due to the under recovery of costs. This was off-set by the use of a reserve set-up for that purpose.
- 6.41 A new corporate contract for the supply of Gas was re-tendered in 1 October 2010. This was initially for a short period of 6 months to 31 March 2011, when a new 12 month contract will start. In addition, a new Electricity contract was awarded from 1 January 2011. The new electricity contract is 13.1% higher than the previous contract.
- 6.42 Although prices have fallen since the last gas contract was awarded in 2008, prices for April 2011 contract can not be firmly estimated at this time. Any increase in the contract price will be reflected in the proposed charge for 2011/12. However, it is expected that there could still be a pressure of up to £0.6m in the HRA for 2011/12, due to under recovery of costs. This has been factored into current HRA estimates.

- 6.43 The proposal for 2011/12 is for an increase of £0.60 per week or 4.98% for energy usage for communal heating. This has been worked out after taking account of updated stock levels due to stock transfers and updated consumption data.
- 6.44 There are no current plans to raise charges for communal lighting. This will be reviewed in 2011/12 and recommendations brought forward as part of the 2012/13 budget setting process.

Outcomes of the Tenant Consultation Process

- 6.45 Tenants have been consulted on revisions to rents and other charges as well as HRA savings proposals. Appendix X2 provides a summary of the outcome of consultation with tenants.

7 DEDICATED SCHOOLS GRANT

- 7.1 The cash level of the Dedicated Schools Grant (DSG) for 2011/12 has been frozen at last years' levels and thus there is no allowance for inflationary pressures. A number of specific grants have been merged into the DSG including the School Development Grant and School Standards Grant. The total of the grants merged into the DSG for Lewisham is £32.8m.
- 7.2 This section of the report considers the 2011/12 Dedicated School Grant. It is structured as follows:
- Brief Review of 2009/10 Dedicated Schools Grant
 - Update on 2010/11 Dedicated Schools Grant
 - Future Years' Dedicated Schools Grant
- 7.3 Since April 2006, schools' spending has no longer been financed through formula grant, but through a ring-fenced Dedicated Schools Grant (DSG).

Brief Review of 2009/10 Dedicated Schools Grant

- 7.4 The total amount of schools carry forward reduced in 2009/10 by a sum of £2.2m giving a total schools carry forward of £6.9m. There has been a national drive to reduce the level of schools balances over the last few years and our current level compares favourable with other London Boroughs. Although some schools still had balances that were deemed excessive in accordance with our scheme for financing schools, the Schools' Forum agreed, for the first time, to cap two schools balances and claw-back the excess.
- 7.5 The main budget pressure on the DSG related to Special Educational Need. The number of children with statements and children placed in independent special schools increased significantly, as did the complexity of their needs.
- 7.6 The total overspend on special educational needs exceeded £1.6m at the year end. This was contained within the overall DSG.

Update on 2010/11 Dedicated Schools Grant

- 7.7 Lewisham's DSG allocation for 2010/11 was agreed at full Council on 1 March 2010, the forecast gave a figure of £188.9m.
- 7.8 The Dedicated Schools Grant is based on the number of pupils within our schools on the third Thursday in January ("The Count Date") . Primary pupil numbers are rising significantly and an increase between 450 and 510 extra pupils were anticipated in setting the budget for the DSG for 2010/11. As, these pupils were not in school on "The Count Date", no funding was received for them. They only attract funding from 2011/12. Some schools may have the capacity to absorb some of the pupils but when their capacity has been reached another class is needed, which of course will require extra capital works, teaching staff and associated costs. The capital element has been met centrally. It was expected that 18 schools will open these so called bulge classes, eleven in September and seven in January 2011. A sum of £654k was set aside to meet the costs.
- 7.9 A further sum of nearly £2m was set aside to meet the Special Education Needs cost pressures that emerged in 2009/10, that are mentioned above.
- 7.10 These two budget pressures put considerable strain on the grant. The Schools Minimum Funding Guarantee as set by Central Government was met. Previously agreed increases, to bring us in line with national targets for allocating funding on the basis of deprivation factors amounting to £3.2m, was also met. The only other area for growth was in the Special School sector in order to address the increasing complexity of the needs of the children. This amounted to £200k.
- 7.11 Current budget forecasts indicate that the Dedicated Schools Grant will balance at the year end.

Future Years' Dedicated Schools Grant

- 7.12 The current level of our Dedicated School Grant is £189m with an increase in the pupil population and the existing grants being merged into it we expect the grant to rise to £225m for 2011/12. The grant is based on the actual pupil numbers in schools on the 20 January and until this data is collected the exact level of the grant cannot be confirmed. Table C1 below shows the amount per pupil received by the Borough due to the merging of the grants rises from £5,981 to £6,952.

Table C1: Funding Per Pupil for Lewisham

	2010/11	2011/12
Funding per pupil	£5,981	£6,952
Total DSG based on 10/11 pupil numbers	£189.0m	£222.0m
Total DSG Grant based on 11/12 pupil numbers	£193.6m	£225.0m

- 7.13 A pupil premium has been introduced and set at £430 per pupil with a free meal entitlement. For Lewisham with just over 8,000 free meal entitlements this will

provide funding of £3.7m. Unusually it does not include the normal uplift for the cost of living in London which is 29%. It is the allocation of the pupil premium that ensures the settlement is not a cash reduction on 2010/11.

- 7.14 The Schools Forum is currently considering how the extra grants will be incorporated into our funding formula for schools. There is an expectation from central government that some schools will lose funding while others will gain. Until the Schools Forum have concluded their discussions on merging the grants and the actual pupil numbers have been collected we will not know the exact position for individual schools in Lewisham. We anticipate that some schools will experience problems but we do not know currently how many and the extent of the problems they will face. It is likely to prove more difficult for secondary schools, especially those with post 16 provision and even more so if their pupil numbers are falling. On the other hand primary schools will be protected to a degree by rising pupil numbers coming through the system. However if a primary school has the same pupil numbers as last year and very few pupils on free meals to attract funding through the pupil premium they are likely to see a fall in their funding. If the pupil numbers are falling then they may face additional problems.
- 7.15 Unusually no indicative allocations have been given for the future level of the Dedicated Schools Grant. As part of the Education White paper the government plan to consult on developing and introducing a clear, transparent and fairer national funding formula based on the needs of pupils. There are different interpretations of what this means, while it could suggest all schools move to a standard funding system across the country, an alternative view is that a simpler method of allocating funding to local authorities will be adopted. It would still be up to individual Local Authorities to operate their own local mechanism to fund schools. There is concern that something of this nature could cause significant re-distribution of funds between local authorities and as a consequence between schools. It is expected that any new funding formula will be implemented in April 2012. Hence the reason for no future years funding allocations being indicated.

8. GENERAL FUND REVENUE BUDGET

- 8.1 The Government has announced a 26% reduction in Local Government funding over the next four years. This is by far the most challenging financial settlement for Local Government in a generation. This section considers the 2011/12 Revenue Budget. It is structured as follows:
- Brief review of 2009/10 Revenue Budget
 - Update on 2010/11 Revenue Budget
 - Government Announcements impacting on the Revenue Budget
 - Base Budget, Budget Savings, Budget Pressures for 2011/12
 - Local Government Finance Settlement for 2011/12 and 2012/13

Brief Review of 2009/10 Revenue Budget

- 8.2 The final outturn for 2009/10 was an overall net underspend on the General Fund of £0.388m, which was added to the Council's General Fund Balances.
- 8.3 The final audited Statement of Accounts for 2009/10 was reported to the Council on 23 September 2010 and signed off by the Audit Commission on 30

September 2010. The audit has been formally completed with the District Auditor giving an unqualified opinion on the 2009/10 Accounts. The District Auditor confirmed that the Accounts presented fairly the financial position of the Authority for the year ended 31 March 2010.

Update on 2010/11 Revenue Budget

- 8.4 The Council's revenue budget for 2010/11 was agreed at Council on 1 March 2010. The budget requirement was set at £271.454m. This excludes funding for schools, which as discussed in Section 7 is provided by way of the Dedicated Schools Grant (DSG).
- 8.5 Officers have undertaken regular revenue budget monitoring throughout 2010/11. Significant attention has been directed towards volatile budget areas, such as Looked After Children and Adult Social Care, where a relatively small increase in the client numbers requiring high cost placements could lead to a significant increase in budget pressures. These areas of activity are also informed by risk assessments which are continually reviewed. Another area which has been monitored closely during 2010/11 is Property. Pressures on the budget have been projected in this area, but management action continues to be taken to alleviate the potential overspending.
- 8.6 During the financial year, monthly monitoring is undertaken by officers and these monitoring reports have been presented quarterly to Mayor & Cabinet and scrutinised by the Public Accounts Select Committee. Table D1, shows the projected Council-wide positions presented to Mayor & Cabinet during 2010/11.
- 8.7 Budget holders have been continually challenged to maintain controls on spending through the inception of spending panels. Such panels have been in place across the Council throughout the year. Table D1 shows how an initial projected overspend of £720k has been managed effectively during the year. As at the end of November 2010, there is a projected Council wide underspend of £2.282m.
- 8.8 Table D1 sets out the projected budget variances throughout the year.

Table D1: Budget Monitoring Projections for 2010/11

DIRECTORATE	Projected year-end variance as at 30 June 2010	Projected year-end variance as at 31 Aug 2010	Projected year-end variance as at 30 Nov 2010
	M&C 15 July 2010	M&C 17 November 2010	M&C 17 February 2011
	£'000s	£'000s	£'000s
Children & Young People	941	(415)	(505)
Community Services	0	0	0
Customer Services	0	(444)	(758)
Regeneration	(24)	(238)	(281)
Resources	(197)	(521)	(738)

Total – Council Wide Position	720	(1,618)	(2,282)
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- 8.9 The following paragraphs summarise the latest budget monitoring position and forecast outturn.

Forecast 2010/11 Outturn for Directorates

- 8.10 During the year, the Executive Director for Resources has maintained existing revenue budget guidance which has assisted budget holders in ensuring that a tighter control on spending could be achieved. Management have undertaken a number of actions during the year which have been successful in eliminating the initial overspending position. With continued action, spend is fully expected to be contained within existing cash limits.
- 8.11 The Children and Young People Directorate is reporting an overall underspend of £505k. However, pressures persist within the Children’s Social Care Division and a projected overspend of £0.873m is being reported, mainly due to the costs of Looked After Children (LAC). Although there has been a gradual reduction in the total number of LAC throughout the year, there were a number of high cost secure placements during the year, plus there is an increasing number of very young children entering the care system, with associated costs. This overspend will be alleviated by projected underspends in other service areas as a result of utilising available grant funding.
- 8.12 In other areas of the Directorate, budget pressures are being managed by a range of management action to deliver projected underspends.
- 8.13 The Community Services Directorate continues to report a balanced budget position by the year end. The Expenditure Review panels and the consistent application of the Authority’s policy on access to care services continue to be maintained. The Adult Social Care net revenue budget for 2010/11 of £69m, is forecast to overspend by £834k. The greatest area of pressure is within Younger Adults unit, where the numbers and costs of clients supported to live at home continue to increase. Although other budgets across the Community Services

Directorate have been managed effectively and underspends are forecasted throughout, Adult Social Care remains as an inherently risky budget, with the possibility of new clients presenting needs which the Authority will be legally obliged to provide services for, and the associated costs.

- 8.14 The Customer Services Directorate is projecting a year end underspend of £758k. The previously identified pressures relating to housing needs, waste disposal, Council Tax collection and abandoned dogs persist. However, the projected overspend position in these areas has reduced.
- 8.15 The Regeneration Directorate is projecting an underspend of £281k by the year end. A mid-year review of contingency has identified funds to cover the previous New Deal for Communities (NDC) budget pressure. Within the Property Services Division, pressures on the repairs and maintenance budgets continue, however, through imposing strict conditions on the approval of works, this has led to a reduction in the level of projected costs.
- 8.16 To help alleviate the Directorate budget pressures, underspends are being reported within the Transport Division. Further underspends are being driven from the London Permitting Scheme. Having commenced in February 2010, this scheme is allowing the Council to charge utility companies for licenses to carry out works in the area.
- 8.17 The underspend in the Resources Directorate has in the main been achieved through managing vacancies as part of the Directorate's spending restrictions. There are small overspends in both Legal Services and Personnel & Development, relating to specific staffing issues and neither of which exceed more than £75k.

Redundancy

- 8.18 The Council will seek to minimise the impact of savings on services and jobs. However, two thirds of the Council's net revenue budget goes on staff salaries and wages, so it will not be possible to make savings of £88m over a 4 year period without an impact on jobs. The cost of redundancy depends on the age, seniority and length of service of the individuals affected, and it is not possible to calculate the overall financial impact at this stage. Any resultant underspend will contribute to meeting such costs.

Forecast Outturn for Corporate Financial Provisions

- 8.19 Corporate Financial Provisions are budgets that are held centrally for corporate purposes, which do not form part of the controllable expenditure of the service directorates. They include Capital Expenditure charged to the Revenue Account (CERA), treasury management budgets such as interest on Revenue Balances (IRB) and Debt Charges, Corporate Working Balances and various provisions for items such as early retirement and voluntary severance. Furthermore there are a range of once-off resources that have been set aside to meet future commitments and for unforeseen events.
- 8.20 In setting the budget for 2010/11 a number of directorate pressures were highlighted for which no funding was directly allocated. To manage the risk a

corporate risk fund was created. Due to the focus on restraining expenditure across the Council there have been no calls on this fund to date.

- 8.21 As part of the process of closing the accounts the Executive Director for Resources will make recommendations about the treatment of underspends and overspends at outturn.

Government Announcements impacting on the Revenue Budget

- 8.22 This section sets out the series of Government announcements which have been made during 2010/11 and which have an impact on the revenue budgets for this year and future years. This section is structured as follows:

- In Year Budget Reductions for 2010/11
- Spending Review 2010
- Provisional Local Government Finance Settlement 2011/12
- Formula changes and Grants

In Year Budget Reductions for 2010/11

- 8.23 On 24 May 2010, the Government set out its intention to make savings in public expenditure in the current year 2010/11, by announcing that reductions would total £6.243bn. A total of £1.166bn of the total savings would be found from grants to local government and includes both revenue and capital grants. In order to provide greater flexibility to Councils in implementing the reductions, the Government would de-ringfence grants totalling £1.7bn in 2010/11.
- 8.24 On 10 and 16 June 2010, further Government announcements were made which listed the grants to be reduced. This list broadly fell into three categories – grants for which final allocations had previously been announced, grants for which provisional allocations had been made, and grants for which no allocations had been made.

Impact on Lewisham

- 8.25 The 2010/11 in-year loss for Lewisham amounted to some £3.295m. A total of £2.735m of these reductions were to come from Area Based Grant areas. Furthermore, Lewisham had previously anticipated a receipt of £0.425m for the Local Authority Business Growth Incentive (LAGBI) funding for 2010/11. This grant had been provisionally allocated, but has now been abolished and will not be received. The Government had also reduced the grant to provide free swimming. Lewisham's share of this reduction is £135k.
- 8.26 Proposals to reduce grants in year had a significant impact on the Council's resources, as they had already been allocated. In determining the reductions to be made, the Mayor considered officer proposals for in-year reductions in reports presented to Mayor & Cabinet on 14 July 2010 and 15 September 2010. Overall, the Mayor agreed in-year grant reductions of £3.052m, leaving a remaining gap of some £243k. The Executive Director for Resources intends to close the remaining gap at the year end via the use of once-off resources.

Spending Review 2010

- 8.27 On 20 October 2010, the Chancellor of the Exchequer presented the Government's Spending Review, which set departmental expenditure limits (DEL) for each Government department for the 4 year period from 2011/12 to 2014/15, rather than a 3 year period. At this time, the Chancellor of the Exchequer announced that there would be average cuts of 19% to Government spending.
- 8.28 The Chancellor announced that overall revenue funding to Local Authorities would reduce by 26% in real terms by 2014/15 (excluding schools, fire and police). The Spending Review revealed £3.4bn of specific grants would be rolled into formula grant and the cuts over the four year period would be significantly front-loaded. The Government also announced ending ring-fencing of all revenue grants from 2011/12, except simplified school grants, and a new public health grant from 2013.

Local Government Finance Settlement

- 8.29 The Final Local Government Finance Settlement was announced on 31 January 2011. The Settlement is a two year settlement and covers the periods of 2011/12 and 2012/13.
- 8.30 The average reduction in formula grant across England is 9.9% in 2011/2012 and in 2012/13. The 'Spending power' is to be reduced by an average of 4.4% next year and no authority more than 8.9%. An authority's 'spending power' is defined to include formula grant, other grants and other sources of income which Councils get, such as Council Tax and NHS funding.
- 8.31 Since 2006/07, the allocation of Formula Grant has been based on the 4 block model. This means that each local authority will receive:
- a relative needs allocation using Relative Needs Formulae (RNF)
 - an adjustment based on relative resources (the ability of Local Authorities to raise Council Tax);
 - a central allocation based on a per head amount; and
 - an adjustment for floor damping.

Impact on Lewisham

- 8.32 This model has continued, however there have been a number of changes to the Formula Grant, including various grants rolled in as shown in the following table:

Table D2: Final Local Government Finance Settlements for 2010/11, 2011/12 and 2012/13 for Lewisham

Grant Calculation Element	2010/11* £ million	2011/12 £ million	2012/13 £ million
Grants Rolled In Using Tailored Distributions	28.377	19.598	19.545
Relative Needs Amount	155.397	158.367	139.257
Relative Resources Amount	(29.922)	(24.922)	(22.419)
Central Allocation	49.417	37.354	33.482
Basic Grant Entitlement	203.269	190.397	169.865
Floor Damping	5.326	-3.835	2.138
Final (Damped) Grant Entitlement	208.595	186.562	172.003

* This is the adjusted base budget for 2010/11 after specific grants have been rolled in.

Formula Changes and Grants

- 8.33 A new floor system has been introduced reflecting the extent to which authorities rely on formula grant, calculated by 2010/11 Formula Grant as a percentage of Budget Requirement. Lewisham falls into Band 1 (most dependent on grant) and has a reduction in grant of 10.6% and 7.8% for 2011/12 and 2012/13, respectively.
- 8.34 There have been technical changes to reflect the rolling in of various grants including Supporting People, Department of Health ABG (Adult Social Services), Concessionary Fares and Preserved Rights.
- 8.35 The Government is changing the way it calculates the Area Cost Adjustment. The effect is to reduce the assumed share of wage and salary costs in local authorities' expenditure. There has been an adjustment in the weighting given to needs and resources with an increase in the weighting on the Relative Needs blocks, and a decrease in the weighting on the Central Allocation.

Rolled In Grants

- 8.36 The Spending Review announced that various existing Specific and Area Based Grants would be rolled into formula grant from 2011/12, these have been done under two separate bases:
- where the Specific and Area Based Grants are intended to fund services similar to those already included in formula grant (for example, personal social services) an existing RNF is used to distribute the rolled-in grant.
 - where the grants being rolled into formula grant are not adequately reflected by an existing RNF, a new funding model – or “tailored distribution” – is used.
- 8.37 Table D3 provides a summary of the grants rolled into formula grant.

Table D3: Grants rolled in to Formula Grant

Grants Rolled in with Tailored Distribution	2011/12 £m	2012/13 £m

Supporting People	17.093	17.041
Housing Services for Older People	0.065	0.056
LSC Staff Transfer	0.238	0.217
HIV/AIDS Support	0.657	0.719
Preserved Rights	1.581	1.547
Total Grants Rolled In	19.634	19.580

- 8.38 Since a number of specific grants have been rolled into the Formula Grant, the baseline figure for 2010/11 needs to be adjusted to reflect the change which will take effect from 2011/12. The Department for Communities and Local Government has provided an adjusted baseline for 2010/11 to use for comparison purposes and to provide a basis on which an Authority's budget requirement can be calculated. Table D4 illustrates the adjusted baseline for 2010/11 and also demonstrates the impact of front-loading. Whilst the Government has announced a total budget cut of 26% over 4 years, Lewisham is required to make 18% savings over the first 2 years. This represents a significant front-loading of the reductions.

Table D4: Grant Reduction for 2011/12 and 2012/13

	2010/11 £m	2011/12 £m	2012/13 £m
Adjusted Provisional (Damped) Grant Entitlement	208.60	186.56	172.00
Percentage Reduction in Grant for:			
Lewisham		-10.60%	-7.80%
Inner London boroughs incl. City		-11.20%	-7.40%
Outer London boroughs		-11.30%	-7.90%
England		-9.90%	-7.30%

Other Grant Announcements

- 8.39 Individual local authority allocations for the following specific grants have also been announced. The impact on specific grant loss, affecting the Children & Young People Directorate in the main, has been set out in more detail further on in this Section of the report and at Appendices Y5 and Y6. Table D5 sets out the grant announcements.

Table D5: Other Grant Announcements

Grant	2011/12 £	2012/13 £
Early Intervention Grant	17,650,115	17,973,631

Learning Disability and Health Reform Allocation	7,691,047	7,872,886
Preventing Homelessness	675,000	675,000
Housing and Council Tax Benefit Subsidy Administration Grant	4,390,245	Not Known
Lead Local Flood Authorities	143,500	261,100
Total – Other Grant Announcements	30,549,907	26,782,617

The Budget Model

8.40 This section of the report sets out the 2010/11 revised budget and the construction of the 2011/12 base budget. This section is structured as follows:

- Budget Assumptions, Inflation and Pressures
- Other Budget Pressures and Risks to be managed
- Revenue Budget Savings Proposals
- Bridging the Budget Gap
- Corporate Measures
- Other Budget Considerations - Grants Losses

Budget Assumptions, Inflation and Pressures

8.41 The Financial Survey 2011/14 contained a number of budget assumptions. Firstly, that pay and non-pay inflation would be provided at 1% and 2.5% respectively and that the level of revenue budget pressures to be funded on annual basis would not exceed £7.5m. Set out in Table D6, is a summary of the impact of the Formula Grant reduction and our original assumptions on the overall savings requirement. Coupled with the assumptions built into the budget strategy, these lead to a revenue budget savings requirement of £56.6m over the next two years, of which £33.2m relates to 2011/12. When extrapolating the 26% reduction over a 4 year period, this leads to a total overall budget gap of £88m.

Table D6: Savings Requirement for 2011/12 and 2012/13

	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m
Formula Grant Reduction	22.1	14.6	6.9	6.6
Less: Council Tax Income	0	(2.3)	(2.3)	(2.3)
Plus: Pay Inflation @1%	1.8	1.8	1.8	1.8
Plus: Non Pay Inflation @ 2.5%	1.8	1.8	1.9	2.0
Plus: Budget Pressures	7.5	7.5	7.5	7.5
Annual Savings Requirement	33.2	23.4	15.8	15.6
Cumulative Savings Requirement	33.2	56.6	72.4	88.0

Where Are We Now?

Council Tax Income

- 8.42 There will be no funding to support continuation of this Council Tax Freeze to 2012/13. However, the Grant given in 2011/12 remains in place for a 4 year period. This is explained in more detail in Section 9 of this report. Therefore, for budget planning purposes, it has been assumed that Council Tax would increase by no more than 2.5% in 2012/13.

Inflation

- 8.43 The Treasury continues to use the Consumer Prices Index (CPI) as its principal measure of inflation. CPI is similar to the previously used measure of inflation, the Retail Price Index (RPIX), but has a few fundamental differences – primarily much less weighting is given to housing related costs in CPI than in RPIX. The Government's target rate for CPI inflation is 2%.
- 8.44 The different measures of inflation rose significantly towards the end of 2010, with the Consumer Prices Index (CPI) rising by 0.4% in December 2010, with the annual rate up to 3.7%. Furthermore, the Retail Price Index (RPI), which includes housing costs, rose to 4.8% in December 2010 from 4.7% the month previous. Rising energy costs due in large part to the rising price of oil, higher food prices due to the increasing cost of basic commodities, and the increase in VAT to 20% in January 2011, are putting upward pressure on the inflation rate.
- 8.45 For local authorities like Lewisham, pay rises are the single largest inflationary cost they face. In the emergency budget announced by the Chancellor, the Government suggested that those earning less than £21k receive a flat pay rise of £250 in both years. However, the pay for local authorities is not set directly by Government, but is subject to negotiations between authorities and employees. For financial planning purposes, the Council have previously assumed an average pay inflation of 1% per annum, which equates to approximately £1.8m. Given the financial constraints the Council is facing, it is expected that there will be a pay freeze for 2011/12. However, in line with the Government's expectations, there will be a pay award for those Council employees who earn less than £21k. For these purposes, it is therefore recommended that the pay assumption be amended. A total of £0.4m will be set aside, leaving the remaining £1.4m available to support the budget process.
- 8.46 For financial planning purposes, the Council still assumes non-pay inflation level of 2.5% per annum.
- 8.47 Members should note that further details on the impact of the present economic situation on the Council's finances are set out in the Treasury Strategy section of the report.

Budget Pressures

- 8.48 As part of the budget strategy each year, funds are set aside in the budget model for budget pressures. The Financial Survey 2011/14 identified a range of these budget pressures, with a potential allocation of resources for these pressures being presented to Mayor & Cabinet in November 2010. For 2011/12, these budget pressures have been reviewed by the Executive Director for Resources and it is recommended that a number of these pressures should be funded from the assumed £7.5m available.

Actual Budget Pressures for 2011/12

- 8.49 Table D7 provides a summary of the Corporate budget pressures that are being recommended to be funded.

Actuarial Valuation

- 8.50 Actuarial Valuation – The Pension Fund Regulations require the Fund be valued every three years to assess the financial position and set the employers contribution for the subsequent three years. The Fund was valued as at 31 March 2010 by the Council's actuary and the draft report was considered by the Pensions Investment Committee at its meeting on the 18 November 2010.
- 8.51 The draft actuarial report showed the Fund as being 75.7% funded which represents a deterioration of 11.7% from the position at the 2007 valuation which assessed the funding level to be 87.4%. The deterioration is attributable to continuing improvements in life expectancy and reductions in investment returns. The actuary has applied a stabilisation mechanism which restricts movements in employers contributions within a 1% increase and 2% decrease range to recognise both affordability issues and the potential improvement in investment returns in the inter-valuation period. Funding of £0.5m will be provided for 2011/12 and £0.5m for each of the subsequent years, 2012/13 and 2013/14.

Concessionary Fares

- 8.52 On 15 September 2010, the Mayor and Transport for London (TfL) withdrew from the 5 year Freedom Pass deal agreed by members in February 2009. The withdrawal means that the cost to boroughs could be higher in 2011/12 assuming the scheme remains unchanged. Negotiations are continuing with TfL over the cost of the Freedom Pass scheme in 2011/12 and the final proposals will be considered by TEC in December 2010.
- 8.53 The apportionment is subject to change as London Councils is still negotiations with Transport for London (TfL) and the Association of Train Operating Companies ATOC. Should the change be formally agreed, then the impact on the Council could be a further £2m in 2011/12.

Fair Employment

- 8.54 To develop the Fair Employment Policy for Lewisham, officers have, over the last year, been investigating the implementation of Fair Employment Living Wage clauses into contracts, particularly for those services which traditionally pay low wages, albeit in accordance with Minimum Wage legislation. Lewisham has already adopted this policy and has agreed a number of contracts on this basis. In addition, an EU directive on Agency Staff which is due to come into force from 2011/12 is likely to have further substantial cost implications.

London Living Wage (LLW)

- 8.55 A number of staff employed through the Agency Managed Service are currently paid less than the London Living Wage (LLW). Mayor & Cabinet have previously agreed to extend the contract. The cost of doing this is expected to

be in the region of £895k.

- 8.56 Furthermore, in October 2010 the framework for provision of domiciliary care was re-let and Mayor & Cabinet chose to include LLW. The impact is estimated to cost in the region of up to £1m.

London Pensions Fund Authority (LPFA)

- 8.57 The valuation results of the London Pensions Fund Authority (LPFA) pensioner sub-Fund as at March 2007, showed a deficit of £210m with the funding level having declined from 92% to 86% since 2004. The deficit could rise to £649m, a funding level of 67%. The LPFA are consulting London Boroughs on proposals to close this gap. Although discussions in this area remain on going, it stands that if an increase in the LPFA's levy is enforced, Lewisham would be required to pay an additional £280k in 2011/12.

Single Status

- 8.58 Single Status assessment of Officer grades (excluding Senior Management grades) commenced in 2009/10. Work is being finalised to ascertain the full impact on salary costs. Increased salary costs as a direct result of Single Status includes a two year arrears payment and uplift where staff grades increase. These will be slightly offset by reductions where grades are reduced. However, the effect of this will not be realised until 2012/13 onwards. The provisions for back pay and pay protection will also apply to officer jobs. The ongoing net cost of increased salaries – after allowing for those where evaluation reduced salary levels, is estimated to be around £2m per annum.

Street Lighting PFI

- 8.59 A joint *Street Lighting PFI* scheme is being developed with the London Borough of Croydon to completely replace all the old lamp column stock and thereafter maintain that new stock. It is anticipated that the contract will commence early in 2011/12 but at a higher cost than the current budget. A provision of £0.9m has been made in previous Surveys and it is anticipated that this amount will still be required. This equates to 675k in 2011/12 and £225k for 2012/13.

Table D7: Summary of key budget pressures

Detail	£'000
Actuarial Valuation	500
Concessionary Fares	2,000
Fair Employment	1,895
London Pensions Fund Authority	280
Single Status	2,000
Street Lighting PFI	675
Total	7,350

Other Risks for 2011/12 to be managed within existing budgets

- 8.60 Following the review of budget pressures within Directorates, there are a number of other risks which will need to be contained in the available resources of

Directorates or managed in an appropriate way. Recommending funding of the budget pressures detailed above would leave very little available to fund directorate service pressures.

- 8.61 The key budget pressures to be managed have been set out in the following paragraphs.

Adult Social Care Commissioning

- 8.62 Investment in the *Adult Social Care* budget has been made in the last 4 years, 2007/08 to 2010/11, to recognise the pressures facing the service. In line with national trends, services for Adult Social Care in Lewisham have experienced an increase in the number of clients and price increases over recent years. This is partly due to the fact that: people are living longer; medical advances mean the life expectancy of young adults with severe physical and learning disabilities has increased; there is an ageing population; and the number of people requiring care is increasing, resulting in more expensive intensive care packages to keep people in their own homes, if not placed in residential establishments. The costs of contracts with the independent and voluntary sector sometimes also outstrip assumed inflation. These factors are expected to continue to put pressure on Lewisham's Adult Social Care services.
- 8.63 With forecast increases in the volume of clients and with above inflation increases in unit costs, additional provision for Adult Social Care is anticipated. It is likely that the service will continue to face a number of risks in managing its budget.

Adult Social Care – Transitional Cases

- 8.64 For *Adult Social Care – Transitional Cases*, £650k was provided as part of the budget in 2010/11. Additional net costs of £1m are estimated for 2011/12. These are costs of young people who were formerly funded by the Children & Young People Directorate, usually in high cost residential placements, who are transferring to adult budgets on or after their 18th birthday. They include clients with a learning disability and with mental health problems.

Looked After Children

- 8.65 The past couple of years has been an increasingly sensitive time nationally to ensure that the risk of another Baby Peter case is minimised. This resulted in an increase in contacts and assessment activity with a subsequent increase in numbers of Looked after Children. In 2010 there has been some evidence of a decline from the levels in 2009. The work continues to ensure that the best use of scarce resources are made through effective placement decisions and procurement work. There are currently 482 children being cared for, over and above the budget provision for 460. The budget pressure relates to volume increases, inflationary pressures have been held over the last year. Efficiency savings proposed on this budget for 2011/12 are planned to be £600k, if this is not achieved it would create a further budget pressure.

Property Services

- 8.66 The current overspend in this area for 2010/11 is forecast at £260k, however this is benefiting from NNDR rebates and electricity refunds. As expenditure is already

being kept to Health & Safety issues only there is no way of reducing this. The overspend is currently being offset by underspends within Programme Management. These underspends will be given up as part of the savings process next year.

Planning Services

- 8.67 Planning is currently receiving £450k from reserves to support the consultancy service for the North Lewisham Master plan. The actual cost this year is £600k, with the additional cost being met from surplus income. However the CLG are currently consulting on proposals for local authorities to set their own charges on a cost recovery basis. If this goes ahead then in theory income can be increased to meet costs and there will no longer be a pressure within.

Redundancy

- 8.68 The Council will seek to minimise the impact of savings on services and jobs. However, two thirds of the Council's budget goes on staff salaries and wages, so it will not be possible to make savings of £88m over a 4 year period without an impact on jobs. The cost of redundancy depends on the age, seniority and length of service of the individuals affected, and it is not possible to calculate the overall financial impact at this stage.

Summary

- 8.69 The scale of pressures facing the Council is uncertain yet likely to be substantial. Demographic pressures will grow, yet Government resources to meet such increases will be more scarce. It is likely that there will be further 'passporting' of cost pressures to Local Government.

Where Does This Get Us for 2011/12?

- 8.70 The outcome of the provisional Local Government Finance Settlement confirmed that the Council needs to reduce its level of resource by some £33.2m in 2011/12 in order to set a balanced budget. Table D8 sets out some adjustments which lessen the gap and shows the effect of revenue budget savings on reducing the gap further.

Table D8 – Revised Savings Requirement and Savings Proposals

	£m
Budget Savings Requirement for 2011/12	33.2
Less: Pay Inflation	3.1
Less: Council Tax Freeze Grant	2.3
Less: Council Tax Base income	1.0
Budget Savings Requirement after Adjustments	26.8

Adjustments to 2011/12 Budget Savings Requirement

- 8.71 The following items pertaining to pay inflation and the Council Tax Freeze Grant and additional resources due to increases in the Tax Base are being used to adjust the revenue budget savings target for 2011/12. This will have the effect of revising down

the required savings for 2011/12 from £33.2m to £26.8m, before revenue budget savings are considered.

Pay Inflation

- 8.72 There is no proposed pay award for 2011/12, therefore, the unused allocation of £1.4m referred to in paragraph 8.47 is being used to adjust the revenue savings target. Similarly, unused pay award inflation for 2010/11 of £1.7m will be used for the same purpose, thereby providing a total of £3.1m to adjust the savings target.

Council Tax Freeze Grant and Council Tax Base

- 8.73 The provisional Local Government Finance Settlement confirmed that there will be a national grant of £650m to fund the Council Tax freeze in 2011/12. The indicative allocation for Lewisham is £2.3m, as set out in more detail in Section 9 of this report. This is being used to adjust the savings target. Furthermore, the increase in the number of chargeable dwellings during 2010/11 is expected to realise additional Council Tax income of some £1m during 2011/12.

Summary

- 8.74 After taking into account the budget adjustments detailed in the paragraphs above, the net budget savings requirement for 2011/12 stands at £26.8m.

Revenue Budget Savings Proposals

- 8.75 Budget savings proposals have been examined in the context of our priorities and strategies, with due regard to the nine guiding principles, as set out in Section 4 of this report.
- 8.76 The aim of the Council throughout the administration will be to try to sustain positive social results and progressive service outcomes locally through smarter management and productive ways of working and reducing the costs of overheads. However, the scale of the problem is such that it has not been entirely feasible for officers to put forward savings proposals that do not have some impact on the front line.
- 8.77 Changes to our budget of this scale are not simple changes of degree. In some cases for some functions and activities, it may not be possible to lower the costs of services by more than a quarter, without changing the nature of the service or making it non-viable. Reductions of spending at this level may lead to changes in kind, such as service redundancy, merger and alternative rationalisation. This is why we need to fundamentally re-examine all costs involved in our services, while sustaining, if not improving, as far as practicable, existing service standards and levels.

Revenue Budget Savings Proposals 2011/12

- 8.78 A total of £11.8m of revenue budget savings proposals for 2011/12 were agreed at Council on 24 November 2010. This is summarised in Appendix Y2. The second phase proposals have been developed since Mayor & Cabinet met on 17 November 2010. These are summarised in Appendix Y3 and set out in more detailed in Appendix Y4. For 2011/12 the proposed revenue budget

savings total £8.814m.

Table D9: Revenue Budget Saving Proposals for 2011/12

	£m
Budget Savings Requirement After Inflation and Council Tax Adjustments	26.8
Less: Phase 1 Savings – November 2010	11.8
Less: Phase 2 Savings – February 2011	8.8
Remaining Budget Gap for 2011/12	6.2

Bridging the Gap

- 8.79 A number of thematic reviews, a head office and management re-organisation and proposed changes to the Council's Terms and Conditions are expected to deliver much needed resources further to reduce this gap.

Reviews

- 8.80 A total of 6 strategic reviews are currently being undertaken and a separate review of the organisation's head office and senior management structure is being led by the Chief Executive, as set out in Table D10. Some of the reviews will continue to develop options that can be implemented to maximise the possible savings. These are set out in detail in Appendix Y4.

Table D10: Bridging the Gap

	£m
Remaining Budget Gap for 2011/12	6.2
Less: Themed Reviews, including Fees and Charges Review	3.0
Less: Management Re-organisation	1.3
Remaining Budget Gap	1.9

Corporate Measures

- 8.81 Should all the above proposals be agreed, then this would leave a gap of some £1.9m to be found in order to set a balanced budget for 2011/12. At this stage, consideration would need be given to employing the use of corporate measures to balance the budget. Corporate Provisions includes a Risk Fund which was created as part of the 2010/11 Budget Report and Working Balances.

- 8.82 The Risk Fund was created to recognise the potential budget pressures which could arise during the year and were reported at the time as over £4m across the Council. During 2010/11, the Council has put in place stringent measures to contain and reduce spending and this has led to a potential underspend of £2.2m without the need to call upon the Fund. This Fund could potentially be used to balance the potential gap. There are however, pressures and risks identified in paragraphs 8.60 to 8.69 for which no funding has been identified.
- 8.83 The Working Balances have been held to alleviate any emergent pressures which may occur during the year. Held against this, is the shortfall of the in year savings of £243k. Should some of above measures not be taken, then potentially the Working Balances could be further reduced. The Executive Director for Resources advises that it would be imprudent to reduce these balances in their entirety and would recommend that no less than £1.5m be held for this purpose.
- 8.84 In addition, the Council holds un-earmarked reserves of £11.5m. These are once off resources. One of the fundamental accounting principles is matching of resources to spend. So once-off resources should normally be used to finance once off expenditure. If the need should arise to balance the budget for any year using reserves, the Executive Director for Resources advises that on going measures should be identified to rectify this position as quickly as possible and in any event, by the following year. The use of once off resources is therefore just delaying the need to make an equivalent level of saving in the following year.

Other Budget Considerations

Loss of Grants for 2011/12

- 8.85 The Children & Young People's Directorate was in receipt of 55 grants in total, with a value of £59.1m. These grants fell into three broad categories:-
- Area based grants
 - Specific grants DFE and DoH
 - Standards fund grants for LA services and schools
- 8.86 The emergency budget cut the value of the Area Based Grants (ABG) and some specific grants by £2.267m, otherwise known as the 'in-year' cuts.
- 8.87 The provisional Local Government settlement for 2011/12 has reduced dramatically the number of grants. A number have been merged into a single early intervention grant, those linked to schools and the teaching and learning agenda have been merged into the dedicated schools grant and a few linked to social care rolled into formula grant. The balance have been deleted.
- 8.88 In many of these areas steps were taken to reduce staffing and expenditure as part of the in-year cuts work and these proposals reflect the new financial year equivalent of those sums that had been spent or contractually committed at the time of the in year cuts exercise. Where staffing reductions are proposed the staff affected have been consulted. In some instances the process has allowed for implementation in April 2011. In others, the process is not as well advanced as clarity about grants was not received until the December announcements.

- 8.89 The value of the grant reductions proposed is £3.570m and the numbers of the staff affected 45. This excludes any impact there maybe in terms of the deployment of the Early Intervention Grant currently under discussion.
- 8.90 Grants totalling £32.8m have been rolled into the DSG and this has been consulted upon by the DFE. The Schools Forum has recommended that the grants should be absorbed using existing formula factors such as pupil numbers, free school meals numbers, pupil attainment, pupil mobility and the number of children with English as an Additional Language. As a number of the grants, rolled into the DSG, have fixed or flat rate elements there is some turbulence in the new allocations. The schools forum has recommended that in year 1 of the change that the maximum loss or gain should be limited to +/-5%. This will allow losers at least a year to plan how they would manage the impact.
- 8.91 In the education white paper the government has proposed a national funding formula for schools. The likely impact would mirror that of this absorption of grant into the DSG and so Lewisham schools should be better prepared than if the forum had recommended the former grant allocations were wholly protected within the 2011/12 allocations.
- 8.92 These details of these grant losses total £3.570m. These have been summarised in Appendix Y5 and set out in more detail in Appendix Y6.

Summary

- 8.93 The overall level of funding for Lewisham has now been confirmed. There are a number of risks facing the Authority over the coming year, particularly those detailed in Section 5 of the report concerning the Capital Programme and the Chief Financial Officer's Statement which will be appended to the Budget Report Update on 23 February 2011. To be able to freeze Lewisham's Council Tax at its existing 2010/11 level and benefit from the Government's Council Tax Freeze Grant, the recommended budget requirement is £281.081m.

9 COUNCIL TAX 2011/12

- 9.1 This section of the report sets out the calculation of the Council Tax for 2011/12 based on the recommended budget requirement. It covers the following areas:
- Projected surplus in the Collection Fund as at 31 March 2011
 - Council Tax Base for 2011/12
 - Council Tax for 2011/12 for Lewisham's Services
 - Council Tax Freeze Grant
 - Capping
 - Greater London Authority (GLA) precept for 2011/12
 - Lewisham's Overall Council Tax Calculation for 2011/12
- 9.2 If Members decide to set the budget requirement at a level other than that assumed, alternative calculations of the Council Tax would have to be made. A ready-reckoner has been attached at Appendix Y8, which shows how the Council Tax will vary with changes to the budget requirement.

Projected surplus in the Collection Fund as at 31 March 2011

- 9.3 Collection Fund surpluses or deficits reflect whether the Council over or under achieves its Council Tax collection targets. Therefore, this requires a calculation to be made of how much the Council has already received for the Council Tax in the current and past years, but also how much of the outstanding debt it expects to collect.
- 9.4 A calculation was carried out on 14 January 2011, which is the date prescribed by the relevant statutory instrument. This calculation showed there is an estimated surplus on the Collection Fund in respect of Council Tax, for the years 1993/94 to 2010/11 of £23,000.
- 9.5 Any estimated surplus in the Collection Fund in respect of Council Tax is shared with the precepting authority in proportion to relative shares of budgeted Council Tax income in the current financial year. This means that £17,700 of the £23,000 surplus has to be included in the calculation of Lewisham's Council Tax. The remaining balance of £5,300 will be allocated to the Greater London Authority (GLA).

Council Tax Base for 2011/12

- 9.6 The Council Tax Base is a measure of the Local Authority's ability to raise revenue from local taxation. Mayor & Cabinet agreed at its meeting on 19 January 2011 to recommend to the Council, a proposed tax base for 2011/12 of 88,487. The Council Tax Base was agreed by full Council at its meeting on 26 January 2011. Between 2009/10 and 2010/11, there has been an increase in recorded dwellings by 1,245. This has increased the expected income from Council Tax collection even though there is no proposed increase in the Council Tax level for 2011/12.

Council Tax for 2011/12 for Lewisham's Services

- 9.7 The setting of the Budget Requirement and the Council Tax is a decision reserved to full Council. It is the role of Mayor to recommend a budget requirement and Council Tax to the Council, after giving careful consideration to the information and advice given in this report.
- 9.8 In order to set a Budget Requirement and Council Tax, the Council must pass a resolution on the statutory determination of tax in the form prescribed by legislation. A draft statutory calculation reflecting the budget requirement and Council Tax will be circulated in the 2011/12 Budget Update report to Mayor & Cabinet on 23 February 2011.

Council Tax Freeze Grant

- 9.9 Following the Government's Spending Review, total national funding of £650m has been set aside to help local authorities to implement a Council Tax freeze in England in 2011/12.
- 9.10 The scheme is voluntary and will apply where an authority sets its basic amount of Council Tax for 2011/12 at a level which is no more than its basic amount of Council Tax for 2010/11. In so doing, it will be eligible to receive a grant equivalent

to a 2.5% increase in its 2010/11 basic amount of Council Tax multiplied by the authority's Tax Base for 2011/12.

- 9.11 The Spending Review has concluded that funding can only be provided to support a Council Tax freeze for 2011/12. However, the Government intends to provide supplementary funding to local authorities in subsequent years of the Spending Review to compensate them for the Council Tax income foregone during the period of the freeze.
- 9.12 The un-ringfenced grant in support of the scheme, will be paid to each eligible billing and major precepting authority by instalments over the period April 2011 to January 2012. For Lewisham, the indicative Council Tax Freeze Grant for Lewisham is expected to equate to £2.305m for 2011/12.

Capping

- 9.13 The Secretary of State has stated that the Government will consider capping the budget of any authority which, in its view, has set an unreasonable level of Council Tax.
- 9.14 The Government retains powers to cap Local Authority budgets under the Local Government Act 1999, and may either set a maximum amount for the budget in the forthcoming year (2011/12) or put an Authority on notice to set a maximum budget in the next financial year (2012/13). In the event that the Government proposes to cap an authority, it will be given a short period to put its case. If the cap is then confirmed for 2011/12, this could require the authority to revisit its budget decisions and may require the Council Tax in 2011/12 to be re-billed. This would result in significant operational difficulties, with financial implications and lead to confusion for customers.
- 9.15 In announcing the provisional Local Government Finance Settlement, the Government has made clear its intentions by saying that it wants to “ensure that council tax payers are protected against authorities that reject the grant freeze offer and impose excessive council tax rises”. The Council will introduce powers for residents to veto excessive council tax increases through a local referendum. In the meantime, the Government will take capping action against councils that propose excessive rises.
- 9.16 The final Local Government Finance Settlement will be announced towards the end of January 2011, at which point the Government will set out the capping principles. Shortly, it will also publish details of the figures that will be used to compare authorities' budgets between years, should capping be necessary. It appears that the Government is likely to set the capping limit very close to 2.5%.

Greater London Authority Precept for 2011/12

- 9.17 The Council Tax has to be set at a level that will not only cover the cost of services provided by the Council, but also the precept issued by the Greater London Authority (GLA). The GLA issues an overall precept that includes core services such as the Metropolitan Police Authority (MPA), the London Fire and Emergency Planning Authority (LFEPA), Transport for London (TfL), and the London Development Agency (LDA). The London Assembly will meet on 14 February 2011 to fix the precept.

- 9.18 The GLA is consulting on a precept of £309.82 for 2011/12. This represents a zero percent increase from 2010/11. The Band D amount for the financial contribution to support the cost of staging the 2012 Olympic and Paralympic Games in London remains at £20. It is not yet possible for the Council to agree to set a Council Tax until the precept is known. However, the calculations in this report assume that the GLA precept will remain at the 2010/11 level. If the actual figure is different, a revised set of calculations will be submitted to Members.

Lewisham's Overall Council Tax Calculation for 2011/12

- 9.19 If the GLA precept were set as assumed for Lewisham residents in a Band D property, this would mean that the total Band D Council Tax for 2011/12, including the GLA precept, would be £1,351.93.
- 9.20 Table D11 shows Lewisham's overall Council Tax Calculation for 2011/12 and the calculation of the Council Tax at Band D for 2011/12 respectively, assuming the Council agrees to the recommended budget of £281,098,756.

Table D11: Council Tax Calculation for 2011/12 on Spend of £281,098,756

	£
Assumed Budget Requirement for 2011/12	281,098,756
Less: Revenue Support Grant	44,050,748
Less: Redistributed Business Rates	142,511,600
Less: Council Tax Freeze Grant	2,305,539
Less: Surplus in collection fund	17,700
Council Tax requirement	92,213,169
Divide by: Council Tax Base (Band D)	88,486.96
Council Tax for Lewisham Services (Band D)	1,042.11
Add: Precept demand from GLA (estimated)	309.82
Total Council Tax (Band D)	1,351.93

- 9.21 The calculation of Council Tax for different Council Tax bands is shown in Table D12, based on the Band D Council Tax calculated in Table D11. The full details of alternative Council Tax levels are set out in the Council Tax Ready Reckoner, attached at Appendix Y8.

Table D12: Council Tax For Different Council Tax Bands In 2011/12

	Property Value	Fraction	Lewisham Council Tax	GLA Precept	Total Council Tax
	£'000		£	£	£
A	Up to 40	6/9	694.74	206.55	901.29
B	40-52	7/9	810.53	240.97	1,051.50
C	52-68	8/9	926.32	275.40	1,201.72
D	68-88	9/9	1,042.11	309.82	1,351.93
E	88-120	11/9	1,273.69	378.67	1,652.36
F	120-160	13/9	1,505.27	447.52	1,952.79
G	160-320	15/9	1,736.85	516.37	2,253.22
H	Over 320	18/9	2,084.22	619.64	2,703.86

9.22 The Council will be required to make statutory calculations under the Local Government Finance Act 1992. These include the calculation of gross expenditure, income and net expenditure and the Council Tax for each band. A draft of these calculations based on Members agreeing the assumed Budget Requirement for 2011/12 will be attached as an appendix in Budget Report Update to Mayor & Cabinet on 23 February 2011.

10. FUTURE YEARS' GENERAL FUND BUDGETS

10.1 This section of the report sets out the prospects for revenue budgets for 2012/13 onwards. It makes an assessment of the Council's medium to long term costs, together with the benefits of such expenditure and it touches on the wider environmental, social and economic issues facing the Council's finances.

10.2 There remains great uncertainty about the scale and duration of the difficult financial climate which affects the forecasts for Council expenditure and income. It is proposed that the assumptions made below be reviewed during the Spring of 2011 and then reported in a revised Financial Survey covering the period 2012/15, in the summer.

Formula Grant 2012/13

10.3 On 31 January 2011, the Government announced the two-year Final Local Government Finance Settlement for 2011/12 and 2012/13. The Formula Grant allocation for 2012/13 is £172.003m. When compared to the level of grant for 2011/12 of £186.562m, this represents a reduction of some £14.6m or 7.8%.

10.4 No allocation has been announced for 2013/14 and 2014/15. Members should therefore note that the officers' forecasts for Formula Grant for this period are highly speculative. With the overall assumption of a 26% reduction for Local Government over the 4 year Spending Review period, it is assumed that grant reductions averaging 4% per annum will occur in those two years. On our current assumptions, this gives rise a savings requirement of circa £15.5m in each of those years.

Council Tax

10.5 The provisional Local Government Finance Settlement confirmed that there will be a national grant of £650m to fund the Council Tax freeze in 2011/12. The indicative

allocation for Lewisham is £2.305m, as set out in more detail in Section 9 of this report. Although it is expected that funding to support this amount will be in place the four Spending Review years, there will be no funding to support continuation of this freeze to 2012/13. As yet, the only indication we've received, is for this grant in 2011/12.

- 10.6 The Mayor has continually re-iterated his continued commitment to limiting the annual increase in Council Tax for Council insofar as is possible. For budget planning purposes, an increase of no more 2.5% for Lewisham's Council Tax is being assumed for 2012/13.

Approach to savings in future years

- 10.7 Based on the provisional Local Government Finance Settlement for 2012/13, the indicative savings targets are set out in Table D13:

Table D13 - Savings Requirement for 2011/12 and 2012/13

	2012/13 £m	2013/14* £m	2014/15* £m
Formula Grant Reduction	14.6	6.9	6.6
Less: Council Tax Income	(2.3)	(2.3)	(2.3)
Plus: Pay Inflation @1%	1.8	1.8	1.8
Plus: Non Pay Inflation @ 2.5%	1.8	1.9	2.0
Plus: Budget Pressures	7.5	7.5	7.5
Total Savings Requirement	23.4	15.8	15.6

* These savings requirements for these years are based on best estimates.

- 10.8 The savings proposed/agreed to date, as set out in Table D14 below, will contribute to the narrowing the gap in 2012/13 and 2013/14.

Table D14: Proposed/Agreed Savings for 2013/13 and 2013/14

	2012/13 £'000	2013/14 £'000	2014/15 £'000
Savings Agreed – November 2010	3,630	942	0
Saving Proposed	8,781	3,506	0
Total	12,411	4,448	15,600

- 10.9 In balancing the budget over the years for which we have certainty (2012/13), this means that the savings requirement has potentially reduced to £11m. There are also further savings to be realised from the thematic reviews and the head office and management re-organisation. These could potentially deliver up to £3.5m. If this happens, then by 2012/13 the budget gap will be £7.5m. Work to update the strategy and look at potential ways to bridge the gap will be reported in the next Financial Survey.

11 TREASURY STRATEGY

- 11.1 This section of the report summarises the key policy issues arising from the Treasury Strategy and follows on from the Budget Report 2010/11, reported to Mayor & Cabinet and Council in February and March 2010.
- 11.2 The Local Government Act 2003 and supplementary regulations requires the Council to produce three strategy statements to support the Prudential Indicators which ensure that the Council's capital investment plans are affordable, sustainable and prudent. The three statements may be summarised as :
- A Treasury Management Strategy which sets out the Council's proposed borrowing for the financial year and establishes the parameters within which officers under delegated authority may undertake such activities.
 - An annual Investment Strategy which sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments and
 - A policy statement on the basis on which provision is to be made in the revenue accounts for the repayment of borrowing.

Treasury Management Strategy for 2011/12/ to 2013/14

- 11.3 The Council's borrowing and investments as at the 15 November 2010 are as set out in table E1 below.

Table E1: Treasury Portfolio as at 15 November 2010

		£m	Average Rate of Interest
Fixed Rate Borrowing	Public Works Loans Board	223.991	5.43%
	Commercial Banks	114.359	4.73%
		338.350	5.19%
Investments	Other Long Term Liabilities		
	Gross Debt	338.350	
	Internally Managed Cash Managers	162.700	0.86%
		54.443	
	Total Investments	217.143	
Net Debt	£121.207		

It should be noted that the average rates reflect actual borrowing and investment at rates prevailing in the earlier part of the financial year and not those currently obtainable.

Borrowing

- 11.4 New borrowing is undertaken each year to fund expenditure from the capital programme and to replace temporary borrowing which has matured. The Council is required to set and monitor a number of indicators to ensure that the level of borrowing to fund capital investment is affordable. It is these indicators which set the parameters within which treasury operations are undertaken.
- 11.5 The indicators effectively summarise the expected activity and provide a limit on the delegated authority of officers to undertake treasury operations. They have been compiled in an attempt to balance the need for sufficient flexibility to enable treasury operations to be conducted effectively with the need for Members to be satisfied that such activity does not expose the Council to material risk. The indicators relating to treasury management are as set out below:
- Debt Limits
 - Limits on fixed and variable rate debt.
 - Limits on the level of investments for terms exceeding one year and
 - A framework for the maturity profile of debt.

Debt Limits

- 11.6 Two Prudential Indicators control the aggregate level of borrowing:
- **The Authorised Limit** – which represents the limit beyond which any additional borrowing cannot be undertaken unless the limit is revised by Full Council.
 - **The Operational Boundary** - which is based on the probable external debt during the year. It is not a limit and actual borrowing can vary round this boundary.
- 11.7 The determination of the Authorised Limit is essentially a mechanistic exercise determined by a number of factors including the level of existing debt, projected borrowing to partially finance the capital programme and to provide temporary support to the Council's cashflows. In addition there is provision to replace temporary borrowing from the Council's balances with external borrowing. The authorised limit essentially provides an upper limit on the level of borrowing. However the decision on whether to actually undertake the borrowing will be determined by treasury related issues such as anticipated movements in future interest rates. Whilst the indicators provide scope to undertake borrowing this might not be exercised and consequently there will inevitably be considerable variations between the limits and the level of borrowing.
- 11.8 The operational boundary is calculated by deducting the provision for replacement of temporary borrowing from balances from the authorised limit. This provides a control on the management of the existing debt whilst allowing scope for additional borrowing should the Executive Director for Resources consider market conditions be conducive for this. The derivation of the Operational Boundary is as set out in Table E2 below:

Table E2: Debt Projections 2010/11 to 2013/14

	2009/10 Actual £m	2010/11 Projection £m	2011/12 Projection £m	2012/13 Projection £m	2013/14 Projection £m
Balance at 1 April	361.360	384.193	351.851	353.938	351.324
Maturing Debt	-0.123	-5.000	0.000	-5.000	-11.333
Overhanging Debt Relating to Housing Transfer	-7.881	-41.537			
Actual New Borrowing	30.837	0.853			
Outstanding Debt	384.193	338.509	351.851	348.938	339.991
Projected New Borrowing		13.342	2.087	2.386	4.844
External Borrowing	384.193	351.851	353.938	351.324	344.835
Notional PFI Debt	146.189	173.072	168.027	162.737	157.13
Balance 31st March	530.382	524.923	521.965	514.061	501.965
Margin below Capital Financing Requirement	20.032	20.033	20.141	20.244	20.344
	550.414	544.956	542.106	534.305	522.309
Balance at 1 April	361.360	384.193	351.851	353.938	351.324

New Debt	30.837	14.195	2.087	2.386	4.844
Maximum Notional PFI Debt in Year	146.189	173.072	173.072	168.027	162.737
Operational Boundary	538.386	571.460	527.010	524.351	518.905
Margin below Capital Financing Requirement	40.032	40.033	40.141	40.244	40.344
Authorised Limit	578.418	611.493	567.151	564.595	559.249

It should be noted:

- Revised accounting arrangements require that Private Finance Initiative (PFI) schemes are bought on balance sheet as assets and the obligation to pay future rentals as a corresponding liability. This arrangement necessitates the borrowing limits being revised to incorporate the notional borrowing associated with the PFI.
- The external borrowing is projected to fall over the term of the indicators principally because of a reduction in the levels of supported and unsupported borrowing. This is attributable to constraints on the revenue budgets which have resulted in the associated debt financing costs being unaffordable.

Limits on Fixed and Variable Rate Debt

11.9 Variable rate debt provides a facility to benefit from short term falls in interest rates but with the associated risk that unanticipated increases in rates will result in considerable volatility in interest costs. Conversely investments at fixed rates provide flexibility to benefit from increases in interest rates. The guidance requires Councils to consider the exposure to variable rates on the basis of net debt i.e. borrowing less investments. The “upper limit” for variable interest rate debt i.e. borrowing less investments attempts to define the limits of this risk. As all of the Council’s existing debt and investments are at fixed rate the variable rate net debt primarily relates to certain short term investments and the net new borrowing requirement. To provide budget stability and reduce financial risk the long term strategy is to have all debt at fixed rates.

11.10 The proposed limit for fixed rate exposure provides scope for both debt and the projected investment balance to be at fixed rates. The upper limit for fixed interest rate exposure is as set out in Table E3 below. The Council’s current debt and investments portfolios are currently 92% fixed rate with the residual 8% represented by call account investments which offer currently advantageous rates. The proposed fixed rate debt limit of 100% provides scope to revert to totally investing in short term deposits should this be considered appropriate.

Table E3: Proposed Fixed Rate Limits for 2011/12 to 2013/14

	2009/10 Actual	2010/11 Projection	2011/12 Projection	2012/13 Projection	2013/14 Projection
	£m	£m	£m	£m	£m
Authorised	558.418	591.493	547.151	544.595	539.249

Debt Limit					
Investments	-135.120	-179.000	-79.994	-37.279	0.000
Upper Limit	423.298	412.493	467.157	507.316	539.249
Proportion of Net Debt at Fixed Rates	100%	100%	100%	100%	100%

11.11 The Council's current debt and investment portfolios are 92% fixed rate and consequently the potential to take on variable rate debt is limited to new borrowing and extension of the existing call account investment facility. Whilst there is greater scope to increase the exposure to variable rate investments because investments are essentially short term it is unlikely that this would be used extensively because of the counterparty credit limits set as a component of the Investment Strategy. The upper limit for variable interest rate exposure is as set out in table E4 below.

Table E4: Proposed Variable Rate Limits for 2011/12 and 2013/14

	2010/11 Projection	2011/12 Projection	2012/13 Projection	2013/14 Projection
	£m	£m	£m	£m
Cumulative Net Borrowing Requirement (Table 2)	13.342	15.429	17.815	22.659
Investments in Call Accounts	-60.00	-60.00	-60.00	-60.00
Net Upper Limit	-46.658	-44.571	-42.185	-37.341
Percentage of Net Debt at Variable Rates	21%	20%	18%	17%

Upper Limit for Long Term Investments

11.12 The level of the Council's investments is determined by a number of factors including the available revenue and capital reserves and the extent to which capital investment has been financed by internal borrowing. The Council's medium term capital programme anticipates utilising a number of the cash reserves which will reduce the scope to undertake longer term investment. However, longer term investments potentially provide stability of income and enhanced investment returns particularly in an environment in which interest rates are low or falling.

11.13 In the current economic environment the primary consideration when investing Council funds is counterparty credit risk. Longer term investment obviously increases this risk particularly in the current volatile economic environment. The Executive Director for Resources in response to the current uncertainty has restricted investment terms to a maximum of three months with the exception of the UK Government owned banks (Lloyds TSB and Royal Bank of Scotland) which have a maximum duration of one year.

11.14 It is proposed to set an upper limit on the duration of investments to provide scope for longer term investment to be undertaken when the Executive Director of Resources, after taking advice from the Councils independent treasury advisors Sector considers the economic environment to be appropriate. The proposed limits correspond to those approved in the previous financial year.

Table E5: Proposed Upper Limit for Total Principal Sums Invested for over 364 Days for 2011/12 to 2013/14

	2009/10 Actual	2010/11 Projection	2011/12 Projection	2012/13 Projection	2013/14 Projection
	£m	£m	£m	£m	£m
Total Projected Investments	191.336	191.564	92.558	49.843	56.444
Principal Sums Invested in 2011/12			Over 1 Year	Up to 2 Years	Up to 3 Years
Proportion			10.0%	5.0%	2.5%
Amount			£9.256	£4.628	£2.314

11.15 The maximum proportion of investments over 364 days is 17.5%.

Debt Maturity Profiles

11.16 Volatility of interest rates represents a risk particularly when the Council requires to refinance its debt portfolio when debt matures. To mitigate this risk the debt maturity profile is structured to ensure that there is a spread of maturities. There must however be flexibility in this to enable advantage to be taken of low rates or alternatively to ensure that the Council does not lock into relatively high long term rates. The proposed limits of the maturity structure of long term debt attempts to accommodate these competing requirements.

Table E6: Fixed Rate Borrowing Maturity Limits

	Upper Limit	Lower Limit
	%	%
Maturity Structure for New Fixed Rate Borrowing during 2011/12.		
Under 1 Year	15%	
1-2 Years	15%	
2-5 Years	50%	
5-10 Years	50%	
10 Years and Over	95%	50%

11.17 There are a number of additional non-treasury related prudential indicators which need to be adopted which are as set out in Appendix Z1.

Borrowing Strategy 2011/12

11.18 New borrowing is potentially undertaken each year to fund expenditure from the capital programme, to replace maturing debt (Net Replacement Borrowing) and potentially to replace temporary borrowing from internal balances with external debt. There is no supported borrowing for 2011/12.

Table E7: Projected Borrowing Requirement 2011/12 to 2013/14

	2009/10 Actual	2010/11 Projection	2011/12 Projection	2012/13 Projection	2013/14 Projection
	£M	£M	£M	£M	£M
Supported Borrowing	12.997	11.046		0.000	0.000
Prudential Borrowing	13.484	3.323	5.525	3.950	0.000
Net Replacement Borrowing	0.123	5.000	0.000	5.000	11.333
Minimum Revenue Provision (MRP)	-6.238	-6.027	-6.438	-6.564	-6.489
	20.366	13.342	-0.913	2.386	4.844

11.19 Supported borrowing represents the amount the Government considers the Council needs to borrow to deliver its programme and notionally provides support to finance the associated debt charges through the revenue grant mechanism. It should however be noted that the Government has indicated that no supported borrowing will be provided after 2010/11.

11.20 The Prudential Borrowing relates to the continuing vehicle replacement programme and road improvement programmes.

11.21 The minimum revenue provision (MRP) represents the statutory amount which has to be provided out of Council Tax to provide for the repayment of external debt.

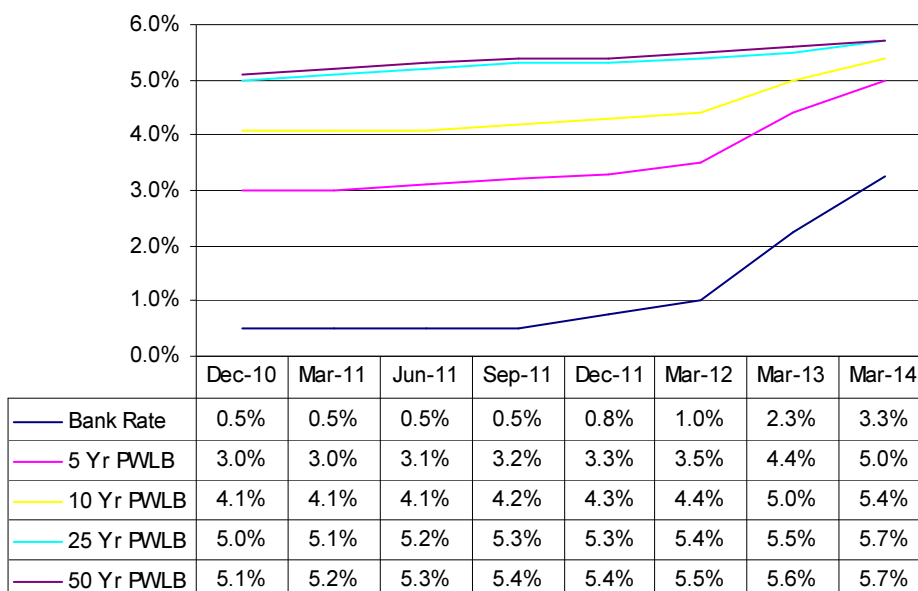
11.22 The decision to borrowing is determined by a number of factors including:

- interest rate projections
- the availability of internal cash resources to finance borrowing in the short to medium term
- The affordability of borrowing and the tension between the potential short term revenue savings from using cash balances to finance borrowing and the long term savings accruing from borrowing at current historically low interest rates.

11.23 The Council has appointed 'Sector Treasury Services' to provide treasury advice and part of these services involve the formulation of a view on interest rates. These views may be summarised as follows:

Table E8: Interest Rate Projections

Table 8: Interest Rate Projections



11.24 Sector consider that there are considerable uncertainties in the world economy mainly relating to the impact of governmental macro-economic policies. The principal influences have been identified as :

- The impact of governmental austerity programmes on economic activity and consumer confidence.
- The level of protectionism resulting from the failure to address the issue of currency imbalances and trade deficits.
- The speed of the recovery in the financial sector and the associated easing of credit to the wider economy.

11.25 Sector consider that in the longer term these factors will result in the cost of borrowing increasing because of the high volume of Government debt being raised in the UK and other major western economies.

11.26 The implications of this for the Council's potential external borrowing strategy may be summarised as:

- The least cost borrowing will be internal borrowing by using cash balances which are currently earning historically low rates of interest.
- 10 year variable rate debt provides flexibility in borrowing.
- Rates are projected to gradually increase during the year and consequently it is appropriate to consider borrowing at the start of the financial year.

11.27 An Audit Commission study had identified that Council had both substantial cash balances and external borrowing. To substantiate this position Councils are required to comment on both the gross and net debt positions and establish a policy on

borrowing in advance of need.

11.28 The current and projected net debt positions are as set out in table E9 below:

Table E9: Comparison of Projected Gross and Net Borrowing Positions

	2009/10 Actual	2010/11 Projection	2011/12 Projection	2012/13 Projection	2013/14 Projection
	£m	£m	£m	£m	£m
External Debt	384.193	351.851	353.938	351.324	344.835
Investment Balances	-191.336	-191.564	-92.588	-49.843	-56.444
Net Borrowing	192.857	160.287	261.380	301.481	288.391

11.29 The Council has a net borrowing position of £193m which is projected to increase by £96 million over the four year term. This increase is principally attributable to the reduction in the investment balance occasioned by the use of capital balances to support the capital programme over the medium term.

11.30 In the context of the treasury strategy:

- An objective of the treasury strategy is to minimise the level of the investment balances to reduce counterparty credit risk associated with investment.
- The medium term economic outlook continues to be one of historically low interest rates with investment rates being significantly below long term borrowing rates. Value for money considerations indicate that additional borrowing should be avoided and any borrowing requirement be funded from internal balances to minimise the impact on revenue balances.
- However such savings should be considered in the context of the potential to borrow at relatively low rates which are forecast to increase significantly in later years
- The Council has examined the potential for prematurely redeeming debt to reduce the net debt position but has concluded that the premiums payable are not affordable or cost effective.

11.31 The Executive Director for Resources will continue to monitor the interest rate position and adopt a pragmatic approach to changing circumstances.

11.32 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be considered carefully to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.

11.33 In determining whether borrowing will be undertaken in advance of need the Council will:

- Ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need
- Ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered
- Evaluate the economic and market factors that might influence the manner and timing of any decision to borrow
- Consider the merits and demerits of alternative forms of funding
- Consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.

11.34 The Executive Director for Resources will continue to consider options to reschedule and restructure the Council's debt portfolio, having due regard for the broad impact of such exercises, ensuring that any such restructure will provide financial benefit to the Council.

Annual Investment Strategy

11.35 The Investment Strategy for 2011/12 is compiled in the context of continuing uncertainty and volatility in global money markets relating to concerns over sovereign debt and the impact of governmental austerity measures on economic growth. This has created instability in money markets with a concentration on low risk quality orientated investments.

11.36 Members are recommended to adopt a counterparty credit criteria which whilst continuing to reflect a low risk profile is based on a stable market.. It is proposed that the Executive Director for Resources be provided with scope to operate counterparty criteria up to this level according to market conditions. Effectively, Members will agree a wider list and the Executive Director for Resources operate narrower lists up to this level in response to market conditions.

11.37 The Council will have regard to the Communities and Local Government's (CLG) Guidance on Local Government Investments and the 2009 revised Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes. The Council's investment priorities are:-

- the security of capital and
- the liquidity of its investments.

11.38 The Council will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The risk appetite of this Council is low in order to give priority to security of its investments

11.39 To achieve these objectives, the Council is required to classify investment products as either "specified" or "non-specified".

11.40 Specified investments comprise investment instruments which the Council considers offer high security and liquidity. These instruments can be used with minimal procedural formalities. The guidance issued by the Government considers that specified investments have the following characteristics: -

- Denominated in Sterling and have a term of less than one year.
- Instruments of less than one year issued by the Government or other Local Authorities
- Have “high” credit ratings as determined by the Council itself.

11.41 All other investments are termed non-specified investments. These involve a relatively higher element of risk, and consequently the Council is required to set a limit on the maximum proportion of their funds which will be invested in these instruments. The Strategy should also specify the guidelines for making decisions and the circumstances in which professional advice is obtained.

11.42 It is proposed that the Council will only use approved counterparties from Investment instruments identified for use in the financial year are listed in appendix 4 under the ‘Specified’ and ‘Non-Specified’ Investments categories. Counterparty limits will be as set through the Council’s Treasury Management Practices – Schedules.

Creditworthiness Policy

11.43 This Council uses the creditworthiness service provided by ‘Sector Treasury Services’. This service has been progressively enhanced over the last year and now uses a sophisticated modelling approach with credit ratings from all three rating agencies - Fitch, Moodys and Standard and Poors, forming the core element. However, it does not rely solely on the current credit ratings of counterparties but also uses the following as overlays: -

- credit watches and credit outlooks from credit rating agencies
- Credit default Swaps (CDS) which constitutes the cost of insurance taken out to cover potential default by borrowers and consequently changes in the cost of such cover provides an indication of credit risk and early warning of likely changes in credit ratings
- sovereign ratings to select counterparties from only the most creditworthy countries which are assessed as being able to provide financial support should domestic financial institutions encounter difficulties.

11.44 The ‘Sector’ approach involves assigning each rating a numerical value and then averaging the scores from each of the three rating agencies to produce a composite score for each counterparty which is then adjusted by the CDS cost relating to that counterparty. These scores are then categorised into one of four colour bands delineating comparative counterparty risk the ranges of which are determined by historical experience. These colour codes are used by the Council to establish the duration for investments and the total deposit exposure for each counterparty. Table E10 below relates this approach to the Fitch ratings previously used and indicative counterparties for each of the bands. It should be noted that the lower the composite score the higher the credit rating.

Table E10: Sector Colour Bands

Sector Band	Composite “Score”	Fitch Long Term	Fitch Short Term	Fitch Individual	Indicative Bank
Purple	8.5	AA	F1+	B	National Australia Bank Ltd
Orange	10.5	AA-	F1+	B	Credit Suisse

Red	12.5	A+	F1+	B/C	Deutsche Bank
Green	14.5	A	F1+	C	Bank of Tokyo Mitsubishi UFJ

- 11.45 Sector have added two additional bands to the analyses to recognise the quasi nationalised status of a number of the UK clearing banks (Blue) and the supra national organisations (Yellow).
- 11.46 The Council's credit policy combining the Council determined investment credit limits on with the Sector approach to counterparty risk categorisation is as set out in table E11 below: -

Table E11: Lewisham Credit Criteria

Sector Band	Credit Limit (£m)	Duration Limit (Months)
Purple	25	24
Orange	20	12
Red	15	6
Green	10	3
Blue	30	12

- 11.47 The approach adopted by this Council does not comply with that suggested by CIPFA of using the lowest rating from all three rating agencies to determine creditworthy counterparties as Moodys tend to be more aggressive in giving low ratings than the other two agencies. This would therefore be unworkable and leave the Council with few banks on its approved lending list. The Sector creditworthiness service does though, use ratings from all three agencies, but by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.
- 11.48 All credit ratings will be monitored on a daily basis. The Council is alerted to changes to ratings of all three agencies through its use of the Sector creditworthiness service and a revised list of all potential counterparties is produced weekly.
- 11.49 If a downgrade results in the counterparty/investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- 11.50 In addition to the use of Credit Ratings the Council will be advised of information in movements in Credit Default Swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Councils lending list.

Country limits

- 11.51 The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA- (from Fitch Ratings (or equivalent from other agencies if Fitch does not provide) and the UK. The current list of countries that qualify using this credit criteria as are set out in appendix 5. This

list will be added to or deducted from by officers should ratings change in accordance with this policy.

11.52 The Executive Director for Resources considers however that in current market conditions it is appropriate to continue to apply the narrower range of counterparties and the maximum term duration of three months for all counterparties except the semi nationalised banks for which a twelve month duration applies. This approach essentially involves excluding the comparatively lower rated counterparties (Sector category Green) from the list. The indicative counterparty list on this basis is as set out in Appendix Z6.

Investment Strategy In-house Funds

11.53 The Council's in house investments are principally related to cashflow. Investments will accordingly be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

11.54 The Sector rates outlook is as set out in Section 4.6. This projects that interest rates will increase throughout the period and consequently the Council will avoid locking into longer term investment deals while investment rates are down at historically low levels unless exceptionally attractive rates are available which make longer term deals worthwhile.

11.55 In the current interest environment the following return on investment are appropriate:

E12: Projected Investment Returns

	Projected Investment Returns
2010/11	0.5%
2011/12	0.7%
2012/13	1.7%
2013/14	3.1%

11.56 At the end of the financial year, the Council will report on its investment activity's part of its Annual Treasury Report.

Investment Strategy External Fund Managers

11.57 The Council has established a cash portfolio of £54.443m and appointed Investec (£26.653m) and Invesco (£27.790m) to manage this on a discretionary basis.

11.58 The managers will comply with the Annual Investment Strategy as agreed by the Council.

11.59 The minimum credit criteria to be used by the cash fund managers corresponds to that applied to the Council's in-house investments as set out in table 11.

11.60 The Executive Director for Resources is undertaking a review of the effectiveness of the Cash Managers in conjunction with the Council's treasury advisor Sector.

Policy On Use Of External Service Providers

- 11.61 The Council uses Sector Treasury Services as its external treasury management consultants.
- 11.62 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers. The information provided by Sector is one source of information will be supplemented with other sources to enable the Executive Director for Resources to make decisions on treasury issues.
- 11.63 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

12. CONSULTATION

- 12.1 Budget savings of such significance have required extensive engagement with our citizens to consider the overarching challenge facing public services in Lewisham over the next few years. To this end, the Council has undertaken a range of engagement and specific consultation exercises. These have included an overall dialogue on the financial pressures facing Lewisham, Our Lewisham, Our Say, as well as more service specific and statutory consultations.

Engagement and Dialogue With Residents

- 12.2 Our Lewisham, Our Say was designed to explain the financial challenge the Council faces in the coming years, to listen to the ideas of residents about how best to tackle it, and to get people talking with each other about those ideas.
- 12.3 More than 2,500 people took part, either by completing the online survey or by taking part in discussions at local assemblies, community groups or online. The greatest numbers – more than 1,200 – were involved in discussions at assemblies. Just under 1,000 people completed the survey.
- 12.4 Our Lewisham, Our Say was not a poll or referendum on ideas, or on specific service changes. It was broader in scope and reach than the service specific consultations which are reported elsewhere in this report and presented choices across a wide range of activities to as many residents as possible.
- 12.5 The survey was created to test opinions about which services residents valued most and thought should be protected, and which services they thought they might do without if the Council stopped doing them, or did much less of them. It also gauged resident opinions about whether they would be prepared to pay more for certain services, or whether they would do more themselves by volunteering to reduce pressure on public services.
- 12.6 Discussions at local assemblies followed a similar format but, following a detailed presentation from senior officers, also allowed the opportunity for residents to discuss the issues and test their opinions on how Lewisham might respond to the

financial challenge the Council faces.

12.7 The following themes came out strongly from Our Lewisham, Our Say:

- Protect spending on services to the most vulnerable in the community
- OK to reduce spending in some areas, but generally only in those areas where the Council spends relatively small sums
- Prepared to pay more for some services
- Businesses could do more and Council could help people to do more
- The Council should continue to find efficiencies and cut its costs.

A full summary of the findings is attached at Appendix Y21.

Housing Revenue Account

12.8 As in previous years, tenants' consultation was in line with the Residents' Compact arrangements. This provided tenant representatives of Lewisham Homes with an opportunity in December at the Joint Housing Panel meeting to consider the position and to feedback any views to Mayor & Cabinet. Tenant representatives of Brockley convened their Brockley Residents' Board in January to hear the proposals and feedback.

12.9 Details of comments from the resident meetings have been summarised at Appendix X2.

Business Ratepayers

12.10 Representatives of business ratepayers were consulted on budget proposals on 27 January 2011. Views expressed by business ratepayers on the budget will be made available to Members.

13. FINANCIAL IMPLICATIONS

13.1 This entire report deals with the Council's Budget. Therefore, the financial implications are explained throughout.

14 LEGAL IMPLICATIONS

Capital Programme

14.1 Generally, only expenditure relating to tangible assets (e.g. roads, buildings or other structures, plant, machinery, apparatus and vehicles) can be regarded as being expenditure for capital purposes. (Section 16 Local Government Act 2003 and regulations made under it).

14.2 The Local Government Act 2003 introduced a prudential system of financial control replacing the previous system of credit approvals, with a system whereby local authorities are free to borrow or invest so long as their capital spending plans are affordable, prudent and sustainable. Authorities are required to

determine and keep under review how much they can afford to borrow having regard to CIPFA's Prudential Code of Capital Finance in Local Authorities. The Code requires that in making borrowing and investment decisions the authority is to take into account the issues of affordability, prudence and sustainability, value for money, stewardship of assets, service objectives and practicality.

14.3 The Local Government Act 2003 also introduced pooling arrangements in relation to capital receipts replacing the set aside requirement under the previous capital finance regime. Under the pooling arrangements authorities are required to pay to the Secretary of State a proportion of capital receipts from disposals of housing land, the proportions being 75% for land which includes dwelling-houses and 50% for other land. The Local Authorities Capital Finance and Accounting (England) Regulations 2003 as amended, allow authorities to reduce the amount to be paid to the Secretary of State by the aggregate of:

- the authority's administrative costs of the disposal
- amounts spent within the preceding 3 years in improving the land
- the authority's "total capital allowance".
- Social Home Buy Allowance (for provision of affordable housing)

14.4 The "total capital allowance" for this purpose is made up of expenditure incurred by the authority on various types of projects and items specified in the Regulations including regeneration projects, acquiring interests in land and other improvements to facilitate disposal and expenditure on buying back properties previously sold under the RTB.

Housing Revenue Account

14.5 Section 24 of the Housing Act 1985 provides that a local housing authority may make such reasonable charges as they determine for the tenancy or occupation of their houses. The Authority must review rents from time to time and make such changes as circumstances require. Within this discretion there is no one lawful option and any reasonable option may be looked at. The consequences of each option must be explained fully so that members understand the implications of their decisions.

14.6 Section 76 of the Local Government and Housing Act 1989 provides that local housing authorities are under a duty to prevent a debit balance in the HRA. Rents must therefore be set to avoid such a debit.

14.7 Section 103 of the Housing Act 1985 sets out the terms under which secure tenancies may be varied. This requires -
the Council to serve a Notice of Variation at least 4 weeks before the effective date;
the provision of sufficient information to explain the variation;
an opportunity for the tenant to serve a Notice to Quit terminating their tenancy.

14.8 The timetable for the consideration of the 2011/12 rent levels provides an adequate period to ensure that legislative requirements are met.

14.9 Part III of Schedule 4 of the Local Government and Housing Act 1989 provides that where benefits or amenities arising out of the exercise of a Housing Authority's

functions, are provided for persons housed by the authority, but are shared by the community as a whole, the authority shall make such contribution to their HRA from their other revenue accounts to properly reflect the community's share of the benefits or amenities.

- 14.10 Where as an outcome of the rent setting process, there are to be significant changes in housing management practice or policy, further consultation may be required with the tenants affected in accordance with section 105 of the Housing Act 1985.

Balanced Budget

- 14.11 Members have a duty to ensure that the Council acts lawfully. The Council must set and maintain a balanced budget and must take steps to deal with any projected overspends and identify savings or other measures to bring budget pressures under control. If the Capital Programme is overspending, then this may be brought back in to line by savings, slippage of other schemes or contributions from revenue. If a level of over-programming is built into the programme to reflect likely slippage, then officers will need to manage the programme to ensure that actual expenditure does not exceed the resources available. The proposals in this report identify reductions which go to meet this requirement in 2011/12.
- 14.12 Where there are particular savings proposals in this report they are considered in detail and the legal implications where appropriate have been set out against each of the individual proposals.
- 14.13 Members are reminded in this context of their fiduciary duty to the Council Taxpayer, effectively to act as trustee of the Council's resources and to ensure proper custodianship of the Council's resources

Revenue Budget and Council Tax

- 14.14 The Council must calculate its Budget Requirement for the year in accordance with Section 32 of the Local Government Finance Act (LGFA) 1992. This calculation must be made before 11 March each year.
- 14.15 Although the Council must set the amount of Council Tax for each of the categories of dwellings in its area before 11 March each year, it cannot do so before 1 March unless all the preceptors have issued their precepts. (Section 30(2) and Section 30(7) of the LGFA 1992). Additionally the LGFA 1992 provides that the Council may not set an amount of Council Tax earlier than the date of issue to the authority of the last precept capable of being issued to it by a major precepting authority (or 1 March if earlier) (Section 30(6)). It cannot adopt a precept prior to 11 February each year. Consequently discussion about the budget requirement, council tax and GLA precept at any Council meeting prior to 11 February cannot take final decisions. It may make recommendations based on assumptions but the Council will set the budget and Council Tax at a meeting subsequent to this date.
- 14.16 The Council is required to consult representatives of non-domestic ratepayers about its proposals for revenue and capital expenditure (Section 65 of the LGFA 1992). The Council has to take into account the responses of the

consultation with an open mind and these responses will be reported to the Mayor on 25 February 2010 in the Budget Update report. In considering the report Members must:

- Direct itself properly in law
- Take into account all relevant matters and leave out of account irrelevant considerations;
- Act for a proper purpose, exercising powers for the public good;
- Not reach a decision which no authority could reasonably reach;
- Comply with the rule that local government finance is to be conducted on an annual basis;
- Act with procedural propriety, in accordance with the rules of fairness; and
- Ensure that action taken is properly authorised by the authority itself or those to whom the authority has delegated the power to do so.

14.17 Members are referred to the provisions for capping by the Secretary of State set out in the report.

Revenue Budget

14.18 The Council must calculate its Budget Requirement in accordance with Section 32 of the Local Government Finance Act 1992. The calculation must be made before 11 March each year .

14.19 Under Section 32(2)(a) to (e) of the LGFA 1992, as amended, the Council must make a calculation of:

- (i) The expenditure which the authority estimates it will incur in the year in performing its functions and will charge to a revenue account for the year, other than any Business Improvement District (BID) levy (Section 32 (2)(a));
- (ii) Such allowance as the authority estimates will be appropriate for contingencies in relation to expenditure to be charged to a revenue account for the year (Section 32(2)(b));
- (iii) The financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure (Section 32(2)(c));
- (iv) Such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for (Section 32 (2)(d)); and

- (v) Any amounts which it estimates will be transferred from its General Fund to its Collection Fund pursuant to a direction from the Secretary of State under Section 98(5) of the LGFA 1988 and charges to a revenue account for the year.... (Section 32 (2)(e)).

14.20 Under Section 32(3)(a) to (c) of the LGFA 1992, as amended, the Council must make a calculation of:

- (i) The sums which it estimates will be payable for the year into its General Fund and in respect of which amounts will be credited to a revenue account for the year, other than sums which it estimates will be so payable in respect of redistributed non-domestic rates and formula grant and any BID levy (Section 32(3)(a));
- (ii) Amounts which it estimates will be transferred from its Collection Fund to its General Fund pursuant to a direction from the Secretary of State for the Environment under Section 98(4) of the LGFA 1988 and credited to a revenue account for the year. (Section 32(3)(b)); and
- (iii) The amount of the financial reserves which the authority estimates that it will use in order to provide for the items mentioned in the previous paragraph at (i), (ii) and (v) above (Section 32(3)(c)).

14.21 Under Section 32(4) of the LGFA 1992 if the aggregate calculated under sub-section 32(2) of the Act exceeds that calculated under sub-section 32(3) of the Act, the authority must calculate the amount equal to the difference. The amount so calculated shall be its Budget Requirement for the year.

Council Tax

14.22 Section 33 (1) of the LGFA 1992, as amended, requires Lewisham to calculate its Basic Amount of Council Tax, as follows:

$(R-P)/T$

where:

R is the Council's Budget Requirement;

P is the aggregate of the sums which the authority estimates will be payable to it in respect of redistributed non-domestic rates and revenue support grant, increased or reduced by the amount calculated in accordance with the following formula:

$W - Y$

where:

W is the amount of any sum which the authority estimates will be transferred in the year from its Collection Fund to its General Fund in accordance with

Section 97(3) of the 1988 Act as substituted by Part III of Schedule 10 of the 1992 Act (i.e. a share of any surplus on its Collection Fund);

Y is the amount of any sum which the authority estimates will be transferred in the year from its General Fund to its Collection Fund in accordance with section 97(4) of that Act as substituted by Part III of Schedule 10 of the 1992 Act (i.e. a share of any deficit on its Collection Fund)

T is the Council's Tax Base as calculated at a Council meeting before 31 January each year in accordance with Section 35(5) of the LGFA 1992.

- 14.23 The application of the formula set out above gives a Basic Amount of Tax which represents the amount of Lewisham's tax for its own services for a Band D dwelling within the Borough.
- 14.24 Under Section 36 of the LGFA 1992 the Council has to calculate the amount of tax applicable to dwellings in each valuation band (i.e. the amount for each of the categories of dwellings). This is calculated by multiplying the Basic Amount of Tax calculated as above by the number which, in the proportion set out in Section 5(1) of the LGFA 1992, is applicable to dwellings listed in particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D.
- 14.25 Section 40 of the LGFA 1992 requires Major Precepting Authorities (in the Council's case only the GLA) to issue precepts to Lewisham before 1 March each year. These precepts must state the amount of tax calculated by each Major Precepting Authority which is applicable to each of the categories of dwellings.
- 14.26 The amounts of Council Tax to be set for Lewisham's residents are the aggregate of Lewisham's Basic Amounts of Tax for each of the categories of dwellings calculated in above and the Major Precepting Authorities Amounts of Tax calculated for each of the categories of dwellings in the previous paragraph.

Robustness of estimates and adequacy of financial reserves

- 14.27 The Local Government Act 2003 s25 requires, when the authority is making its calculations under s32 of the Local Government Finance Act 1992, the Chief Finance Officer to report to it on:-
- (a) the robustness of the estimates made for the purposes of the Calculations; and
 - (b) the adequacy of the proposed financial reserves.

Treasury Strategy

- 14.28 Authorities are also required to produce and keep under review for the forthcoming year a range of indicators based on actual figures and these are set out in the report. The Code says that movement may be made between

the various indicators during the year by an authority's Chief Finance Officer as long as the indicators for the total Authorised Limit and the total Operational Boundary for external debt remain unchanged. Any such changes are to be reported to the next meeting of the Council.

- 14.29 Under Section 5 of the 2003 Act the prudential indicator for the total Authorised Limit for external debt is deemed to be increased by an amount of any unforeseen payment which becomes due to the authority within the period to which the limit relates which would include for example additional external funding becoming available but not taken into account by the authority when determining the Authorised Limit. Where Section 5 of the Act is relied upon to borrow above the Authorised Limit the Code requires that this fact is reported to the next meeting of the Council.
- 14.30 Authority is delegated to the Executive Director for Resources to make amendments to the limits on the Council's counterparty list and to undertake Treasury Management in accordance with the CIPFA code of practice and the Council's Treasury Policy Statement.

Constitutional provisions

- 14.31 Legislation provides that it is the responsibility of the full Council to set the Council's budget. Once the budget has been set, it is for the Mayor to make decisions in accordance with the statutory policy framework and that are not wholly inconsistent with the budget. It is for the Mayor to have overall responsibility for preparing the draft budget for submission to the Council to consider. If the Council does not accept the Mayor's proposals it may object to them and ask him to reconsider. The Mayor must then reconsider and submit proposals (amended or unamended) back to the Council which may only overturn them by a two-thirds majority.
- 14.32 For these purposes the term "budget" means the "budget requirement (as provided for in the Local Government Finance Act 1992) all the components of the budgetary allocations to different services and projects, proposed taxation levels, contingency funds (reserves and balances) and any plan or strategy for the control of the local authority's borrowing or capital expenditure." (Chapter 2 statutory guidance).
- 14.33 Authorities are advised by the statutory guidance to adopt an inclusive approach to preparing the draft budget – to ensure that councillors in general have the opportunity to be involved in the process. However, it is clear that it is for the Mayor to take the lead in that process and that proposals to be considered should come from that quarter. The report sets out the actions taken by the Council to comply with the statutory guidance to include non-executive members in the budget setting process.

Statutory duties and powers

- 14.34 The Council has a variety of statutory duties which it must fulfil by law. It cannot lawfully decide not to carry out those duties. Even where the Council is under a statutory duty to provide a service there is often a discretion available to the Council about the level of service provision. Where there is an impact on statutory duty this has been identified in relation to the particular proposals. For other

activities, the Council provides services in pursuance of a statutory power rather than a duty, and though not bound to carry out those activities, decisions about them must be taken in accordance with the decision making requirements of administrative law.

Reasonableness and proper process

- 14.35 Decisions must be made reasonably, taking into account all relevant considerations and disregarding irrelevancies. These are particular to the service reduction proposed and are set out in the body of the report. It is also imperative that decisions are taken following proper process. Depending on the particular service affected, this may be set down in statute, though not all legal requirements are set down in legislation. For example, again depending on the nature of the service, there may be a requirement to consult before making a decision. Members will see from the body of the report, that consultation has taken place in relation to budget reductions as appropriate. The outcome is detailed in the report. If consultation, where required, is not yet complete then a final decision may not be taken now. In that event either a report must be brought back to the Mayor, or he must delegate that decision to an officer. Responses to consultation must be considered with an open mind before coming to any decision. Whether or not consultation is appropriate, decisions to discontinue service must be accompanied by appropriate notice. In some circumstances, the Council has published a procedure for handling service reduction, and in those circumstances, there would be a legitimate expectation that such procedures are followed.
- 14.36 The Council is under a duty to budget annually, and it is clear that there are proposals in the report for reductions to be made in 2012/13 and beyond. The nature of these savings proposals varies. If agreed now they are all subject to proper process. Staffing changes would for example be subject to consultation under the Council's employment procedures, with final decisions in that respect delegated to officers. Others relate to proposed changes in service provision and may require consultation with service users and/or others before a final decision could be taken. In those cases, decisions may only be in principle now, with further reports to be brought back for a final decision when that proper process has been completed.

Staff consultation

- 14.37 Where proposals, if accepted, would result in more than 100 redundancies within a 90 day period, an employer is required by Section 188 Trade Union and Labour Relations (Consolidation) Act 1992 to consult with the representatives of those who may be affected by the proposals. Where the number is more than twenty but 99 or less this period reduces to 30 days. The consultation period is at least 90 days. This consultation is in addition to consultation with individuals affected by redundancy and/or reorganisation under the Council's own employment procedures. Where the number of redundancies in the 90 day period is 20 but not more than 99, the consultation period is 30 days.
- 14.38 Where consultation with the Trade Unions has been undertaken in accordance with statutory requirements and where these processes have been completed, the responses are reflected in the body of the report as are staff responses.

14.39 Implicit in some of the proposals for budget reductions is the need to re-organise staffing structures and or create redundancies. If the budget reductions are agreed and re-organisations/redundancies are necessary, decisions will be taken by officers in accordance with the Council's re-organisation and personnel procedures.

Equalities legislation

14.40 The Sex Discrimination Act 1975 (SDA), the Race Relations Act 1976 (RRA) and the Disability Discrimination Act 1995 (DDA) all of them as amended - contain provisions whose aim is the progressive elimination of discrimination in the public sphere. This is done by requiring public bodies including local authorities to have regard to the need to eliminate discrimination. This is often referred to as the "general duty." The Act also contain provisions allowing the Secretary of State to make orders or regulations imposing specific duties for the purpose of ensuring the better performance of the general duty.

14.41 By Section 76A of the SDA a local authority in carrying out its functions must have due regard to the need to:

- (a) eliminate unlawful discrimination and harassment; and
- (b) to promote equality of opportunity between men and women

14.42 Statutory order has been made under Section 76B requiring local authorities to publish a gender equality scheme, requiring implementation within 3 years and review every 3 years at least with regular reports on the achievement of the aims of the scheme.

14.43 The statutory Code of Practice issued by the then Equal Opportunities Commission "Gender Equality Duty Code of Practice for England & Wales" highlights that the regard for these duties must be "due" with proportionality and relevance being key principles. It acknowledges that authorities may not always be able to adopt actions that would best promote equality but that they must ensure that in making decisions due regard is had to the duties under the Act. The statutory guidance points out that Equality Implications Assessments are a tool to assess the impact of policies and that where full E.I.As are conducted they should be evidence based with an assessment of the likely impact and should consider possible actions to mitigate any adverse impact.

14.44 By Section 71 RRA requires local authorities in carrying out their functions to have due regard to the need:

- (a) to eliminate unlawful racial discrimination; and
- (b) to promote equality of opportunity and good relations between persons of different racial groups.

14.45 Again, the Secretary of State has imposed specific duties by statutory order with requirements such as the publication of a race equality scheme, and periodic review of the functions relevant to the scheme, monitoring and review.

14.46 The statutory Code of Practice issued by the then Commission for Racial Equality also points to the need for the regard to the duty to be due – being proportionate according to the relevance of the duty to the service in question. It is also clear that

due regard must be had to the duty in the core functions of policy development, service design and delivery, decision making, employment and, among other things in the exercise of statutory discretion.

- 14.47 The general duty in relation to disability is set out in Section 49A of the DDA. Under this every public authority must, in carrying out its functions, have regard to –
- (a) the need to eliminate discrimination that is unlawful under the Act
 - (b) the need to eliminate harassment of disabled people that is related to their disabilities;
 - (c) the need to promote equality of opportunity between disabled persons and other persons;
 - (d) the need to take steps to take account of disabled persons' disabilities, even where that involves treating disabled persons more favourably than other persons;
 - (e) the need to promote positive attitudes towards disabled persons; and
 - (f) the need to encourage participation by disabled persons in public life.
- 14.48 The Secretary of State has made regulations which impose on local authorities the duty to publish a disability equality scheme, review and implementation with reporting requirements.
- 14.49 The statutory Code of Practice issued by the then Disability Rights Commission "The Duty to Promote Disability Equality ; Statutory Code of Practice" reflects the emphasis in the other statutory codes on proportionality and relevance, and the need for evidence based EIAs where they are appropriate using data and research. It emphasises the important role of consultation and the involvement of stakeholders, as well as the need to mitigate adverse impact where possible.
- 14.50 The Courts view all three of these duties as very important and rely on the statutory code of practices. and it is necessary for members to have regard to these duties and codes before any decision is made, paying attention to the substance of the analysis contained in the equalities impact assessments contained in this report before any decision is made.
- 14.51 The Council's own Equality Scheme and its toolkit for conducting equalities impact assessments reflect the statutory codes of practice and guidance and provide for the Council to consider equalities issues including gender, race, disability, age, sexual orientation, religion and belief. Equalities impact assessments have been conducted with all of these equalities issues addressed, notwithstanding that the general legal duties do not yet cover all of these areas.
- 14.52 The Equality Act 2010 came on to the statute books this year but many of its provisions await commencement. It is likely that from April 2011 the new public sector duty which extends 'due regard' to cover age, sexual orientation, pregnancy and maternity, and religion and belief, will have effect. The provisions relating to the duty in relation to socio- economic factors have also yet to be brought into effect. The Government is still considering its position in relation to these matters. As subsequent decisions are required regarding budget reductions, it will be essential to ensure that the most up to date position is reported to members. At the time of writing the Codes of Practice to apply from April 2011 remain in draft.

14.53 Members are reminded that in considering the proposed reductions, the requirement under all three statutes is to have regard to the need to eliminate discrimination and promote equality of opportunity. It is not a requirement to eliminate discrimination or promote equality. The duties are “have regard duties”, and the weight to be attached to them is a matter for the Council bearing in mind the issues of relevance and proportionality. It is an option available to members, provided that they grapple seriously with the duties imposed upon them by the equalities legislation and the Council’s Equality Scheme, to take the view that the requirement to make a balanced budget, in times of such very severe financial restraint, requires the reductions proposed to be made.

14.54 The commission for Equality and Human Rights Commission released guidance in Autumn 2010 entitled “ Using the equality duties to make fair financial decisions.” Members’ attention is drawn to its contents now. It appears at Appendix Y20.

14.55 The EHRC guidance referred to in relation to the sex, race and disability duties can be found in full at <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-duties/guidance-and-codes-of-practice/codes-of-practice/> and are available in Governance Support.

The Human Rights Act 1998

14.56 Since the introduction of the Human Rights Act 1998 (HRA), the rights set out in the European Convention of Human Rights (ECHR) have been incorporated into UK legislation and can be enforced in the domestic courts without having to have recourse to the European courts.

14.57 Those Articles which are particularly relevant to public services are as follows:-

Article 2 – the right to life

Article 3 – the right not to be subject to ...degrading treatment

Article 5 – the right to security of the person

Article 6 – the right to a fair trial

Article 8 - the right to respect for private and family life, home and correspondence

Article 9 - the right to freedom of thought, conscience and religion

Article 10 - the right to freedom of expression

Article 11 – the right to peaceful assembly

Article 14 – the right not to be discriminated against on any ground

The first protocol to the ECHR added:-

Article 1 - the right to peaceful enjoyment of property

Article 2 - the right to education

14.58 Some of these rights are unconditional, such as the right not to be tortured or subject to degrading treatment. Others may be limited in finite and well defined circumstances (such as the right to liberty); others are qualified and must be balanced against the needs of the wider community or state interest – such as the right to a private and family life. Where there are human rights implications associated with proposals in this report, these have been identified in the body of the report and regard must be had to them before making any decision.

Crime and Disorder

14.59 Section 17 of the Crime and Disorder Act 1998 requires the Council when it exercises its functions to have regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

Best Value

14.60 Under S3 Local Government Act 1999, the Council is under a best value duty to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. It must have regard to this duty in making decisions in relation to this report.

Environmental Implications

14.61 Section 40 of the Natural Environment and Rural Communities Act 2006 states that: 'every public authority must, in exercising its functions, have regard, so far as is consistent with the proper exercise of those functions, to the purpose of conserving biodiversity'. No such implications have been identified in relation to the reductions proposals.

14.62 The legal comments for the individual savings proposals are attached at Appendix 8 to this report.

15 HUMAN RESOURCES IMPLICATIONS

15.35 There were 62 proposals in Phase 1 which had direct people impact leading to the deletion of 329 posts up to 134 of which could be redundant, the remaining being covered by vacancies, retirements and agency covered posts. Table 5 provides a breakdown of outcomes of the Phase 1 restructured areas identifying posts, vacancies and agency covered posts:

Table 5: Breakdown of Phase 1 restructurings by Directorate

							HR Outcomes					
Directorates	Ph 1 proposals with redundancies	Ph 1 proposals without redundancies	Total Proposals Ph 1	No. of posts deleted	No. of posts created	Net decrease	Posts Deleted through Redundancy	Posts Covered by TUPE	Posts Ending through Retirement	Vacant Posts	Total	Posts covered by Agency
Community	3	4	7	66	32	34	25	0	0	9	34	2
Resources	8	1	9	106	54	52	33	0	0	19	52	9
Regeneration	4	0	4	37	0	37	29	0	2	6	37	4
Customer	12	6	18	61	3	58	26	7	5	20	58	7
CYP	5	19	24	59	0	59	21	0	4	29	54 *	23

Total	32	30	62	329	89	240	134	7	11	83	235	45
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*5 positions yet to be confirmed

15.36 Table 6 provides a breakdown by ethnicity of the employees who to date, have indicated they wish to be redeployed or leave on redundancy.

Table 6: A Breakdown by Ethnicity of Likely Redundancies

	Predicted % of impacted population as at Nov 2010	Actual % of impacted population as at 17/1/11	Actual % across the council
Ethnic Group			
• Asian	5	3.9	2.6
• Black African	9.3	9.3	9
• Black Caribbean	20	19.5	19
• Black Other	3.4	4.6	3
• Chinese/Vietnamese	0.6	0	0.5
• Mixed Race	1.8	2.3	3
• White British	49	46.8	52
• White Irish	2.2	2.3	2
• White Other	6.3	8.5	6
• Not known/ given	1	0	1.2
• Other Ethnic Group	1.4	2.3	1.6
Gender			
• Male	35	46	36
• Female	65	53.9	64

15.37 The table below provides a more up to date breakdown of the actual posts deleted by grade in phase 1.

Grade Band	Predicated % of posts deleted as a result of budget Proposals	Number of Posts	Actual % of posts deleted	Total no of post by grade across the Council	Actual % across the Council
P06- SMG3	11%	48	15%	310	9%
P01- P05	36%	125	38%	1183	33%
SC6/S02	31%	107	33%	814	23%
SC3/5	22%	43	13%	937	26%
SC1/2	0%	1	Less than 1%	342	9%
TOTALS	100%	329	100%	3586	100%

- 15.38 Phase 2 has 54 proposals which have a direct people impact, this includes areas where grant funding has been withdrawn. Many of these proposals are likely to lead to redundancies and it is anticipated that the proposals will result in the deletion of at least 135 posts based on early indications. Appropriate consultation processes in accordance with the Management of Change Guidelines and protocols will continue to take place in directorates. JCC's will be held for unions to put their views forward. A meeting of the Works Council is scheduled for 9th February for the unions to raise outstanding issues. Comments from the Trade Unions can also be submitted to Mayor & Cabinet at its meeting on 17 February 2011.
- 15.39 The Trade Union and Labour Relations (Consolidation) Act 1992 requires that collective consultation takes place with recognised trade union representatives. The recognised representatives will be written to and notified of the proposals to declare redundancies to address an anticipated general fund revenue budget deficit. There is also a requirement to notify the Secretary of State for Business Innovation and Skills of the proposed redundancies 90 days before the first redundancy takes effect.
- 15.40 Each service area will conduct an impact assessment of their reorganisation with particular emphasis on ethnicity, gender and disability. The Council is also monitoring the impact of the savings proposals on the grade profile of the Council.
- 15.41 Staff views, gathered last year, on how the Council should save and change will be considered in light of the Phase 2 proposals.
- 15.42 The Council will continue to support staff by offering 'Understanding and Working through changes' workshops. These workshops have been well received by staff.
- 15.43 Following consultation and prior to implementing proposals the council has a process to identify staff to be selected for redundancy. This will be undertaken through a combination of interviews, testing and management selection in accordance with the Council's change guidelines.
- 15.44 Displaced staff will be entitled to a period of notice from six to twelve weeks depending on their length of service. The exceptions are anyone covered by the Disability Discrimination Act who receive an extended notice period of up to 6 months.
- 15.45 Plans are in place to support staff leaving the organisation with individual career counselling as well as interview skills and CV writing courses, financial planning, career transition and business development. They will also have an option of a workshop to assist them once the training is complete. This is to assist them to either secure redeployment within Lewisham or find a new opportunity should they exit through redundancy.

16 CRIME AND DISORDER IMPLICATIONS

- 16.1 There are no specific crime and disorder implications relating to this report.

17 EQUALITIES IMPLICATIONS

- 17.1 The Race Relations Act 1976, Sex Discrimination Act 1975, Disability Discrimination Act 1998 (all as amended), and the promotion of best practice in relation to other equality areas, require the local authority to ensure that their policies and actions do not discriminate and that the authority promotes equal opportunity and good relations among people from different groups.
- 17.2 An initial assessment of the equalities implications of the 2011/12 budget savings proposals has been undertaken to ensure that they do not unfairly impact upon particular vulnerable groups, sections of the local community or the Council's workforce.
- 17.3 The Council has a legal duty to have regard to the need to eliminate discrimination and promote equality of opportunity and this analysis has been undertaken with regard to that duty. Our comprehensive equality scheme encompasses the six strands of race, disability and gender age, sexual orientation and religion/belief. We have therefore had regard for all six equality strands, race, disability, gender, age, sexual orientation and religion/belief in our equalities analysis.

Savings proposals which affect staff

- 17.4 Where budget savings proposals have staffing implications, and these proposals are approved, services will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment / Change Management policies. Equalities impact assessment guidance recommends that a full equalities impact assessment is undertaken if a review of service or a restructure will result in a major service change; involve a considerable amount of money (large capital project); impact on a large number of people; or result in a major organisational change. As part of their operational business processes, services will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.
- 17.5 An equalities impact assessment will be conducted on the 2011/12 Budget Savings process. This will mean that all savings proposals which have staffing implications will be considered to assess the overall impact on the organisation.

Savings from service reviews

- 17.6 Where budget savings are proposed linked to the Council's Customer Transformation and Efficiency Programme, review managers are required as part of this review process to undertake a thorough equalities analysis to consider whether elements of the project design/delivery could impact differently on different groups within the local communities or staff. Review managers are also required where applicable to explain any positive impacts and how any potential negative effects may be mitigated. Guidance recommends that a full equalities impact assessment is undertaken if the review focuses on a major service change; involve a considerable amount of money (large capital project); impact on a large number of people; or result in a major organisational change.
- 17.7 Council tenants include a higher than average proportion of elderly people and black and ethnic minorities. Many tenants are unemployed or on low income. The service has specific provision for more vulnerable groups within the community. A significant proportion of new allocations are made to families and women with young children.

- 17.8 In undertaking consultation and examining potential options, the equalities impact for different groups of people will be considered, particularly black and ethnic minorities, women, disabled people and young people.

18 ENVIRONMENTAL IMPLICATIONS

- 18.1 There are no specific environmental implications relating to this report.

19 CONCLUSION

- 19.1 This report sets out the information necessary for the Mayor to make recommendations to Council to set the 2011/12 budget. Additional information and updates will be made to this report for Mayor & Cabinet on 23 February 2011. This will include finalising statutory requirements and comments from consultation undertaken to allow Council on 1 March to make final decisions.

20. BACKGROUND DOCUMENT AND FURTHER INFORMATION

Short Title of	Date	Location	Contact
Budget Strategy and Process 2011/14	23 June 2010 (M&C)	1 st Floor Town Hall	Selwyn Thompson
In Year Government Funding Reductions for 2010/11	14 July 2010 (M&C)	1 st Floor Town Hall	Selwyn Thompson
2011/12 to 2013/14 First Phase Savings Proposals	17 November 2010 (M&C)	1 st Floor Town Hall	Selwyn Thompson
Setting the Council Tax Base & Discounts for Second Homes and Empty Properties	19 January 2011 (M&C)	1 st Floor Town Hall	Selwyn Thompson

For further information on this report, please contact:

Janet Senior – Executive Director for Resources on 020 8314 8013
 Selwyn Thompson – Group Manager, Budget Strategy 020 8314 6932

APPENDICES

Capital – Section 5

W1 – Capital Programme resources changes from Quarter 3 to budget report
W2 – Full Council Programme at Quarter 3 split between committed and uncommitted budgets

Housing Revenue Account – Section 6

X1 – Housing Revenue Account Savings Proposals
X2 – Tenants' rent consultation 2010/11
X3 – Housing Revenue Account
X4 – Brockley – Leasehold and Tenant Charges Consultations
X5 – Combined – Leasehold and Tenant Charges Consultations

General Fund Revenue & Council Tax – Sections 8, 9 and 10

Y1 – Projected Revenue Budget Variances for 2010/11
Y2 – Phase 1 Budget Savings Proposals 2011/14 (Summary)
Y3 – Phase 2 Budget Savings Proposals 2011/14 (Summary)
Y4 – Phase 2 Budget Savings Proposals 2011/14 (Detail)
Y5 – Phase 2 Policy Analysis Budget Savings Proposals
Y6 – Legal Implications of Phase 2 Budget Savings Proposals
Y7 – Reviews and Head Office Management Re-organisation
Y8 – Fees & Charges Report
Y9 – Early Years Report
Y10 – Early Interventions Grant
Y11 – Connexions Report
Y12 – Libraries
Y13 – Adult Social Care
Y14 – Fairer Charging Policy
Y15 – Cashiers Service
Y16 – Loss of Grant 2011/14 (Summary)
Y17 – Loss of Grant 2011/14 (Detail)
Y18 – Loss of Grant 2011/14 – Policy Analysis
Y19 – Referrals from Select Committees
Y20 – Using the equality duties to make fair financial decisions
Y21 – Our Lewisham, Our Say
Y22 – Council Tax Ready Reckoner 2011/12
Y23 – Chief Financial Officer's Section 25 Statement – To follow

Treasury Management

- Z1 – Prudential Indicators
- Z2 – Minimum Revenue Provision Policy
- Z3 – Sovereign Credit Rating (December 2010)
- Z4 – Specified and Non-Specified Investments
- Z5 – Potential Counterparty List

Appendix W1:

Capital Programme Resource Changes from Q3 to Budget Report

	2011/12	2012/13	2013/14	2014/15	2015/16	Effective Programme	Future	Total
	£M	£M	£M	£M	£M	£M	£M	£M
Resources as at Quarter 3	-117.370	-75.910	-57.853	-45.149	0.000	-296.282	-39.429	-335.711
<u>Changes in Resources</u>								
Supported borrowing	3.000	0.000	0.000	0.000	0.000	3.000	0.000	3.000
Prudential borrowing	-2.750	-3.000	-0.750	0.000	0.000	-6.500	0.000	-6.500
Capital Receipts	-2.557	1.109	-0.700	-7.800	-4.000	-13.948	-0.750	-14.698
Capital Grants	-16.414	-0.076	-0.500	-0.500	-36.200	-53.690	36.000	-17.690
Revenue	2.571	-1.300	-1.200	-1.200	-1.200	-2.329	0.000	-2.329
Total Resources	-133.520	-79.177	-61.003	-54.649	-41.400	-369.749	-4.179	-373.928

Largest projects/ programmes in the Council's capital programme 2011-16

Project/ Programme	2011/12	2012/13	2013/14	2014/15	2015/16	Total
	Budget	Budget	Budget	Budget	Budget	Budget
	£M	£M	£M	£M	£M	2011/16
						£M
Lewisham Homes	117.498	80.390	51.610	40.869	37.400	327.766
BSF D&B programme	15.541	26.846	14.128	4.869	0.000	61.383
Primary places programme	32.838	3.000	0.000	0.000	0.000	35.838
Forest Hill pool	6.883	3.244	0.000	0.000	0.000	10.127
AMP programme	1.984	0.800	2.000	2.000	2.000	8.784
Heathside and Lethbridge	2.750	3.000	1.482	0.000	0.000	7.232
Highways	3.427	3.000	0.000	0.000	0.000	6.427
Deptford town centre	5.760	0.367	0.000	0.000	0.000	6.127
Schools AMP programme	1.200	1.200	1.200	1.200	1.200	6.000
Deptford station	4.813	0.000	0.000	0.000	0.000	4.813
Private sector grants	0.800	0.800	0.800	0.800	0.800	4.000
Disabled Facilities grant	0.707	0.707	0.707	0.707	0.707	3.535
Tidemill school (Deptford TC programme)	3.460	0.000	0.000	0.000	0.000	3.460
My Place - Wells Park	2.846	0.046	0.000	0.000	0.000	2.892
Vehicle replacement programme	1.700	0.950	0.000	0.000	0.000	2.650
Schools minor works programme	2.277	0.098	0.000	0.000	0.000	2.375
Aids & Adaptations and Disabilities scheme	0.450	0.450	0.450	0.450	0.450	2.250
Surrey Canal road Station	2.200	0.000	0.000	0.000	0.000	2.200
Housing options	0.581	0.400	0.400	0.400	0.400	2.181
ICT Technology refresh	0.250	0.250	0.500	0.500	0.500	2.000
Lewisham Mortuary - Cremator	1.500	0.000	0.000	0.000	0.000	1.500

HRA Savings Proposals 2011/12

Item	Area	Savings 2011/12	Future Savings 2012/13 and 2013/14
		£'000	£'000
1	Pest Control Block Treatments	190	
2	Leasehold Service charge Adjustment	-342	
3	Review of other income areas (Garages, Aerials, Heating, Commercial etc)	140	25
4	Lewisham Homes	500	
5	Housing Options/Hostels	104	
6	HRA Client Support Costs	107	-
7	Reduce Inflation estimates for 2011/12	67	407
	Total Savings Proposals	766	432
	Total Savings Requirements	551	1,550
	Variance (Surplus) / Deficit	(215)	352

Item 1 Tenants' service charges

As set out more fully in the report on service charges, Lewisham Homes have put proposals forward to implement a service charge for the block treatments undertaken to various blocks as part of the pest control programme.

This will be a new charge and is not subject to unpooling from rents. However, it will not be introduced to all tenants, as the charge will be based on the annual pest control block treatment programme. This saving represents additional income to the HRA via the implementation of the service charge.

Item 2 Leasehold service charge adjustment (growth)

Current income on leasehold service charges are short by some £542k against the 2010/11 budgets. There are a number of reasons for this ranging from underestimating the impact of the loss of leasehold stock due to the stock transfer programme to an inability to pass on some charges to leaseholders as a result of audit inspections.

A £200k adjustment against the 2011/12 budget had already been anticipated, but a further 342k is required in order to remove the pressure to the HRA that this shortfall presents.

Item 3 Other income areas

A review of fees and charges applied to services provided (such as garages, ground rents, court costs, commercial rents etc) and of the income derived from them has shown that in some cases income received is in excess of the current budgeted amounts.

It has already been established that garage income will be some £80k in excess of current budgets due to improved void performance. An additional £30k in each of court costs and ground rents is also being achieved, making a total of £140k in 2011/12.

Item 4 Lewisham Homes management fee

The proposed saving of £500k is in addition to other efficiencies also being made to reflect the reduction in the stock. The net effect, if the saving is taken, will be a management fee of £18.940m in 2011/12, an increase of 5% in the fee per property compared to 2010/11.

Savings of £500k can be achieved through efficiencies with no impact on service provision.

Item 5 Hostel expenditure

The HRA has benefited from the review currently being undertaken on the reconfiguration of the Housing Options service as part of the general fund savings process. The total reduction in recharge to the HRA as a result is £104k.

Item 6 Other management costs

The Housing Strategy team are currently in the process of agreeing a revised structure to deal with its new role in relation to both housing policy/strategy and acting as the client for Lewisham Homes and Brockley PFI. The structure includes 4 Policy and Strategy posts, 1 RSL posts, a Strategic Housing Manager post and 4 Partnerships & Performance Posts. It is currently assumed that the 4 Policy and Strategy posts and the RSL posts are all 100% General Fund. 50% of the Strategic Housing Manager posts relates to General Fund activity. The 4 Policy and Strategy Posts are split 75% HRA & 25% General Fund. It is expected that this will reduce the total charge to the HRA by £25k

Further savings have been identified reflecting reduced stock numbers and other recharges into the HRA, which will not impact on service delivery

Item 7 Other costs

The current HRA budget model assumes the award of salary inflation of 1.5% for 2011/12 and 2.0% for 2012/13.

This equates to a value of £67k in 2011/12 and £407k for 2013/14.

Current estimates for pay inflation range between 0% (assuming a public sector pay freeze) and 1% which forms part of the General Fund budget assumptions.

There is the option of either reducing or not allocating inflation across the HRA budgets.

Tenants' rent consultation 2010/11

The Tenants' rent consultation meeting took place on 8th December 2010 with Lewisham Homes managed tenants. Brockley Tenants were consulted as part of their Board meeting held on 6th January 2011. Excalibur tenant committee members provided comments on the rent rise at their board meeting on 10th January 2011 and further feedback was given by tenants.

Views of representatives on rent rise & savings proposals				
	Lewisham Homes	Brockley PFI	Excalibur TMO	
No of representatives (excl Cllrs)	20	10	9	
Rent Rise	See Below	No Comments	See Below	
Savings Proposals:-				
1. Pest Control Service Charge	See Below	n/a	n/a	
2. Leasehold Service Charge Adjustment	No Comments	n/a	n/a	
3. Review of Other Income	No Comments	n/a	n/a	
4. Lewisham Homes	No Comments	n/a	n/a	
5. Housing Options/Hostels	No Comments	n/a	n/a	
6. HRA Client Support Costs	No Comments	n/a	n/a	
7. Reduction in Inflation	No Comments	n/a	n/a	
Service Charges	See Below	See Below	n/a	
Garage Rents	No Comments	No comments	n/a	
Tenants Fund	See below	No comments	No comments	
Heating Charges	See Below	No Comments	n/a	

Summary of other comments made by representatives

Lewisham Homes Panel	<p>Rent Rise: Some members of the panel expressed the view that rent was increasing each year, but did not necessarily see an improvement in services.</p> <p>Savings: Residents rejected the idea of introducing a Pest Control service charge at £1.81pw for those that receive the service. It was felt that this charge was excessive and did not represent value for money.</p> <p>Residents stated that pest control is a major issue for them in both quality choice.</p>
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Tenants Service Charges: Concerns were raised that charges for caretaking were not appropriate as many residents felt that they did not see a caretaker on a regular basis, or that they only came to their block once a week.

Lewisham Homes informed residents that they will be reviewing the time allocation on each block and will liaise closely with residents on this to ensure that the charge is fair and reflects the level of service being received. Residents will be asked to take part in this review to ensure transparency.

Garage Charges: no comments received

Tenants Fund: There was a comment that it was disappointing that the Tenants' Fund levy had not gone up given the fact that the stock transfers are reducing the numbers of tenants in Lewisham and therefore the total pot available is decreasing. A proposal was put forward to increase the charge by £0.02pw which would raise the overall charge to £0.15pw. A vote was held and passed to recommend that each individual area panel give consideration to raising the charge and report back to the Council. However, this would be a proposal for 2012/13 Financial year, not 2011/12.

Heating Charges: Concerns were expressed over the efficiency of the communal systems and the possibility of some tenants paying twice for the heating system due to the fact that electricity is also used to open the vents from some storage heaters, and that other appliances need to be used to ensure homes were warm enough.

Brockley PFI Area

Rent Rise: No Comments

Tenants & Leaseholder Service Charges: A Leaseholder questioned the increased charge in the context of affordability in the current economic climate and at a time when they were paying for decent homes. Concern was also raised regarding communal window cleaning charges in properties that had no communal windows. It was explained that those such properties would not be charged for a service they did not receive.

The main discussion focussed on the introduction of a universal charge for lumber collection to replace the current system of individual service users paying £15 for up to 3 items of lumber.

It was explained that this reverts to the way the service was originally operated in an effort to reduce the number of fly-tips. This prompted questions on how lumber would be distinguished from fly tipping.

Whilst it was accepted that it is not always possible to do so, where it can be identified the Council will clear fly tips and take enforcement action where the perpetrator can be identified. It was also accepted by residents that the residents would benefit from the charge if it ensured the estates were kept clear of lumber or fly tips.

There was no request to introduce caps to the proposed increases.

Garage Charges: No Comments

Tenants Fund: No Comments

Heating Charges: No Comments

Rent Rise: Committee members expressed the view that rent was increasing each year, but there was no improvement in the condition of the properties in which they reside.

Shared concern from the Excalibur TMO Committee that the proposed rent increase of 4.99% is too high given the economic circumstances tenants are facing i.e. utility bills going up, VAT increase, pay freezes. It was highlighted that a considerable number of residents on the estate are on disability benefits and pensions and this will affect their ability to pay any increases.

The TMO Committee also queried the rise in rent when there hadn't been any investment in their homes for a considerable amount of time, which has led to high levels of disrepair and poor living conditions for residents. The TMO felt uncertain about how it would deal with this, particularly in light of the regeneration scheme and that currently their management fee wasn't enough to enable them to deal with the level of disrepair and maintenance required. Also, they wanted to remind the Council that they had a legal responsibility to keep properties sound, decent and as safe as possible.

Overall the TMO put forward the argument that given Excalibur's circumstances and the impact of change that will be happening to the estate that they should be treated as an individual case and for rent to remain the same.

Excalibur tenants comments:

All of the written response from tenants, 18 in total, were against the rent increase.

Felt the rent shouldn't be increased when there was a lack of repairs and investment going into their homes.

It was remarked by some tenants that they have had to pay for their own repairs to be carried out and another comment made was that tenants will be paying more rent but getting nothing more in services to warrant it.

They stated that any savings should not be at the cost of tenants and the Council should find them from elsewhere.

Tenants Fund: No Comments

Appendix X3

Housing Revenue Account	2010/11 Revised	2011/12 Projection
Expenditure		
Repairs & Maintenance		
Total Cost	20,561,000	19,830,000
Less Recharge to Capital	<u>0</u>	<u>0</u>
Support & Other		
Personnel Costs		
Support Costs	1,776,000	1,625,000
Additional Pension Costs	450,000	450,000
Grounds Maintenance	920,000	856,000
Environment Recharges	673,000	<u>622,000</u>
Management Costs		
Lewisham Homes	20,471,000	18,979,000
PFI Subsidy Payment	13,860,000	14,315,000
Other Contract Payments	<u>644,000</u>	<u>663,000</u>
Housing Needs		
Housing Strategy		
Miscellaneous		
Expenditure		
Hostel Expenditure	2,193,000	2,100,000
Misc Exp & Energy Costs	2,598,000	3,070,000
Other Costs	<u>1,269,000</u>	<u>500,000</u>
Debt Charges		
Lease Payments	80,000	137,000
Depreciation	13,687,000	13,036,000
Debt Payments	<u>13,498,000</u>	<u>12,106,000</u>
Transfer to/from Reserves		
	1,497,000	432,000
Total Expenditure	93,169,000	89,679,000
Income		
Dwelling Rents	65,392,000	63,125,000
Less Bad Debts	<u>800,000</u>	<u>800,000</u>
Housing Subsidy		
Tenant Service Charges		
Leaseholder Service Charges		
	15,468,000	12,737,000
	3,975,000	4,473,000
	3,958,000	3,341,000
Hostel Income		
Interest Received		
	2,155,000	2,237,000
	97,000	86,000
Right to Buy and Capital Recharges		
Major Works Charges		
	432,000	420,000
	948,000	564,000
Other Income		
Commission	657,000	609,000
Garage Income	623,000	593,000
Commercial Property	920,000	920,000
Aerial Income	240,000	240,000

Heating Income	1,035,000		1,005,000	
Other Income	<u>69,000</u>	3,544,000	<u>129,000</u>	3,496,000
Total Income		95,169,000		89,679,000

Committee	Brockley Residents Board	Item No	
Report Title	Leasehold and Tenant Charges Consultation		
Contributor	Head of Housing Strategy		
Class	Decision	Date	January 2011

1 Summary

- 1.1 The report sets out proposals to increase service charges to ensure full cost recovery in line with Lewisham Council's budget strategy.
- 1.2 The report requests Brockley Residents Board members to consider if Lewisham Council should recover costs incurred in providing a Bulk Waste Collection (Lumber) and Communal Window cleaning service to residents, via an additional service charge. This would bring Brockley residents into line with the current policy adopted with Lewisham Homes residents.
- 1.3 There is also a proposal to bring service charges into line with actual costs incurred for each service under the PFI contract with RB3. This would ensure that the principle of full cost recovery is maintained.
- 1.4 A report setting out proposals for the HRA budget is to be considered at Mayor and Cabinet in January. The Mayor has indicated his wish to hear the views of tenants and leaseholders before reaching any decisions on budget proposals. Therefore the views expressed by tenants, leaseholders and this area panel, will be reported to Mayor and Cabinet accordingly.
- 1.5 The HRA budget strategy and final proposed charges for 2011/12 will be considered by Mayor and Cabinet at its meeting in February 2011 and then by full Council in March 2011.

2 Policy Context

- 2.1 The policy context for leasehold and tenant service charges is a mixture of statutory and Council Policy.
- 2.2 The Council's Housing Revenue Account is a ringfenced revenue account. The account is required to contain only those charges directly related to the management of the Council's Housing stock. This requires that leaseholder charges reflect the true cost of maintaining their properties where the provision of their lease allows. This prevents the situation occurring where tenants are subsidising the cost of leaseholders who have purchased their properties.
- 2.3 The council started the process of unpooling Tenant Service Charges (that is separated from the rent and charges as a service charge) from the financial year 2003/04. Charges were reviewed at that time in order to establish actual costs.

Since then charges have only risen by Retail Price Index (RPI) each year, which is the most familiar general purpose domestic measure of inflation in the United Kingdom.

- 2.4 In 2007/08 management of the Brockley area transferred to the PFI contractor RB3 (June 2007). Service charges have not been reviewed since the implementation of this contract. This was in part due to the contract being embedded but this has now created a gap between the actual cost of the services and the current level of service charges being charged.

3 Recommendations

- 3.1 The Brockley Residents Board is requested to consider and comment on the proposals contained in this report and the feedback from the residents will be presented to Mayor & Cabinet as part of the wider rent setting report.

4 Purpose

- 4.1 The purpose of the report is to:

- review the basis of the charges referred to above
- set out the financial impact in the Housing Revenue Account for tenants and leaseholders due to charges now reflecting the real cost of services.
- introduce new service charges for leaseholders – lumber collection, window cleaning, resident involvement and customer services to recover costs incurred for providing these services

5 Housing Revenue Account Charges

- 5.1 There are a number of charges made to residents which are not covered through rents. These charges are principally:

- Leasehold Service Charges
- Tenant Service Charges

- 5.2 The main tenant service charges are for caretaking, grounds maintenance and communal lighting. Tenants also pay a Tenants fund Levy which is passed onto the Tenants fund as a grant.

- 5.3 The key principles that should be considered when setting service charges are that:

- The charge should be fair and be no more or less than the cost of providing the service
- The charge can be easily explained
- The charge represents value for money
- The charging basis allocates costs fairly amongst those receiving the service

- 5.4 Rents are in effect, controlled and set centrally by the government through the rent restructuring regime, service charges, however, are set locally based on the cost and usage of the service.

- 5.5 The reviews carried out by the council, in conjunction with Regenter B3, indicate that current charges for Caretaking and Grounds Maintenance are not reflecting the full costs of providing the services. This means that, due to the pooled nature of the Housing Revenue Account, there is currently pressure due to under recovery of costs incurred.
- 5.6 The table below summarises the impact on the Housing Revenue Account should charges proposed in this report be implemented.

Charge	2010/11 Estimated Charges	True Cost of Services	Increase
	£	£	£
Leasehold Charges	94,000	135,000	41,000
Tenant Service Charges	196,000	276,000	80,000
Total	290,000	411,000	121,000

- 5.7 Realigning the charges to reflect actual costs will relieve this pressure in the Housing Revenue Account. This is in line with the current budget strategy and the principle of full cost recovery.
- 5.8 In the current economic environment it must however be recognised that for some residents this may represent a significant financial strain. Those in receipt of housing benefit will receive housing benefit on increased service charges. Approximately 60% of council tenants are in receipt of housing benefit.

6 Analysis of full cost recovery

- 6.1 The following section provides analysis on the impact on individuals of increasing charges to the level required to ensure full cost recovery. The tables indicate the overall level of increases and income generated to the Housing Revenue Account.

Leasehold service charges

- 6.2 The basis of the leasehold management charge was reviewed when the PFI contract was put in place.
- 6.3 However, the overall impact of the review of leasehold service charges is that charges to leaseholders would increase by £41,000. This represents an increase of £104 per leaseholder or £1.98 per week.
- 6.4 The reasons for the charge increase are the proposed introduction of new charges for Bulk Waste Removal (Lumber), Window Cleaning, Resident Involvement and for the front office Customer Services Facility. In addition, charges for caretaking and grounds maintenance have also increased following the review of the cost of the caretaking and grounds maintenance service provided by RB3.

Service	Leasehold No.	Increased Cost Per Property	Additional Income	Weekly Increase	Current Weekly Charge	New Weekly Charge
Existing		£	£	£	£	£

Caretaking	355	27.27	9,680	0.52	3.75	4.27
Grounds	345	29.17	10,064	0.56	1.40	1.96
New						
Bulk Waste	355	15.60	5,538	0.30	-	0.30
Window Cleaning	355	2.60	923	0.05	-	0.05
Resident Involvement	507	11.42	5,789	0.22	-	0.22
Customer Services	507	17.13	8,683	0.33	-	0.33
Total		103.18	40,677	1.98	5.15	7.13

Impact of phasing in the charges

The following table outlines the impact of not raising the leasehold service charges to the full level required to ensure full cost recovery.

Weekly Increase	%	Additional Income	Loss to the HRA
£0.20	10%	£4,068	£36,609
£0.44	20%	£8,135	£32,541
£0.60	30%	£12,203	£28,474
£0.79	40%	£16,271	£24,406
£0.99	50%	£20,338	£20,338
£1.19	60%	£24,406	£16,271
£1.39	70%	£28,474	£12,203
£1.59	80%	£32,541	£8,135
£1.79	90%	£36,609	£4,068
£1.98	100%	£40,677	-

Any caps imposed limiting the rise in Leaseholders Service Charges will have to be accommodated by a revised HRA budget strategy.

Tenant service charges

- 6.5 Tenant service charges were separated out from rent (unpooled) in 2003/04, and have been increased by inflation since then. RB3 took over the provision of the caretaking and grounds maintenance services in 2007/08. These charges have not been reviewed since then to ensure that the full cost of providing the service is being recovered by the service charge.
- 6.6 Both tenants and leaseholders pay caretaking, grounds maintenance and communal lighting service charges. In addition, tenants pay a contribution of £0.13pw to the Lewisham Tenants Fund. At present there are no plans to increase the communal lighting or tenants fund charges.
- 6.7 The reasons for reviewing and changing the tenants service charge basis are to bring them into line with the current cost of the service as provided by RB3. This will ensure full cost recovery and will also ensure that both tenants and leaseholders in the same block will pay the same amount.

- 6.8 The result of this review show that, in order to ensure full cost recovery, tenants service charges for caretaking and grounds maintenance should be increased by an average of £1.47pw which would move the current average weekly charge from £4.50 to £5.97.
- 6.9 However, within these increases, some tenants will face a higher than average increase due to the realignment of charges to reflect actual consumption of services and service provision based on the data supplied by RB3. In addition, some tenants will see a reduction of their current charge due to this realignment.
- 6.10 The effect of increases in tenant service charges to a level that covers the full cost of providing the service is set out in the table below.
- 6.11 **Impact of tenant service charge review**

Weekly Increase	Number of properties within band	Cumulative property numbers	Additional Income per band	Cumulative annual income	HRA pressure
Decrease	164	164	£-5,932	£-5,932	-
up to £1	97	97	£2,479	£2,479	£68,452
up to £2	375	472	£31,278	£33,758	£37,174
up to £3	186	658	£323,968	£57,725	£13,206
Up to £4	32	690	£5,233	£62,958	£7,973
Up to £5	26	716	£6,104	£69,958	£1,869
Up to 6	3	719	£917	£69,979	£952
Max £6.11	3	722	£952	£70,931	0
	886	886	£70,931	£64,999	

- 6.12 The current average service charge paid by tenants for caretaking and grounds maintenance is £4.50 per week which equates to £234 per year.
- 6.13 To recover the full cost of the services from service charges 64 tenants would be facing increases of more than £3 per week. These increases do not take account of any inflation increases which may be applied.
- 6.14 The impact of capping increases at a maximum of £3 per week would be a cost to the Housing Revenue Account of £7,973.
- 6.15 The average cost payable by tenants for service charges to recover the full cost of the caretaking and grounds maintenance services would be £5.97 per week or £310 per year. This represents an increase of £1.47 per week.

7 Introduction of Bulk Waste Removal (Lumber) and Communal Window Cleaning charges

- 7.1 As part of last year's consultation, Brockley residents were informed that a new charge for bulk waste and window cleaning was being introduced to Lewisham Homes residents on estates.

- 7.2 Residents were also informed that a review would be undertaken for the Brockley area to assess whether these charges should be introduced to Brockley residents.
- 7.3 RB3 currently report that the costs of providing these services are £42k for Bulk waste clearance and £3k for window cleaning.
- 7.4 The current arrangements for the collection and removal of bulky items such as mattresses and furniture are not the same as those for tenants on Lewisham Homes estates.
- 7.5 The current arrangements for Brockley tenants and leaseholders on estates are that collection of lumber must be booked in advance and at a charge of £15 for up to three items. Very little use is being made of this service and instead a large amount of lumber is being left as fly tips on housing estates
- 7.6 It is proposed to implement a service charge for the collection of lumber from the 1st April 2011 to replace the current £15 bookable service. This service would be paid for by a 30p per week service charge paid by all tenants and leaseholders on housing estates (including Lewisham Homes). This equate to £15.60 per year, which is similar to the cost of one lumber removal charge.
- 7.7 In addition it is proposed to introduce a £0.05p charge for window cleaning. This is a service currently being provided by RB3 under the PFI contract which residents in communal blocks are currently benefiting from and should not be paid for from tenants rents.
- 7.8 The objective of these Service Charges are to recover costs already incurred under the RB3 contract. The introduction of charges for these services would start to bring Brockley tenants and leaseholders into line with Lewisham Homes residents, who saw a charge introduced in 2010/11.
- 7.9 The introduction of these charges would result in additional income of £15k.
- 7.10 The area panel are asked for their views on the introduction of these charges from 2011/12. Results of the consultation will be presented to Mayor and Cabinet for approval.

8 Financial implications

- 8.1 The main financial implications are set out in the body of the report.

9 Legal implications

- 9.1 Section 24 of the Housing Act 1985 provides that a local housing authority may make such reasonable charges as they determine for the tenancy or occupation of their houses. The Authority must review rents from time to time and make such changes as circumstances require. Within this discretion there is no one lawful option and any reasonable option may be looked at. The consequences of each option must be explained fully so that Members understand the implications of their decisions.

- 9.2 Section 76 of the Local Government and Housing Act 1989 provides that local housing authorities are under a duty to prevent a debit balance in the HRA. Rents must therefore be set to avoid such a debit.
- 9.3 Section 103 of the Housing Act 1985 sets out the terms under which secure tenancies may be varied. This requires –
- the Council to serve a Notice of Variation at least 4 weeks before the effective date;
 - the provision of sufficient information to explain the variation;
 - an opportunity for the tenant to serve a Notice to Quit terminating their tenancy.
- 9.4 The timetable for the consideration of the 2009/10 rent levels provides an adequate period to ensure that legislative requirements are met.
- 9.5 Part III of Schedule 4 of the Local Government and Housing Act 1989 provides that where benefits or amenities arising out of the exercise of a Housing Authority's functions, are provided for persons housed by the authority, but are shared by the community as a whole, the authority shall make such contribution to their HRA from their other revenue accounts to properly reflect the community's share of the benefits or amenities.
- 9.6 Where as an outcome of the rent setting process, there are to be significant changes in housing management practice or policy, further consultation may be required with the tenants affected in accordance with section 105 of the Housing Act 1985.

10 Crime and disorder implications

- 10.1 There are no specific crime and disorder implications in respect of this report paragraph.

11 Equalities implications

- 11.1 The general principle of ensuring that residents pay the same charge for the same service is promoting the principle that services are provided to residents in a fair and equal manner.

12 Environmental implications

- 12.1 There are no specific environmental implications in respect of this report.

13 Conclusion

- 13.1 Revising the level of charges ensures that the charges are fair and residents are paying for the services they use.
- 13.2 The revision of charges will ensure that the current situation where there are substantial subsidies from one group of residents to another ceases.
- 13.4 The additional resources generated will relieve some of the current pressures within Housing Revenue Account and will contribute to the funding of the PFI contract which is contained within the authorities Housing Revenue Account.

If you require any further information on this report please contact

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Meeting	Combined Area Panel Meeting		Item No.	7
Report Title	Leasehold and Tenant Service Charges 2011/12			
Report Of	Director of Resources – Adam Barrett			
Class	Recommendation	Date	December 2010	

1. Purpose of the Report

- 1.1 The report sets out proposals to change existing services charges for residents for 2011/12. The report also requests feedback from residents on the proposal to introduce a service charge for block pest control treatment.

2. Recommendations

That Area Panel:

- 2.1 Considers and comments on the proposal to introduce service charges for block pest control treatments.
- 2.2 Comments on the proposed service charges for 2011/12.
- 2.3 Notes the average increase in tenanted service charges of 48p (7.54%) i.e. from £6.11 to £6.57 per week and Leasehold Service Charges of 51p (3.97%) i.e. from £12.86 to £13.37 per week.
- 2.4 Notes that Lewisham Homes will be carrying out a review of the caretaking hours provided across all its properties. Residents will be consulted on the cost and level of caretaking service they receive as part of the review.
- 2.5 Notes that Lewisham's service charges remain below the average benchmarked charges for London Boroughs.

3. Background of the Report

- 3.1 The Council's Housing Revenue Account is a ring fenced revenue account. The account is required to contain only those charges directly related to the management of the Council's Housing stock. By implication leaseholders must be charged the true cost of maintaining their properties where the provision of their lease allows. This prevents the situation occurring where tenants are subsidising the cost of leaseholders who have purchased their properties.

4. Block Pest Control (Planned Programme)

- 4.1 It is proposed to introduce a service charge to cover a programme of planned block pest control treatments. It is proposed that the service charge for this service will only be charged to residents of the blocks receiving the planned treatments.
- 4.2 The charge is estimated to apply to 1,600 tenanted properties out of 13,293 managed by Lewisham Homes.
- 4.3 The pest control budget is currently insufficient to fund the block treatment programme required. By introducing a service charge for this service resources will be available to fund the level of treatments required.
- 4.4 In April 2008, LBL changed its policy on Pest Control and moved to chargeable service on treatments for mice, cockroaches, bed bugs and pharaoh ants (treatment for rats to individual households is free).
- 4.5 Block treatment of properties is organised on a rolling programme, hence properties identified for treatment change from year to year. We will notify tenants, who are to receive this service, in their annual rent notification letter in March 2011 of the charge to be levied.
- 4.6 The charge for this service is forecast to be an average of £1.81 per week. Lewisham Homes is currently finalising with Lewisham Council the charge for 2011/12.
- 4.7 Pest Control is frequently raised as an issue by residents at Area Panel and TRA meetings. By covering the cost of Block Pest Control by a service charge will give residents greater flexibility over the service provided.
- 4.8 Communal Block Pest Control charges are eligible for Housing Benefit.

5. Lewisham Homes Budget Proposals

- 5.1 Lewisham Homes service are paid for by a management fee which the Council pays to Lewisham Homes from the HRA. The management fee is funded from rents and service charges. The management fee in 2010/11 was £20.471m. The proposed management fee for 2011/12 is £18.960m. This is a reduction of £1.531m.
- 5.2 The reductions will be achieved through efficiency savings. There will be no cuts to service levels as part of these proposals.

5.3 Efficiency savings have been achieved through the following means:

- Transfer of staff to L&Q as part of the Chrysalis transfer
- Savings in support services such as the finance and HR teams
- Efficiency savings in service level agreements with the Council
- Efficiency reviews of operational budgets

6. Tenant and Leasehold service charges 2010/11

6.1 The table below sets out the proposed changes between the estimated charges for 2010/11 and 2011/12.

Existing Service	Tenant (T)/ Leaseholders (LH)	Estimate (per week charge)		Change		
		2010/11	2011/12		£	Percentage
		£	£			
Caretaking	T & LH	4.99	5.43	Increase	0.44	8.82%
Ground Maintenance	T & LH	0.87	0.89	Increase	0.02	2.30%
Communal Lighting	T & LH	0.61	0.61	No change	0.00	0.00%
Anti Social Behaviour	LH	0.58	0.42	Reduction	-0.16	-27.59%
Customer Services	LH	0.08	0.10	Increase	0.02	25.00%
Resident Involvement	LH	0.39	0.42	Increase	0.03	7.69%
Repairs and Maintenance - Building	LH	1.51	1.51	No change	0.00	0.00%
Repairs and Maintenance Technical	LH	0.60	0.60	No change	0.00	0.00%
*Lifts	LH	0.74	3.01	No change	2.27	306.76%
Entry Phone	LH	0.38	0.38	No Change	0.00	0.00%
Block Pest Control	LH	1.97	1.81	Reduction	-0.16	-8.12%
Ground Rent	LH	0.19	0.19	No Change	0.00	0.00%
Sweeping	LH	0.68	0.62	Reduction	-0.06	-8.82%
Management	LH	2.34	2.47	Increase	0.13	5.56%
Window Cleaning	T & LH	0.06	0.02	Reduction	-0.04	-66.67%
Lumber Collection	T & LH	0.26	0.30	Increase	0.04	15.38%
Insurance	LH	0.77	0.77	No change	0.00	0.00%
Total		17.02	19.55		2.53	14.86%

* Incorrect basis used for 2010/11 estimates.

T & LH - Services Charges to both Tenant and Leaseholders

LH - Services Charges to Leaseholders only

7. Analysis of impact of changes in Service Charges for Tenants

- 7.1 There is an overall increase of 7.54% for the charges that tenants receive. This is mainly driven by a caretaking increase of 8.82%.
- 7.2 Caretaking charges have been adjusted following the transfer of 3,500 properties to L&Q. Revisions to property numbers as part of that process have identified that costs were being under recovered. The charge increases set out ensure that all caretaking costs will be funded by service charges. This ensures that rental income resources within the HRA are available to fund repairs and planned maintenance on the housing stock.
- 7.3 The table below sets out the impact of the changes for tenants. The average increase is 7.54% with 11,593 (98.65%) receiving an increase of less than £1.00 per week.

Change in charge per week	Number effected	Percentage of total charge	Average % increase
£0.00 to £0.20	1,884	15.98%	5.59%
£0.21 to £0.40	1,883	15.98%	7.03%
£0.41 to £0.60	4,837	41.04%	7.53%
£0.61 to £0.80	2,982	25.30%	7.89%
£0.81 to £1.00	194	1.65%	7.03%
£1.01 to 2.00 increase	7	0.06%	8.27%
Grand Total	11,787	100.00%	7.54%

- 7.4 Lewisham Homes will be carrying out a review of caretaking hours and service standards across the housing stock. The purpose of the review will be to ensure that the right level of service is being provided to blocks and that caretaking hours are allocated appropriately. Residents will be consulted as part of the review.
- 7.5 Options that will be considered as part of the review will be offering different service levels to different blocks. For example a small block with only 4 flats may need a much less frequent service. If this option is chosen by residents the saving in costs would be passed on to residents through a lower caretaking service charge.

8. Analysis of Impact of changes in Service Charges for Lease Holders

- 8.1 There is an overall increase of 3.97% in the proposed charges to leaseholders. The table below sets out the impact of the changes in service charges for leaseholders.

Change in	Number effected	Percentage of total charge	Average % increase
Reduction	1,803	36.34%	-1.24%

£0.00 to £0.20	1,465	29.52%	0.79%
£0.21 to £0.40	629	12.68%	1.75%
£0.41 to £0.60	76	1.53%	3.19%
£0.61 to £0.80	34	0.69%	2.61%
£0.81 to £1.00	41	0.83%	3.46%
£1.01 to 2.00 increase	327	6.59%	7.82%
£2.01 to £2.99 increase	423	8.52%	14.60%
£3.00 +	164	3.31%	22.35%
Grand Total	4,962	100.00%	3.97%

9. Tenant Service Charge Bench Marking

- 9.1 Lewisham has lower average and service charges than other London Boroughs. Bench marking data for 14 London borough shows that with the increased tenanted service charge for 2011/12 Lewisham Homes charges are below the sample average of £6.59, at £6.04 per week.

Average charges per week for tenanted Service Charges 2010/11

	£
Lambeth	16.60
Hackney	8.58
Haringey	8.39
Camden	8.22
Barking & Dagenham	7.59
*Lewisham 2011/12 proposed	6.04
Havering	6.00
Ealing	5.81
Brent	5.77
Newham	5.74
Wandsworth	5.17
Westminster	5.07
Enfield	3.64
Barnet	3.33
Croydon	2.86
Average	6.59

* Average for all properties with proposed increase for 2011/12.

Source - London Councils Survey of Tenanted Service Charges 2010/11

10. Implications

10.1 Financial Implications

10.1.1 Contained within the report.

10.2 Consultation Implications

- 10.2.1 Consultation will take place in line with the tenants' compact arrangements. Since these arrangements provide an opportunity to engage tenants in a discussion on rent rises, it is proposed to continue to involve tenant representatives through the Housing Panels in December and feedback any views to Mayor & Cabinet.
- 10.2.2 It is proposed that Public Account Committee will first consider the proposals that Mayor & Cabinet will consider, in January/February 2011.

If you require further information on this report please contact Adam Barrett on 020 8613 7697 or email adam.barrett@lewishamhomes.org.uk

Council wide projected Budget variance for 2010/11 as at end of November 2010

Directorate/Division	2010/11 Revised Budget	Projected variance before management action as at 30 Nov 2010	Management Action	Projected variance after management action as at 30 Nov 2010	Projected variance after management action as at 31 Aug 2010	Projected year-end outturn as at 30 Nov 2010
	1	2	3	4 (2+3)	5	6 (1+4)
	£'000	£'000	£'000	£'000	£'000	£'000
Children & Young People						
Access & Support Services	8,738	70	(1,076)	(1,006)	(1,106)	7,732
Commissioning, Performance & Strategy	(192)			0	0	(192)
Education Development	69			0	(172)	69
Resources	4,446	428	(535)	(107)	(248)	4,339
Schools	(2,266)			0	(375)	(2,266)
Social Care	40,098	3,679	(2,696)	983	0	41,081
Standards and Achievement	2,030		(375)	(375)	1,486	1,655
Children & Young People total	52,923	4,177	(4,682)	(505)	(415)	52,418
Community Services						
Adult Social Care	70,437	1,983	(1,292)	691	733	71,128
Community & Neighbourhood Development	8,039	(237)		(237)	(213)	7,802
Crime Reduction & Supporting People	5,586	(115)		(115)	(91)	5,471
Cultural Services	8,954	29		29	(42)	8,983
Policy, Strategy & Performance	3,786	(368)		(368)	0	3,418
Resources	0	0		0	(387)	0
Reserves	(150)	0		0	0	(150)

Community Services total	96,652	1,292	(1,292)	0	0	96,652
Customer Services						
Environment	24,750	327	(603)	(276)	(230)	24,474
Housing Services					0	0
Public Services	12,970	152	(487)	(335)	(135)	12,635
Resources	0					0
Strategic Housing & Regulatory Services	3,463	505	(652)	(147)		3,316
Strategy & Performance	1,201		0	0	(79)	1,201
Customer Services total	42,383	984	(1,742)	(758)	(444)	41,625
Regeneration						
New Deal for Communities	0	0	0	0	65	0
Performance & Strategy	938	4	(27)	(23)	(19)	915
Planning	2,694	(103)	0	(103)	(172)	2,591
Programme Management & Property	11,474	403	(179)	224	122	11,698
Resources	233	(43)	0	(43)	0	190
Transport	1,228	(336)	0	(336)	(234)	892
Regeneration total	16,567	(75)	(206)	(281)	(238)	16,286
Resources						
Audit & Risk	3,491	(201)		(201)	(81)	3,290
Corporate Policy & Governance	3,711	(50)		(50)	(68)	3,661
Finance	6,504	(358)		(358)	(298)	6,146
Executive Office	404	(37)		(37)	(31)	367
Procurement	407	(43)		(43)	(45)	364
Personnel & Development	3,283	75		75	29	3,358
Legal Services	2,599	48		48	72	2,647
Strategy	3,383	(180)		(180)	(142)	3,203
Technology & Transformation	8,373	8		8	43	8,381
Reserves	(759)	0		0		(759)
Resources total	31,396	(738)	0	(738)	(521)	30,658
Capital Charges	17,918					17,918

Corporate Provisions	13,615					13,615
	271,454	5,640	(7,922)	(2,282)	(1,618)	269,172

NB The revised aggregate budget shown for directorates are the controllable totals, the budget totals shown exclude Support Services recharges and capital charges

Summary of 2011/14 Phase 1 Saving Proposals – Children and Young People Directorate

Ref	Service	Summary of proposal	2011/12 £'000	2012/13 £'000	2013/14 £'000	Saving £'000	Consultation required	Posts affected
CYP01	Early Years & Play	To review and to reduce the number of "back-office" staff supporting the four Children Centre Areas. Currently there are 18.5 posts providing administrative and premises support. The proposal is to reduce this by three posts. This follows on from the review of the contracts currently held by Children Centres which aims to stop those which are not providing Value For Money or delivering to the Children's Centre targets. Total contracts budget £1.994m. Year 2 savings will form part of the Joint Commissioning Group review.	259	0	0	259	Y	3 out of 22
CYP02	Early Years & Play	The proposal is to remove childcare subsidy over three years at Clyde Nursery. These savings will emanate from a revision of the fee structure to bring it in line with charges made in the private, voluntary and independent sectors, especially with regard to younger children. It will include increasing fees from £175 per week as well as reducing staff and making further efficiency savings.	33.5	60.5	0	94	Y	2 out of 52
CYP03	Early Years & Play	The Family Information Service receives £200k Children Centre funding. It is proposed that they are set an efficiency target of 10% i.e. £20K.	10	10	0	20	Y	1 out of 5
CYP04	Early Years & Play	The LEARN Team receives £239k Children Centre funding. It is proposed that they are set an efficiency target of 10% i.e. £24K; this saving will be met through the deletion of an EYFS adviser	24	0	0	24	Y	1 out of 7

		vacant post. Items CYP 01 to 04 are all grant substitution from Sure Start Grant where grant is proposed to meet expenditure in Family Support and Intervention which meets the criteria for grant eligibility.						
CYP05	Integrated Youth Support Service (IYSS)	The Lewisham One card is a scheme to provide young people free access to a number of services. The take-up of this has been very low. The majority of young people are not happy to sign up for the scheme. Similarly we have not had many local businesses supporting the scheme. The card, when it is used, is a Youth Service membership card, a Library card and also gives access to free swimming in Lewisham pools. When the scheme was introduced in the Youth Centres, the clubs' small budgets for "trips" were removed; this has had a detrimental effect as there has been less activity in some clubs and young people will not join the Lewisham One scheme. This proposal will result in the loss of one staff member - Lewisham One Card co-ordinator.	45	0	0	45	Y	1 out of 23
CYP06	IYSS	This proposal is to delete the Health and Safety Manager post within the IYSS. The post holder was responsible for borough wide initiatives e.g. accreditation, health and safety and property review and maintenance. The post is already vacant and interim arrangements have been successfully implemented to distribute the tasks conducted by this post to other officers in IYSS. The implementation would simply mean confirming arrangements already in place.	50	0	0	50	Y	1 out of 23

CYP07	IYSS	<p>There are two elements to this proposal: 1. to review and restructure the detached youth work team to increase its capacity and to make it more fit for purpose. 2. to change the terms and conditions of service of the sessional workers. This would yield savings of about £180k although it is proposed that 50% of this be re-invested into increasing the capacity of the detached team. This would mean that the team could be more effective in forming the street based teams that are deployed to reduce serious youth violence and the effective dispersal of young people at peak times and places.</p> <p>The current conditions of service for the sessional workers states that they need to take annual leave during the school holidays. Previously, overtime has been paid for them to cover the school holiday period – which is the busiest time for the service. It is proposed that this condition of leave be negotiated out of their contracts. It would be the responsibility of the managers then to ensure that leave is managed in such a way as to ensure adequate cover.</p>	90	0	0	90	Y	No
CYP08	IYSS	<p>There is a statutory requirement to publicise information about positive activities for young people and this is currently done by a team of two staff. In parallel we have been working with a local voluntary group "Head for Business" in developing a Young Persons Social Enterprise group; this project has made use of the Future Jobs funding. As the social enterprise group becomes more sustainable we will be able to reduce the staffing we have available.</p>	40	0	0	40	Y	1 out of 23

		This proposal would result in the deletion of one post.						
CYP09	Special Needs	This is an efficiency saving in the administrative requirements to the Inclusion team. One full time member of administrative staff will be released and savings will be achieved from this.	10	0	0	10	N	1 out of 2
CYP10	Special Needs	A back office rationalisation of the support for the Inclusion service as a whole. This proposal would delete one post of Early Intervention Co-ordinator.	20	0	0	20	Y	1 out of 21
CYP11	Special Needs	This budget is used for making placements of pupils in year 11 who need provision outside mainstream which can be expensive. The saving is generated by making more cost-effective placements, with a better quality assurance regime, principally at Abbey Manor College (AMC). Good quality provision is available at AMC which obviates the need to use a significant range of other providers which may represent poorer value for money.	60	0	0	60	Y	N
CYP12	Special Needs	For several years we have had a comprehensive training programme to support the Restorative Justice (RJ) initiative. We have now got a considerable number of staff who are trained to chair RJ conferences. The responsibility for RJ was transferred to the Inclusion team last year. This proposal involves deletion of one post. This is the full year effect of 2010/11 Area Based Grant item CYP44.	15	0	0	15	Y	1 out of 1
CYP18	Looked After Children (LAC)	Delete Social Work Assistant for LAC This post is currently vacant. The work has already been re-distributed (£35k). Costs of LAC Awards Ceremony (£20k) Reduce costs of annual award ceremony to celebrate the educational achievement	55	0	0	55	Y	1 out of 7

		of Looked After Children by cutting the cost of venue and entertainment. The challenge is to find alternative ways to ensure achievements of Looked After Children are properly recognised.						
CYP19	LAC	There has been a reduction in asylum seekers aged 18+ in Lewisham because of a fairer distribution around London. As a result there is reduced cost for accommodation. This is the equivalent of a reduction of two asylum seekers. There will be no change in the service provided.	40	0	0	40	N	N
CYP20	LAC	The proposal is to increase the number of supported lodgings by 6 which are cheaper and which can be better for care leavers. Savings can be achieved by increasing the number of supported lodgings by six. The challenge will be to ensure that supported lodging providers meet the needs of a slightly more challenging group.	70	0	0	70	N	N
CYP21	Children's Placements and Procurement	Reduction of Fostering Costs, Fostering Extras, Assorted efficiencies - £150k This will be achieved through robust monitoring of expenditure and efficient use of available funds Some savings will be made through the required foster carer training being delivered by officers and experienced foster carers instead of commissioning training from external providers. Some savings will be secured by greater use of Redfern Road Resource Centre and the Civic Suite instead of expensive private and community provision.	150	0	0	150	Y	N
CYP22	LAC	Some of the most vulnerable and challenging young people leaving care do not complete housing benefit forms in good time, resulting in the Council having to meet the costs. Children's Social Care	25	0	0	25	N	N

		<p>and Housing Benefit will work together to ensure that the young people are able to claim housing benefit as soon as possible.</p> <p>There will be no impact on the service provided to care leavers.</p>						
CYP23	LAC	<p>Lewisham, as an adoption agency has a statutory responsibility for the assessments of residents wishing to adopt children from abroad. The number of these assessments have reduced over the past four years to four in 2009, thus the costs against the adoption budget has reduced. The proposal is to reduce the budget to the level of expenditure being incurred.</p>	20	0	0	20	Y	N
CYP24	LAC	<p>The proposal involves using the Care Matters Grant for services currently provided by Revenue Support Grant. The potential risk is of the government cutting the Care Matters grant. This proposal was not included in 2010/11 Area Based Grant reductions report.</p>	200	0	0	200	N	N
CYP25	Children in Need (CIN)	<p>Budget for No Recourse underspends due to robust assessment and previous change in law. Recent case law judgement may put this saving at risk. Vulnerable residents with no recourse to public funds who pass the Destitution Requirement and the Human Rights assessments will continue to be supported.</p>	30	0	0	30	N	N
CYP26	CIN	<p>On retirement of the current Team Manager for portage it was agreed to review the structure and management arrangement of this service.</p> <p>The plan is to move the Portage Service to be managed through the MAPP (Multi</p>	10	0	0	10	Y	1 out of 5

		<p>Agency Pathway Planning) team as the Portage service has been key in delivering the Early Support agenda. The Team Manager for MAPP has the lead role for Early Support. A further reason is that to be accredited through the National Portage Association requires the manager for the service to be accredited, which the Team Manager for MAPP is and therefore is best placed to take on the management of this service. For years the service has struggled with a substantial waiting list (between 50 and 80)</p> <p>The savings offered are £10k, this is the difference between the PO5 management post and the vacant post to be re-designated as a portage work at SO1</p>						
CYP27	Safeguarding & Planning Service	Total training budget (including grants) is £400k. This saving will be achieved by more efficient and targeted training arrangements.	20	0	0	20	N	N
CYP28	Safeguarding & Planning Service	Delete 0.5 Access to Records officers post. The post was created to deal with a back log in requests. Back log now cleared.	11	0	0	11	Y	0.5 out of 2
CYP29	Safeguarding & Planning Service	Reduce Quality Assurance salaries, by undertaking a reorganisation of distribution of work. This will involve a deletion of .5 of a CPC post.	31	0	0	31	Y	0.5 out of 4
CYP30	Children's Placements and Procurement	<p>Delete a Placement and Procurement officer post – the post is vacant and work will be incorporated with the team.</p> <p>Delete 1 Business Support Officer (training). Work to be incorporated into the fostering team. The post was created as a temporary arrangement; the work has now been assimilated.</p>	110	0	0	110	N	2 out of 4

		The budget for Fostering and Placements & Procurement includes a variety of small budgets which will be reduced appropriately to reflect actual levels of expenditure.						
CYP31	Children's Placements and Procurement	Delete 1.6 Social Worker posts - Fostering Service Care UK has been issued with a 4 year contract to recruit 100 additional Lewisham foster carers, which enables the rest of the statutory requirements to be met with reduced staff teams.	56	0	0	56	N	1.6 out of 14.6
CYP32	Family Support and Intervention (FSI)	In April 2011 the Court fees currently incurred will be abolished. It is estimated that this will result in reduced costs of £100K.	100	0	0	100	N	N
CYP33	Safeguarding & Planning Service	In the future it is planned to only hold Family Group Conferences when the local authority is in care proceedings or is considering initiating proceedings. At the present time we employ outside agencies to chair Family Group Conferences for a variety of cases. In the future we will only hold these conferences when it involves Court and will chair other meetings internally. We do not think that this would result in more children being put in care.	15	0	0	15	N	N
CYP34	Safeguarding & Planning Service	To end the Parent Advocate Project. It is non statutory and fairly unique amongst local authorities. This service is commissioned from Barnados although there is no formal contract. It would be our intention to look at alternatives to take on this role, for example by using our contract with CSVs	56	0	0	56	N	N
CYP35	Referral and Assessment	It is proposed to delete the Hospital Social Worker Team manager and	92	0	0	92	Y	2 out of 5

		business support post. The proposal is to allocate the three social workers amongst the 5 teams at Laurence House. A duty presence will be kept at the hospital. Impact – unpopular with partner organisations and challenge to preserve good partnership working. Hospital Business Support Officer (BSO). BSO no longer required as hospital workers will be at Laurence House. Hospital work will be absorbed within R&A team.						
CYP36	FSI	It is proposed to delete the three SWA posts from March 2011. Under Lewisham's proposed Early Intervention Strategy capacity to deliver targeted family support services will increase from April 2011. It is proposed that the work previously undertaken by SWAs within FSI will be undertaken by targeted family support providers in other settings.	105	0	0	105	Y	3 out of 3
CYP37	Children's Management	It is proposed that Children's Social Care will make less use of agency staff in the future. By filling posts with permanent staff it is proposed to make a saving of £200K as agency staff costs are higher than those of permanent staff.	0	100	100	200	N	N
CYP38	Business Support, Placements & Procurement	Reduction in use of agency placements through recruitment of additional Lewisham foster carers through Care UK.	0	655	0	655	Y	N
CYP46	Business Support, Placements & Procurement	ContrOCC implementation - reduction of 1 x Business Support Officer. Introduction of new financial IT system will result in staff savings when fully embedded.	0	30	0	30	N	1 out of 5
CYP49	School Improvement	Given the range of changes to national programmes of support to schools and the reductions in grant a wholesale	239	74	0	313	Y	25.1 out of 43.9

		review of the service will be required. This set of proposals are the interim steps to manage the immediate need for reductions. Once the government position on school improvement is clear and the position on ABG are resolved a formal review can be undertaken to establish the future shape of the service. The number of school improvement officers will be reduced by 3 fte posts with a 2fte reduction in administration support. Primary Curriculum support will be reduced by 1 team coordinator and 0.5fte admin posts. The Healthy schools team reduced by 0.6fte. Some savings will be used to strengthen the strategic leadership. In addition there will be proposals for staffing reductions related to loss of grants in the ABG.						
YYP52	Education Development Mgt	The proposal is to not deliver the pilot for NEET reduction in Primary Schools.	7	0	0	7	Y	N
YYP53	Connexions	Proposal is for Connexions to cease funding a dedicated Personal Adviser within the Leaving Care service. The one-to-one support to care leavers that this post provides could be provided by Key Workers within the Integrated Youth Support Service (IYSS).	38	0	0	38	Y	1 out of 3
CYP54	Connexions	The proposal is to reduce the amount spent on IAG by re-negotiating the core contract with our IAG provider so they do not deliver targeted IAG. Targeted IAG will instead be delivered by LB Lewisham's Integrated Youth Support Service (IYSS). This will be achieved through a 20% reduction in the core IAG contract. Half of this is to be reinvested in IYSS to improve the capacity to deliver targeted IAG.	87	71	0	158	Y	N

CYP55	Connexions	<p>The proposal is to withdraw the £29K provided by Connexions to the Teenage Pregnancy service. TP NEET reduction will be provided by the Integrated Youth Support Service.</p> <p>The loss of resource to NEET Reduction services will be recouped through closer partnership working with the Teenage Pregnancy service, specifically through efficiencies from sharing the tracking function of 'EET status' of teenage parents with VT (the core Connexions provider). This will lead to the loss of one post.</p> <p>A team of key workers within IYSS has refocused its work onto teenage pregnancy reduction.</p>	29	0	0	29	Y	N
CYP56	Director's Office	It is proposed for 2012-13 to delete the Head of Education Development Service post when the post holder retires. The responsibilities of the post will be redistributed within the senior management team.	0	100	0	100	N	1 out of 1
CYP57	Strategy and Performance	Savings relate to the Database team within the Performance service: data quality work which will come to an end and not be renewed. This is specifically, a reduction in licence costs for Tribal software applications; there will be a reduction in number of users of the software	13	0	0	13	N	N
CYP58	Strategy and Performance	A restructure and merger of the strategy and commissioning teams which would enable both services to reduce costs through the deletion of posts from both teams.	140	0	0	140	Y	7 out of 13
CYP59	Strategy and Performance	Reduce the three-team structure to a two-team structure; streamline and re-prioritise services so that potential impact is anticipated and can be ameliorated	90	0	0	90	Y	2 out of 13

		where possible. We aim to maintain current reporting and performance analysis and briefings which have the highest priority, including statutory data returns, and mandatory local returns. It is also expected that current levels of development / new work will decrease, and the focus can be on maintaining current high priority services, reporting and analysis, and those with the highest risk of negative impact on public / corporate / national government interactions with LB Lewisham CYP directorate and partnership.						
CYP60	ER/VR, SUPPLY & TOFTUA	Schools HR. To increase the charges for services to schools above the rate of inflation.	20	0	0	20	N	N
CYP61	Director's office	EDO supplies and services budget. A reduction in the budget for supplies and services.	14	0	0	14	N	N
CYP62	Benefits & Awards	To transfer the operation of Student Support to a student loan company. On 1 April 2011 all responsibility for the processing of student loans for Lewisham residents will transfer to the Student Loans Company. All five of the current posts will cease to be required.	200	0	0	200	Y	5 out of 5
TOTAL			2,729.5	1,100.5	100	3,930		

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Total Phase 1 Children & Young People Directorate 2011/14 – £3,930

Summary of 2011/14 Phase 1 Saving Proposals – Community Services Directorate

Ref	Service	Summary of proposal	2011/12 £'000	2012/13 £'000	2013/14 £'000	Saving £'000	Consultation required	Posts affected
COM01	Wardens	Amalgamation of Community Safety Service and Community Wardens	811	0	0	811	Y	51 out of 51, 31 proposed creations
COM02	Community Safety	This saving would be achieved through a reduction in the Council's contribution to the budget for Police Community Support Officers.	125	0	0	125	Y	N
COM03	Youth Offending Team	This will be achieved through the deletion of two unfilled posts and a small reduction (£40k) in programme delivery.	112	0	0	112	N	2 out of 40
COM04	Supporting People	this saving will be achieved by the recommissioning of supported living services for client with mental health needs.	125	0	0	125	Y	N
COM06	Arts Service and Broadway	The saving will be found from a reorganisation of the Arts Service.	43	0	0	43	Y	1 out of 4.5
COM07	Arts Service and Broadway	This is part of the events budget and delivers grant support to a range of community events and festivals throughout the year.	25	0	0	25	N	N
COM08	Arts Service and Broadway	This saving will be achieved through the reduction in grant aid and project support	48	0	0	48	Y	N
COM09	Sports Development and Leisure Centres	Sports Development Staffing reorganisation	117	0	0	117	Y	3 out of 12
COM10	Sports Development and Leisure Centres	Saved through streamlining Grant Aid to local sports groups	20	0	0	20	Y	N
COM11	Sports Development and Leisure Centres	Savings are expected to be achieved through the new Leisure Centre contract which will be re-awarded from October 2011	0	100	100	200	N	N
COM12	Neighbourhood	This saving will be achieved by	50	0	0	50	Y	1 out of 4

	Development: Local Assemblies	reducing the number of posts in the Division by one.						
COM14	Neighbourhood Development: Local Assemblies	The allocation per ward will be reduced to £7.5k per annum	45	0	0	45	N	N
COM15	Neighbourhood Development: Local Assemblies	Efficiencies in the running costs for assemblies	31	0	0	31	N	N
COM18	Younger Adults Team	the social care substance misuse function has been redesigned and the functions are now being delivered in a more effective way	90	0	0	90	N	N
COM20	Training	Reconfiguring the delivery of ASC training	155	0	0	155	Y	3 out of 6.5
COM23	Day Opportunities and Support	Decommissioning and commissioning differently some day care services	450	0	0	450	Y	N
COM24	Adults With Learning Disabilities	The retendering of the learning disability supported living contracts	150	0	0	150	Y	N
COM25	Community Mental Health	This saving will be achieved by seeking further efficiencies from the SLAM contract value.	200	0	0	200	N	N
COM26	Younger Adults	Review of highest cost and out of borough placements	100	0	0	100	N	N
COM29	Older Adults and Hospital	Reducing cost of general supplies and services	50	50	50	150	N	N
COM30	Policy, Strategy & Performance	Deletion of one policy post and reductions in all non-staffing budgets across the division. Further resturture planned.	120	119	39	278	N	1 out of 20.1
TOTAL			2,867	269	189	3,325		

Total Phase 1 Community Services Directorate 2011/14 – £3,325k

Summary of 2011/14 Phase 1 Saving Proposals – Customer Services Directorate

Ref	Service	Summary of proposal	2011/12 £'000	2012/13 £'000	2013/14 £'000	Saving £'000	Consultation required	Posts affected
CUS01	Housing Needs	Housing Needs Restructure	0	50	50	100	Y	20 out of 96
CUS05	Housing Partnership & Development	Restructure Housing Strategy and Development	84	0	0	84	Y	2 out of 2
CUS06	Revenues and Benefits	Supplies and services rationalisation	50	0	0	50	N	N
CUS07	Customer Services	Restructuring of Registration Services	50	50	0	100	Y	2 out of 13
CUS08	Customer Services	ServicePoint - Reducing the number of Team Leaders from 8 to 5	0	100	0	100	Y	3 out of 7.8
CUS12	Housing Benefits	Restruring of the OP team	150	0	0	150	Y	4 out of 6
CUS15	Revenues Services	Efficiencies in National Non-Domestic Rates (NNDR)	38	12	0	50	Y	1 out of 7
CUS19	Strategic Waste Mgt	Cease Bulking & Transportation of Recyclables	190	0	0	190		N
CUS20	Refuse Collection	A reorganisation of the service management team	113	0	0	113	Y	3 out of 159
CUS21	Strategic Waste Mgt	Delete Waste Advisors posts	63	0	0	63	N	2 out of 12
CUS23	Refuse Collection	Trade Waste Income increase	20	0	0	20	N	N
CUS24	Street Management	Street Scene Management Restructure	144	0	0	144	N	3 out of 3 (Retirement)
CUS25	Street Management	Delete Night Broom Service Operatives Post	43	0	0	43	Y	1 out of 3
CUS26	Street Management	Reduce Johnson 600 Mechanical Brooms to only one and delete one drivers post	80	0	0	80	Y	1 out of 3
CUS27	Street Management	Delete Scarab Drivers post and do not operate this mechanical sweeping service	50	0	0	50	Y	1 out of 1
CUS30	Street Management	Stop weed spraying on streets and pavements	50	0	0	50	N	N

CUS32	Green Scene	Annual efficiency in Glendale contract	84	84	84	252	N	N
CUS33	Green Scene	Reduce Parks investment programme	132	132	132	396	N	N
CUS34	Green Scene	Reduce annual floral bedding	0	30	0	30	N	N
CUS35	Green Scene	Renewal of Beckenham Place Park management contract - saving of 6% of current operational spend	41	0	0	41	N	N
CUS37	Green Scene	Deletion of Pest Control Officer Post	32	0	0	32	N	1 out of 8 (retirement)
CUS38	Bereavement Services	Increase Cremation Fees	16	0	0	16	N	N
CUS39	Bereavement Services	Reorganisation of Posts in Crematorium and Cemeteries	0	18	18	36	N	1 out of 1 (retirement)
CUS40	Trading Standards and Street Markets	Convert the Trading Standards Compliance Officer post through the use of market income	13	0	0	13	Y	N
CUS43	Environment Admin Support	To reduce the number of posts within the team and defer the recruitment of 1x Admin Trainee	93	0	0	93	Y	2 out of 5
CUS45	Strategy and Performance	Restructuring of the service	90	40	25	155	Y	10 out of 35
TOTAL			1,626	516	309	2,451		

Total Phase 1 Customer Services Directorate 2011/14 – £2,451k

Summary of Phase 1 2011/14 Saving Proposals - Regeneration Directorate

Ref	Service	Summary of proposal	2011/12 £'000	2012/13 £'000	2013/14 £'000	Saving £'000	Consultation required	Posts Affected
REG 02	Across Divisions	Merge Asset Strategy and Property Management functions	830	294	0	1,124	Y	15 out of 87
REG 03	Performance and Programme Mgt	Reduce support for Programme Management	200	0	0	200	Y	See REG02
REG05	Economic Development	Economic Development would be reorganised and significantly reduced in scale	528	0	0	528	Y	22 out of 28
REG12	Travel Demand	Reduce staff travel planning function	50	0	0	50	N	N
REG13	Performance and Quality	Deletion of an Equalities Officer post	48	0	0	48	Y	1 out of 15
TOTAL			1,656	294	0	1,950		

Total Phase 1 Regeneration Directorate 2011/14 – £1,950k

Ref	Service	Summary of proposal	2011/12 £'000	2012/13 £'000	2013/14 £'000	Saving £'000	Consultation required	Posts affected
RES01	Audit	The savings will be achieved through a combination of measures including the gradual reduction in the amount of internal audit purchased from the external supplier; retendering the internal audit contract which should generate cost savings; and reviewing the way audits are carried out to improve efficiency, including the greater use of computer assisted audit techniques	50	50	55	155	N	N
RES02	Audit	The savings will be achieved through reviewing processes to identify operational efficiencies, and by reducing the number of fraud investigators employed	86	0	57	143	Y	N
RES03	Health and Safety	This proposal will involve a restructure of the Health and Safety function throughout the Council	128	0	0	128	Y	3 out of 6.8
RES04	Audit	To reduce the non-staffing Audit and Risk Division budget by a further £20k	20	0	0	20	N	N
RES05	Business Support	Reorganise accountancy and financial support services into three team	658	285		943	Y	22.5 out of 117.5
RES06	Business Support	Restructuring the Adult Social Care Financial Assessment, Income & Payments Teams to secure savings of £200k (25% of current budget) over three years	140	0	60	200	Y	4.8 out of 26.8
RES07	Shared Services	It is anticipated that there is scope to negotiate a reduction in Audit Fees charged by the Audit Commission	0	0	100	100	N	N
RES09	People Management Services	The proposal is not to run an annual Pride Awards event and to reduce employee fora support to a minimum	0	42	0	42	N	N
RES10	People Management Services	The Learning and Development contract is currently being retendered. It is possible that the value of the	140	0	0	140	N	N

		contract could be reduced by approximately 15%						
RES11	People Management Services	The possibilities for jointly procuring the Occupational Health and Employee Assistance Programme services are being explored and could lead to some rationalisation.	22	22	22	66	N	N
RES12/13	People Management Services	It is anticipated that agency staff numbers will reduce so reducing the size and complexity of the Managed Agency contract.	109	41	0	150	Y	4 out of 11
RES15	Head of Policy and Partnerships	It is proposed that a saving could be achieved through the reconfiguration of the Policy & Partnerships Unit.	157	0	0	157	Y	3 out of 10
RES16/17	Member Development	Reduction of operational budget supporting Member Development	15	0	0	15	N	N
RES18	Head of Policy and Partnerships	the rationalisation of surveys and the negotiation of a block contract for future surveys.	25	0	0	25	N	N
RES19	Head of Policy and Partnerships	renegotiation and reappraisal of various software contracts and a reduction in supplies and services.	0	25	0	25	N	N
RES20	Procurement	The deletion of a 0.5 post in the Procurement Team	20	0	0	20	N	0.5 out of 6.5
RES22	Corporate Communications	The proposal is to reduce spending on publications funded by the corporate marketing budget	97	0	0	97	N	N
RES23	Senior Policy Officer	Reduce the use of consultants and use in-house expertise more effectively	30	0	0	30	N	N
RES24	Mayor and Cabinet	This proposal is to delete three posts and create a new generic Administrative Assistant post.	70	0	0	70	Y	3 out of 10
RES25	Sustainable Energy	Reduce the Climate Change Innovations Fund	50	0	50	100	N	N
RES26	Corporate Technology	Renewal of the ICT service contract	600	700	0	1,300	N	N
RES27	Corporate Technology	Renewal of the Data Centre contract	0	200	0	200	N	N

RES28	Technology and Operations	The reprocurement of multi-function devices (MFD) services	85	85	0	170	N	N
RES29	Technology and Transformation	This savings proposal will focus on a staffing reorganisation for project management and associated areas.	250	0	0	250	Y	
RES30	Care Systems Team	This proposal reflects the phasing out of Northgate/Anite systems	55	0	0	55	N	N
RES31	Care Systems Team	A £25k reduction in the Care Systems Development Fund	25	0	0	25	N	N
RES35	Mayor's Fund	It is proposed to reduce the allocation to each ward by 25%	112.5	0	0	112.5	N	N
TOTAL			2,944.5	1,450	232	4,738.5		

Total Phase 1 Resources Directorate 2011/14 – £4,738.5k

Grand Total Phase 1 Proposals – £16,394.5k

Summary of 2011/14 Phase 2 Saving Proposals – Children and Young People Directorate

Ref	Service	Summary of proposal	2011/12 £'000	2012/13 £'000	2013/14 £'000	Total Saving £'000	Consultation required	Posts affected
CYP13	Early Intervention Grant	<p>Within the context of the 20% cuts to the grants constituting the Early Intervention Grant: In 2011/12 we propose to provide a statutory universal early years service out of Children's Centres. It is proposed that the grant is allocated over eight categories of expenditure:</p> <ol style="list-style-type: none"> 1. Targeted Early Years services – through children's centres focusing impact on targeted families. 2. Support for universal services in conducting 'Team around the Child'. 3. Family Support Services – outreach and family support to deprived children down the triangle of need and stop them rising. 4. Diversion from care – intensive family support. 5. Support from families of children with complex needs. e.g. short breaks, support for children with ASD, behaviour support 6. Youth Services involving youth detached work, substance abuse, teenage pregnancy. 7. NEET reduction. 8. Family Information Service. <p>It is estimated that a range of outcomes could be delivered with a value of £14M against a grant allocation of £17.65M.</p>	1,695	1,000	0	2,695	Y	Y

		As the detailed work on stopping and re-tendering activity is ongoing it is estimated that up to 100 posts could be affected by the proposal.						
CYP15	Early Years and Play	<p>There are four Early Years Centres (EYC): Rushey Green, Honor Oak, Amersham and Ladywell. They provide full day care for children 0-5. The introduction of the extended free provision for three to four year olds and the change in the economic climate has resulted in a decline in demand for childcare. 900 providers closed last year nationally.</p> <p>The current costs of the council making this provision is just in excess of £300 per week per child. The charge made is £175 per place per week as a flat rate. The range of prices in Lewisham Private Voluntary and Independent sector services is £120 – 250 per child per week. On average most providers charge 12% higher rates for an under 2 place. The overall aim of the proposal is to achieve efficiency savings within the Early Childhood Centres from 2011 – 2014 whilst ensuring that provision is effectively targeted across all of Lewisham’s Children’s service areas and all settings.</p> <p>The key elements to the proposal are to:</p> <ul style="list-style-type: none"> - Close Amersham Early Years Centre based on efficiency and supply and demand. 	512	584	712	1,808	Y	Y

		<ul style="list-style-type: none"> - To increase the charges for child care - the amount of this is captured in the Council fees and charges report - To explore how to reduce service costs in 2011/12 - Seek for alternative delivery arrangements during 2012 – 2014 for the remaining three centres; " 						
CYP16	Integrated Youth Support Service	<p>To reduce overall management costs by the deletion of one senior manager post. There was a delay in appointing a substantive head of IYSS which resulted in some duplication of posts. It is proposed to delete both the Head of IYSS and Head of Youth Service posts and appoint one Head of Youth Services.</p> <p>To stop the universal information, advice and guidance function within the youth service as this will be picked up by the new national universal Careers Service.</p>	25	75	100	200	Y	Y
CYP23	Referral and Assessment	Reduction of 1x social worker adoption support. Lewisham currently has a well resourced post adoption service. This will mean less social work support would be available to those who have adopted children (affects post adoption only).	50	0	0	50	Y	Y
CYP39	Family Support and Intervention	Reduction in children becoming Looked After 14+. Savings will be achieved through the anticipated impact of the Early Intervention service. This saving is dependent on the partnership being able to meet the needs of children aged 14+ years through partnership working using the Team Around a Child to keep	0	100	100	200	N	N

		children within the care of their family. We will prevent children coming into care, which is anticipated to make savings from Children's Placement Budget.						
CYP40	Referral and Assessment	The new Working Together guidance makes it clear that only qualified workers can complete assessments, stating that assessment of Children in Need must not be undertaken by unqualified social workers. As Social Work assistants have previously carried out this work, the new guidance means their work will reduce. It is also intended that Children in Need work is relocated to the early intervention project. As such, the proposal is to delete the Social Work Assistant posts in the Referral and Assessment service. The Munro Review, due to report by the Summer of 2011 may add further comment on this area.	41	70	29	140	Y	Y
CYP41	Looked After Children	Merge management responsibilities across the services involved with the aim of deleting one Service Manager and one Business Support Team Manager.	73	52	0	125	Y	Y
CYP42	Referral and Assessment	Co location of 1-6 Business Support Officers with Police. Work with the Police will reduce the number of contacts that take up a considerable amount of admin time. At the present time the Police send to CSC details of every child that comes to their attention. The police have agreed to work with us to ensure any contacts are appropriate. At the present time the Police send	0	60	0	60	Y	Y

		through over 500 contacts a month - less than 10% result in any action. Savings to be identified through deletion of Business Support Officers as there will be less necessity to enter information on to the system.						
CYP43	Children in Need	Section 17 is used to provide short-term financial support to vulnerable families. However, there are now a range of commissioned family support services which can provide support to vulnerable families; the proposal to reduce the S17 budget takes account of this. The budget is also used for expert assessment pre-proceedings and there is some risk that a reduction in the budget will lead to an increase in the number of children in care. A proportion of this money is used to fund children's daycare, but alternative funding streams within Early Intervention Grant have been identified and will be used instead.	175	100	100	375	N	N
CYP44	Children in Need	Savings will be delivered through the reconfiguration of the South London and Maudsley NHS Trust (SLAM) Children and Adolescent Mental Health Service (CAMHS) to achieve efficiencies, reflecting a reduction in the local authority's grant income and budgets supporting this Community Health contract. Service reconfiguration will be led by Children's Joint Commissioning service for both LBL and NHS Lewisham, working in partnership with SLAM and Children's Social Care to ensure that the mental health needs of the most vulnerable children and young	93	67	0	160	Y	Y

		people continue to be met.						
CYP45	Safeguarding and Planning Service	As a result of having to undertake serious case reviews the C & YP directorate has had to employ consultants who have been commissioned to undertake investigative work. Savings can be realised if this work is undertaken by existing staff with no involvement in the cases. This would be a development opportunity for staff; there is an issue of capacity of course. We also have to employ independent people in the second stage of the complaints process; we are seeking through a change in practice to reduce the number of independents involved which will realise a saving. We are working with neighbouring boroughs to share staff to undertake this work.	120	0	0	120	N	N
CYP47	Business Support, Placements and Procurements	Review Business Support with the intention of reducing two posts. To identify where savings can be made across the Children's Social Care service	30	30	0	60	Y	Y
CYP64	Director's Office	PA/ Secretarial support re-organisation. A review of PA and secretarial support across the directorate to reduce levels of personal support through more team based support approaches.	60	80	0	140	Y	Y
CYP65	Schools Recharges	The savings proposal has two aspects to it. The first is to ensure that wherever possible the charges for services that schools have responsibility for are properly charged and that where there is some joint responsibility schools are contributing to that cost also. This will involve a review of the current costs and charges and ensuring that there	50	75	110	235	N	N

is a proper allocation of overheads to those services' costs.

The second aspect is to consider the areas of service where there are no charges but where there should be charges for Academies. It is proposed to introduce charges in some or all of the following areas:

Critical Incident Support including Education Psychology, media and CAMHS as appropriate)

Safeguarding and Welfare Support (Advice and support, child employment support, parenting support)

School Premises support

Education Psychology and Attendance and Welfare support

Performance information and analysis of school data

Procurement support

Pupil benefits team

SEN and Inclusion Team

In addition, we propose charges for Academies should be higher than for other schools on other services to make up for the removal of funds from the Council

This work will be tied into the timetable for the Council's overall review of fees and charges. To generate a target income of an additional £200k would require every school in the borough to purchase the equivalent of five days of consultancy time from across the areas set out above.

Whilst making reasonable charges for existing service level agreements would be easily understood by schools and could be introduced by April 2011 the proposal to

		introduce new charges will involve more work and dialogue with schools and may not be in place until September 2011 except in the case of Academies whose funding regime will include the resources for these services from April 2011. It may be possible to increase charges by more than this						
CYP67	Early Years and Play	Reduction of nursery Priority Places - there are currently 52 places and a budget of £416k. Some of these places relate to intervention work and these will be excluded from the proposals. Estimated future costs are £50K below the budget.	50	0	0	50	N	N
CYP68	Family Support and Intervention	One of the largest costs associated with Court Cases is the costs of barristers to represent the local authority in Court. We plan to make a significant saving in our legal budget by employing our own staff to do the advocacy in Court thus making significant savings.	250	0	0	250	N	N
CYP69	Children's Placements and Procurement	The biggest expenditure with Looked after Children is the placement costs. The costs of residential placements for our most difficult and damaged children can be very expensive – regularly £3000 a week. From 2011/12 we will aim to use residential placements less and concentrate on placing our young people in foster carer which is cheaper and also often better for the young people. The net level of savings require three children receiving residential care being supported in a less expensive set of arrangements. The saving will be made by ensuring that care plans are robustly carried out so that young people move as soon as possible from residential and we will also aim to support foster placements through targeted family support to prevent foster placements	300	0	0	300	N	N

		breaking down and the need for young people to have to move to residential.						
CYP70	Estate Management	A re-organisation of student support and estates management services to produce a saving of £150k. It is proposed to implement a re-organisation of the Estates Management Unit that would reduce the overall staffing resources required to provide the services to schools and introduce charges to schools for the service provided to them. It is also expected that third party providers will be explored for parts of the service provided.	75	75	0	150	Y	Y
CYP84	Education Development Management	Playing for Success - ending activities at Millwall Football Club. The medium of sport is used as a motivational tool, focusing on raising literacy, numeracy and ICT standards amongst 9 to 14 year old pupils.	25	0	0	25	Y	Y
CYP86b	Education Business Partnership	Delete service currently funded from grant and general fund (£10k) and try to re-provide as a traded service.	10	0	0	10	N	N
CYP89	Education Development Management	City Learning Centres (CLCs) were set up in 2000 as part of a wider strategy known as 'Excellence in Cities' to raise pupil attainment in inner city areas. CLC's are overseen by BECTA (until March 2011) and funding is released through Partnership for Schools. Alternative income proposals will be made in order to trade with schools.	42	0	0	42	N	N
TOTAL			3,676	2,368	1,151	7,195		

Total Phase 2 Children & Young People Directorate 2011/14 – £7,195
Summary of 2011/14 Phase 2 Saving Proposals – Community Services Directorate

Ref	Service	Summary of proposal	2011/12 £'000	2012/13 £'000	2013/14 £'000	Total Saving	Consultation required	Posts affected
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						£'000		
COM05	Library and Information Service	Reconfiguring and restructuring of the library and information service	355	400	0	755	Y	Y
COM13	Neighbourhood Development	The amalgamation or re-alignment of neighbourhood and community functions within the Division and an associated restructure.	47.5	142.5	0	190	Y	Y
COM16	Performance and Business Support	This saving will be achieved by reducing the business support across the assessment and care management function.	170	0	0	170	Y	Y
COM17	Older Adults and Hospital	This saving will be achieved by providing service users with up to 6 weeks of intensive support (reablement), at the first point of contact with adult social care services	100	300	0	400	Y	N
COM19	Older Adults and Hospital	This saving will be achieved by restructuring the care management and assessment teams within adult social care to align with a redesigned delivery model.	180	500	0	680	Y	Y
COM21	Older Adults and Hospital	The saving will be achieved by increasing the number of direct payments to existing and new service users.	500	0	0	500	N	N
COM22	Supported Housing and Care	This saving will be achieved through the reduction and restructuring of the in-house homecare (domiciliary care) service.	520	300	0	820	Y	Y
COM27	Older Adults and Hospital	The saving will be achieved by increasing charges for non-residential services, in other words those services that enable clients to remain living in their own homes.	200	0	0	200	Completed	N
COM28	Older Adults and Hospital	Increasing the charge for Meals on Wheels	50	0	0	50	Completed	N
COM31	Arts Service and	This will be achieved through	19	0	0	19	N	N

	Broadway Theatre	increasing third party income by 5%, scaling back elements of the event and working with the main contractor to identify efficiencies.						
COM32	Community Sector Grants	A reduction to borough contributions of the London borough Grants Scheme	0	144	0	144	N	N
COM33	Community Mental Health	Further efficiencies from the SLAM contract	0	200	200	400	Y	N
COM34	Supporting People	The framework agreement will continue to deliver efficiencies from decommissioning, recommissioning and renegotiating contracts and reducing provision where appropriate.	600	600	0	1,200	N	N
COM35	Neighbourhood Development: Local Assemblies	A phase 1 saving of £45k reduced the allocation in 2011/12 onwards to £7.5k to each ward. This further proposal is to cut the remaining budget - i.e. £7.5k per ward or £135k in total.	135	0	0	135	N	N
TOTAL			2,876.5	2,586.5	200	5,663		

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Total Phase 2 Community Services Directorate 2011/14 – £5,663

Summary of 2011/14 Phase 2 Saving Proposals – Customer Services Directorate

Ref	Service	Summary of proposal	2011/12 £'000	2012/13 £'000	2013/14 £'000	Total Saving £'000	Consultation required	Posts affected
CUS02	Housing Needs	Redesign Re-housing and Lettings	50	0	0	50	Y	Y

		Service						
CUS03	Housing Needs	This saving would be achieved by changes to the way in which temporary accommodation is procured and managed.	100	400	200	700	N	N
CUS04	Business Regulatory Service	Transferring customer contact to CallPoint Use of the website to give advice, receive applications and take payments Streamlining the administration support for the three areas Streamlining the structure in private sector housing to reduce posts at team leader level	150	25	25	200	Y	Y
CUS09	Customer Services	The proposal is to use an automated switchboard to replace some of the switchboard staff.	50	50	0	100	Y	Y
CUS11	Housing Benefits	Reduce the number of benefits officers by a further 13 posts over the next three years	90	350	0	440	Y	Y
CUS14	Revenues Services	Reduce the number of Revenues Officers by a further 4.5 posts over the next three years	0	60	115	175	Y	Y
CUS16	Revenues Services	Close Cashiers to the Public	75	75	0	150	Y	Y
CUS17	Revenues Services	Transfer 14 day letters to Bailiffs	50	0	0	50	Y	Y
CUS18	Refuse Collection Service	Cease the night-time refuse collection service	75	0	0	75	N	N
CUS28	Street Management	No provision of sweeping services to designated secondary streets on a Sunday and to reduce the frequency of sweeping to residential streets across the borough to just once per week	0	500	0	500	Y	Y
CUS29	Street Management	Stop street recycling service	168	0	0	168	N	N
CUS36	Green Scene	Deletion of Contracts Officer Post	0	0	42	42	Y	Y
CUS41	Trading Standards and Street Markets	Delete a Principal Trading Standards Officer post and a Trading Standards Enforcement Officer post	0	57	43	100	Y	Y
CUS46	Environmental Enforcement	It is proposed to combine the Public Health and Nuisance Team (PH&N)	180	75	170	425	Y	Y

		with the Environmental Protection (EP) Team under the current PH&N Manager.						
CUS47	Green Scene	Changes to working patterns – Static Park Keepers	100	0	0	100	N	N
CUS48	Green Scene	Gradually removing all dog waste bins and promoting the use of litterbins to dispose of wrapped dog waste	55	0	0	55	N	N
CUS49	Strategic Waste Management	Delete remaining Waste Advisor post	32	0	0	32	N	N
CUS50	Revenues Services	Business Rates / Debtors Team management review	100	40	0	50	Y	Y
CUS51	Housing Benefits	Benefits - Management Team Review	50	160	0	210	Y	Y
CUS52	Strategic Waste Management	Sale of excess tonnes at SELCHP	600	0	0	600	N	N
CUS53	Strategic Waste Management	Reduction in waste management improvement budget	300	0	0	300	N	N
TOTAL			2,135	1,792	595	4,522		

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Total Phase 2 Customer Services Directorate 2011/14 – £4,522k

Summary of 2011/14 Phase 2 Saving Proposals - Regeneration Directorate

Ref	Service	Summary of proposal	2011/12 £'000	2012/13 £'000	2013/14 £'000	Total Saving £'000	Consultation required	Posts Affected
REG01	Property Services	Reduce the size of the corporate estate	0	500	500	1,000	Y	N
REG04	Planning	Move from Development Control to	50	50	0	100	Y	Y

		Development Management						
REG06	Transport	Review transport structure, functions and staffing levels, linking together savings proposals REG 06, 07,08 and 11 to ensure delivery of total savings target from these proposals. Lewisham's Head of Transport retired in August 2010.	0	125	0	125	Y	Y
REG07	Policy and Development	Outsourcing of transport design services	0	250	0	250	Y	Y
REG08	Contracts Mgr Highways Maintenance	Highways network management collaborative working	0	175	25	200	Y	Y
REG09	Travel Demand Management	Remove parking pay and display equipment	0	200	0	200	Y	N
REG10	Travel Demand Management	Integrate the Parking Shop with Access Point	0	200	0	200	Y	N
REG11	Policy and Development	Review of Transport customer processes	0	50	0	50	Y	Y
TOTAL			50	1,550	525	2,125		

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Total Phase 2 Regeneration Directorate 2011/14 – £2,125k

Summary of 2010/11 Phase 2 Saving Proposals - Resources Directorate

Ref	Service	Summary of proposal	2011/12 £'000	2012/13 £'000	2013/14 £'000	Total Saving £'000	Consultation required	Posts affected
RES08	Head of People Management	Restructure the HR Service Management to align the employee relations function with the advisory	0	0	150	150	Y	Y

		services function.						
RES14	Head of People Management	To streamline Human Resources (HR) processes as well as reducing manager dependency on HR in order to reduce the reliance on advisers supporting casework.	0	0	120	120	Y	Y
RES16/17	Business and Committee Services and Member Development	Savings on salary budget in Business and Committee Services and consideration of reduction in operation costs for Member Development or a combination of salary and operational costs.	0	140	0	140	Y	Y
RES21	Corporate Communications	The proposal is to restructure the Communications Unit.	0	284	0	284	Y	Y
RES25	Sustainable Energy	The proposal is to restructure the team to bring together the various strands of work which have evolved over time.	0	50	0	50	Y	Y
RES32	Technology and Transformation	Complete a reorganisation of all staff resources under centralised management	42	150	150	342	Y	Y
RES33	Corporate Technology	The proposal is to reduce numbers of ICT end-user devices, accounts, licences, servers and to some extent, data volumes.	0	0	400	400	Y	N
RES34	Corporate Technology	This proposal assumes a saving on software maintenance and other external costs	0	0	150	150	N	N
RES35	Audit	A reduction in the Housing Benefit Investigations and a reorganisation of the Special Investigations Team	50	100	15	165	Y	Y
RES36	Corporate Communications	To reduce spending on publications	34	0	0	34	N	N
TOTAL			126	724	985	1,835		

Total Phase 2 Resources Directorate 2011/14 – £1,835k

Grand Total Phase 2 Saving Proposals – £21,340k

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP13 SERVICE: EARLY YEARS & PLAY PORTFOLIO: Children & Young People	Children & Young People - Access and Support Services LEAD OFFICER: Christine Grice SELECT COMMITTEE: Children & Young People		
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
20,698	(19,225)	1,473	
Description of Service			
Briefly describe your service and state who your customers and stakeholders are: Children's centres are service hubs where children under five years old and their families can receive seamless integrated services and information.			
Description of saving proposed			
Within the context of the 20% cuts to the grants constituting the Early Intervention Grant: in 2011/12 we propose to provide a statutory universal early years service out of Children's Centres. It is proposed that the grant is allocated over eight categories of expenditure: <ol style="list-style-type: none"> 1. Targeted Early Years services – through children's centres focusing impact on targeted families. 2. Support for universal services in conducting 'Team around the Child'. 3. Family Support Services – outreach and family support to deprived children down the triangle of need and stop them rising. 4. Diversion from care – intensive family support. 5. Support from families of children with complex needs. e.g. short breaks, support for children with Autistic Spectrum Disorders, behaviour support 6. Youth Services involving youth detached work, substance abuse, teenage pregnancy. 7. NEET reduction. 8. Family Information Service. It is estimated that a range of outcomes could be delivered with a value of £14M against a grant allocation of £17.65M. This would enable grant substitution of £1.7M to be undertaken in 2011/12. In addition a £1M could continue to support children's social care costs as in 2010/11 from the grant. This will mean stopping contracts for sure start and other providers and retendering against specifications. A large number of contracts were always planned to end on 31.03.11, and providers were already aware of this. New specifications will be able to promote the involvement of the local community and voluntary organisations. The transitional issues and costs are under consideration. The creation of the early intervention service will involve the merging of two existing service manager roles with a net loss of one post. The net budget shown is the current council contribution towards all current early years services which are largely funded by grant. As the detailed work on stopping and retendering activity is ongoing it is estimated up to 100 posts could be affected.			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
1,695	1,000		2,695
Percentage of Net Budget proposed:			
Effect on HRA/DSG:			
HRA: n/a			
DSG: n/a			
Outcome of Consultation (if required)			
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory All organisations impacted by this proposal have been written to and offered the opportunity to attend meetings to discuss the proposals, and are aware that contracts end on 31 st March 2011. Further consultation will take place with providers, partners and service users in the development of new specifications.			
The response from Early Years and the Voluntary and Community Sector (VCS) raised the following issues: <ul style="list-style-type: none"> • Concerns that Early Years are taking a disproportionate effect nationally • Worries about other grants from the Community Sector Unit (CSU) and the additional impact from this 			

However, organisations were pragmatic about the proposals, and understood the Council had to make cuts.					
Our response is to propose to work with providers, alongside CSU to understand the joint impact of all proposals that impact on them.					
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:					3
Impact on Corporate Priorities:					
Most relevant:			Second most relevant:		
Main Priority: B			Secondary Priority: J		
Impact of saving on corporate priority : Neutral			Impact of saving on corporate priority: Positive		
Level of Impact: Low			Level of Impact: Low		
What is the overall impact on equalities? Please tick one:					
2011/12:		2012/13:		2013/14:	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:		Disability:			
Gender:		Sexual Orientation:			
Age:		Religion/Belief:			
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
The proposal maintains the statutory universal services provided by the Local Authority and refocuses services to be targeted to vulnerable children and families.					
These families will therefore continue to receive services.					
Outcome of full Equalities Impact Assessment (if required) :					
A full EIA has been completed on this proposal. The proposed changes have a low impact.					
The proposal maintains the statutory universal services provided by the Local Authority and refocuses services to be targeted to vulnerable children and families.					
A further EIA will be undertaken as part of the re-commissioning process					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
Voluntary sector groups already had contracts that ended 31.03.11. These are listed in Appendix Y10. However, the proposals will lead to greater opportunities for the VCS to bid to run both Children's Centres and vices and organisations will be involved in developing specifications.					
Legal Implications					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP15 SERVICE: EARLY YEARS & PLAY PORTFOLIO: Children & Young People	Children & Young People - Access and Support Services LEAD OFFICER: Christine Grice SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
20,698	(19,225)	1,473

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Early Years Education, Children's Centres and Special Educational Needs

Children's centres are service hubs where children under five years old and their families can receive seamless integrated services and information.

Description of saving proposed

There are four Early Years Centres (EYC): Rushey Green, Honor Oak, Amersham and Ladywell. They provide full day care for children 0-5.

The introduction of the extended free provision for three to four year olds and the change in the economic climate has resulted in a decline in demand for childcare. 900 providers closed last year nationally.

The four centres provide the following places:

- Amersham - 100 places; 38.5 filled (at time of the review)
- Honor Oak - 68 places; 54 filled (some specialist SEN places)
- Ladywell - 80 places; 39 filled (vacancies kept temporarily to accommodate closure of Margaret Sandra Day Nursery)
- Rushey Green - 60 places; 56 filled (SEN specialist places available)

The current costs of the council making this provision is just in excess of £300 per week per child. The charge made is £175 per place per week as a flat rate. The range of prices in Lewisham Private Voluntary and Independent sector services is £120 – 250 per child per week. On average most providers charge 12% higher rates for an under 2 place.

The overall aim of the proposal is to achieve efficiency savings within the Early Childhood Centres (ECC) from 2011 – 2014 whilst ensuring that provision is effectively targeted across all of Lewisham's Children's service areas and all settings.

The key elements to the proposal are to:

- Close Amersham Early Years Centre based on efficiency and supply and demand.
- To increase the charges for child care - the amount of this is captured in the Council fees and charges report
- To explore how to reduce service costs in 2011/12
- Seek for alternative delivery arrangements during 2012 – 2014 for the remaining three centres;

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
512	584	712	1,808

Percentage of Net Budget proposed:

Effect on HRA/DSG:

HRA: n/a
DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Consultation took place in September 2010 with staff, parents and carers and the following key themes were identified:

Lack of clarity about the reasons for the proposals; maintaining high quality of childcare; availability of provision; affordability of child care; accessibility of early childhood centres; lack of provision for very young children; support for children with special needs; staff concerns about their future employment; safeguarding of children.

A full EIA was completed on this proposal as part of the Phase 1 savings proposals. A full account of the consultation and responses was included in this EIA.

The following actions are proposed:

LBL to work with local private, voluntary and independent providers to encourage and support the sector to provide a sufficient level of affordable quality childcare across the borough for children with special needs and disabilities.

LBL to ensure that all priority placed children at Amersham ECC, including any with disabilities and special educational needs, will be found suitable alternative placements

LBL to ensure that all Amersham ECC staff are given personal support and guidance in finding alternative employment, including access to training and development programmes to extend their range of skills

LBL to ensure that accurate and up to date information is always available about providers who are able to look after babies and very young children.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority: B
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative	2012/13: Negative	2013/14: Negative
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Medium	Disability:	Low
Gender:	High	Sexual Orientation:	N/A
Age:	Medium	Religion/Belief:	Low

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Age: ECCs provide services for children aged 0 - 5 years; any proposed closure will have the greatest impact on this group as disruption in continuity of care will take place whilst alternative placements are found.

Gender / Race: Most Amersham ECC staff are female / from black and minority ethnic groups; the impact of the proposed closure of Amersham ECC will be felt most significantly by them. Lewisham is a very ethnically diverse borough and so any changes or reductions to provision of services or employment are likely to have a more significant impact upon people from minority ethnic communities, and also upon women who are more represented in employment by Lewisham Council.

Outcome of full Equalities Impact Assessment (if required) :

The EIA has considered the potential impact of the proposals upon people in the different equality categories and has identified no unlawful discrimination in terms of service provision. Lewisham Children and Young People's services are committed to ensuring that they promote equality and prevent discrimination across all their areas of responsibility. Every effort will therefore be made to ensure that any adverse impact of the proposals is minimised. The EIA includes an Action Plan to address this.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
2	14		3		
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
2	14		3		
How do you expect to reduce these posts?					
Redundancy/ Redeployment	19	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
The proposals affect ECCs in Children's Centre Areas One and Two. These areas cover the following wards: Brockley, Telegraph Hill, New Cross, Evelyn, Ladywell, Crofton Park, Lee Green, Lewisham Central, Blackheath, Rushey Green.					
However, priority placed children can come from any part of the borough.					
Impact on Voluntary Sector					
Legal Implications					
The Childcare Act 2006 makes it clear that there is no statutory requirement for local authorities to provide childcare, unless there is no alternative provision available. LB Lewisham has a responsibility to provide information about the range of childcare that exists, and will ensure that all children who are considered to be in priority need are found a suitable place.					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
<p>The Childcare Act 2006 requires Local Authorities to “ensure that childcare provision is sufficient to enable parents to work”. In developing the current proposals LB Lewisham Children and Young People’s services has undertaken local research and identified that sufficient provision is available across all sectors to meet this demand. It is also committed to working with other local providers to encourage and support the sector in continuing to provide a sufficient level of affordable quality childcare. It is therefore felt that the proposals comply with legal requirements and that the authority is paying due regard to reducing inequalities outcomes resulting from socio-economic disadvantage.</p> <p>The EIA has noted that two of the ECCs are within Area one which contains some of the highest concentrations of overall deprivation in the whole of the borough. It might therefore be reasonable to assume that any reduction of provision or any additional charge to a service within this area would disproportionately impact upon those who are least able to afford the cost of alternative provision or increased fees.</p> <p>However, as has been noted earlier, many parents have expressed their willingness to pay more if it ensures that is centre is not closed, and although the economic status of parents of children at Amersham ECC is not known, 70% of parents of children at Honor Oak ECC are in employment and a number have said that they could pay more for the service.</p> <p>Area two by comparison has some of the lowest levels of deprivation in the borough although there are aspects of deprivation in certain localities, and it is worth noting that Rushey Green ECC has a fairly high (i.e. more than 50%) proportion of children whose parents are not currently in regular employment. Nevertheless many parents (at the Rushey Green ECC consultation event as well as in written responses) have suggested that fees should be increased in order to prevent closure of the centre.</p> <p>It is also worth noting that most of the centres are located near to railway stations and this benefit has been relayed by a number of parents who have commented on the proposals. Many working parents leave their children all day at the centres whilst they travel to work by train; the closure of Amersham ECC is therefore likely to have a significant impact upon their ability to do this. Indeed, one couple has responded that one of them would need to give up work if another nursery could not be found. However, despite this it is thought to be unlikely that such alternative provision could not be sought within a convenient location and it needs to be noted that there is still a range of available childcare within all areas.</p>					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP16 SERVICE: INTEGRATED YOUTH SUPPORT SERVICE (IYSS) PORTFOLIO: Children & Young People	Children & Young People - Access and Support Services LEAD OFFICER: Christine Grice SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
6,820	(4,435)	2,385

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Lewisham's Integrated Youth Support service provides and supports a range of educational services and social activities for children and young people aged between nine and 25 years of age.

Description of saving proposed

The proposals are:

To reduce overall management costs by the deletion of one senior manager post. There was a delay in appointing a substantive head of IYSS which resulted in some duplication of posts. It is proposed to delete both the Head of IYSS and Head of Youth Service posts and appoint one Head of Youth Services. To stop the universal information, advice and guidance function within the youth service as this will be picked up by the new national universal Careers Service.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
25	75	100	200

Percentage of Net Budget proposed: 8.38%

Effect on HRA/DSG:

HRA: n/a

 DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority: B
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		4			2
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough Wide					
Impact on Voluntary Sector					
There is no direct impact on the voluntary sector of this proposal					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP23 SERVICE: REFERRAL AND ASSESSMENT PORTFOLIO: Children & Young People	Children & Young People - Children's Social Care LEAD OFFICER: Ian Smith SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
5,084	(541)	4,543

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The adoption support team provides support to adoptive families, to birth families and to adopted adults.

Description of saving proposed

Reduction of 1x social worker adoption support. Lewisham currently has a well resourced post adoption service. This will mean less social work support would be available to those who have adopted children (affects post adoption only).

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
50			50

Percentage of Net Budget proposed: 1.10%

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
 Consultation has taken place with staff as well as recipients of the service - over 600 people were consulted with and there was approximately a 10% response rate.
 Themes have been identified from this and are being considered as part of shaping the proposal further.
 This is still in progress.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 2

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: G	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to

mitigate any resultant impacts.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
			2.8		
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
			1		
How do you expect to reduce these posts?					
Redundancy/ Redeployment	1	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Across Lewisham					
Impact on Voluntary Sector					
None					
Legal Implications					
None					
Can this saving be taken in current Financial Year:				NO	
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
There are no socio-economic implications of this proposals.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP39 SERVICE: FAMILY SUPPORT & INTERVENTION PORTFOLIO: Children & Young People	Children & Young People - Children's Social Care LEAD OFFICER: Ian Smith SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
9,483	(420)	9,063

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 CYP commission a range of providers to deliver services which aim to prevent children from entering the looked after system. The aim is to keep families together when it is in the child's best interests.

Description of saving proposed

Reduction in children becoming Looked After 14+. Savings will be achieved through the anticipated impact of the Early Intervention service. This saving is dependent on the partnership being able to meet the needs of children aged 14+ years through partnership working using the Team Around a Child to keep children within the care of their family.

We will prevent children coming into care, which is anticipated to make savings from Children's Placement Budget.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
	100	100	200

Percentage of Net Budget proposed: 2.21%

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 2

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: G	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
No					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:	Children & Young People - Children's Social Care
REF: CYP40	LEAD OFFICER: Ian Smith
SERVICE: REFERRAL AND ASSESSMENT	SELECT COMMITTEE: Children & Young People
PORTFOLIO: Children & Young People	

2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
5,084	(541)	4,543

Description of Service

Briefly describe your service and state who your customers and stakeholders are:

Referral and Assessment are responsible for dealing with all new contacts and referrals to CSC. They are responsible for assessing Children in Need, Child protection referrals and taking emergency legal action to protect children.

Description of saving proposed

The new Working Together guidance makes it clear that only qualified workers can complete assessments, stating that assessment of Children in Need must not be undertaken by unqualified social workers. As Social Work assistants have previously carried out this work, the new guidance means their work will reduce.

It is also intended that Children in Need work is relocated to the early intervention project.

As such, the proposal is to delete the Social Work Assistant posts in the Referral and Assessment service.

The Munro Review, due to report by the Summer of 2011 may add further comment on this area.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
41	70	29	140

Percentage of Net Budget proposed: 3.08%

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

As this savings proposal has staffing implications, the service will undertake consultation with staff as part of their restructuring process.

Staff have been informed of the proposal and next steps. Staff have been given time to understand the proposal and its implications in order to be able to ask questions, and to generally feedback.

All staff have been advised that they can have further meetings and discussion on a 1:1 basis with their Manager.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: G	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:					
2011/12: Neutral		2012/13: Neutral		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:		N/A		Disability:	
Gender:		N/A		Sexual Orientation:	
Age:		N/A		Religion/Belief:	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
As this proposal has staffing implications, the service will be required to undertake an equalities impact assessment as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		5			
FTE equivalent - posts: 5			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		5			
How do you expect to reduce these posts?					
Redundancy/ Redeployment	5	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
No					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP41 SERVICE: GROUP MGR LOOKED AFTER CHILDREN PORTFOLIO: Children & Young People	Children & Young People - Children's Social Care LEAD OFFICER: Ian Smith SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
17,088	(2,058)	15,030

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Children's Social Care provides services to children and families in the borough through:

Referral, Assessment and Adoption carries out assessments for Children In Need, adults and families who have "No Recourse to Public Funds", and children who are being privately fostered. This service also provides the statutory social service to adults. The adoption team trains, supervises and supports adoptive parents and provides a support service for children and families who have been adopted.

Family Support and Intervention provides assessment and support to children on the Child Protection Register, children in care proceedings, and children in high levels of need.

Looked After Children (LAC) and Adoption - the service provides case management for LAC who are intended to be the Council's responsibility for a substantial period of time. Also the recruitment of Adopters and the matching and placing of children who are to be adopted..

Children in Need - .

- Children with Disabilities - the service provides the assessment and case management function for children with disabilities
- Portage Team – this provides an early support home visiting service to families with children under the age of 4, whose children have been newly diagnosed with a disability;
- Inter-Agency Transition Team - this supports transition of young people from children's services to adult services across a range of agencies.
- Meliot Road Family Centre - provides parenting assessments for parents of children in need.
- MAPP – this teams supports the Multi-Agency Planning Pathway which provides a package of co-ordinated services to support those children with complex needs.

Quality Assurance - responsible for convening and chairing all Child Protection conferences and Looked After Children reviews. Also for the audit process within CSC.

Placement, Procurement and Fostering - responsible for the recruitment and support of foster carers and for managing contracts with care providers.

Description of saving proposed

Merge management responsibilities across the above services with the aim of deleting one Service Manager and one Business Support Team Manager.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
73	52		125

Percentage of Net Budget proposed:	0.83%
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Effect on HRA/DSG:

HRA: N/A

DSG: N/A

Outcome of Consultation (if required)					
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory					
The proposals; its reasons, the process and next steps have been clearly explained to all staff in a staff meeting. A full consultation will take place.					
All staff will be advised that they can request a meeting to discuss their views on the proposals.					
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:					3
Impact on Corporate Priorities:					
Most relevant:			Second most relevant:		
Main Priority: J			Secondary Priority: G		
Impact of saving on corporate priority : Neutral			Impact of saving on corporate priority: Neutral		
Level of Impact: Low			Level of Impact: Low		
What is the overall impact on equalities? Please tick one:					
2011/12: Neutral		2012/13: Neutral		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:		N/A		Disability: N/A	
Gender:		N/A		Sexual Orientation: N/A	
Age:		N/A		Religion/Belief: N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
			6	7	
FTE equivalent - posts: 13			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough Wide					
Impact on Voluntary Sector					
No					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:		Children & Young People - Children's Social Care	
REF: CYP42		LEAD OFFICER: Ian Smith	
SERVICE: REFERRAL AND ASSESSMENT		SELECT COMMITTEE: Children & Young People	
PORTFOLIO: Children & Young People			
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
5,084	(541)	4,543	
Description of Service			
<p>Briefly describe your service and state who your customers and stakeholders are: Referral and assessment are responsible for dealing with all new contacts and referral to CSC. They are responsible for assessing Children in Need, Child protection referrals and taking emergency legal action to protect children.</p>			
Description of saving proposed			
<p>Co location of 1-6 Business Support Officers with Police.</p> <p>Work with the Police will reduce the number of contacts that take up a considerable amount of admin time. At the present time the Police send to CSC details of every child that comes to their attention. The police have agreed to work with us to ensure any contacts are appropriate. At the present time the Police send through over 500 contacts a month - less than 10% result in any action.</p> <p>Savings to be identified through deletion of Business Support Officers as there will be less necessity to enter information on to the system.</p>			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
	60		60
Percentage of Net Budget proposed:		1.32%	
Effect on HRA/DSG:			
HRA: n/a			
DSG: n/a			
Outcome of Consultation (if required)			
<p>Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory</p> <p>As this savings proposal has staffing implications, the service will undertake a consultation with staff as part of their restructuring process.</p>			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			2
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: G		Secondary Priority: J	
Impact of saving on corporate priority : Neutral		Impact of saving on corporate priority: Neutral	
Level of Impact: Low		Level of Impact: Low	
What is the overall impact on equalities? Please tick one:			
2011/12: Neutral		2012/13: Neutral	2013/14: Neutral
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	8				
FTE equivalent - posts: 8			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
No					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:	Children & Young People - Children's Social Care
REF: CYP43	LEAD OFFICER: Ian Smith
SERVICE: CHILDREN IN NEED	SELECT COMMITTEE: Children & Young People
PORTFOLIO: Children & Young People	

2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
6,454	(1,898)	4,556

Description of Service

Briefly describe your service and state who your customers and stakeholders are:

Section 17 of the Childrens Act 1989 imposes a duty on the Local Authority to safeguard and promote the welfare of children within their area who are in need; and so far as is consistent with that duty, to promote the upbringing of these children by their families.
Lewisham Family Support and Intervention Service (FSI) carries out statutory social work with Children in Need and their families. Most of the children allocated within the service are currently or have been previously subject to a Child Protection Plan (CPP)

Description of saving proposed

Section 17 is used to provide short-term financial support to vulnerable families. However, there are now a range of commissioned family support services which can provide support to vulnerable families; the proposal to reduce the S17 budget takes account of this. The budget is also used for expert assessment pre-proceedings and there is some risk that a reduction in the budget will lead to an increase in the number of children in care.
A proportion of this money is used to fund children's day care, but alternative funding streams within Early Intervention Grant have been identified and will be used instead.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
175	100	100	375

Percentage of Net Budget proposed: 8.23%

Effect on HRA/DSG:

HRA: n/a
DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Consultation is not required

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 2

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: G	Secondary Priority: B
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative 2012/13: Negative 2013/14: Negative

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	High	Disability:	Medium
Gender:	High	Sexual Orientation:	N/A
Age:	Medium	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

The proposal does not affect staffing.

The available data indicates that visible minority ethnic groups are not disproportionately affected by this saving, however bi-racial children are significantly over represented among the children who come into care and who are at risk of coming into care. Reducing S17 spend could therefore disproportionately affect these groups of service users.

Outcome of full Equalities Impact Assessment (if required) :

The most recently available Lewisham data on the ages and ethnicities of children receiving CIN services indicates that 60% of children were from visible minority ethnic groups, 33% were from White groups, including Irish and White Other and that in 6% of cases ethnicity data was not recorded. Given that over 70% of Lewisham's school age population are from visible minority ethnic (VME) groups, this suggests that VME groups are somewhat underrepresented.

20% of the CIN were aged 18 years or over, 34% were aged 11- 17 years and 47% were aged 10 or under. The distribution of the data indicates that no particular age range is over or under represented in the use of CIN services, however proposed savings to the S.17 budget are still likely to disproportionately affect children rather than adults.

The other likely differential impact is in relation to socio-economic status and gender. Anecdotal evidence indicates that families in receipt of state benefits and families headed by single women are over represented among families who have previously received assistance from the S.17 budget. There is a high risk that reducing S.17 spend, that is used to keep families out of care will lead to increased numbers of Children Looked After, so that savings from this budget will lead to greater costs elsewhere.

Mitigation:

It is proposed that families in receipt of family support packages will be presented to the Family Support Panel, in order to give other parts of the children's economy the opportunity to examine how they could take on this work now or in the future. It is proposed that the supervised contact Preferred Provider Framework be reviewed with a view to seeking to lower costs in this area.

It is proposed that detailed sampling is undertaken of spend against the S.17 budget in order to fully explore ways in which costs could be reduced or ceased and also to critically examine on a case by case basis whether there are alternative ways of meeting needs.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? NO

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC

FTE equivalent - posts: FTE equivalent - vacant posts:

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC

How do you expect to reduce these posts?

Redundancy/ Redeployment		TUPE		Retirement		Delete vacant post	
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Additional Information

Ward/Geographical implications

Borough Wide

Impact on Voluntary Sector

No

Legal Implications

<p>The Council has a duty to provide support and services under S.17 of the Children's Act 1989 ensure children identified as being 'in need' and their families receive support from the local authority The Council has a duty to evidence that it has fully assessed and supported these children. In reducing this budget, the local authority will need to have identified effective alternatives in terms of assessment and support to ensure we are in compliance with Practice Guidance.</p> <p>Most of the costs that fall under the Family Support and Contact heading are in relation to court directed services. Given that this area accounts for 70% of spend, it will be critical that suitable alternatives are identified, as otherwise the Council would be vulnerable to Judicial Review.</p>	
<p>Can this saving be taken in current Financial Year:</p>	
<p>If yes to previous question what is the value that can be taken?</p>	
<p>What consideration has been given to the possible socio-economic implications of your savings proposals</p>	
<p>A high proportion of Section 17 funding is used to support families from a disadvantaged background, where poverty issues may be in effect and in addition the families concerned may be encountering multiple disadvantage.</p> <p>Alternative provision of services will need to be identified for these families to ensure their situations are improved and do not deteriorate further through targeted early intervention services.</p>	

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP44 SERVICE: CHILDREN IN NEED PORTFOLIO: Children & Young People	Children & Young People - Children's Social Care LEAD OFFICER: Ian Smith SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
6,454	(1,898)	4,556

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Child and adolescent mental health services (CAMHS) promote the mental health and psychological well-being of children and young people, and provide high quality, multi-disciplinary mental health services to all children and young people with mental health problems and disorders to ensure effective assessment, treatment and support, for them and their families.

Description of saving proposed

Savings will be delivered through the reconfiguration of the South London and Maudsley NHS Trust (SLAM) Children and Adolescent Mental Health Service (CAMHS) to achieve efficiencies, reflecting a reduction in the local authority's grant income and budgets supporting this Community Health contract. Service reconfiguration will be led by Children's Joint Commissioning service for both LBL and NHS Lewisham, working in partnership with SLAM and Children's Social Care to ensure that the mental health needs of the most vulnerable children and young people continue to be met.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
93	67		160

Percentage of Net Budget proposed: 3.51%

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Discussions with SLAM CAMHS senior management have been undertaken to explore scope for efficiencies, and feasibility of service reconfiguration, minimising impact on front line service delivery. Joint Commissioning, Children's Social Care and SLAM will work in partnership to deliver savings, and ensure that the mental health needs of the most vulnerable children and young people continue to be met.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
The saving will be achieved through back office efficiencies, with a neutral outcome for equalities					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
No					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP45 SERVICE: SAFEGUARDING & PLANNING SERVICE PORTFOLIO: Children & Young People	Children & Young People - Children's Social Care LEAD OFFICER: Ian Smith SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
1,762	(252)	1,510

Description of Service

Briefly describe your service and state who your customers and stakeholders are:

Serious Case Reviews are conducted when a child dies or suffers a life threatening injury and where there is concern about the way agencies have worked together to safeguard a child. Each service has to carry out a detailed Individual Management Review (Investigative Report) which can be undertaken by an employee within the service who has not been involved in the case. An overview report has to be produced. It is a requirement that this person is independent of the local authority and the LSCB. The budget for all Serious Case Reviews is located in the Quality Assurance Service in Childrens Social Care.

The stakeholders are the family, staff across partner agencies, the Lewisham Safeguarding Children Board, Council Members and the Mayor. All Serious Case Reviews have to be published which can attract significant media and political interest.

The savings anticipated relate to the Complaints and Access to Records Team. In all stage 2 complaints an independent person has to be appointed to oversee the investigation to ensure it is fair. This is a statutory requirement. The stakeholders in this process are children and their families and Childrens Social Care.

Description of saving proposed

As a result of having to undertake serious case reviews the C & YP directorate has had to employ consultants who have been commissioned to undertake investigative work. Savings can be realised if this work is undertaken by existing staff with no involvement in the cases. This would be a development opportunity for staff; there is an issue of capacity of course. We also have to employ independent people in the second stage of the complaints process; we are seeking through a change in practice to reduce the number of independents involved which will realise a saving. We are working with neighbouring boroughs to share staff to undertake this work.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
120			120

Percentage of Net Budget proposed: 7.95%

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
n/a

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: G
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:					
2011/12: Neutral		2012/13: Neutral		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:	N/A		Disability:	N/A	
Gender:	N/A		Sexual Orientation:	N/A	
Age:	N/A		Religion/Belief:	N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Borough Wide					
Impact on Voluntary Sector					
No					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP47 SERVICE: BUSINESS SUPPORT, PLACEMENTS & PROCUREMENT PORTFOLIO: Children & Young People; Customer Services	Children & Young People - Children's Social Care LEAD OFFICER: Ian Smith SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
529	(78)	451

Description of Service

Briefly describe your service and state who your customers and stakeholders are:

Business Support services provide administrative and clerical support to teams within Children's Social Care. These savings will be phased over two years.

Description of saving proposed

Review Business Support with the intention of reducing two posts. To identify where savings can be made across the Children's Social Care service

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
30	30		60

Percentage of Net Budget proposed:	13.31%
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Effect on HRA/DSG:

HRA: N/A

DSG: N/A

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

The process of consultation with staff has commenced. The Senior Management Team has considered this matter. The Service Manager of Business Strategy has had several meetings with the five Business Support Team Managers, with whom the approach on how to secure the required savings has been agreed. Business Support Team Managers have alerted their staff i.e Business Support Officers.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	3
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Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral	2012/13: Neutral	2013/14: Neutral
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what

steps have been/will be taken to mitigate such an impact :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	44.5	2	7	1	
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	2				
How do you expect to reduce these posts?					
Redundancy/Redeployment	2	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough Wide					
Impact on Voluntary Sector					
No					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:		Children & Young People - Resources & Reserves	
REF: CYP64		LEAD OFFICER: Alan Docksey	
SERVICE: DIRECTOR'S OFFICE		SELECT COMMITTEE: Children & Young People	
PORTFOLIO: Children & Young People			
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
1,437	(314)	1,121	
Description of Service			
<p>Briefly describe your service and state who your customers and stakeholders are: The Directors office provides support to the Service Management of the Directorate, and supports the overall use of accommodation in Laurence House. The service provides a mail delivery service for schools on a charged for basis.</p>			
Description of saving proposed			
PA/ Secretarial support re-organisation. A review of PA and secretarial support across the directorate to reduce levels of personal support through more team based support approaches. It is estimated that three full time roles will be deleted.			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
60	80		140
Percentage of Net Budget proposed:		12.49%	
Effect on HRA/DSG:			
HRA: n/a			
DSG: n/a			
Outcome of Consultation (if required)			
<p>Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory</p> <p>A consultation document will be circulated to staff, with opportunities for feedback and meetings in line with corporate procedures.</p>			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			4
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: J		Secondary Priority: J	
Impact of saving on corporate priority : Neutral		Impact of saving on corporate priority: Neutral	
Level of Impact: Low		Level of Impact: Low	
What is the overall impact on equalities? Please tick one:			
2011/12: Negative		2012/13: Negative	2013/14: Neutral
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:	Medium	Disability:	N/A
Gender:	Medium	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :			
Outcome of full Equalities Impact Assessment (if required) :			

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
1		8.2	4		
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
No					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP65 SERVICE: RECHARGES: SCHOOLS PORTFOLIO: Children & Young People	Children & Young People - Resources & Reserves LEAD OFFICER: Alan Docksey SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
5647	4293	1354

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The local authority provides a number of services to schools on a traded basis the most significant ones in the CYP Directorate are:
 Schools HR
 Customer Services
 Schools ICT Support
 Governors Services
 Training Courses through Lewisham Learning and Development College.
 In addition there are a number of services provided by the Resources Directorate that are outside the scope of this specific proposal. (Insurance, Payroll, Legal Services, Energy procurement)
 Many of these services are provided in conjunction with services seen as part of the local authority's responsibility and as a consequence the charging processes have not been as rigorous as they might have been.

Description of saving proposed

The savings proposal has two aspects to it. The first is to ensure that wherever possible the charges for services that schools have responsibility for are properly charged and that where there is some joint responsibility schools are contributing to that cost also. This will involve a review of the current costs and charges and ensuring that there is a proper allocation of overheads to those services' costs.

The second aspect is to consider the areas of service where there are no charges but where there should be charges for Academies. It is proposed to introduce charges in some or all of the following areas:
 Critical Incident Support including Education Psychology, media and CAMHS as appropriate)
 Safeguarding and Welfare Support (Advice and support, child employment support, parenting support)
 School Premises support
 Education Psychology and Attendance and Welfare support
 Performance information and analysis of school data
 Procurement support
 Pupil benefits team
 SEN and Inclusion Team

In addition, we propose charges for Academies should be higher than for other schools on other services to make up for the removal of funds from the Council

This work will be tied into the timetable for the Council's overall review of fees and charges. To generate a target income of an additional £200k would require every school in the borough to purchase the equivalent of five days of consultancy time from across the areas set out above.

Whilst making reasonable charges for existing service level agreements would be easily understood by schools and could be introduced by April 2011 the proposal to introduce new charges will involve more work and dialogue with schools and may not be in place until September 2011 except in the case of Academies whose funding regime will include the resources for these services from April 2011. It may be possible to increase charges by more than this.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
50	75	110	235

Percentage of Net Budget proposed:	17.4%
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Effect on HRA/DSG:					
HRA: n/a DSG: n/a					
Outcome of Consultation (if required)					
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory					
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:					4
Impact on Corporate Priorities:					
Most relevant:			Second most relevant:		
Main Priority: J			Secondary Priority: J		
Impact of saving on corporate priority : Neutral			Impact of saving on corporate priority: Neutral		
Level of Impact: Low			Level of Impact: Low		
What is the overall impact on equalities? Please tick one:					
2011/12: Neutral		2012/13: Neutral		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:	N/A		Disability:	N/A	
Gender:	N/A		Sexual Orientation:	N/A	
Age:	N/A		Religion/Belief:	N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
No					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP67 SERVICE: EARLY YEARS & PLAY PORTFOLIO: Children & Young People	Children & Young People - Access and Support Services LEAD OFFICER: Christine Grice SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
20,698	(19,225)	1,473

Description of Service

Briefly describe your service and state who your customers and stakeholders are:

Priority places are for children from families identified by children's social care or the Special Educational Needs team who meet the criteria to access a priority childcare placement. These placements are within private, voluntary and independent (PVI) and maintained sector nurseries

Description of saving proposed

Reduction of nursery Priority Places - there are currently 52 places and a budget of £416k. Some of these places relate to intervention work and these will be excluded from the proposals. Estimated future costs are £50K below the budget. .

In future we can place children in the free childcare places for both two year olds and three/four year olds. This enables us to make some reduction in placement costs.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
50			50

Percentage of Net Budget proposed: 3.39%

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

No

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Positive
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Disability:	Medium
Gender:	N/A	Sexual Orientation:	N/A
Age:	Low	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Disability
 Children who have special educational needs are within the criteria for priority places and this reduction will result in less availability for them.

However the remaining free childcare places will ensure childcare is still available

Age
 The reduction relates to services for very young children.

Ethnicity
 Lewisham has an ethnically diverse population of children and there will therefore be some impact from this proposal, although no one ethnic group will be specifically affected

Outcome of full Equalities Impact Assessment (if required) :

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? | NO

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC

FTE equivalent - posts: | FTE equivalent - vacant posts:

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC

How do you expect to reduce these posts?

Redundancy/ Redeployment		TUPE		Retirement		Delete vacant post	
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Additional Information

Ward/Geographical implications

Borough wide

Impact on Voluntary Sector

There may be some impact upon PVI nurseries who provide some of these placements.

Legal Implications

None

Can this saving be taken in current Financial Year:

NO

If yes to previous question what is the value that can be taken?

What consideration has been given to the possible socio-economic implications of your savings proposals

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP68 SERVICE: FAMILY SUPPORT & INTERVENTION PORTFOLIO: Children & Young People	Children & Young People - Children's Social Care LEAD OFFICER: Ian Smith SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
9,483	(420)	9,063

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Family Support and Intervention Service are responsible for long term statutory work. This is predominately working with families where a child is subject to a child protection plan or where we are involved in care proceedings.

Description of saving proposed

One of the largest costs associated with Court Cases is the costs of barristers to represent the local authority in Court. We plan to make a significant saving in our legal budget by employing our own staff to do the advocacy in Court thus making significant savings.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
250			250

Percentage of Net Budget proposed: 2.76%

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
 No

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: G	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
None					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP69 SERVICE: CHILDREN'S PLACEMENTS & PROCUREMENT PORTFOLIO: Children & Young People	Children & Young People - Children's Social Care LEAD OFFICER: Ian Smith SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
4,679	(128)	4,551

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The LAC service provides social work support to all the children who are looked after by the London Borough of Lewisham. It performs all the statutory functions, including care planning and ensuring that their health and education needs are being met.

Description of saving proposed

The biggest expenditure with Looked after Children is the placement costs. The costs of residential placements for our most difficult and damaged children can be very expensive – regularly £3000 a week. From 2011/12 we will aim to use residential placements less and concentrate on placing our young people in foster care which is cheaper and also often better for the young people. The net level of savings require three children receiving residential care being supported in a less expensive set of arrangements. The saving will be made by ensuring that care plans are robustly carried out so that young people move as soon as possible from residential and we will also aim to support foster placements through targeted family support to prevent foster placements breaking down and the need for young people to have to move to residential.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
300			300

Percentage of Net Budget proposed: 6.59%

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
 No

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 2

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: G	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
N/A					
Legal Implications					
N/A					
Can this saving be taken in current Financial Year:				No	
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP70 SERVICE: ESTATE MANAGEMENT PORTFOLIO: Children & Young People	Children & Young People - Resources & Reserves LEAD OFFICER: Alan Docksey SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
13,667	(12,973)	694

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Estates Management Unit has responsibilities supporting schools in the following areas:
 Statutory maintenance responsibilities
 Fire Risk management
 Premises advice
 Asbestos management.

For the LA it maintains records of the condition and suitability of the schools' estate and makes recommendations for capital works projects to ensure that school premises remain fit for purpose. The Unit has the responsibility for PFI Facilities Management contract monitoring for the new schools provided through the Group Schools and BSF programmes.

The Unit is responsible for the monitoring of the school meals catering contract.

Description of saving proposed

A re-organisation of student support and estates management services to produce a saving of £150k. It is proposed to implement a re-organisation of the Estates Management Unit that would reduce the overall staffing resources required to provide the services to schools and introduce charges to schools for the service provided to them. It is also expected that third party providers will be explored for parts of the service provided.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
75	75		150

Percentage of Net Budget proposed: 21.62%

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

This proposal has staffing implications and corporate consultation procedures will be followed.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 2

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority: B
Impact of saving on corporate priority :	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A		Disability:	N/A	
Gender:	N/A		Sexual Orientation:	N/A	
Age:	N/A		Religion/Belief:	N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	1	1	4	2	
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
N/A					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP84 SERVICE: EDUCATION DEVELOPMENT MANAGEMENT PORTFOLIO: Children & Young People	Children & Young People -Education Development LEAD OFFICER: Chris Threlfall SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
952	(716)	236

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Playing for Success Centre at Millwall operates out of a large room in the Lion's Community Building, adjacent to the Millwall Football Stadium. It is part of the national 'Playing for Success' initiative coordinated by Rex Hall Associates and funded on a three way partnership by DFE (£80,000), Lewisham CYP – General Fund - (25,000), and Millwall FC/ Community Scheme (£50,000, in kind contribution). The £80,000 DFE grant will cease in March 2011.

Description of saving proposed

£25,000 General fund. It is proposed to end Playing for Success.

 A number of sessional staff will be affected by this proposal

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
25			25

Percentage of Net Budget proposed: 10.59%

Effect on HRA/DSG:

HRA: n/a
0
DSG: n/a
0

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
 The formal process of consultation on the proposed closure of Playing for Success Centre at Millwall commenced with a meeting on Tuesday, 4th January 2011 at the Millwall PfS Centre. Additional meetings with staff and/or their trade union representatives will be arranged as appropriate. The timetable is as follows: -
 Date Event
 17/12/2010 Consultation papers issued to staff and Trades Unions
 04/01/2011 Formal consultation commences – staff meeting
 12/01/2011 Deadline for staff comments to be submitted
 14/01/2011 Formal consultation period ends

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A		Disability:	N/A	
Gender:	N/A		Sexual Orientation:	N/A	
Age:	N/A		Religion/Belief:	N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	1.8				
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	1.8				
How do you expect to reduce these posts?					
Redundancy/ Redeployment	1.8	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Evelyn, New Cross - proximity of schools to Millwall					
Impact on Voluntary Sector					
The scheme is jointly run with Millwall FC Community Scheme					
Legal Implications					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP86b SERVICE: EDUCATION BUSINESS PARTNERSHIP PORTFOLIO: Children & Young People	Children & Young People -Education Development LEAD OFFICER: Chris Threlfall SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
269	(258)	11

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 PLEASE SEE CYP 86

Description of saving proposed

Delete service currently funded from grant and general fund (£10k) and try to re-provide as a traded service.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
10			10

Percentage of Net Budget proposed: 91.97%

Effect on HRA/DSG:

HRA:

DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority:	Secondary Priority:
Impact of saving on corporate priority :	Impact of saving on corporate priority:
Level of Impact:	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Disability:	Sexual Orientation:	
Gender:	Religion/Belief:		
Age:			

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)?

Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
Legal Implications					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:		Children & Young People -Education Development	
REF: CYP89		LEAD OFFICER: Chris Threlfall	
SERVICE: EDUCATION DEVELOPMENT MANAGEMENT		SELECT COMMITTEE: Children & Young People	
PORTFOLIO: Children & Young People			
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
952	(716)	236	
Description of Service			
<p>Briefly describe your service and state who your customers and stakeholders are: City Learning Centres (CLCs) were set up in 2000 as part of a wider strategy known as 'Excellence in Cities' to raise pupil attainment in inner city areas. CLC's are overseen by BECTA (until March 2011) and funding is released through Partnership for Schools.</p>			
Description of saving proposed			
£42,000 General Fund – this contributes to CLC staffing costs (SEE CYP 87).			
This proposal relates to the service raising income through trading activities.			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
42			42
Percentage of Net Budget proposed:		17.80%	
Effect on HRA/DSG:			
HRA: N/A			
DSG: N/A			
Outcome of Consultation (if required)			
<p>Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory</p> <p>A consultation document has been drafted</p>			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			4
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: J		Secondary Priority: B	
Impact of saving on corporate priority :		Impact of saving on corporate priority:	
Level of Impact: Low		Level of Impact: Low	
What is the overall impact on equalities? Please tick one:			
2011/12: Neutral		2012/13: Neutral	
		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :			
Outcome of full Equalities Impact Assessment (if required) :			
Human Resources Implications			

Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
N/A					
Legal Implications					
None					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM05 SERVICE: LIBRARY & INFORMATION SERVICE PORTFOLIO: Community Services	COMMUNITY SERVICES - CULTURAL SERVICES LEAD OFFICER: Hilary Renwick SELECT COMMITTEE: Healthier Communities
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
4,332	(279)	4,053

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Responsible for the Borough's public library service, which is currently delivered from 12 buildings. Services include lending, reference, reader development, literacy, access to technology, childrens' programmes and community information.

Description of saving proposed

£755k will be achieved through a staffing restructure of the library and information service. A new structure has been proposed that will continue to deliver the Council's library and information service following the proposed closure of 5 library buildings in Sydenham, Blackheath, Crofton Park, Grove Park and New Cross. An additional £75k (Regeneration Directorate) will be achieved from the rental cost of Blackheath Library. A full year saving of £165k will also be accrued in the Regeneration Directorate Property budgets as a result of these savings.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
355	400		755

Percentage of Net Budget proposed:	18.63%
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Effect on HRA/DSG:

HRA: No

DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Public Consultation completed. Outcome presented to Mayor and Cabinet on 17 November 2010 and subsequently deferred to Feb 2011

Staff consultation on proposed reorganisation completed.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	2
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Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: I	Secondary Priority:
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority:
Level of Impact: Low	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12:	2012/13:	2013/14:
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Disability:
Gender:	Sexual Orientation:

Age:				Religion/Belief:			
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :							
A full EIA has been completed. The EIA recognised the key role that LIS can play in promoting equalities and in enhancing community cohesion. The LIS undertakes a wide range of activities to encourage participation from underrepresented groups to stock appropriate materials and to publicise equalities events and activities.							
Outcome of full Equalities Impact Assessment (if required) :							
The overall assessment of the EIA is that the saving proposal will have an adverse impact across equality groups but will not lead to unlawful discrimination. The EIA recognises that the closure of a library facility may make it more difficult for current users to access library services locally. As such the overall impact of the proposed closures has been assessed as having a negative impact across all categories. However the closures will not actively discriminate or have a disproportionate impact on any single equality category.							
Human Resources Implications							
Will this saving proposal have an impact on staffing levels within your team (yes/no)?						YES	
Within this savings proposals, please state the number of posts in your current structure by grade band.							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
31	41.8	21.2	30	1			
FTE equivalent - posts:			FTE equivalent - vacant posts:				
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
How do you expect to reduce these posts?							
Redundancy/ Redeployment	Y	TUPE		Retirement	Y	Delete vacant post	Y
Additional Information							
Ward/Geographical implications							
Officers have considered the impact of the proposed closures on individual wards. Findings from those considerations were incorporated into the more detailed report on this savings proposal presented to the Mayor 17 Nov 2010.							
Impact on Voluntary Sector							
Some voluntary organisations use the library buildings for their activities and some of them work in partnership with the service on individual programmes. Local community organisations have been very involved in the discussions about the future of those library buildings that have proposed for closure.							
Legal Implications							
Can this saving be taken in current Financial Year:						NO	
If yes to previous question what is the value that can be taken?							
What consideration has been given to the possible socio-economic implications of your savings proposals							

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM13 SERVICE: NEIGHBOURHOOD DEVELOPMENT: LOCAL ASSEMBLIES PORTFOLIO: Community Services	COMMUNITY SERVICES - COMMUNITY & NEIGHBOURHOOD DEVELOPMENT LEAD OFFICER: Liz Dart SELECT COMMITTEE: Safer & Stronger
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
871	(9)	862

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 This saving proposal affects two service areas within the Community & Neighbourhood Development Division:-

The Community Sector Unit provides support for the Third Sector through grant aid, premises and capacity building. It supports third sector organisations to provide services that deliver a wide range of positive outcomes for local residents.

The Local Assemblies Programme enables residents to work with the Council and other partners to identify priorities for their local area and take action to make improvements.

Description of saving proposed

A saving of £190k will be achieved through the amalgamation or re-alignment of neighbourhood and community functions within the Division and an associated restructure.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
47.50	142.50	0	190

Percentage of Net Budget proposed: 22.03%

Effect on HRA/DSG:

HRA: No

 DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Consultation will take place with staff in 2011.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: A	Secondary Priority: I
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Negative
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Disability:		
Gender:	Sexual Orientation:		
Age:	Religion/Belief:		

If your saving proposal has a negative impact on equalities please explain why, and outline what

steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
As this savings proposal has staffing implications, the service will undertake an equalities impact assessment as part of the restructuring process.					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	5		15	2	
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Detail of which posts are proposed for deletion are not yet known. Staff and unions will be consulted on detailed proposals in line with the Council's management of change procedures.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
The impact will be equal across all wards.					
Impact on Voluntary Sector					
It is anticipated that there will be a reduction in the Council's capacity to support partnership working with the voluntary sector.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM16 SERVICE: PERFORMANCE AND BUSINESS SUPPORT PORTFOLIO: Community Services	COMMUNITY SERVICES - ADULT SERVICES DIVISION LEAD OFFICER: Joan Hutton SELECT COMMITTEE: Healthier Communities
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
984	0	984

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Adult Social Care Division arranges services for vulnerable adults, such as those with poor physical or mental health, following an assessment of need and consideration of those needs against eligibility criteria.

Business support officers provide general office and administrative support and underpin the operational functions of the Division.

Description of saving proposed

This saving COM 16 is linked to COM 19 (the restructuring of adult social care). This saving will be achieved by reducing the business support across the assessment and care management function.

The level of business support can be reduced as there is no longer the same level of administrative and support required due to the increased use of technology by front line workers. For example, information about a client is now entered straight onto the adult social care database by those in first contact with client. The remaining business support functions will focus on supporting data quality, performance and financial records.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
170			170

Percentage of Net Budget proposed:	17.28%
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Effect on HRA/DSG:

HRA: No

DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Consultation will take place with staff in 2011.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	3
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Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority: H
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority: Neutral
Level of Impact: Medium	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12:	2012/13:	2013/14:
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low		
Ethnicity:		Disability:
Gender:		Sexual Orientation:

Age:				Religion/Belief:			
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :							
Outcome of full Equalities Impact Assessment (if required) :							
As this saving proposal has staffing implications, the service will undertake an equalities impact assessment as part of the restructuring process.							
Human Resources Implications							
Will this saving proposal have an impact on staffing levels within your team (yes/no)?						YES	
Within this savings proposals, please state the number of posts in your current structure by grade band.							
See separate paper on Adult Social Care proposals							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
FTE equivalent - posts:				FTE equivalent - vacant posts:			
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
How do you expect to reduce these posts?							
Redundancy/ Redeployment		TUPE		Retirement		Delete vacant post	
Additional Information							
Ward/Geographical implications							
All wards							
Impact on Voluntary Sector							
No							
Legal Implications							
Can this saving be taken in current Financial Year:						NO	
If yes to previous question what is the value that can be taken?							
What consideration has been given to the possible socio-economic implications of your savings proposals							

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM17 SERVICE: OLDER ADULTS AND HOSPITAL PORTFOLIO: Community Services	COMMUNITY SERVICES - ADULT SERVICES DIVISION LEAD OFFICER: Joan Hutton SELECT COMMITTEE: Healthier Communities
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
32,473	(9,390)	23,083

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Adult Social Care Division arranges services for vulnerable people, such as those with poor physical or mental health, following an assessment of need and consideration of those needs against eligibility criteria. The services operate under statutory guidance. These services include providing personal care and domestic support to people in their own homes.

Description of saving proposed

This saving COM 17 is linked to COM 22.

Although this saving is shown against the adult social care budget heading for older adults, the total saving will be achieved across budgets for both younger and older service users.

This saving will be achieved by providing service users with up to 6 weeks of intensive support (reablement), at the first point of contact with adult social care services. This early intervention, which may involve the provision of equipment and support from reablement workers, aims to reduce the need for, and therefore the cost of, ongoing packages of care.

This reablement service will be given to the majority of eligible people presenting to adult social care with poor physical health. The reablement service will enable them to live more independently with their illness or condition by helping them to learn or re-learn the skills they need to undertake their own personal and domestic tasks necessary for daily living.

By reducing the number of new service users requiring ongoing personal and domestic care and support, and therefore more costly care packages, the budget for care packages can be reduced and this saving achieved.

The support workers in the reablement service will be provided by reducing and restructuring the existing in house home care service (see COM 22).

See appendix on Adult Social Care saving proposals

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
100	300		400

Percentage of Net Budget proposed:	1.73%
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Effect on HRA/DSG:

HRA: No
 DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Consultation will take place with staff in 2011.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:		3					
Impact on Corporate Priorities:							
Most relevant:		Second most relevant:					
Main Priority: H		Secondary Priority: J					
Impact of saving on corporate priority : Positive		Impact of saving on corporate priority: Positive					
Level of Impact: High		Level of Impact: High					
What is the overall impact on equalities? Please tick one:							
2011/12: Positive		2012/13: Neutral	2013/14: Neutral				
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low							
Ethnicity:	N/A	Disability:	High				
Gender:	N/A	Sexual Orientation:	N/A				
Age:	High	Religion/Belief:	N/A				
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :							
Outcome of full Equalities Impact Assessment (if required) :							
Human Resources Implications							
Will this saving proposal have an impact on staffing levels within your team (yes/no)?			NO				
Within this savings proposals, please state the number of posts in your current structure by grade band.							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
FTE equivalent - posts:			FTE equivalent - vacant posts:				
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
How do you expect to reduce these posts?							
Redundancy/ Redeployment		TUPE		Retirement		Delete vacant post	
Additional Information							
Ward/Geographical implications							
Borough wide							
Impact on Voluntary Sector							
N/A							
Legal Implications							
Can this saving be taken in current Financial Year:					NO		
If yes to previous question what is the value that can be taken?							
What consideration has been given to the possible socio-economic implications of your savings proposals							

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM19 SERVICE: OLDER ADULTS AND HOSPITAL PORTFOLIO: Community Services	COMMUNITY SERVICES - ADULT SERVICES DIVISION LEAD OFFICER: Joan Hutton SELECT COMMITTEE: Healthier Communities
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
32,473	(9,390)	23,083

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Adult Social Care Division arranges services to vulnerable people, such as those with poor physical or mental health, following an assessment of need and consideration of those needs against eligibility criteria. The services operate under statutory guidance. These services including providing personal care and support to people in their own homes.

Description of saving proposed

This saving COM 19 is linked to COM 16

Although this saving is shown under the adult social care budget heading for Older Adults, the total saving will be achieved across the budgets that support all client groups.

This saving will be achieved by restructuring the care management and assessment teams who support clients to establish what care and support they can receive from the Council or elsewhere. A new way of working will be introduced which will establish a reablement service at the start of the client journey, further streamline the assessment and review process, and see the full development of personal budgets and direct payments. The new staffing structure will improve the customer experience, by reducing duplication and waiting times, and will give customers more choice and control over the services they receive.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
180	500		680

Percentage of Net Budget proposed:	2.95%
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Effect on HRA/DSG:

HRA: No

DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Consultation will take place with staff in 2011.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	3
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Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority: H
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority: Positive
Level of Impact: Medium	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12:	2012/13:	2013/14:
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:		Disability:			
Gender:		Sexual Orientation:			
Age:		Religion/Belief:			
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
As this savings proposal has staffing implications, the service will undertake an equalities impact assessment as part of the restructuring process.					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?			YES		
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Please see separate paper on adult social care proposals					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
All wards					
Impact on Voluntary Sector					
Potentially more involvement of the voluntary sector in care planning.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM21 SERVICE: OLDER ADULTS AND HOSPITAL PORTFOLIO: Community Services	COMMUNITY SERVICES - ADULT SERVICES DIVISION LEAD OFFICER: Joan Hutton SELECT COMMITTEE: Healthier Communities
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
32,473	(9,390)	23,083

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Adult Social Care Division arranges services for vulnerable people, such as those with poor physical or mental health, following an assessment of their needs and consideration of those needs against eligibility criteria. The services operate under statutory guidance. These services include providing personal care and domestic support to people in their own homes.

Description of saving proposed

Although this saving is shown against the adult social care budget heading for older adults, the total saving will be achieved across the budgets for all client groups.

The saving will be achieved by increasing the number of direct payments to existing and new service users. Once an assessment of needs and a period of reablement has been completed, all service users who have ongoing eligible needs will be offered a direct payment. A direct payment provides the user with a budget to spend, ensuring more choice and control in the way their needs are met. Integrated into this approach will be the national target to achieve personal budgets for 30% of users by March 2011.

Enabling service users to purchase their care via a direct payment will achieve savings as the service user will not have to pay the same level of on costs as the Council.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
500			500

Percentage of Net Budget proposed: 2.17%

Effect on HRA/DSG:

HRA: No

 DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: H	Secondary Priority: J
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority: Positive
Level of Impact: Low	Level of Impact: High

What is the overall impact on equalities? Please tick one:

2011/12: Positive	2012/13:	2013/14:
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Disability:	Low				
Gender:	Low	Sexual Orientation:	Low				
Age:	Low	Religion/Belief:	Low				
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :							
Outcome of full Equalities Impact Assessment (if required) :							
Not required							
Human Resources Implications							
Will this saving proposal have an impact on staffing levels within your team (yes/no)?			NO				
Within this savings proposals, please state the number of posts in your current structure by grade band.							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
FTE equivalent - posts:			FTE equivalent - vacant posts:				
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
How do you expect to reduce these posts?							
Redundancy/ Redeployment		TUPE		Retirement		Delete vacant post	
Additional Information							
Ward/Geographical implications							
All wards							
Impact on Voluntary Sector							
Potentially there should be an increased role for the voluntary sector in market development and support planning.							
Legal Implications							
Can this saving be taken in current Financial Year:					NO		
If yes to previous question what is the value that can be taken?							
What consideration has been given to the possible socio-economic implications of your savings proposals							

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM22 SERVICE: SUPPORTED HOUSING AND CARE PORTFOLIO: Community Services	COMMUNITY SERVICES - ADULT SERVICES DIVISION LEAD OFFICER: Joan Hutton SELECT COMMITTEE: Healthier Communities
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
5,018	(1,251)	3,767

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 As part of the Adult Social Care Division, the homecare service currently provides domiciliary care support for vulnerable adults. More recently it has also been piloting a reablement service.

Description of saving proposed

This saving will be achieved through the reduction and restructuring of the in-house homecare (domiciliary care) service. In future the service will only provide a reablement service (which will be an offer at the initial stage of a redesigned care pathway).

The proposed reablement service (see COM 17) will enable people with poor physical health to live more independently with their illness or condition by helping them to learn or re-learn the skills necessary for daily living. The reablement service would be provided to the majority of eligible clients for a period of up to six weeks. Experience and research indicates that the average period for reablement is 3 - 4 weeks.

The intention is for the service to focus on reablement as its core business and for any ongoing maintenance homecare packages to be transferred to external providers through the new commissioning framework.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
520	300	0	820

Percentage of Net Budget proposed:	21.77%
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Effect on HRA/DSG:

HRA: No

DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Consultation will take place with staff in 2011.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	3
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Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority: H
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority: Neutral
Level of Impact: Medium	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral	2012/13: Neutral	2013/14: Neutral
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:		Disability:			
Gender:		Sexual Orientation:			
Age:		Religion/Belief:			
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment as part of the restructuring process.					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?			YES		
Please see separate paper on adult social care proposals					
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
All wards					
Impact on Voluntary Sector					
The voluntary sector providers who are on the domiciliary framework may provide homecare to clients.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM27 SERVICE: OLDER ADULTS AND HOSPITAL PORTFOLIO: Community Services	COMMUNITY SERVICES - ADULT SERVICES DIVISION LEAD OFFICER: Joan Hutton SELECT COMMITTEE: Healthier Communities
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
32,473	(9,390)	23,083

Description of Service

Briefly describe your service and state who your customers and stakeholders are:

The Adult Social Care Division arranges services for vulnerable people, such as those with poor physical or mental health, following an assessment of their needs and consideration of those needs against eligibility criteria.

Some of the support provided, to help clients to remain living in their own homes, is means-tested. This includes home care and day care and, increasingly, direct payments.

Description of saving proposed

The saving will be achieved by increasing charges for non-residential services, in other words those services that enable clients to remain living in their own homes.

There is little scope for increasing charges for residential services as these are subject to detailed government guidance (Charging for Residential Accommodation Guidance). However, there is scope for increasing charges for non-residential services where guidance (Fairer Charging and Fairer Contributions) is less prescriptive.

- The guidance sets minimum levels of financial protection that must be given and in most areas the Council's current policy is more generous than the minimum required.
- A separate report proposes that the charging policy be amended in the following ways :
- The proportion of net disposable income that is assessed should be increased from 75% to 90% in April 2011 and to 100% in 2012.
- The maximum charge for services should increase from £290 per week to £395 per week April 2011 and to £500 per week in 2012.
- Clients receiving a disability related benefit should be entitled to a disregard of £5.00 p.w. for disability related expenditure without the need to provide receipts, and higher levels if they can provide receipts
- Subsidies for in-house services be removed over a period of 3 years
- The current protection buffer to be retained at 35% for one year but to be reviewed thereafter.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
200			200

Percentage of Net Budget proposed:	0.87%
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Effect on HRA/DSG:

HRA: No

DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

A full consultation was carried out from 1/9/10 to 30/11/10.

To consult on the proposed changes to adult social care, the Council used a mixed methods approach including development of postal and online questionnaires, focus groups, home visits, outreach consultation events and meetings with voluntary sector partners and providers. In addition to these key meetings and events, the consultation was discussed at various partnership boards and Council staff also attended the Health and Social Care Forum.

A comprehensive programme of outreach was also carried out over the entire course of the consultation. This ensured that those who might have difficulty in participating in the consultation had an opportunity to

<p>contribute their thoughts. This included visits to day centres for adults with a learning disability, supported by skilled trained staff. Home visits gave the opportunity for face to face interviews with house bound older adults or visually impaired clients. Events were hosted by Lewisham Speaking Up and Lewisham Mencap to hear and record the views of adults with learning disabilities.</p> <p>Support for the consultation process was provided through a dedicated telephone help line, which operated from 9.00am – 5.00pm Monday to Friday. The helpline also gave people the opportunity to complete a questionnaire over the telephone. Please see separate paper on charging for the results of the consultation</p>					
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:					3
Impact on Corporate Priorities:					
Most relevant:			Second most relevant:		
Main Priority: H			Secondary Priority:		
Impact of saving on corporate priority : Negative			Impact of saving on corporate priority:		
Level of Impact: Medium			Level of Impact:		
What is the overall impact on equalities? Please tick one:					
2011/12: Negative		2012/13: Neutral		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:	Low		Disability:	High	
Gender:	High		Sexual Orientation:	N/A	
Age:	High		Religion/Belief:	N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
The users of these services are vulnerable adults, usually on low incomes. Any increase in charges will reduce the disposable income of some clients although the proposal will retain a level of protection to those on the lowest incomes.					
Outcome of full Equalities Impact Assessment (if required) :					
Please see separate paper on charging.					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
All wards					
Impact on Voluntary Sector					
No					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM28 SERVICE: OLDER ADULTS AND HOSPITAL PORTFOLIO: Community Services	COMMUNITY SERVICES - ADULT SERVICES DIVISION LEAD OFFICER: Joan Hutton SELECT COMMITTEE: Healthier Communities
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
32,473	(9,390)	23,083

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Adult Social Care Division arranges services to vulnerable people, such as those with poor physical or mental health, following an assessment of need and consideration of those needs against eligibility criteria.

These services include the meals on wheels service which delivers 275 hot meals per day to elderly and disabled clients. A further 30 clients receive frozen meals. 80 hot meals are delivered each day to users of the Council's day centres.

Description of saving proposed

Increasing the charge for Meals on Wheels
 The current cost of a hot meal is £5.50 and the charge to users is £3.00. Officers propose that the charge be increased to £3.50 which should generate additional income of around £50k.

The average cost of meals to the Council (excluding overheads) is £5.30 (£5.63 for hot meals and £2.90 for frozen meals).

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
50			50

Percentage of Net Budget proposed:	0.22%
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Effect on HRA/DSG:

HRA: No

DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

A full consultation was carried out from 1/9/10 to 30/11/10.
 To consult on the proposed changes to adult social care, the Council used a mixed methods approach including development of postal and online questionnaires, focus groups, home visits, outreach consultation events and meetings with voluntary sector partners and providers. In addition to these key meetings and events, the consultation was discussed at various partnership boards and Council staff also attended the Health and Social Care Forum.

A comprehensive programme of outreach was also carried out over the entire course of the consultation. This ensured that those who might have difficulty in participating in the consultation had an opportunity to contribute their thoughts. This included visits to day centres for adults with a learning disability, supported by skilled trained staff. Home visits gave the opportunity for face to face interviews with house bound older adults or visually impaired clients. Events were hosted by Lewisham Speaking Up and Lewisham Mencap to hear and record the views of adults with learning disabilities.

Support for the consultation process was provided through a dedicated telephone help line, which operated from 9.00am – 5.00pm Monday to Friday. The helpline also gave people the opportunity to complete a questionnaire over the telephone. Please see separate paper on charging for outcome of the consultation.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	3
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Impact on Corporate Priorities:					
Most relevant:			Second most relevant:		
Main Priority: H			Secondary Priority: J		
Impact of saving on corporate priority : Negative			Impact of saving on corporate priority: Neutral		
Level of Impact: Low			Level of Impact: Low		
What is the overall impact on equalities? Please tick one:					
2011/12: Negative		2012/13: Neutral		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:		Low		Disability:	
Gender:		Medium		Medium	
Age:		Medium		Sexual Orientation:	
				N/A	
Religion/Belief:				N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
The proposed charges are lower than the cost of the meals being supplied so the meals still represent value for money for the users. However, the increases will reduce the disposable income of all recipients.					
Outcome of full Equalities Impact Assessment (if required) :					
Please see separate paper on charging.					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
All wards					
Impact on Voluntary Sector					
There could be opportunities for the voluntary sector to develop a market in this area.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM31 SERVICE: ARTS SERVICE & BROADWAY THEATRE PORTFOLIO: Community Services	COMMUNITY SERVICES - COMMUNITY & NEIGHBOURHOOD DEVELOPMENT LEAD OFFICER: Liz Dart SELECT COMMITTEE: Safer & Stronger
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
2,086	(1,035)	1,051

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Lewisham's People's Day is the borough's largest annual event led by the Council but with contributions from all LSP partners.

The event has been running for 27 years.

Description of saving proposed

It is planned to make a 20% reduction to the Council's contribution to the event, equivalent to £19k.

This will be achieved through increasing third party income by 5%, scaling back elements of the event and working with the main contractor to identify efficiencies. This will mean that the Council's contribution will be only 45% of the overall cost of staging the event in 2011.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
19	0	0	19

Percentage of Net Budget proposed: 1.81%

Effect on HRA/DSG:

HRA: No
 DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: I	Secondary Priority: A
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact:	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:		Disability:	
Gender:		Sexual Orientation:	
Age:		Religion/Belief:	

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
Legal Implications					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM32 SERVICE: COMMUNITY SECTOR GRANTS PORTFOLIO: Community Services	COMMUNITY SERVICES - COMMUNITY & NEIGHBOURHOOD DEVELOPMENT LEAD OFFICER: Liz Dart SELECT COMMITTEE: Safer & Stronger
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
7,004	(387)	6,617

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Community Sector Unit provides support for the third sector through grant aid, premises and capacity building. This supports third sector organisations to provide services that deliver a wide range of positive outcomes for local residents.

Description of saving proposed

The 32 London boroughs and the Corporation of London are required by statute to contribute to the funding of the London Borough Grants Scheme administered by London Councils. A review of this scheme has proposed a reduction to borough contributions and, once the need to ensure that priority services provided by the third sector in the borough are sustained, it is anticipated that a reduction of 16% of the current Lewisham Council contribution can be achieved in 2012/13.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
0	144	0	144

Percentage of Net Budget proposed: 2.18%

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: A	Secondary Priority:
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority:
Level of Impact: Low	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Disability:	Sexual Orientation:	
Gender:	Religion/Belief:		

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Officers will be looking at any impact of the reductions made by London Councils to those organisations providing services to borough residents.

Outcome of full Equalities Impact Assessment (if required) :

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
A number of local organisations are aware that their funding is likely to be reduced by London Councils and officers will be working with those organisations to consider the impact this will have on their sustainability.					
Legal Implications					
Can this saving be taken in current Financial Year:				NO	
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM33 SERVICE: COMMUNITY MENTAL HEALTH PORTFOLIO: Community Services	COMMUNITY SERVICES - ADULT SERVICES DIVISION LEAD OFFICER: Dee Carlin SELECT COMMITTEE: Healthier Communities
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
10,305	(3,656)	6,649

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 A Section 31 partnership arrangement is in place for the integrated commissioning and provision of adult mental health and social care services in Lewisham. It has been agreed to update this to a Section 75 agreement in light of new legislation.

Services are commissioned to support residents with mental health needs e.g. inpatient, community, forensic, specialist and voluntary sector.

Description of saving proposed

Further efficiencies from the SLAM contract - £200k in 12/13 and £200k in 13/14

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
	200	200	400

Percentage of Net Budget proposed: 6.02%

Effect on HRA/DSG:

HRA: No
 DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Consultation with providers and users as appropriate

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority:
Level of Impact:	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:		Disability:	
Gender:		Sexual Orientation:	
Age:		Religion/Belief:	

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
All wards					
Impact on Voluntary Sector					
Legal Implications					
Can this saving be taken in current Financial Year:				NO	
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM34 SERVICE: SUPPORTING PEOPLE PORTFOLIO: Community Services	COMMUNITY SERVICES - CRIME REDUCTION & SUPPORTING PEOPLE LEAD OFFICER: Geeta Subramaniam SELECT COMMITTEE: Healthier Communities
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
18,987	(18,779)	208

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Supporting People programme commissions housing support services for vulnerable people to enable them to live independent lives. The services funded from this programme support a range of client groups including those with mental health conditions, learning disabilities, older and young people, offenders and those with substance misuse issues. Services are currently delivered both internally and by external providers.

Description of saving proposed

The framework agreement will continue to deliver efficiencies from decommissioning, recommissioning and renegotiating contracts and reducing provision where appropriate.

Additional savings may be secured through this process and, if achieved, put forward for approval.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
600	600	0	1,200

Percentage of Net Budget proposed:

Effect on HRA/DSG:

HRA:

DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: **3**

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority: H
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority: Negative
Level of Impact:	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

There will be a consistent approach to commissioning to ensure that no equality group is affected disproportionately.

Outcome of full Equalities Impact Assessment (if required) :

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
All wards					
Impact on Voluntary Sector					
All provision will be commissioned through the Framework Agreement. This Framework includes a significant number of third sector organisations.					
Legal Implications					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
None at this stage.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: COM35 SERVICE: NEIGHBOURHOOD DEVELOPMENT: LOCAL ASSEMBLIES PORTFOLIO: Community Services	COMMUNITY SERVICES - COMMUNITY & NEIGHBOURHOOD DEVELOPMENT LEAD OFFICER: Liz Dart SELECT COMMITTEE: Safer & Stronger
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
871	(9)	862

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Local Assemblies programme works in partnership with local communities, strengthening the voice of local people and achieving solutions to the problems they identify.

Each ward is currently allocated £10k per annum and recommendations for its use are made by the ward members in consultation with the local assembly.
 Funds are allocated to community projects that benefit the local ward. This is separate to the Mayor's Fund which is not part of Community Services Directorate Budget.

Description of saving proposed

A phase 1 saving of £45k reduced the allocation in 2011/12 onwards to £7.5k to each ward. This further proposal is to cut the remaining budget - i.e. £7.5k per ward or £135k in total.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
135			135

Percentage of Net Budget proposed:	15.66%
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Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	4
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Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: A	Secondary Priority:
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority:
Level of Impact: Medium	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12:	2012/13:	2013/14:
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Disability:
Gender:	Sexual Orientation:
Age:	Religion/Belief:

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
All wards					
Impact on Voluntary Sector					
The loss of this funding means that some groups that might have received funding will not in future.					
Legal Implications					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS02 SERVICE: HOUSING NEEDS PORTFOLIO: Customer Services	CUSTOMER SERVICES - HEAD OF STRATEGIC HSG & BUSINESS REG. LEAD OFFICER: Karen Shaw SELECT COMMITTEE: Housing
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
2,338	(30)	2,308

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Provides a range of accommodation, assessment and housing related support services to customers in housing need. Services include:

- Provisions of private sector housing advice, homeless prevention and options advice, homelessness assessment and review services
- Management and maintenance of the housing register, allocations of social housing through Lewisham Homesearch, underoccupation and overcrowding initiatives and medical assessment
- Advice, prevention and support needs assessment services for single households with support needs, allocation of supported housing vacancies and provision of other housing related support services to single customers in housing need, including youth homelessness services for 16-17 year olds.
- Procurement, clienting and management of a range of temporary accommodation used for customers who are homeless. Includes income collection, management of tenancy and licence conditions and the provision of support services to customers living in temporary accommodation
- Policy and performance reporting on housing needs services and other service support functions

Description of saving proposed

Redesign Re-housing and Lettings Service:

Work is underway to redesign the re-housing and lettings service. There is a strategy for moving many of the current services to CallPoint and the front office. This will release savings of £50K.

The Rehousing Development Unit within the housing needs service provides a processing and assessment function for the housing register, allocations service through our choice based lettings system, Lewisham Homesearch, overcrowding and under-occupation initiatives and medical assessment of housing applications.

A project has been put in place to review the key functions in the Rehousing Service to identify the potential for more effective processing, whilst also producing savings on the accessibility of the service to customers.

The first phase of the review has focussed on administration of the housing register and identifying alternative methods for delivering the service which reduce staff costs, given these are currently overstretched as a result of demand. This phase close to completion. The options have been tested and costed in order to select the best course for future provision.

A decision has been made to set up a mixed approach to processing with elements of electronic application (to register the interest of low need applications) and assisted completion (to assess higher need more complex applications). The volumes and costings are now being worked up in more detail and the team structure is being assessed to see what changes need to be made to support this approach. The changes will also support the new homeless prevention model being launched in housing options from April and any changes will be integrated to work well with this approach as well as the new agenda current government consultation on housing.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
50			50

Percentage of Net Budget proposed:	2.17%
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Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory					
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:					3
Impact on Corporate Priorities:					
Most relevant:			Second most relevant:		
Main Priority: F			Secondary Priority:		
Impact of saving on corporate priority : Positive			Impact of saving on corporate priority:		
Level of Impact: Low			Level of Impact:		
What is the overall impact on equalities? Please tick one:					
2011/12: Positive		2012/13: Positive		2013/14: Positive	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:	Low		Disability:	Low	
Gender:	Low		Sexual Orientation:	N/A	
Age:	Low		Religion/Belief:	N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
As this savings proposal may have staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					TBA
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
0	16.5	66	32	3	
FTE equivalent - posts: 96 FTE			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

DIRECTORATE AND DIVISION:	CUSTOMER SERVICES - HEAD OF STRATEGIC HSG & BUSINESS REG.
REF: CUS03	
SERVICE: HOUSING NEEDS	LEAD OFFICER: Karen Shaw
PORTFOLIO: Customer Services	SELECT COMMITTEE: Housing

2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
2,338	(30)	2,308

Description of Service

- Provides a range of accommodation, assessment and housing related support services to customers in housing need. Services include:
- Provisions of private sector housing advice, homeless prevention and options advice, homelessness assessment and review services
- Management and maintenance of the housing register, allocations of social housing through Lewisham Homesearch, underoccupation and overcrowding initiatives and medical assessment
- Advice, prevention and support needs assessment services for single households with support needs, allocation of supported housing vacancies and provision of other housing related support services to single customers in housing need, including youth homelessness services for 16-17 year olds.
- Procurement, clienting and management of a range of temporary accommodation used for customers who are homeless. Includes income collection, management of tenancy and licence conditions and the provision of support services to customers living in temporary accommodation
- Policy and performance reporting on housing needs services and other service support functions

Description of saving proposed

Review of Temporary Accommodation: This saving would be achieved by changes to the way in which temporary accommodation is procured and managed. This will release savings through more efficient procurement and management.

A project has been initiated to:-

- Make an assessment of the possible options for current and future procurement of PSL accommodation looking at value for money, risk and quality and consider the impact on each option of the Government's recent proposed changes to Local Housing Allowances (LHA) and temporary accommodation subsidy arrangements
- Review the current arrangements for managing and maintaining PSL accommodation in Lewisham and consider the alternative approaches to managing Lewisham's PSL stock, considering retaining all or some aspects of the service in house alongside the case for outsourcing all or part of the service
- Look to reduce reliance on Bed and Breakfast Accommodation
- Comment on the impact on the private rented market of current and future provision options, including the impact of migration into the borough by authorities adversely affected by changes to LHA and competition as a result of Housing Association Leased accommodation and other agencies, both local and external, procuring in the local market

Complementing our work is a review of use of private rented sector and options for sub-regional working is currently being carried out by the South East London Housing Partnership. This piece of work has been commissioned in light of the pressures that may arise due to changes in welfare benefits over 2011-14 and proposed housing reform in the Localism Bill which is likely to encourage even greater use of the private sector for the homeless and others in housing need. One of the options being explored is the setting up of a sub-regional local lettings agency and this may contribute to the work being undertaken in Lewisham.

Implementation of the recommendations will be worked through in January 2011 in order to commence the change process early in the year.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
100	400	200	700

Percentage of Net Budget proposed: 30.32%

Effect on HRA/DSG:

HRA: **DSG:**

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory					
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:					2
Impact on Corporate Priorities:					
Most relevant:			Second most relevant:		
Main Priority: J			Secondary Priority:		
Impact of saving on corporate priority : Positive			Impact of saving on corporate priority:		
Level of Impact: Medium			Level of Impact:		
What is the overall impact on equalities? Please tick one:					
2011/12: Neutral		2012/13: Neutral		2011/12: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:		N/A		Ethnicity:	
N/A		N/A		N/A	
Gender:		N/A		Gender:	
N/A		N/A		N/A	
Age:		N/A		Age:	
N/A		N/A		N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					TBA
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
0	16.5	66	32	3	0
FTE equivalent - posts: 96 FTE			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
Legal Implications					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS04 SERVICE: BUSINESS REGULATORY SERVICES PORTFOLIO: Customer Services	CUSTOMER SERVICES - HEAD OF STRATEGIC HSG & BUSINESS REG. LEAD OFFICER: Tony Mottram SELECT COMMITTEE: Sustainable Development
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
2,219.4	(2,052.6)	166.8

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Environmental Health Residential – Advises private tenants on suitable condition of their premises. HMO Licensing of qualifying properties.
 Grants / Staying Put – Provides residents with grants and interest free loans under certain circumstances. Home improvement agency assists residents to remain in their premises along with a handypersons service.
 Licensing – Administration and enforcement of the Licensing Act 2003, Gambling Act 2005, special treatments, animal related licenses and sex establishments. Smoke free compliance and enforcement.
 Building Control / Admin – Offers advice to business and the general public on all construction matters, admin offer full support to buiding control and the service group manager with additional support to the other teams when required.

Description of saving proposed

We have carried out a transformation review of the Building Control, Licensing and Private Sector Housing and this has identified savings of £200k which can be achieved through a combination of the following:

- Transferring customer contact to CallPoint
- Use of the website to give advice, receive applications and take payments
- Streamlining the administration support for the three areas
- Streamlining the structure in private sector housing to reduce posts at team leader level

The existing structure of 5 service areas will be reduced to 4. Both the 'Grants' and 'Staying Put' services are heavily dependant on external funding from Central Government, Supporting People, Adult Social Care. Savings are to be made in all areas and this will reduce levels of funding in the affected areas.

Environmental Health Residential

The basic structure and operating mechanism of this service will remain similar to the way it is now. Currently two officers have reduced their working hours to the equivalent of 0.6 FTE. This gives effectively a vacant post of 0.8 FTE which is covered on an agency basis . It is proposed that this vacant post is deleted to provide the saving. This will reduce the number of HMO's identified for licensing. The Admin officer post will be deleted and admin support will be provided by the Grants Admin officers.

Grants / Staying Put

These two teams will be merged reporting to the grants manager. One arm will have responsibility for grants and administration and the other will be responsible for scheme design and site supervision. This will enable savings to be made and avoid duplication of tasks. 'Staying Put' is dependant on both internal and external grant income and also fees earned from design works carried out. At present the general fund supports approximately 1.5 officer posts and this will reduce to just one. All officers within the Handyperson service are currently on short term contracts or are employed on an agency basis. Consequently there should be the flexibility to adjust the structure to whatever funding may be available.

Licensing

The remit of this section remains largely unchanged however there will be a reduction in proactive work undertaken with regard to the smoke free legislation. The team will be restructured to maintain all other service levels whilst achieving the required savings. Due to the nature of the Licensing Services it is preferable to have more officers on reduced hours than to lose entire posts. The Senior Licensing Officer PO1 post will be deleted and the Licensing Officer (applications) PO1 post will be reduced to 0.8 FTE. A Sc5 Licensing Co-ordinator post 0.6 FTE will be created.

Building Control / Admin

Although the admin supervisor will report directly to The Service Group Manager the support will be predominantly for Building Control with one officer covering general group work and extra cover during absence and leave. The administration managers post is deleted and a new post created with an indicative grade of SO1 making a saving for the trading account. The current reception post will be deleted and a new post created following the recommendations of the service review to operate new working arrangements. These savings will be partially to the general fund and partially to the Building Control trading account to reflect the reduction in income that is expected from a general reduction in activity in the building industry.

Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
150	25	25	200
Percentage of Net Budget proposed:			
Effect on HRA/DSG:			
HRA:			
DSG:			
Outcome of Consultation (if required)			
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory			
Detailed proposals were drawn up and presented to staff for consultation. Issues raised included : the deletion of posts across all teams; continued funding of the Handypersons Service; and merging of the Staying Put and Grants Teams These were addressed in the management response to the consultation where a post was reinstated to the structure that was originally missed off in error and the change of name of the merged team to The Grants and Staying Put Service. No other changes were made to the original restructure proposal. As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This cannot be completed until the staff selection processes have been finished.			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			4
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: C		Secondary Priority:	
Impact of saving on corporate priority : Positive		Impact of saving on corporate priority:	
Level of Impact: Medium		Level of Impact:	
What is the overall impact on equalities? Please tick one:			
2011/12: Postive	2012/13: Positive	2011/12: Postive	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:	Medium	Ethnicity:	Medium
Gender:	Low	Gender:	N/A
Age:	Medium	Age:	N/A
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :			
Outcome of full Equalities Impact Assessment (if required) :			
The reduction in funding for Handy Persons services will have an impact on the number of older and vulnerable people who can be helped to live independently for longer. Discussions are taking place in the sub region about opportunities to continue to provide such services on a shared basis and with Health partners on looking at opportunities for pooled funding but there has been no agreement to date			
The EIA undertaken as part of the review of this service highlighted a number of actions in respect of the individual services that will be implemented as part of the proposed restructure.			
In addition to the discussions taking place in the sub-region the EIA also identified the following areas for improvement.			
<ul style="list-style-type: none"> - Utilise and expand existing web and telephone channels to improve the range of pre-application advice, focusing on promoting service standards, processes and timeframes so that customers are empowered to make informed decisions about home improvements - Streamlining back office processes to focus on removing duplication, reducing waiting times and the number of visits undertaken by a different teams to a customer's home - Review and simplify documentation sent out to customers 			
As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.			

Human Resources Implications							
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES		
Within this savings proposals, please state the number of posts in your current structure by grade band.							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
0	10	6	31	4	0		
FTE equivalent - posts: 51			FTE equivalent - vacant posts: 0				
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
0	1	2	4	0	0		
How do you expect to reduce these posts?							
Redundancy/ Redeployment	4	TUPE		Retirement	2	Delete vacant post	1
Additional Information							
Ward/Geographical implications							
Impact on Voluntary Sector							
None							
Legal Implications							
None							
Can this saving be taken in current Financial Year:					NO		
If yes to previous question what is the value that can be taken?							
What consideration has been given to the possible socio-economic implications of your savings proposals							
None							

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS09 SERVICE: CUSTOMER SERVICES PORTFOLIO: Customer Services	CUSTOMER SERVICES - PUBLIC SERVICES LEAD OFFICER: Lew Mc Kenzie SELECT COMMITTEE: Public Accounts Committee
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
2,986.6	(507)	2,479.6

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 ServicePoint is responsible for delivering front line services to our residents. This includes the Council's 3 AccessPoints and the Callcentre which includes the main switchboard service as well as the out of hours switchboard emergency service. The service deals with 1.1 million phone calls 150,000 visitors each year.

Description of saving proposed

ServicePoint - Automated Switchboard: The proposal is to use an automated switchboard with voice recognition software to replace some of the switchboard staff. This is not a 'press 1 for x or 2 for y'. The system works by recognising speech and routing the call accordingly. For example, a customer will call the switchboard number and be answered by the system which will ask them to say the name of the person or service they wish to speak to. The customer will say who they want to speak to and the system will automatically route the call. If the system does not recognise who they ask for or the person says nothing the call will be forwarded to a switchboard operator. The system is used successfully by a number of London boroughs.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
50	50		100

Percentage of Net Budget proposed: 4.03%

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority:
Level of Impact: Low	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Negative 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Disability:	Medium
Gender:	Low	Sexual Orientation:	Low
Age:	Low	Religion/Belief:	Low

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

There may be some impact on those who have disabilities e.g. hard of hearing or issues with speech as the system will be predominantly voice recognition and may struggle to identify initially those who have a speech impediment. However, those customers will always have the option of speaking to a person on the switchboard if needed.

Outcome of full Equalities Impact Assessment (if required) :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
A further report would be submitted to Mayor and Cabinet on any proposed contract and this report would address the full equalities issues.					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	8				
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	2.5				
How do you expect to reduce these posts?					
Redundancy/ Redeployment	2. 5	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
None					
Legal Implications					
None					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS11 SERVICE: HOUSING BENEFITS PORTFOLIO: Customer Services	CUSTOMER SERVICES - PUBLIC SERVICES LEAD OFFICER: Mick Lear SELECT COMMITTEE: Public Accounts Committee
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
210,977	(205,184)	5,793

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Benefit service is responsible for administering all claims for housing and council tax benefit including overpayment (OP) recovery and concessionary awards. Claims are received from the tenants of Council, housing associations and private-sector housing and awards made of £220m in benefit annually. The client base is extremely diverse and comprises of many of Lewisham's most vulnerable residents.

Description of saving proposed

Benefits Transformation Project: The service was reviewed and restructured during 2009/10 as part of the Customer Service Transformation programme. As the changes to the service take effect, quality improves and the failure demand reduces, it is possible to reduce the number of benefits officers by a further 13 posts over the next two years.
 There is some risk to this being delivered, to a large extent the risk is dependant on whether or not there is a reduction in the subsidy received from DWP for the administration of the HB scheme. In which case it would be unlikely that the service could be delivered. If no further savings are imposed, the proposed reduction should have a minimal impact on the service.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
90	350	0	440

Percentage of Net Budget proposed: 6.04%

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 2

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority:
Level of Impact: Medium	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Positive 2011/12: Positive

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Ethnicity:	Low
Gender:	Low	Gender:	Low
Age:	Low	Age:	Low

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Housing and Council Tax benefits are awarded to the most vulnerable of residents, any deterioration in service delivery potentially impacts on security of tenure and may result in people losing their homes. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.

As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.

Outcome of full Equalities Impact Assessment (if required) :

A number of proposals are being looked at to reduce customer contact, including the introduction of a new performance model that will reduce the numbers of errors and improve productivity, both of which will enable us to reduce numbers of customer contact. We are also looking at implementing a scheme of processing HB claims directly from "let sheets" completed by RSL partners and will be changing our service and only seeing customers on an "appointment only" basis.

As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/ Change Management policies.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? YES

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	6	97	8	3	

FTE equivalent - posts: 114 FTE equivalent - vacant posts:

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		13			

How do you expect to reduce these posts?

Redundancy/ Redeployment	13	TUPE		Retirement		Delete vacant post	
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Additional Information

Ward/Geographical implications

Impact on Voluntary Sector

It is unlikely that the proposals will have any impact, if performance deteriorated and no action was taken there may be a slight increase in contact being made by customers to voluntary sector organisations. However, this will be monitored closely to ensure that the envisaged efficiencies are made and that any potential impact is mitigated.

Legal Implications

None

Can this saving be taken in current Financial Year: NO

If yes to previous question what is the value that can be taken?

What consideration has been given to the possible socio-economic implications of your savings proposals

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS14 SERVICE: REVENUES SERVICES PORTFOLIO: Customer Services	CUSTOMER SERVICES - PUBLIC SERVICES LEAD OFFICER: Lorraine Richards SELECT COMMITTEE: Public Accounts Committee
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
32,246.5	(30,762)	1,484.5

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Revenues Service is responsible for the collection of Council Tax, Business Rates and sundry debts. Services are delivered to every household and business in the borough.

Description of saving proposed

Revenues - Transformation Project: As part of the Customer Service Transformation review the service was reviewed and restructured in 2009/10. As the changes to the service take effect and the failure demand reduces it will be possible to reduce the number of Revenues Officers by a further 4.5 posts over the next three years (1.5 in 2012/13 and 3 in 2013/14). The phasing is important as the service needs to embed the current changes and improve the Council Tax collection rate.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
	60	115	175

Percentage of Net Budget proposed: **11.79%**

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
 Staff consultation on this proposal will not be undertaken until the year prior to the proposal being implemented. This is line with the HR advice contained in the Management of Change Policy

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: **4**

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority:
Level of Impact: Low	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Positive **2012/13:** Positive **2013/14:** Positive

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Disability:	Low
Gender:	Low	Sexual Orientation:	Low
Age:	Low	Religion/Belief:	Low

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.

Outcome of full Equalities Impact Assessment (if required) :

A full analysis of customer demand and individual performance will be undertaken prior to changes being introduced. In addition, resources would need to be prioritised in key areas of risk eg processing new claims so that any potential risks are fully mitigated

As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		46	7		
FTE equivalent - posts: 53			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
None					
Legal Implications					
None					
Can this saving be taken in current Financial Year:				NO	
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS16 SERVICE: REVENUES SERVICES PORTFOLIO: Customer Services	CUSTOMER SERVICES - PUBLIC SERVICES LEAD OFFICER: Lorraine Richards SELECT COMMITTEE: Public Accounts Committee
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
32,246.5	(30,762)	1,484.5

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Cashiering Service collects and processes cash, cheque and card income on behalf of all Council departments for all fund types. It reconciles and posts transaction data to the Income Management System which updates the General Ledger on a daily basis. The main income types are council tax, rents, leasehold charges, business rates and sundry debtors.

The service also prepares and issues cash, cheque and Prepaid Card payments that have been requested by any Council department. The most common are housing benefit cheques, creditors cheques and pay advances. Appropriate records are maintained for all income and payments processed. The service manages all the corporate card transaction systems, card chargebacks, unpaid cheques and stops on cheques. It also leads on maintaining the Payment Card Industry Data Security Standards.

Description of saving proposed

Revenues - Close Cashiers to the Public: The team currently comprises of 8 staff (1 x PO5, 1 x PO2, 1 x PO1, 1 x Sc5, 4 x Sc4). In year 1 the proposed change will see the closure of the customer facing service for the receipt of incoming payments to the Council 'over the counter' and outgoing payments such as Payroll corrections to employees and leaving care customers. By year 2 the back office functions will have been fully reviewed to achieve the remaining efficiency savings.

By closing the cashiers office a saving of 5 posts can be made. The saving will be phased over 2 years to accommodate restructuring of the remaining back office functions. This will include realigning management responsibility for the back office functions and handling cash and other forms of income collected by Council departments. This approach is also being considered by other local authorities to make savings, but it is recognised that the service will have to work with customers to ensure a smooth transition towards other methods of payment.

There is a degree of risk to the year 1 proposals being delivered by 1 April 2011. There is currently a corporate project underway to eliminate cash / cheques as a means of payment across the Council. The staff identified as 'Cashiers' whose posts will be deleted in year 1 also fulfil back office duties. The front / back office duties will need to be split to enable this saving to be made.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
75	75		150

Percentage of Net Budget proposed: 10.10%

Effect on HRA/DSG:

HRA: -

DSG: -

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Over recent years a number of local authorities have sought to reduce the organisational reliance on cash and

cheques as payment channels as a result of their higher associated processing unit costs.

The objective is to migrate cash payers either to alternative channels (i.e. debit card) or where this is not possible enable the appropriate infrastructure to be put in place to take cash payments only at our PayPoints or Post Offices. Consultation was undertaken on this basis.

Staff Consultation

Detailed proposals were drawn up and presented to staff for consultation.

Issues raised included: the status of the current SLA with Stakeholders; alternative ways to access the service; and the results of the public consultation.

These were addressed in the management response to the consultation, which concluded that no changes were necessary to the original restructure proposal.

Public Consultation

Consultation consisted of four main strands of activity:

- Customer Surveys – to better understand our customer base within the Cashiers service; identify reasons for cash payments; understand the propensity to move customers to alternative payment methods and identify how we can support this transition if the service is closed
- Voluntary and Community Sector workshop – to understand the impact of these proposals on particular customer groups who may be more vulnerable or adversely impacted by the service closure
- Positive Ageing Board workshop – to understand the perspective of older people (based upon the equality impact assessment which identified a potential negative impact)
- Consultation discussions with Lewisham Homes and Phoenix – to determine the views of these services on the closure and what would need to be done to support the transition of these services, who currently take cash at cashiers, to cashless alternatives

Summary of Consultation Results

Customers

- Customers visiting the Cashiers service predominantly pay for Council Tax or Housing Rent. On average, the majority of customers visit the Cashiers service once a month
- The majority of customers to the cashiers service live locally to the cashiers service - 41% of customers surveyed were residents of Catford whilst only 5% and 4% were residents of New Cross and Deptford respectively
- 89% of customers surveyed do have a bank account. When asked about alternative payment methods if the proposal for closure goes ahead, 38% of customers would pay cash at the Post Office, 22% pay cash at PayPoint and 22% would pay by direct debit or credit card via the internet
- When asked how the Council could encourage these changes, although responses were varied and in some cases no answers given, 'better explanation from staff and advertising' was deemed most important
- Data collected by the cashiers service shows that nearly 4.5 times more customers already use PayPoints and Post Offices than use the cashiers service. Furthermore, 58% of customers surveyed in 2010 have used a PayPoint or Post Office to make a payment before

Lewisham Homes and Phoenix

- Both Lewisham Homes and Phoenix support the proposal for the closure of the cashiers service. In both cases work had been undertaken to try and convert cash payers to alternative channels and the closure is seen to provide a catalyst for further change

Voluntary and Community Sector and Positive Ageing Board workshops

The consultation highlighted two distinct differences:

- Broad support for the proposal and particularly welcomed e.g. Positive Ageing Board, Age Concern and Lewisham Talking Newspaper
- Hesitancy and concern about the impact the proposals would yield on particular customer groups, especially those most vulnerable e.g. Lewisham Disability Coalition and Carers Lewisham

The Positive Ageing Board anticipated the closure would have a positive impact on safety. Research conducted

by the police identified that older customers were at risk of theft when paying in cash to the cashiers service because of their patterns in payment behaviour on particular days in the month. It was deemed less obvious when making payments at Post Offices or PayPoints

Lewisham Talking Newspaper representing customers with visual impairment, outlined positive feedback from their customers about using PayPoints

There was the feeling that paying via PayPoints would create a better experience and a new habit or routine for some customers

- 'our customers like the ideas of paying in PayPoints as it would support local businesses' (Talking Newspaper)
- 'the proposal is a logical solution' (Age Concern)

The full consultation report and the Equalities Impact Assessment are included as a separate Appendix to the budget report.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority:
Level of Impact: Low	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Negative 2012/13: Positive 2013/14: Positive

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Medium	Disability:	Medium
Gender:	Medium	Sexual Orientation:	N/A
Age:	Medium	Religion/Belief:	Low

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :

Consultation with key stakeholders identified concerns the impact the closure of the cashiers service could have on particular customer groups especially the more vulnerable. These concerns included:-

- Accessibility to Pay Points and Post Offices
- Level of Customer Service in Pay Points and Post Offices
- Communication and Correspondence
- Reconciliation and receipt of payments so enforcement action is not taken so quickly
- Only being able to pay in cash

Impact of the closure will be relatively localised.

However, work is underway to ensure the concerns raised are investigated and solutions identified to mitigate the impact. These include:-

- Developing technology to support changes to payment methods
- A review of services that use the cashiering service to determine alternative payment methods
- Review of correspondence
- Introducing new payment mechanisms (i.e. chip and pin devices) to enable payments to be taken over the phone or at alternative locations
- Training and development of staff
- Re-designing payment and re-conciliation processes across all payment types
- Undertaking accessibility audits of local PayPoints

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? YES

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	5		2	1	
FTE equivalent - posts: 8			FTE equivalent - vacant posts:		

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	4		1		
How do you expect to reduce these posts?					
Redundancy/ Redeployment	5	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
None					
Legal Implications					
None					
Can this saving be taken in current Financial Year:				NO	
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:		CUSTOMER SERVICES - PUBLIC SERVICES	
REF: CUS17		LEAD OFFICER: Lorraine Richards	
SERVICE: REVENUES SERVICES		SELECT COMMITTEE: Public Accounts Committee	
PORTFOLIO: Customer Services			
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
32,246.5	(30,762)	1,484.5	
Description of Service			
<p>Briefly describe your service and state who your customers and stakeholders are: The Revenues Service is responsible for the collection of Council Tax, Business Rates and sundry debts. Services are delivered to every household and business in the borough.</p>			
Description of saving proposed			
<p>Revenues - Transfer 14 day letters to Bailiffs: Following Summons hearings the service currently sends out 25,000 notices advising debtors that they have 14 days to pay the debt (including costs) before it is passed to the Council's bailiffs and deals with the customer enquiries that these letters generate. It is proposed to transfer this function (at zero cost) to the existing bailiffs.</p> <p>The proposal will release a saving of 1.5FTE and improve the recovery process.</p>			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
50			50
Percentage of Net Budget proposed:		3.37%	
Effect on HRA/DSG:			
HRA:			
DSG:			
Outcome of Consultation (if required)			
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			3
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: J		Secondary Priority:	
Impact of saving on corporate priority : Positive		Impact of saving on corporate priority:	
Level of Impact: Low		Level of Impact:	
What is the overall impact on equalities? Please tick one:			
2011/12: Neutral		2012/13: Neutral	
		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :			
A high percentage of customers referred to the bailiffs because of non-payment are genuinely unable to manage their financial affairs and may be on very low incomes. Work is underway to encourage residents to pay on time and avoid getting into arrears			
Outcome of full Equalities Impact Assessment (if required) :			

As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? YES

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		46	7		

FTE equivalent - posts: 53 FTE equivalent - vacant posts:

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		1.5			

How do you expect to reduce these posts?

Redundancy/ Redeployment	1.5	TUPE		Retirement		Delete vacant post	
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Additional Information

Ward/Geographical implications

Impact on Voluntary Sector

The voluntary sector may experience an increase in the number of enquiries received from residents for assistance in sorting out their council tax matters, as they are reluctant to deal directly with the bailiffs.

Legal Implications

None

Can this saving be taken in current Financial Year: NO

If yes to previous question what is the value that can be taken?

What consideration has been given to the possible socio-economic implications of your savings proposals

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS18 SERVICE: REFUSE COLLECTION SERVICE PORTFOLIO: Customer Services	CUSTOMER SERVICES - HEAD OF ENVIRONMENT DIVISION LEAD OFFICER: Michael Bryan SELECT COMMITTEE: Sustainable Development
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
5,480	(1,723)	3,757

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Lewisham waste collection services provide a weekly domestic and recycling collection of household waste to 113,138 properties. The service also provides a collection service to approximately 1300 commercial properties on a weekly basis

Description of saving proposed

To Cease the night-time refuse collection service.
 This service clears trade waste & waste from flats above shops in main streets and shopping areas to support the street cleansing operation.

The service operates between 10 pm and 6am 5 days each week (Wed – Sun) and collects approx 32 tonnes of waste each week from the retail areas in Lewisham, Catford, Ladywell, Honor Oak, Sydenham, Forest Hill, Blackheath, Lee and New Cross. This service is currently staffed with agency workers

These areas are classed as 'high intensity use' areas in the Code of Practice and should litter and refuse be identified in these areas the requirement is to ensure that this is brought up to a grade A standard within half a day. This means by 6pm if reported before 1pm or by 1pm the next day if reported between 1pm and 6pm on the previous day. Further, if the standard in high intensity areas should fall to an unacceptable level during the evening, it should be restored to grade A by 8am. Good practice would be that grade A is achieved earlier, by the time the area begins to get busy. This applies to weekends and bank holidays as well as weekdays.

Ceasing this service will slow-down the time taken to return the streets to an acceptable standard each morning and could therefore lead to abatement orders being served on the council.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
75			75

Percentage of Net Budget proposed:	2%
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Effect on HRA/DSG:

HRA: -
 DSG: -

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	3
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Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: C	Secondary Priority:
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority:
Level of Impact: Medium	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Neutral	2012/13: Neutral	2013/14: Neutral
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:	N/A		Disability:	N/A	
Gender:	N/A		Sexual Orientation:	N/A	
Age:	N/A		Religion/Belief:	N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Lewisham, Catford, Ladywell, Honor Oak, Sydenham, Forest Hill, Blackheath, Lee and New Cross,					
Impact on Voluntary Sector					
None					
Legal Implications					
Authorities that allow their land to fall below acceptable standards for longer than the allowed response time may be subject to a Litter Abatement Order (section 91) or a Litter Abatement Notice (section 92) issued under the Environmental Protection Act 1990.					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
None					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS28 SERVICE: STREET MANAGEMENT PORTFOLIO: Customer Services	CUSTOMER SERVICES - HEAD OF ENVIRONMENT DIVISION LEAD OFFICER: Gerry McAneney SELECT COMMITTEE: Sustainable Development
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
7,021	(1,282)	5,739

Description of Service

Briefly describe your service and state who your customers and stakeholders are:

- Provision of Street and Estate Sweeping Service
- Street Litter Recycling Service
- Paid Domestic Lumber Collection Service for residents
- Removal of Flytipping and Lumber on Streets and Estates
- Paid Garden Waste Collection Service for residents
- Graffiti Removal Service
- Client Management of the Boroughs Public Conveniences.
- Cleaning of Boroughs Street Markets and Car Parks

Description of saving proposed

No provision of sweeping services to designated secondary streets on a Sunday and to reduce the frequency of sweeping to residential streets across the borough to just once per week - Monday to Friday.

Sweeping services to Lewisham, Catford, New Cross, Sydenham, Forest Hill, Blackheath Village and Deptford would be unaffected by this proposal.

This saving can be made by ceasing the Sunday sweeping / Cleansing service to secondary roads across the borough and by reducing sweeping frequencies to residential roads between Mondays and Friday to just once per week. Cleansing Services on a Sunday are provided by both contractual Staff, full time employees on overtime and agency staff brought in to cover areas that have been identified as a priority.

The ceasing of sweeping to secondary roads and to roads which have been identified as a priority and have local shopping areas on will also have an impact on the sweeping services provided for the rest of the week. The sweeping on a Sunday includes cleaning up litter arising from the night time economy and pubs and clubs from Saturday to which we have an obligation under the Environmental Protection Act to keep litter free 7 days a week. All the boroughs secondary shopping areas would not be swept for a whole day. In addition on Sundays the cleansing service operates an island cleaning team which cleans the traffic islands / pedestrian crossings as this is the only suitable time to cleanse with a reduction in traffic flow.

Currently residential streets are swept according to need and vary from once a week to three times a week. This proposal would reduce frequencies to once per week for all residential roads. These proposals will however have an impact on the standards of street-cleaning across the whole of the borough

These savings would not affect full time sweeping staffs contractual hours as they would be achieved by ceasing overtime payments to staff brought in on Sundays and by reducing the number of agency staff we would need by 20 agency workers They would however impact on a managers post and a reorganisation of the management structure would need to be carried out.

A full reorganisation of every sweeping beat across the borough would also need to be carried out due to reduction in frequencies.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
	500		500

Percentage of Net Budget proposed:	8.90%
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Effect on HRA/DSG:

HRA: -
DSG: -

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

In the 'Our Lewisham Our Say' when asked about cleaning the borough 41% of respondents stated that "The Council should maintain the level of service it provides and look elsewhere for cuts". However, an analysis of the comments made shows that people felt that focusing on reducing the level of waste produced, litter and fly tipping would enable the level of service to be reduced.

Of those who responded on the 'Have Your Say' forms though cleaning the borough ranked the highest of the services people valued the most, it was also the second highest where people felt the Council could do less. In particular the neighbourhood assemblies felt that the level of street cleaning could be reduced and that residents and local communities should be involved/encouraged to help. For example individuals to take more responsibility for their own waste - via incentive schemes. Arrange clean up rallies e.g. like "Keep Britain Tidy". Schools can be involved in these initiatives. People should be encouraged to re-use plastic bags and other recyclable products by gaining points or a reward for their recycling efforts.

In general the view was that if action was taken in these areas the level of service required could be reduced without impacting on the cleanliness of the borough.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: C	Secondary Priority:
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority:
Level of Impact: High	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Positive 2012/13: Negative 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	Low
Gender:	N/A	Sexual Orientation:	N/A
Age:	Low	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Cessation of sweeping secondary roads on a Sunday and reducing frequencies on residential streets may affect older residents and those with mobility related disabilities. Currently residential streets are swept according to need and can vary from once to to three times a week. All streets will be swept at least once a week.

As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.

Outcome of full Equalities Impact Assessment (if required) :

As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? YES

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
126	31	2	11	1	
FTE equivalent - posts: 171			FTE equivalent - vacant posts:		

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC

How do you expect to reduce these posts?

Redundancy/ Redeployment		TUPE		Retirement		Delete vacant post	
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Additional Information:

Ward/Geographical implications

Borough wide	
Impact on Voluntary Sector	
None	
Legal Implications	
Environmental Protection Act 1990	
Can this saving be taken in current Financial Year:	NO
If yes to previous question what is the value that can be taken?	
What consideration has been given to the possible socio-economic implications of your savings proposals	
None	

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:

CUSTOMER SERVICES - HEAD OF ENVIRONMENT

REF: CUS29		DIVISION	
SERVICE: STREET MANAGEMENT PORTFOLIO: Customer Services		LEAD OFFICER: Gerry McAneney	
		SELECT COMMITTEE: Sustainable Development	
2010/11 Net Controllable Budget: (£000's)			
Expenditure		Income	Net Budget
£000's		£000's	£000's
7,021		(1,282)	5,739
Description of Service			
Briefly describe your service and state who your customers and stakeholders are:			
<ul style="list-style-type: none"> • Provision of Street and Estate Sweeping Service • Street Litter Recycling Service • Paid Domestic Lumber Collection Service for residents • Removal of Flytipping and Lumber on Streets and Estates • Paid Garden Waste Collection Service for residents • Graffiti Removal Service • Client management of the Boroughs Public Conveniences. • Cleaning of Boroughs Street Markets and Car Parks 			
Description of saving proposed			
Stop street recycling service:			
<p>Through growth money awarded to implement the Council's waste strategy, street litter recycling has been introduced across all the main roads and town centres in the borough as well as the majority of residential areas. Street sweepers separate out all recyclable litter from the floor and even on occasions sort through litter bins to collect recyclables. These are then bagged up and a dedicated vehicle and crew tour the borough to collect the bagged recyclables on a daily basis. These are then taken to Hinkcroft Transport Ltd, to be transported with the estates / bulk bin recycling to the Materials Recovery Facility.</p> <p>The cessation of the street litter recycling service would have an impact on the councils recycling targets. Since it began in June 2009 until March 2010, 150 tonnes of recyclable street litter has been sent for recycling, which added 0.86% on to the boroughs recycling rate of 16.2%,. For the first quarter of this financial year nearly 52 tonnes of recyclable street litter has been collected, which equates to 1.24% of household waste recycled during Qtr 1 2010/11 (this excludes reuse and composting figures). It must be noted that the out turn for the year may change as the figures depend on what tonnages come through from the other waste streams over the course of the year.</p>			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
168			168
Percentage of Net Budget proposed:		2.93%	
Effect on HRA/DSG:			
HRA:			
DSG:			
Outcome of Consultation (if required)			
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			3
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: C		Secondary Priority: J	
Impact of saving on corporate priority : Negative		Impact of saving on corporate priority: Negative	
Level of Impact: Medium		Level of Impact: Low	
What is the overall impact on equalities? Please tick one:			
2011/12: Neutral	2012/13: Neutral	2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			

Ethnicity:	N/A		Disability:	N/A	
Gender:	N/A		Sexual Orientation:	N/A	
Age:	N/A		Religion/Belief:	N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Borough Wide					
Impact on Voluntary Sector					
None					
Legal Implications					
None					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS36 SERVICE: GREEN SCENE PORTFOLIO: Customer Services	CUSTOMER SERVICES - HEAD OF ENVIRONMENT DIVISION LEAD OFFICER: John Thompson SELECT COMMITTEE: Sustainable Development
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
6,185	(1,033)	5,152

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The service providers are responsible for the physical and ecological regeneration of the boroughs Parks and open spaces for the benefit of all residents. This includes monitoring the performance of the councils Green Space contract 2010 – 2020 and the establishment and liaison with park user and friends groups.

Description of saving proposed

The letting of the Beckenham Place Park (BPP) contract will involve the transfer of 9 directly employed staff to the new contractor and reduce the disproportionate amount of time the parks client team spend managing the parks facilities. The removal of these duties from the team and the letting of the new contract could potentially have staffing issues.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
		42	42

Percentage of Net Budget proposed: 0.82%

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Staff consultation on this proposal will not be undertaken until the year prior to the proposal being implemented. This is in line with the HR advice contained in the Management of Change Policy.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority: C
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority: Neutral
Level of Impact: Medium	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :

As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies.

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
			5		
FTE equivalent - posts: 5			FTE equivalent - vacant posts: 0		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS41 SERVICE: TRADING STANDARDS & STREET MARKETS PORTFOLIO: Customer Services	CUSTOMER SERVICES - HEAD OF ENVIRONMENT DIVISION LEAD OFFICER: John Pye SELECT COMMITTEE: Sustainable Development
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
1,716	(1,242)	474

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Regulation of business and protection of consumers and business via enforcement and administration of consumer protection and fair trading laws. Provision of advice and support to consumers and business. Management, administration and regulation of street markets and other street trading related matters .

Description of saving proposed

In 2012/13 delete a Principal Trading Standards Officer post. In 2013/14 delete a Trading Standards Enforcement Officer post.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
	57	43	100

Percentage of Net Budget proposed: 21.08%

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
 Staff consultation on this proposal will not be undertaken until the year prior to the proposal being implemented. This is line with the HR advice contained in the Management of Change Policy.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: **4**

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: D	Secondary Priority:
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Neutral
Level of Impact: Medium	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Negative 2012/13: Positive 2013/14: Positive

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Medium	Disability:	Medium
Gender:	Medium	Sexual Orientation:	N/A
Age:	Medium	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Please see comments below

Outcome of full Equalities Impact Assessment (if required) :

A reduction in staff may reduce the ability of the service to tackle the negative impacts which may occur if vulnerable consumers are exposed to poor quality goods and trading practices due to fraud, other malpractice or because their income levels exclude them from accessing goods and services that may be expected to be available to the 'average consumer'.

Actions to mitigate the impact of this proposal include training administrative staff to provide enhanced advice and support to consumers and working with police safer neighbourhood teams to reduce the amount of support they require from trading standards officers to pursue illegal DVD traders.

As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? YES

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		1	8.6	1	

FTE equivalent - posts: 10.6 FTE equivalent - vacant posts:

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC

How do you expect to reduce these posts?

Redundancy/ Redeployment		TUPE		Retirement		Delete vacant post	
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Additional Information

Ward/Geographical implications

Impact on Voluntary Sector

Reduced ability of trading standards to provide consumer support may lead to increased demand and expectation upon voluntary advice agencies

Legal Implications

Can this saving be taken in current Financial Year: NO

If yes to previous question what is the value that can be taken?

What consideration has been given to the possible socio-economic implications of your savings proposals

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS46 SERVICE: ENVIRONMENTAL ENFORCEMENT PORTFOLIO: Customer Services	CUSTOMER SERVICES - HEAD OF ENVIRONMENT DIVISION LEAD OFFICER: Charlotte Faint SELECT COMMITTEE: Safer & Stronger
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
1,904	(106)	1,798

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Environmental Health Department consists of six teams all of which fulfil statutory obligations. The Environmental Protection Team deals with noise land and air in general at a strategic level – including through the planning process.
 Food Safety Team carry out inspections of food businesses in the borough. Investigate cases of food poisoning and infectious disease and investigate complaints from the public.
 Health and Safety Team carry out inspections of businesses in the borough, investigate accidents and complaints from the public.
 Public Health and Nuisance Team investigate all nuisance complaints (generally these are noise issues), drainage, pest control and other such issues.
 Environmental Health Support provides support to the rest of the teams regarding Environmental Health issues.
 Clean Streets Team investigates all issues of fly tipping, abandoned vehicles and forecourt licensing. The team is the enforcement arm working with Trade Refuse and Street Cleansing to prevent large spread of flytipping occurring in the borough.

Description of saving proposed

1. It is proposed to combine the Public Health and Nuisance Team (PH&N) with the Environmental Protection (EP) Team under the current PH&N Manager. This will mean all pollution work will be within one team rather than two, enhancing cross working between officers. This will result in the deletion of the Principal EP Officers post. With the change in work because of these proposals the Environmental Health Support Officer's job description has been changed to reflect this.

2. A reduction in staffing levels within the PH&N Team is proposed. The team will be focusing on statutory complaints and what is really necessary to be investigated, not responding to all complaints within strict timeframes. Instead focussing on ongoing cases and resolving these. Therefore the proposal is to reduce the number of officers dealing with noise nuisances from nine to five staff.
 Combination of PH&N with EP team into one

The Environmental Protection (EP) Team Leaders post is currently responsible for overseeing the team and in particular many large scale planning applications with respect to contaminated land (as well as air and noise).

- For small developments, it would be asked that the Planning Department rely on their Planning Policy Guidance documents rather than using the EP Team as a consultee.
- For larger developments to continue the good relationships we have with the Planning Department and to seek resources to meet these requirements when they occur via the planning system. This is currently something that is carried out, however more reliance may be put upon the Planning Department and therefore future nuisances may occur as a result.

With this change it is possible to merge the Environmental Protection team into the Public Health and Nuisance team, this will result in a reduction of a Manager.

Reduction in staffing levels within the PH&N Team

The proposal is to change the way the noise service is provided to the public. It is intended to deal specifically with statutory complaints and ensure they are investigated. Currently we receive over 5000 nuisance complaints per year, the majority are noise nuisance and the majority (4000) are one off complaints. Due to the significant workload unfortunately calls from customers are not always being answered as officers are involved in other work or answering other calls. As calls are currently taken through the back office, it is proposed to put the calls through to Callpoint. Routing the calls via Callpoint will ensure that all calls are answered in a timely manner.

Once calls have been received via Callpoint, noise packs will be sent out to the complainants informing them of action they can take and action the Council will take. Currently Officers visit on receiving the noise complaint. This change in procedure will enable Officers to concentrate on statutory noise complaints. A significant amount of time is spent in dealing with non statutory noise nuisance. Whilst this clearly is not the opinion of the complainant (hence the complaint in the first place), we can reduce the current service to the public and still meet our statutory obligations under the Environmental Protection Act 1990, Section 80 in taking "all reasonable steps" to investigate complaints.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
180	75	170	425

Percentage of Net Budget proposed: 23.63%

Effect on HRA/DSG:

HRA: -
DSG: -

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Consultation with identified key stakeholders was undertaken during the period 22 Dec 2010 to 10 January 2011.

Responses were received from five Housing Associations. (Amicus Horizon, London and Quadrant, Family Mosaic, Affinity Sutton and Hexagon Housing Association)

In general given the current economic situation the Housing Associations understood the reasoning behind the change. Many Housing Associations asked for further clarification and this was provided and no further response were sent through.

Many of the Housing Associations asked that leaflets be provided to them so they can inform the residents of the service to enable their front line staff to manage residents expectations.

There was concern regarding the reduction to noise service during the week day nights and the implications this will have on residents. It was explained that it will not be standard practice for officers to be available, however depending upon priorities (from other complaints) action will be sought to resolve the issue.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: D	Secondary Priority: C
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Negative
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :

As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
0	0	2	11	2	
FTE equivalent - posts: 12			FTE equivalent - vacant posts: 2		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
			3	1	
How do you expect to reduce these posts?					
Redundancy/ Redeployment	3	TUPE		Retirement	1
				Delete vacant post	3
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
None					
Legal Implications					
Legally the Local Authority have a duty to investigate any cases of statutory nuisance. The proposal will not be in breach of this duty					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
None					

DIRECTORATE AND DIVISION: REF: CUS47 SERVICE: GREEN SCENE PORTFOLIO: Customer Services	CUSTOMER SERVICES - HEAD OF ENVIRONMENT DIVISION LEAD OFFICER: John Thompson SELECT COMMITTEE: Sustainable Development
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
6,185	(1,033)	5,152

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
The service providers are responsible for the physical and ecological regeneration of the boroughs Parks and open spaces for the benefit of all residents. This includes monitoring the performance of the councils Green Space contract 2010 – 2020 and the establishment and liaison with park user and friends groups.

Description of saving proposed

Changes to working patterns – Static Park Keepers.

Under the terms of the councils Green Space contract 2010-2020 Glendale are required to ensure that 12 parks have an on site staff presence from 8am until dusk during the winter months, and, 10am to dusk during the longer summer months 7 days of the week. If this requirement is amended so that the 12 parks had an on site presence for 5 days of the week, with Park Keepers on site from 8.am - 4.30pm during the winter months, and 12.30pm until 9pm in the summer months, this will ensure a presence during the busiest periods of the day, with cover on weekends and bank holidays. Public conveniences in the parks will be opened by the mobile Parks Service Team and in some parks this may be undertaken by operators of Café facilities.

The annual contract sum could then be reduced by £100k

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
100			100

Percentage of Net Budget proposed: 1.94%

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

This proposal has arisen following discussions with the Councils parks management contractor (Glendale) to identify savings options for the service.

At the annual Parks and Open Space Conference in October 2010 ,parks user were informed that changes to the working shifts of static park keeper may be considered to help meet savings targets . Attendees were invited to comment on this and other savings proposals during a Q&A session. Delegates did not comment on this particular issue.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: D	Secondary Priority: C
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Negative
Level of Impact: Medium	Level of Impact: Medium

What is the overall impact on equalities? Please tick one:

2011/12: Negative		2012/13: Neutral		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:		Low		Disability:	
Low		Sexual Orientation:		Low	
Gender:		Low		Religion/Belief:	
Low		Low		Low	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
See comments below					
Outcome of full Equalities Impact Assessment (if required) :					
This proposal may have a negative impact on female, older and disabled park users who may feel less inclined to visit the affected parks if there are no staff present to offer assistance if required and to help reduce the fear of crime. It would also mean that some toilet facilities would be opened later. Weekends however would always be covered and the mobile teams would visit the parks on the unstaffed days. It should also be noted that 33 of the boroughs parks do not have an on site park keeper.					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Parks and Open Spaces Borough wide					
Impact on Voluntary Sector					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:		CUSTOMER SERVICES - HEAD OF ENVIRONMENT DIVISION	
REF: CUS48		LEAD OFFICER: John Thompson	
SERVICE: GREEN SCENE		SELECT COMMITTEE: Sustainable Development	
PORTFOLIO: Customer Services			
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
6,184	(1,033)	5,151	
Description of Service			
<p>Briefly describe your service and state who your customers and stakeholders are: The service providers are responsible for the physical and ecological regeneration of the boroughs parks and open spaces for the benefit of all residents. This includes monitoring the performance of the councils Green Space contract 2010 – 2020 and the establishment and liaison with park user and friends groups.</p>			
Description of saving proposed			
<p>Dog waste bins in parks are currently emptied and maintained under a separate and more expensive collection and disposal regime to bins containing litter. This is because dog waste deposited in specialist bins is disposed of as Clinical Waste. However legislation does allow for wrapped dog waste to be deposited in litterbins which when mixed with normal rubbish is not classified as Clinical Waste. By gradually removing all dog waste bins and promoting the use of litterbins to dispose of wrapped dog waste the annual contract sum paid to Glendale for this service could be reduced by £55k</p>			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
55			55
Percentage of Net Budget proposed:		1.07%	
Effect on HRA/DSG:			
HRA:			
DSG:			
Outcome of Consultation (if required)			
<p>Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory</p> <p>This proposal has arisen following discussions with the Councils parks management contractor (Glendale) to identify service savings.</p> <p>At the annual Parks and Open Space Conference in October 2010, parks user were informed that changes to the collection regime for dog waste may be considered to help meet future savings targets . Attendees were invited to comment on this and other savings proposals during a Q&A session . In response delegates felt that the Council should take more enforcement action against irresponsible dog owners to make them clear up their own dogs mess.</p>			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			4
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: C		Secondary Priority:	
Impact of saving on corporate priority : Neutral		Impact of saving on corporate priority:	
Level of Impact: Low		Level of Impact:	
What is the overall impact on equalities? Please tick one:			
2011/12: Neutral		2012/13: Neutral	2013/14: Neutral
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Parks and Opens Spaces borough wide					
Impact on Voluntary Sector					
Legal Implications					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:		CUSTOMER SERVICES - HEAD OF ENVIRONMENT DIVISION	
REF: CUS49		LEAD OFFICER: Sam Kirk	
SERVICE: STRATEGIC WASTE MANAGEMENT		SELECT COMMITTEE: Sustainable Development	
PORTFOLIO: Customer Services			
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
9,651	(643)	9,008	
Description of Service			
Briefly describe your service and state who your customers and stakeholders are:			
<p>The role of a waste advisor is to raise awareness and change behaviour as well as to monitor recycling / waste minimisation projects around the borough. The post also provides a resource to help implement and monitor waste and recycling schemes.</p>			
Description of saving proposed			
Delete remaining Waste Advisor post: Reduce educational activity with residents in support of our waste minimisation and recycling work. This will impact on performance and progress in these areas. This post is filled by a member of staff on a fixed term contract until March 2011.			
<p>By deleting this post there will be no presence on the ground to help roll out services (such as delivery of leaflets e.g. they will be delivering the textile leaflet to residents informing them of the new service in two wards) nor will there be a presence to inform householders, estates properties, businesses and schools of their recycling responsibilities and no monitoring will be undertaken to assess the success of schemes implemented on the ground.</p>			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
32			32
Percentage of Net Budget proposed:		0.36%	
Effect on HRA/DSG:			
HRA:			
DSG:			
Outcome of Consultation (if required)			
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory			
None undertaken as the member of staff is on a fixed term contract.			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			3
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: C		Secondary Priority:	
Impact of saving on corporate priority : Negative		Impact of saving on corporate priority:	
Level of Impact: Medium		Level of Impact:	
What is the overall impact on equalities? Please tick one:			
2011/12: Negative		2012/13: Neutral	2013/14: Neutral
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:	Low	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :			

Outcome of full Equalities Impact Assessment (if required) :					
Potential language barriers to accessing services, especially with written publications is being addressed with pictorial rather than text based information.					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		3	8	1	
FTE equivalent - posts: 12			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		1			
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
					1
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS50 SERVICE: REVENUES SERVICES PORTFOLIO: Customer Services	CUSTOMER SERVICES - PUBLIC SERVICES LEAD OFFICER: Lorraine Richards SELECT COMMITTEE: Public Accounts Committee
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
32,246	(30,762)	1,484

Description of Service

Briefly describe your service and state who your customers and stakeholders are:

The Revenues Service is responsible for the collection of Council Tax, Business Rates and sundry debts. Services are delivered to every household and business in the borough.

Description of saving proposed

Revenues - Business Rates / Debtors Team management review

Reporting to the Service Group Manager (SGM) for Revenues is the Business Rates / Debtors Team manager (PO7). The proposal is to merge this post with the Council Tax Enforcement Team manager (PO4) who also reports to the SGM for Revenues. There are 2 posts and 1 member of staff affected by the proposal. The saving is £50K. For delivery by 1/10/11.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
10	40	0	50

Percentage of Net Budget proposed: 3.37%

Effect on HRA/DSG:

HRA:

DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority:
Level of Impact: Low	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		46	7	2	
FTE equivalent - posts: 55			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
None					
Legal Implications					
None					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: CUS51 SERVICE: HOUSING BENEFITS PORTFOLIO: Customer Services	CUSTOMER SERVICES - PUBLIC SERVICES LEAD OFFICER: Mick Lear SELECT COMMITTEE: Public Accounts Committee
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
210,976	(205,184)	5,792

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Benefit service is responsible for administering all claims for housing and council tax benefit including overpayment (OP) recovery and concessionary awards. Claims are received from the tenants of Council, housing associations and private-sector housing and awards made of £220m in benefit annually. The client base is extremely diverse and comprises of many of Lewisham's most vulnerable residents.

Description of saving proposed

Benefits - Management Team Review

The Benefits Management Team consists of 1 x Service Group Manager (SGM) post with 2 x PO5 Policy and Assessment Managers reporting to the SGM, with 7 x PO2 Team Leaders reporting to the 2 x PO5 Policy and Assessment Managers. The review proposes that the 2 x PO5 level and 7 x PO2 layers are merged into one level comprising of 5 x PO4. There are 9 posts but only 8 staff affected by the proposal. Saving of £207K. For delivery by 1/1/12.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
50	160	0	210.000

Percentage of Net Budget proposed: 3.63%

Effect on HRA/DSG:

HRA:

DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority:
Level of Impact: Medium	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Housing and Council Tax benefits are awarded to the most vulnerable of residents, any deterioration in service delivery potentially impacts on security of tenure and may result in people losing their homes.

As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.

Outcome of full Equalities Impact Assessment (if required) :

As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? YES

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 – 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	6	97	9	1	
FTE equivalent - posts: 113			FTE equivalent - vacant posts:		

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?

Scale 1 – 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC

How do you expect to reduce these posts?

Redundancy/ Redeployment		TUPE		Retirement		Delete vacant post	
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Additional Information

Ward/Geographical implications

Impact on Voluntary Sector

It is unlikely that the proposals will have any impact, if performance deteriorated and no action was taken there may be a slight increase in contact being made by customers to voluntary sector organisations. However, this will be monitored closely to ensure that the envisaged efficiencies are made and that any potential impact is mitigated.

Legal Implications

None

Can this saving be taken in current Financial Year: NO

If yes to previous question what is the value that can be taken?

What consideration has been given to the possible socio-economic implications of your savings proposals

DIRECTORATE AND DIVISION:		CUSTOMER SERVICES - ENVIRONMENT	
REF: CUS52		LEAD OFFICER: Sam Kirk	
SERVICE: Strategic Waste Management		SELECT COMMITTEE: Sustainable Development	
PORTFOLIO: Customer Services			
2010/11 Net Controllable Budget: (£000's)			
Expenditure		Income	Net Budget
£000's		£000's	£000's
9,651		(643)	9,008
Description of Service			
Briefly describe your service and state who your customers and stakeholders are:			
The production and implementation of the Councils Municipal Waste Strategy. Managing the Councils Waste Management Contracts and developing and undertaking a wide range of initiatives to encourage residents and the school and business communities to reduce, reuse and recycle their waste.			
Description of saving proposed			
Sale of excess tonnes at SELCHP			
The London Borough of Lewisham is a Unitary Authority, responsible for collection, treatment and final disposal of all municipal waste within its area. The majority of Lewisham's waste is disposed of through the South East London Combined Heat & Power (SELCHP) plant (owned and operated by Veolia Environmental Services) and incinerated to recover power for supply to the National Grid. Approximately 70% of Lewisham's municipal waste is managed in this way.			
Based on current disposal tonnages, Lewisham could sell off its excess tonnage and officers are currently in discussions with neighbouring boroughs to identify any potential demand.			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
600	0	0	600
Percentage of Net Budget proposed:		6.66%	
Effect on HRA/DSG:			
HRA:			
DSG:			
Outcome of Consultation (if required)			
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			3
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: J		Secondary Priority:	
Impact of saving on corporate priority : Positive		Impact of saving on corporate priority:	
Level of Impact: Medium		Level of Impact:	
What is the overall impact on equalities? Please tick one: Not Applicable			
2011/12: Neutral		2012/13: Neutral	
		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :			
Outcome of full Equalities Impact Assessment (if required) :			

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					No
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
None					
Legal Implications					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

DIRECTORATE AND DIVISION:		CUSTOMER SERVICES - ENVIRONMENT			
REF: CUS53		LEAD OFFICER: Sam Kirk			
SERVICE: Strategic Waste Management		SELECT COMMITTEE: Sustainable Development			
PORTFOLIO: Customer Services					
2010/11 Net Controllable Budget: (£000's)					
Expenditure		Income		Net Budget	
£000's		£000's		£000's	
9,651		(643)		9,008	
Description of Service					
Briefly describe your service and state who your customers and stakeholders are:					
The production and implementation of the Councils Municipal Waste Strategy. Managing the Councils Waste Management Contracts and developing and undertaking a wide range of initiatives to encourage residents and the school and business communities to reduce, reuse and recycle their waste.					
Description of saving proposed					
Reduction in waste management improvement budget					
In 2009/10 the Council allocated a budget of £1m to fund a number of service initiatives, projects and services designed to improve the management of the boroughs waste and help achieve recycling and waste reduction targets. By delivering the services, campaigns and initiatives in a reduced and different way, the remaining budget can be reduced by £300k.					
Value of Proposals per year (£000's)					
2011/12:		2012/13:		2013/14:	
300		0		0	
				Total 2011-14	
				300	
Percentage of Net Budget proposed:				3.33%	
Effect on HRA/DSG:					
HRA:					
DSG:					
Outcome of Consultation (if required)					
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory					
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:				3	
Impact on Corporate Priorities:					
Most relevant:			Second most relevant:		
Main Priority: C			Secondary Priority:		
Impact of saving on corporate priority : Negative			Impact of saving on corporate priority:		
Level of Impact: Medium			Level of Impact:		
What is the overall impact on equalities? Please tick one: Not Applicable					
2011/12: Neutral		2012/13: Neutral		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:		N/A		Disability:	
Gender:		N/A		Sexual Orientation:	
Age:		N/A		Religion/Belief:	
				N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					No
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC

FTE equivalent - posts:		FTE equivalent - vacant posts:			
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
None					
Legal Implications					
None					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:

REGENERATION - DIRECTOR OF PROGRAMME

REF: REG01		MGT & PROPERTY	
SERVICE: PROPERTY SERVICES		LEAD OFFICER: Steve Gough	
PORTFOLIO: Regeneration		SELECT COMMITTEE: Sustainable Development	
2010/11 Net Controllable Budget: (£000's)			
Expenditure		Income	Net Budget
£000's		£000's	£000's
11,523		(1,643.4)	9,879.6
Description of Service			
Briefly describe your service and state who your customers and stakeholders are:			
<p>Property Services are the corporate client for the facilities management services necessary for the safe and effective operation of the public buildings that form the corporate estate. These services include building maintenance, regulatory compliance, building cleaning, building security, civic support (catford complex) and accommodation management.</p>			
Description of saving proposed			
<p>Reduce size of corporate estate :-The budget for the corporate estate totals £8m. This budget supports all the premises costs for the circa 170 buildings that comprise the core operational estate, and vary in size from Laurence House to a small community centre on an estate.</p> <p>It is proposed to halve the size of the corporate estate focussing on those buildings with high running costs, high future repair requirements, relatively low levels of use and as a result reduce costs by £1m. This is a very large programme of work with a preparatory phase still in progress, it will involve proposals to close and dispose of buildings and, potential service relocation to alternative premises. Options for asset transfer will also be considered providing revenue costs do not fall on the Council. Savings will take more than a year to generate with £0.5m considered potentially deliverable in 2012-13 and a further £0.5m in 2013-14. Given that proposed closures could include office buildings, libraries, adult education and community centres they are considered to be contentious and therefore high risk..</p>			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
0	500	500	1,000
Percentage of Net Budget proposed:		10.12%	
Effect on HRA/DSG:			
HRA:			
DSG:			
Outcome of Consultation (if required)			
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory			
<p>Consultation will be required but a detailed consultation plan cannot be developed until it is known which buildings are likely to be affected. Consultation with building users and service users can then be planned and delivered. Savings are not due to be delivered until 12/13 and 13/14</p>			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			2
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: J		Secondary Priority:	
Impact of saving on corporate priority : Positive		Impact of saving on corporate priority:	
Level of Impact: Medium		Level of Impact:	
What is the overall impact on equalities? Please tick one:			
2011/12: Neutral	2012/13:	2013/14:	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:		Disability:	
Gender:		Sexual Orientation:	
Age:		Religion/Belief:	

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
It will not be possible to assess the impact overall on equalities or for any specific equalities group until detailed proposals on buildings affected and the services delivered from those buildings is known. A full Equalities Impact Assessment may be necessary, depending on the buildings, services and service users affected.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
It will not be possible to assess the ward/geographical impact overall until detailed proposals on buildings affected and the services delivered from those buildings is known.					
Impact on Voluntary Sector					
It will not be possible to assess the impact on the voluntary sector until detailed proposals on buildings affected and the services delivered from those buildings is known.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					0
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: REG04 SERVICE: PLANNING PORTFOLIO: Regeneration	REGENERATION - HEAD OF PLANNING DIVISION LEAD OFFICER: John Miller SELECT COMMITTEE: Sustainable Development
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
3,026.3	(1,265.3)	1,761

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The planning system guides the future development and use of land in the long term public interest. The Planning Services consist of the following teams and functions :- Forward Planning provides a policy framework in the development plan to promote and guide development and investment in the built environment. Design and Conservation undertakes specific projects to protect and improve the environment and to promote development opportunities. Development Control deals with individual planning applications within the policy framework set by the development plan, as well as appeals against Council decisions, and enforcement action against unauthorised development. Land Charges handle property searches.

Description of saving proposed

Move from Development Control to Development Management :-The business process review of development control and land charges identified that, in addition to the 2010/11 saving of £50k, around a further £100k could be saved through changes focused mainly on the approach to the core business of processing planning applications. This will be achieved by a reorganisation of the service, the aims of which will be to achieve necessary budget savings and improve service efficiency and effectiveness, reflecting the emerging development management approach to planning and meeting customer needs and expectations. This is expected to result in the loss of up to 3 posts. The Mayor gave officers authority to consult on the proposed reorganisation in November 2010; this consultation is now in hand..

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
50	50	0	100

Percentage of Net Budget proposed: 5.68%

Effect on HRA/DSG:

HRA: No
 DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
 Yes - staff consultation will be required, with a consultation period of up to 3 weeks.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority: E
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
It will not be possible to assess the possible impact - negative, positive or neutral - on the workforce profile until organisational changes have been implemented.					
Outcome of full Equalities Impact Assessment (if required) :					
N/A					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
3	10	9	27	5	0
FTE equivalent - posts: 54			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
0	1	1	0	1	0
How do you expect to reduce these posts?					
Redundancy/ Redeployment	3	TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
None					
Impact on Voluntary Sector					
None					
Legal Implications					
Staff affected by the proposal will be properly informed and consulted. The implementation of the proposals will be conducted in accordance with the Council's management of change guidelines, and will comply with legal requirements.					
Can this saving be taken in current Financial Year:				NO	
If yes to previous question what is the value that can be taken?				0	
What consideration has been given to the possible socio-economic implications of your savings proposals					
Given that Lewisham has the highest rate of public sector employment in London, and that a significant proportion of Lewisham staff also live in the borough, the combined socio-economic impact of potential redundancies in this service and others will be negative					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: REG06 SERVICE: ACROSS DIVISION PORTFOLIO: Regeneration	REGENERATION - HEAD OF TRANSPORT DIVISION LEAD OFFICER: Linda Swinburne SELECT COMMITTEE: Sustainable Development
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
22,616.4	(20,551.4)	2,065

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Management of Transport Division

Description of saving proposed

Review transport structure, functions and staffing levels, linking together savings proposals REG 06, 07,08 and 11 to ensure delivery of total savings target from these proposals. Lewisham's Head of Transport retired in August 2010. An interim manager has been appointed to manage change. The review will produce a reorganised service, seeking savings from the merger of functions, more effective ways of working and consideration of joint arrangements with another authority.

These four interlinked savings(REG 06,07,08 and 11) are likely to be taken forward in two phases. In the first phase, having reviewed the transport structure and functions including the most senior post, the Head of Transport, we will consult staff on a reorganised structure which brings together those functions currently performed in two separate service areas Network Management and Transport Policy and Programmes. This will deliver a leaner, and more effective service which could provide a significant part year saving for 11/12

The second phase, after the implementation of the new structure, will be to rigorously examine the options for taking forward the other areas highlighted in the savings proposals – the outsourcing of transport design; collaborative working and achieving greater efficiency through our contractors

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
0	125	0	125

Percentage of Net Budget proposed: 6.05%

Effect on HRA/DSG:

HRA: No

 DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

There is likely to be a need for staff consultation, which could involve a 3 week consultation period. The aim will be to deliver full year savings in 12/13.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority:
Level of Impact: Low	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A		Disability:	N/A	
Gender:	N/A		Sexual Orientation:	N/A	
Age:	N/A		Religion/Belief:	N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
N/A					
Outcome of full Equalities Impact Assessment (if required) :					
N/A					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
None					
Impact on Voluntary Sector					
None					
Legal Implications					
Staff affected by the proposal will be properly informed and consulted. The implementation of the proposals will be conducted in accordance with the Council's management of change guidelines, and will comply with legal requirements.					
Can this saving be taken in current Financial Year:				NO	
If yes to previous question what is the value that can be taken?				0	
What consideration has been given to the possible socio-economic implications of your savings proposals					
Given that Lewisham has the highest rate of public sector employment in London, and that a significant proportion of Lewisham staff also live in the borough, the combined socio-economic impact of potential redundancies in this service and others will be negative.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:		REGENERATION - HEAD OF TRANSPORT DIVISION	
REF: REG07		LEAD OFFICER: Linda Swinburne	
SERVICE: POLICY AND DEVELOPMENT		SELECT COMMITTEE: Sustainable Development	
PORTFOLIO: Regeneration			
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
620.6	(184)	436.6	
Description of Service			
Briefly describe your service and state who your customers and stakeholders are: Management of transport programmes and projects, Transport Strategy and policies, Engineering Design and Highways Development			
Description of saving proposed			
Outsourcing of transport design services :- Lewisham receives about £4.5m of TfL funding each year to implement transport schemes. Of that figure, about £3m is currently designed by in-house staff, on which we can recover 10% or £300k. There are currently ten staff who are wholly employed on design, with a cost of approximately £550k including on costs for external advice software etc. Design has been the subject of a business process review. It is proposed to externalise this design function and reduce the amount of design carried out – giving more discretion to setting out on site. To achieve a saving of £250k to align costs with income would require a reduction of 5 posts. There would be a direct impact on the public consultation exercises carried out and non- statutory consultation would be reduced. For further information see Regen 06.			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
0	250	0	250
Percentage of Net Budget proposed:		57.26%	
Effect on HRA/DSG:			
HRA: No DSG: No			
Outcome of Consultation (if required)			
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory Staff consultation will be required with a 3 week consultation period expected. Full year effect should be achieved in 12/13			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			2
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: C		Secondary Priority:	
Impact of saving on corporate priority : Neutral		Impact of saving on corporate priority:	
Level of Impact: Low		Level of Impact:	
What is the overall impact on equalities? Please tick one:			
2011/12: Neutral		2012/13: Neutral	
		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :			
N/A			

Outcome of full Equalities Impact Assessment (if required) :					
N/A					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
No					
Impact on Voluntary Sector					
No					
Legal Implications					
Staff affected by the proposal will be properly informed and consulted. The implementation of the proposals will be conducted in accordance with the Council's management of change guidelines, and will comply with legal requirements.					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					0
What consideration has been given to the possible socio-economic implications of your savings proposals					
Given that Lewisham has the highest rate of public sector employment in London, and that a significant proportion of Lewisham staff also live in the borough, the combined socio-economic impact of potential redundancies in this service and others will be negative.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: REG08 SERVICE: CONTRACTS MGR HIGHWAYS MAINT. PORTFOLIO: Regeneration	REGENERATION - HEAD OF TRANSPORT DIVISION LEAD OFFICER: Linda Swinburne SELECT COMMITTEE: Sustainable Development
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
5,905	(2,601.8)	3,303.2

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Highways maintenance, streetworks, street lighting and network management duty required under Traffic Management Act 2004.

Description of saving proposed

Highways network management collaborative working :- Network Management maintains 400km of roads and other highway assets, manages utilities and manages traffic. It includes street lighting – due to pass to a PFI in 2011. It has also been subject to a business process review and is a prime candidate for joint working with another Council. This could be an adjoining Council or another with whom we have a relationship such as Croydon – our lighting PFI partner. Complete integration of the function could allow the number of posts to be reduced by up to 50%, but a more cautious assumption would be 25% or 5 posts. This would reduce costs by £200k - for further information see Regen 06

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
0	175	25	200

Percentage of Net Budget proposed: 6.05%

Effect on HRA/DSG:

HRA: No

DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
 It is likely that staff consultation will be required, and the consultation period would be likely to be 3 weeks. It is expected at this stage that a full year effect would be achieved for 12/13 and 13/14, at the figures set out above.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 2

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: C	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Positive
Level of Impact: Low	Level of Impact: Medium

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

N/A

Outcome of full Equalities Impact Assessment (if required) :					
N/A					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
None - service is borough wide					
Impact on Voluntary Sector					
None					
Legal Implications					
Staff affected by the proposal will be properly informed and consulted. The implementation of the proposals will be conducted in accordance with the Council's management of change guidelines, and will comply with legal requirements.					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					0
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: REG09 SERVICE: TRAVEL DEMAND MANAGEMENT PORTFOLIO: Regeneration	REGENERATION - HEAD OF TRANSPORT DIVISION LEAD OFFICER: Linda Swinburne SELECT COMMITTEE: Sustainable Development
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
3,691	(6,353.8)	(2,662.8)

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Travel Demand Management is responsible for work on Sustainable Transport, Road Safety, and Parking including the monitoring of the parking enforcement contract.

Description of saving proposed

Remove parking pay and display equipment :- Pay and Display bays are used throughout the controlled parking areas of Lewisham. Approximately £2m of cash in coins goes through machines on the highway and in car parks. These machines cost around £3,000 each and require repair and replacement. Pay by phone parking has been introduced as an option in some areas and works well. Removing the option to pay cash will reduce cash handling costs. This has been done in Westminster. There will be no effect on Lewisham staff as this function is carried out by our contractor NSL but consultation by them will be required. The contract is due for renewal in August 2011. Based on cash handling, banking and machine maintenance costs in the contract a saving of £200,000 is possible but the cost of removal of machines, pay by phone fees, and any costs of mitigation measures – e.g. scratchcards would need to be calculated. There will be a reduction in service to the public.

This proposal is linked to REG 10. These are complex proposals and we are working now to assess their viability and deliverability. We also want to link them to the re-tendering of the Parking Contract – Mayor and Cabinet will be asked in February to extend the current contract with NSL by a year to enable us to do this. It is possible that the specific ways in which we deliver the required saving may vary from that currently set out here, depending on the results of our work around deliverability AND ensuring we fully explore the opportunities offered by the re-tendering process. If the savings are delivered as set out here, the necessary consultation and equalities impact assessment work will be undertaken

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
0	200	0	200

Percentage of Net Budget proposed:

Effect on HRA/DSG:

HRA: No

DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

There will need to be public consultation on the proposal, with a recommended minimum consultation period of six weeks. It is expected at this stage that a full year effect will be achieved in 12/13 as set out above.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: **3**

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority:
Level of Impact: Medium	Level of Impact:

What is the overall impact on equalities? Please tick one:					
2011/12: Neutral		2012/13:		2013/14:	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:		Disability:			
Gender:		Sexual Orientation:			
Age:		Religion/Belief:			
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
This proposal is likely to need a full Equalities Impact Assessment					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
None - borough wide service					
Impact on Voluntary Sector					
None					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					0
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: REG10 SERVICE: TRAVEL DEMAND MANAGEMENT PORTFOLIO: Regeneration	REGENERATION - HEAD OF TRANSPORT DIVISION LEAD OFFICER: Linda Swinburne SELECT COMMITTEE: Sustainable Development
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
3,691	(6,353.8)	(2,662.8)

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Travel demand Management covers the following functions:- sustainable transport, road safety and parking including monitoring of delivery of parking enforcement contract.

Description of saving proposed

Integrate the Parking Shop with Access Point :- Lewisham's parking shop is provided by NSL our parking contractor. It currently costs about £300,000 per year to operate but this cost includes some processing and data functions. It is proposed to close the parking shop when the current contract ends in August 2011 and bring the functions in house in Access Point. This will remove a significant premises cost and allow a reduction in staff numbers as work can be shared amongst Access Point staff. In the longer term, new technology may allow the replacement of paper permits with virtual ones removing further cost but this has not been assumed at this stage. The change of the parking shop location to Catford from Lewisham will make it slightly less convenient for users, as this is less central to the controlled parking zone area. A saving of £200,000 out of the £300,000 current cost is estimated but this requires refinement. There will be a staff issue for NSL which will require consultation.

See also description for REG09.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
0	200	0	200

Percentage of Net Budget proposed:

Effect on HRA/DSG:

HRA: No

 DSG: No

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

It is likely that there will need to be public consultation with a minimum consultation period of six weeks. It is expected that a full year effect will be delivered in 12/13 as set out above.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority:
Level of Impact: Low	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Disability:	Sexual Orientation:	
Gender:	Religion/Belief:		
Age:			

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
This proposal is likely to need a full Equalities Impact Assessment					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
None					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					0
What consideration has been given to the possible socio-economic implications of your savings proposals					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:		REGENERATION - HEAD OF TRANSPORT DIVISION	
REF: REG11		LEAD OFFICER: Linda Swinburne	
SERVICE: POLICY AND DEVELOPMENT		SELECT COMMITTEE: Sustainable Development	
PORTFOLIO: Regeneration			
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
620.6	(184)	436.6	
Description of Service			
Briefly describe your service and state who your customers and stakeholders are: Management of transport programmes and projects, Transport Strategy and policy, Engineering Design and Highways Development.			
Description of saving proposed			
Review of Transport customer processes :- Currently transport deals with a large volume of casework – about 700 items a month. In addition many of the projects require significant and varied public consultation. It is proposed to implement the findings of the Highway Business Process Review to integrate customer contact with Customer Services Call Point and CRM platform. A reduction of one post is assumed from this improved efficiency saving £50k. For further information see REG 06.			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
0	50	0	50
Percentage of Net Budget proposed:		11.45%	
Effect on HRA/DSG:			
HRA: No			
DSG: No			
Outcome of Consultation (if required)			
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory			
Staff consultation will be needed and would be expected to last for a maximum of 3 weeks. The saving is expected to deliver a full year effect in 12/13 as set out above			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			4
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: J		Secondary Priority:	
Impact of saving on corporate priority : Neutral		Impact of saving on corporate priority:	
Level of Impact: Low		Level of Impact:	
What is the overall impact on equalities? Please tick one:			
2011/12: Neutral		2012/13: Neutral	
2013/14: Neutral			
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:	N/A	Disability:	N/A
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :			
N/A			
Outcome of full Equalities Impact Assessment (if required) :			
N/A			

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
None					
Impact on Voluntary Sector					
None					
Legal Implications					
Staff affected by the proposal have been properly informed and consulted. The implementation of the proposals will be conducted in accordance with the Council's management of change guidelines, and will comply with legal requirements.					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					0
What consideration has been given to the possible socio-economic implications of your savings proposals					
Given that Lewisham has the highest rate of public sector employment in London, and that a significant proportion of Lewisham staff also live in the borough, the combined socio-economic impact of potential redundancies in this service and others will be negative.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: RES08 SERVICE: HEAD OF PEOPLE MANAGEMENT SERVICES PORTFOLIO: Resources	RESOURCES - HEAD OF PERSONNEL & DEVELOPMENT LEAD OFFICER: Andreas Ghosh SELECT COMMITTEE: ALL
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
3,690	(407)	3,283

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 This Division is responsible for facilitating the development of a flexible and responsive workforce needed to deliver modern, high quality services. This is driven by the Council's People Management Strategy which has three priorities each supported by a key plan;-

- a place where people want to work - to secure, promote, reward and retain a diverse workforce focussed on the needs of residents
- to foster and develop talent - to develop staff and support them to change the organisation so that we continue to provide excellent services
- engaging staff to deliver excellent services - to involve, inspire, equip and motivate staff to deliver the best services.

Description of saving proposed

The proposal is to align the employee relations function with the advisory services function to effect a rationalisation of overall management and business partner support as well as a reduction in management development.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
		150	150

Percentage of Net Budget proposed: 4.57%

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
 This proposal is subject to staff consultation as stipulated within the Council's Employment/Change Management policies. As this proposal will take effect for 2013/14, staff consultation will be undertaken in 2012/13.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 2

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority:
Level of Impact: Medium	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Disability:	Sexual Orientation:	
Gender:	Religion/Belief:		
Age:			

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
No specific implications have been identified.					
Impact on Voluntary Sector					
No specific impacts have been identified.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
No socio-economic implications have been identified.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: RES14 SERVICE: HEAD OF PEOPLE MANAGEMENT SERVICES PORTFOLIO: Resources		RESOURCES - HEAD OF PERSONNEL & DEVELOPMENT LEAD OFFICER: Andreas Ghosh SELECT COMMITTEE: ALL	
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
3,690	(407)	3,283	
Description of Service			
<p>Briefly describe your service and state who your customers and stakeholders are: This Division is responsible for facilitating the development of a flexible and responsive workforce needed to deliver modern, high quality services. This is driven by the Council's People Management Strategy which has three priorities each supported by a key plan;-</p> <ul style="list-style-type: none"> • a place where people want to work - to secure, promote, reward and retain a diverse workforce focussed on the needs of residents • to foster and develop talent - to develop staff and support them to change the organisation so that we continue to provide excellent services • engaging staff to deliver excellent services - to involve, inspire, equip and motivate staff to deliver the best services. 			
Description of saving proposed			
The Human Resources Advisory Service provides support to 15 reorganisations at any one time and over 160 formal employee relations cases. Plans are in place to streamline Human Resources (HR) processes as well as reducing manager dependency on HR in order to reduce the reliance on advisers supporting casework.			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
		120	120
Percentage of Net Budget proposed:		3.66%	
Effect on HRA/DSG:			
HRA: DSG:			
Outcome of Consultation (if required)			
<p>Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory</p> <p>This proposal is subject to staff consultation as stipulated within the Council's Employment/Change Management policies. As this proposal will take effect for 2013/14, staff consultation will be undertaken in 2012/13.</p>			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			2
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: J		Secondary Priority:	
Impact of saving on corporate priority : Neutral		Impact of saving on corporate priority:	
Level of Impact: Medium		Level of Impact:	
What is the overall impact on equalities? Please tick one:			
2011/12:	2012/13:	2013/14:	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:		Disability:	
Gender:		Sexual Orientation:	
Age:		Religion/Belief:	

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
No specific implications have been identified.					
Impact on Voluntary Sector					
No specific impacts have been identified.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
No socio-economic implications have been identified.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION:

REF: RES16 & 17

SERVICE: HEAD OF C'TTEE & BUSINESS SERVICES

PORTFOLIO: Resources

RESOURCES - CHIEF EXECUTIVE - HEAD OF CORP. POLICY & GOVERNANCE

LEAD OFFICER: Barrie Neal

SELECT COMMITTEE: ALL

2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
902	(50)	852

Description of Service

Briefly describe your service and state who your customers and stakeholders are:

Business & Committee Services include support to a range of Council meetings and Civic Events including: support to Full Council, Mayor & Cabinet, Business Panel, Licensing, Pensions & Investment, Education Appeals, Adoption & Permanence Panel, Secure Accommodation Panel, meetings of Building Schools for the Future, Civic Events and International Partnerships.

The Overview & Scrutiny and Business & Committee functions support the work of elected Members in fulfilment of their respective duties as ward representatives, decision makers and scrutiny councillors, helping them to achieve greater democracy and public engagement in the local decision making process.

This area is also responsible for the development of the Member Development Programme and the co-ordination of its delivery. Member Development responsibilities include the development of the members' learning & development programme and its implementation.

Description of saving proposed

Outline review of the Governance Support function

The structure and support to elected members is significantly related to the structure and demands of the Council's decision making process, regulatory duties and overview & scrutiny activities. The governance support function has a wide range of activities broadly described as:

Business & Committee
Overview & Scrutiny
Member Development

The respective areas of support to members are briefly outlined and reviewed below.

Business & Committee supports meetings and proceedings of full Council, Mayor & Cabinet (including Mayor & Cabinet Contracts), Business Panels, Audit Panel, Pensions & Investment Committee (and Sub Committee), Constitutional Working Party, Appointments Committee, Elections Committee, Health & Safety Committee, Elections Committee, Health & Safety Committee, Elections Committee, Licensing Committee, Education Appeals, Permanence & Adoption Panel, Secure Accommodation Review Panel, BSF Project Board, Deptford Parochial Charity Board . The function also covers Civic Events and International Partnerships. The function has most recently become the co-ordinating hub for the newly adopted electronic petitioning procedure. The function has also traditionally hosted political assistants and the Community Police Consultative Co-ordinator.

The function has in recent years absorbed a significant array of additional meetings and activities. Increased pressures have included rising numbers of Education Appeals:

Education Appeals

2007/2008	51
2008/2009	118
2009/2010	156
2010/2011	101 (part year)

Meetings of the Permanence & Adoption Panel and Secure Accommodation Review Panel have also increased:

Permanence & Adoption Panel (approx 5 hour meetings)

2008/2009	26
2009/2010	28
2010/2011	28

Secure Accommodation Review Panel (includes travel around the country as well as a full day meeting)

2007/08	6
2008/2009	11
2009/2010	5
2010/2011	17

Staff numbers have remained constant over this period whilst demands have increased. Proposals for salaries savings were not made for year 1 reflecting the existing pressures being managed. However, savings were proposed for year 2. Such savings would of course not fully impact until 2012/13 when business activities might be expected to become proportionate to a downsized organisation.

Savings, it was anticipated, might reasonably be generated from re-organising existing working arrangements and reflecting the public and members own desire to reduce the costs of governance activities. The former public view was most clearly defined in the 'Our Lewisham our Say' consultation. The latter member perspective is still to be worked through in terms of changing expectations, including the numbers of meetings to be serviced.

The initial savings target for year two at £100,000 represented 19% of the function. However, some progress could begin immediately towards the year 2 savings target if the savings on one Political Assistant post were taken now (the former Green Party political post). This would net a saving of £42,000. Further work and consultations would begin later this year on meeting the balance of the savings targeted across the Business & Committee function at £58,000.

Overview & Scrutiny have a dedicated support function, representing the best of local government practice (Scrutiny Study Learning Set, Centre for Public Scrutiny, 2005). The function supports the Overview & Scrutiny Committee and currently six select committees.

The function was reorganised in 2008/2009 to take both a £40,000 salaries saving due at that time and to also deliver a better, more 'fit for purpose' function. The outcome was a team better focused, within newly defined job roles, on meeting the diverse needs of a function due to scrutinise not just council activities, but increasingly taking on the oversight of partner agencies (including statutory functions in relation the health & police services) and cross borough scrutiny on matters such as changing health services. Performance not only improved in terms of volume but a higher level of advice and support was made available – staff understanding better the complex environment within which the function has been developing.

In terms of staffing a head of unit is supported by three scrutiny managers, a scrutiny support officer and an administrative assistant. The most recent savings proposals targeted a saving of £50,000 on a £316,000 salaries budget (16% saving). Following staff consultations the saving proposed in November 2010 would have affected the deletion of the scrutiny support officer post. This reflected the priority given to sustaining the gains made in the recent past by keeping the scrutiny manager posts and deleting a post which had not up until this time been fully developed as far as might have been anticipated at the time of the reorganisation.

In addition to the salaries budget the function has a £17,000 operational budget to support work were no alternative funding source is provided. This operational budget has traditionally under spent every year since first established in 2006.

However, given the concerns expressed by overview & scrutiny members at sustaining their activities through the difficult budget rounds ahead it is not proposed to bring any further savings forward on the overview & scrutiny budget at this time. This position will be reviewed further in preparations for the 2012/13 budget savings round later in the year.

Member Development has benefited in recent years from significant levels of investment and a dedicated

officer (3 days a week). This function has in its time delivered an extensive member development programme and has been acknowledged by external inspections and assessment as of a high standard. However, it has been evident in the last year that it has been harder to sustain levels of commitment to the programme and significant budget savings proposals have been made. Year one savings, impacting on 2011/2012 at £15,000 on a £60,000 operational budget were agreed in November 2010. An operational budget of £45,000 and a salaries budget of £29,500 will remain for 2011/2012.

Further savings are proposed for year 2, 2012/2013 at £40,000. Options to be evaluated to deliver year two savings have been outlined as to include: a saving taken as a combination of the operational budget and the part-time post or savings to be taken exclusively on the remaining operational budget. Consultation on the approach to deliver the savings, subject to agreement, would be due in 2011/2012.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
	140		140

Percentage of Net Budget proposed: 16.44%

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

This proposal is subject to staff consultation as stipulated within the Council's Employment/Change Management policies.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority: A
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority: Neutral
Level of Impact: Medium	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:		Disability:	
Gender:		Sexual Orientation:	
Age:		Religion/Belief:	

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.

Outcome of full Equalities Impact Assessment (if required) :

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		2	6	1	
FTE equivalent - posts: 9			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
No specific impacts have been identified.					
Impact on Voluntary Sector					
No specific impacts have been identified.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
No socio-economic implications have been identified.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: RES21 SERVICE: CORPORATE COMMUNICATIONS PORTFOLIO: Resources	RESOURCES - CHIEF EXECUTIVE - HEAD OF STRATEGY LEAD OFFICER: Kevin Sheehan SELECT COMMITTEE: ALL
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
1,646	(99)	1,547

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Communications Unit is responsible for engaging with and informing citizens about Council services, policies and decisions that have an impact on their lives. They play a key role in promoting, protecting and enhancing the reputation of the Council and the Mayor.

Description of saving proposed

The proposal is to restructure the Communications Unit.

The underlying principle of the proposed restructure is a smaller, more focused team making smarter use of new technologies and communicating more effectively through a network of advocates and partners.

This will create generic communications posts covering marketing, media relations and online communications, while retaining expertise in design; print buying/production management; publication editing and production; and strengthening the capacity for engagement - online and face-to-face - of citizens and stakeholders including staff.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
	284		284

Percentage of Net Budget proposed: 18.36%

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

This proposal is subject to staff consultation as stipulated within the Council's Employment/Change Management policies.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 2

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: A	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Positive
Level of Impact: High	Level of Impact: Medium

What is the overall impact on equalities? Please tick one:

2011/12: 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:		Disability:	
Gender:		Sexual Orientation:	
Age:		Religion/Belief:	

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	5	8	11	3	
FTE equivalent - posts: 23			FTE equivalent - vacant posts: 4		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
No specific implications have been identified.					
Impact on Voluntary Sector					
No specific impacts have been identified.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
No specific implications have been identified.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: RES25 SERVICE: SUSTAINABLE ENERGY GROUP MGR PORTFOLIO: Resources		RESOURCES - CHIEF EXECUTIVE - HEAD OF STRATEGY LEAD OFFICER: Kevin Sheehan SELECT COMMITTEE: Sustainable Development	
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
541	(236)	305	
Description of Service			
Briefly describe your service and state who your customers and stakeholders are: The Sustainable Resources Group is responsible for developing corporate strategy relating to sustainability. The Group also has responsibility for energy procurement and energy management across Council's operations.			
Description of saving proposed			
The proposal is to restructure the team to bring together the various strands of work which have evolved over time. In the last two years there have been a number of new area-based energy efficiency schemes introduced by the Greater London Authority and other bodies. This creates the potential to rationalise the Group's existing staffing in relation to providing energy advice to residents. The reduction in salary costs will be achieved through a reorganisation of the Group planned to take place during 2011/12.			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
	50		50
Percentage of Net Budget proposed:		16.40%	
Effect on HRA/DSG:			
HRA: DSG:			
Outcome of Consultation (if required)			
Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory This proposal is subject to staff consultation as stipulated within the Council's Employment/Change Management policies.			
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:			3
Impact on Corporate Priorities:			
Most relevant:		Second most relevant:	
Main Priority: C		Secondary Priority: J	
Impact of saving on corporate priority : Neutral		Impact of saving on corporate priority: Positive	
Level of Impact: Medium		Level of Impact: Medium	
What is the overall impact on equalities? Please tick one:			
2011/12:	2012/13:	2013/14:	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low			
Ethnicity:		Disability:	
Gender:		Sexual Orientation:	
Age:		Religion/Belief:	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :			
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.			
Outcome of full Equalities Impact Assessment (if required) :			

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	3	1	4	1	
FTE equivalent - posts: 9			FTE equivalent - vacant posts: 1		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
No specific implications have been identified.					
Impact on Voluntary Sector					
Sustainable Resources work closely with the Voluntary Sector to deliver many of their projects around improving energy efficiency and reducing fuel poverty.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
Sustainable Resources' approach is based on seeking to make low energy options the obvious and easier choice, and to inform, motivate and enable citizens to adopt changes that will reduce their CO2 emissions, as well as their energy bills. Given the continuing rise in energy costs their work underlines the importance of identifying and supporting those most vulnerable to 'fuel poverty' and its detrimental impacts.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: RES32 SERVICE: ACROSS DIVISION PORTFOLIO: Resources	RESOURCES - HEAD OF TECHNOLOGY & TRANSFORMATION DIVISION LEAD OFFICER: Simon Berlin SELECT COMMITTEE: ALL
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
2,774	(306)	2,468

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Technology & Transformation Division delivers services through five sub-divisions:

- Technology Management: managing our outsourced relationship for ICT provision (currently placed with Capita) and providing a technology solutions, strategy, research and security management services
- Information Management: delivering consultancy services for information compliance (Freedom of Information, Data Protection Act etc.), records and information management
- Transformation Management: delivering consultancy services to support e-enabled transformation
- Technology Operations: delivering print, digitisation and other media related services.
- Social Care Systems: responsible for the integrated adult and children's systems (IAS & ICS), and other related systems.

Description of saving proposed

This proposal is a further £300k saving on the Technology & Transformation Division staffing budgets. When it is added to the £250k already proposed to be taken in 2011-12 (RES 29), it represents a full 25% saving on overall staff costs, based on the current Technology & Transformation budget.

- There are three assumptions here:
- Complete a Council-wide rationalisation of all ICT staff job descriptions during quarter 3/quarter 4 of this financial year (2010-11),
 - Complete a reorganisation of all staff resources under centralised management during financial year 2011-12, bringing all the 'key system teams' (who support local 'line of business' systems) under centralised management.
 - The key system team budgets are transferred to the centre in 2011 without any further staffing cuts to their current establishment prior to that transfer. At present we are not aware of any reductions proposed in staffing of the teams in question.

These measures will mitigate the impact of these reductions, by introducing a more flexible structure, allowing for support between local teams that are currently isolated. Nonetheless, these represent large reductions and there will inevitably be a compromise to the capacity to extend and improve existing systems, and system reporting capabilities.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
42	150	150	342

Percentage of Net Budget proposed:	13.9%
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Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

This proposal is subject to staff consultation as stipulated within the Council's Employment/Change Management policies. As this proposal will take part year effect for 2012/13, staff consultation will be undertaken in 2011/12.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	2
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Impact on Corporate Priorities:					
Most relevant:			Second most relevant:		
Main Priority: J			Secondary Priority:		
Impact of saving on corporate priority : Negative			Impact of saving on corporate priority:		
Level of Impact: Medium			Level of Impact:		
What is the overall impact on equalities? Please tick one:					
2011/12:		2012/13:		2013/14:	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:		Disability:			
Gender:		Sexual Orientation:			
Age:		Religion/Belief:			
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
No specific implications have been identified.					
Impact on Voluntary Sector					
No specific implications have been identified.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
No socio-economic implications have been identified.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: RES33 SERVICE: CORPORATE TECHNOLOGY MANAGER PORTFOLIO: Resources	RESOURCES - HEAD OF TECHNOLOGY & TRANSFORMATION DIVISION LEAD OFFICER: Simon Berlin SELECT COMMITTEE: ALL
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
6,110	(964)	5,146

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Technology & Transformation Division delivers services through five sub-divisions:

- Technology Management: managing our outsourced relationship for ICT provision (currently placed with Capita) and providing a technology solutions, strategy, research and security management services
- Information Management: delivering consultancy services for information compliance (Freedom of Information, Data Protection Act etc.), records and information management
- Transformation Management: delivering consultancy services to support e-enabled transformation
- Technology Operations: delivering print, digitisation and other media related services.
- Social Care Systems: responsible for the integrated adult and children's systems (IAS & ICS), and other related systems.

Description of saving proposed

The proposal is to reduce numbers of ICT end-user devices, accounts, licences, servers and to some extent, data volumes. Also, to take a 'licence holiday' from the Microsoft Enterprise Agreement, worth a net £125k per annum.

This proposal assumes a 20-25% reduction in staffing achieved through the savings process across the Council, reducing the demand for 'desktops' and user accounts and some possible device sharing.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
		400	400

Percentage of Net Budget proposed:	7.77%
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Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

This proposal is not subject to statutory or non statutory consultation with service users, strategic partners or staff.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	3
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Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority:
Level of Impact: High	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12:	2012/13:	2013/14:
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:		Disability:			
Gender:		Sexual Orientation:			
Age:		Religion/Belief:			
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?			NO		
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
No specific implications have been identified.					
Impact on Voluntary Sector					
No specific impacts have been identified.					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
No socio-economic implications have been identified.					

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: RES34 SERVICE: CORPORATE TECHNOLOGY MANAGER PORTFOLIO: Resources	RESOURCES - HEAD OF TECHNOLOGY & TRANSFORMATION DIVISION LEAD OFFICER: Simon Berlin SELECT COMMITTEE: ALL
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
6,110	(964)	5,145

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Technology & Transformation Division delivers services through five sub-divisions:

- Technology Management: managing our outsourced relationship for ICT provision (currently placed with Capita) and providing a technology solutions, strategy, research and security management services
- Information Management: delivering consultancy services for information compliance (Freedom of Information, Data Protection Act etc.), records and information management
- Transformation Management: delivering consultancy services to support e-enabled transformation
- Technology Operations: delivering print, digitisation and other media related services.
- Social Care Systems: responsible for the integrated adult and children's systems (IAS & ICS), and other related systems.

Description of saving proposed

This proposal assumes a saving on software maintenance and other external costs (development etc.) achieved through retiring 'line-of-business' systems that can be supported on corporate platforms. This will require a process of aggressive software portfolio rationalisation and, wherever possible, achieving savings on software costs through tactical system replacements with shared service and 'cloud' offerings.

User preparedness for change, and an acceptance of generic solutions, is a prerequisite for this saving.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
		150	150

Percentage of Net Budget proposed:	2.91%
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Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

This proposal is not subject to statutory or non statutory consultation with service users, strategic partners or staff.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	2
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Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Positive	Impact of saving on corporate priority:
Level of Impact: Medium	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12:	2012/13:	2013/14:
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:				Disability:			
Gender:				Sexual Orientation:			
Age:				Religion/Belief:			
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :							
Outcome of full Equalities Impact Assessment (if required) :							
Human Resources Implications							
Will this saving proposal have an impact on staffing levels within your team (yes/no)?							NO
Within this savings proposals, please state the number of posts in your current structure by grade band.							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
FTE equivalent - posts:				FTE equivalent - vacant posts:			
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?							
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC		
How do you expect to reduce these posts?							
Redundancy/ Redeployment		TUPE		Retirement		Delete vacant post	
Additional Information							
Ward/Geographical implications							
No specific implications have been identified.							
Impact on Voluntary Sector							
No specific impacts have been identified.							
Legal Implications							
Can this saving be taken in current Financial Year:						NO	
If yes to previous question what is the value that can be taken?							
What consideration has been given to the possible socio-economic implications of your savings proposals							
No socio-economic implications have been identified.							

PHASE 2 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: RES35 SERVICE: AUDIT PORTFOLIO: Resources	RESOURCES - HEAD OF AUDIT & RISK LEAD OFFICER: David Austin SELECT COMMITTEE: ALL
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
1,308	(18)	1,290

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Audit and Risk Group manages four corporate functions - Internal Audit, Anti-Fraud & Corruption, Health & Safety, and Insurance & Risk.
 The key stakeholders are the Executive Management Team, Directors and Heads of Service across the Council, Head Teachers and the Lewisham Homes Senior Management Team. As a corporate function the Group also has a wider responsibility to provide services to all managers, staff and members.

Description of saving proposed

Phase 1 savings proposals agreed a reduction of £440,000 or 24% over three years on the above baseline. This proposal is for Phase 2 savings over the same three years. The Phase 2 proposal comprises:-

- a reduction in the Housing Benefit Investigations service in 11/12 and 12/13 leading up to 13/14 when responsibility for this service will be assumed by the Department for Work and Pensions;
- a reorganisation of the Special Investigations Team to support the Council and its partners fight internal fraud to strengthen risk management and compliance reporting work in particular;
- a recognition that resource constraints in partner organisations will also reduce level of existing SLA income with partner organisations for Audit and Risk services;
- more focus on risk management to reduce call on the risk fund and enable a reduction in annual

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
50	100	15	165

Percentage of Net Budget proposed:	12.78%
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Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
 This proposal is subject to staff consultation as stipulated within the Council's Employment/Change Management policies.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	3
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Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: J	Secondary Priority:
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority:
Level of Impact: Medium	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12:	2012/13:	2013/14:
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:		Disability:	
Gender:		Sexual Orientation:	
Age:		Religion/Belief:	

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		2	19	4	1
FTE equivalent - posts: 25.4			FTE equivalent - vacant posts: 0		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
No specific implications have been identified.					
Impact on Voluntary Sector					
No specific impacts have been identified.					
Legal Implications					
Can this saving be taken in current Financial Year:				YES	
If yes to previous question what is the value that can be taken?				£25k	
What consideration has been given to the possible socio-economic implications of your savings proposals					
No socio-economic implications have been identified. However the majority of savings within this proposal relate to changes to address the revised policy framework which will mean that Council's will lose their powers and responsibilities to undertake Housing Benefit investigations.					

PHASE 1 BUDGET SAVING PROPOSAL 2011 to 2014

DIRECTORATE AND DIVISION: REF: RES 36 SERVICE: CORPORATE COMMUNICATIONS PORTFOLIO: Resources	RESOURCES – CHIEF EXECUTIVE – HEAD OF STRATEGY LEAD OFFICER: Kevin Sheehan SELECT COMMITTEE: Public Accounts Select Committee
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2010/11 Net Controllable Budget: (£000's)		
Expenditure £000's	Income £000's	Net Budget £000's
1,646	(99)	1,547

Description of Service

Briefly describe your service and state who your customers and stakeholders are:

The Communications Unit is responsible for engaging with and informing citizens about Council services, policies and decisions that have an impact on their lives. They play a key role in promoting, protecting and enhancing the reputation of the Council and the Mayor.

Description of saving proposed

Please provide sufficient details on the proposal:

The proposal is to further reduce spending on publications funded by the corporate marketing budget, specifically to reduce the number of Lewisham Life issues by an additional two to four per annum, making a net saving of £34k.

Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
34			34

Percentage of Net Budget proposed:

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Main Priority - Most relevant: A	Secondary Priority - Second most relevant (if applicable): J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Negative
Level of Impact: High	Level of Impact: High

What is the overall impact on equalities? Positive/Negative/Neutral

2011/12: Negative 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium, Low, N/A

Ethnicity:	Medium	Disability:	Medium
Gender:	Medium	Sexual Orientation:	Medium
Age:	Low	Religion/Belief:	Low

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Reducing the number of Lewisham Life issues impacts on the ability to promote services generally, but in particular services for minority groups.

Outcome of full Equalities Impact Assessment (if required) :					
Please outline the outcome of the full EIA if undertaken:					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Please state specific ward/geographical areas that would be affected;					
No specific implications have been identified.					
Impact on Voluntary Sector					
Please state if savings have any impact on the Voluntary Sector:					
Reducing the number of Lewisham Life issues impacts on the ability to promote services of interest to; involving; or provided by; the Voluntary Sector.					
Legal Implications					
Please enter any legal implications for this specific saving:					
Can this saving be taken in current Financial Year: Yes/No					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
No specific implications have been identified.					

PHASE 2 SAVINGS PROPOSALS – POLICY ANALYSIS

1. The following section provides an analysis on the second phase savings proposals in the context of the Council's policy framework. This policy analysis describes how savings, proposed by directorates, will impact on the delivery of the Council's ten key priorities which are listed below. Any proposed budgetary savings have to be considered in the light of these priorities and the potential effect on services provided and outcomes for both service users and the community at large. The effects are assessed as either positive, neutral or negative, in terms of real impacts on the Council's functions and services.

Presentation of analysis

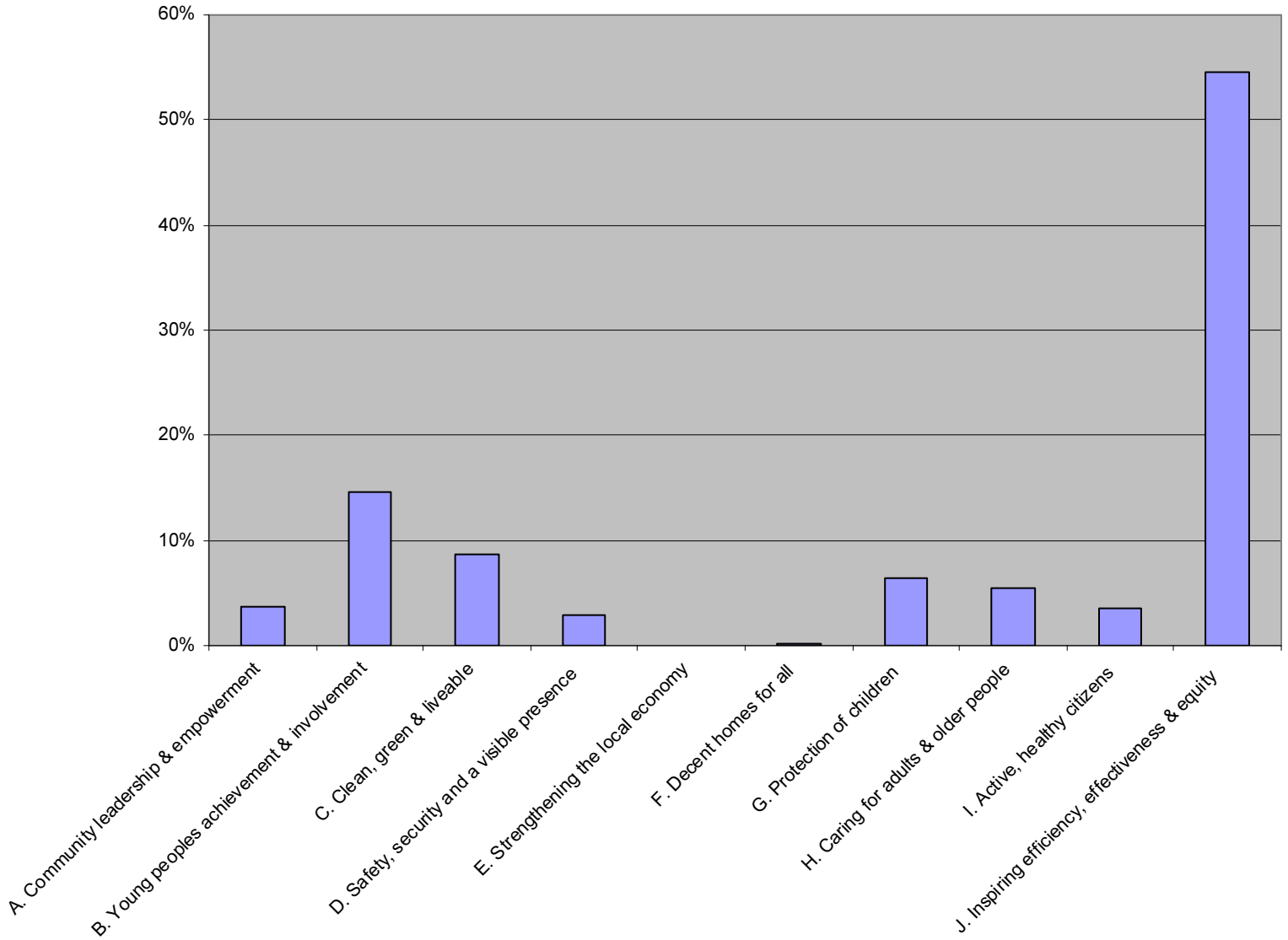
2. The following analysis has been prepared, using various key headings. These offer a wide-ranging perspective of the impact of budget savings for phase 2 of the 2011/14 savings round.

Savings mapped to Council priority

3. Figure 1 illustrates that of the £21.340m worth of savings identified, £11.629m or 54.5% are linked to Council priority (J) '*Inspiring efficiency, effectiveness and equity*'. The next highest saving £3.120m or 14.6% of the total, has been proposed under priority (B) '*Young people's achievement and involvement*'. Of the other Council priorities, priority (C) '*Clean, green and liveable*', (G) '*Protection of children*' and priority (H) '*Caring for adults and older people*' account for £1.830m or 8.6%, £1.375m or 6.4% and £1.150m or 5.4% of savings respectively.
4. Lower amounts are attributable to priority (A) '*Community leadership and empowerment*' 787K or 3.7% I) '*Active, healthy citizens*' £774K or 3.6%, (D) '*Safety, security and a visible presence*' 625K or 2.9%, priority (F) '*Decent homes for all*' £50K or 0.2%. No savings were attributable to priority (E) '*Strengthening the local economy*'.

Figure 1: % of savings proposal mapped to primary corporate priority

% of total proposed savings (£21.340m)



Corporate priority

Proposed savings mapped to Primary Corporate Priorities							
Primary Council Priority A-J	COM	CUS	CYP	REG	RES	Grand Total '000s	%age of savings
A. Community leadership & empowerment	469				318	787	3.7%
B. Young peoples achievement & involvement			3,120			3,120	14.6%
C. Clean, green & liveable		1,330		450	50	1,830	8.6%
D. Safety, security and a visible presence		625				625	2.9%
E. Strengthening the local economy						0	0%
F. Decent homes for all		50				50	0.2%
G. Protection of children			1,375			1,375	6.4%
H. Caring for adults & older people	1,150					1,150	5.4%
I. Active, healthy citizens	774					774	3.6%
J. Inspiring efficiency, effectiveness & equity	3,270	2,517	2,700	1,675	1,467	11,629	54.5%
Grand Total	5,663	4,522	7,195	2,125	1,835	21,340	100%

Front Office, Back Office Analysis

5. A simple back office / front office split is not straight forward, particularly given some of the larger scale savings which are difficult to disaggregate. Inevitably, some of these larger savings have a back office component. However, of the £21.340m of savings proposals for the second phase, £7.7m (36%) relates wholly to the back office.

Risk to Achievement

5. All savings proposals that have been put forward are achievable, however, a risk rating has been given to each proposal which assesses the level of challenge to delivery.
6. The tables below offer a directorate perspective as to the relative achievability of savings proposed in the 2011/12 round. The sliding scale used indicates that 3 and 4 are the most likely to be achieved without difficulty, whilst 1 and 2 savings are those likely to be achieved, but with potential challenges to delivery during the course of implementation.
7. The tables below show the risk to achievability for savings proposed. The tables suggest that £14.988m, 71.2% (3 and 4) are perceived as having a

comparatively low level of risk and are therefore more easily deliverable.

8. In contrast 28.8% or £6.063m (1 and 2) of savings are perceived by directorates as being more difficult to achieve.

Risk to Achievement (High)

Level of risk	Total £m	% of savings
1	0.500	
2	5.560	
High risk savings sub total	6.060	28.4%

Risk to Achievement (Low)

Level of risk	Total £m	% of savings
3	11.863	
4	3.417	
Low risk savings sub total	15.280	71.6%

Geographical analysis.

9. The analysis in the table below shows how directorates have judged the likely geographical impact of savings proposals. The table below shows that of the £21.340m savings total, £18m (90.9%) will impact borough-wide and not affect any specific ward.
10. The only savings proposals that have been identified as having specific impact on a particular Ward are the proposals to:

Savings with Specific Implications on Wards

Proposal	Effect	Amount	Area
Ending activities at Millwall Football Club. The medium of sport is used as a motivational tool, focusing on raising literacy, numeracy and ICT standards amongst 9 to 14 year old pupils.	Neutral	£25k or 0.12%	Evelyn, New Cross
Close Amersham Early Years Centre based on efficiency and supply and demand. - To increase the charges for child care - the amount of this is captured	Neutral	1.808 or 8.47%	Brockley, Telegraph Hill, New Cross, Evelyn,

in the Council fees and charges report - To explore how to reduce service costs in 2011/12 - Seek for alternative delivery arrangements during 2012 – 2014 for the remaining three centres;			Ladywell, Crofton Park, Lee Green, Lewisham Central, Blackheath, Rushey Green.
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These savings proposal amounts to £1.833m or 8.59% of the savings total.

Ward Implications

Coverage	Value £m	Percentage
Borough-wide	19.507	91.41%
Evelyn/New Cross	0.025	0.1%
Brockley, Telegraph Hill, New Cross, Evelyn, Ladywell, Crofton Park, Lee Green, Lewisham Central, Blackheath, Rushey Green	1.808	8.47
Total	21.340	100%

11. The savings include proposals for libraries (Sydenham, Blackheath, Crofton Park, Grove Park and New Cross) and it is recognised that whilst these are located in specific wards the impact of the proposed closures will be felt borough wide.
12. The other proposal identified as impacting borough-wide (the night-time refuse collection service that clears trade waste & waste from flats above shops in main streets and shopping areas to support the street cleansing operation) is active in the retail areas in Lewisham, Catford, Ladywell, Honor Oak, Sydenham, Forest Hill, Blackheath, Lee and New Cross.
13. The table below also shows the type of impact the savings proposals are likely to have on a geographical basis. The table shows that savings totalling £17.141m or 80.32% are judged to have a likely positive or neutral impact, whilst savings totalling £4.199m or 19.68% are judged to have a likely negative impact.

Savings Impact

Type	Value £m	Percentage
Positive or neutral	17.141	80.32%
Negative	4.199	19.68%
Total	21.340	100%

BUDGET – PHASE 2 – SPECIFIC LEGAL IMPLICATIONS

REGENERATION

Ref	Summary of proposal	Legal implications
REG01	Reduce size of corporate estate	No specific legal implications at this stage. Legal implications will need to be carefully considered when specific proposals are brought forward.
REG04	Move from Development Control to Development Management	The LPA is required to notify its decision on a valid planning application within a stipulated period of time - (article 20 (2) Town and Country Planning (General Development Procedure) Order 1995 (as amended)). This is directory and not mandatory; but a statutory right to appeal is triggered in the case of non determination. On evidence of unreasonable conduct by the LPA an award of costs could be made against the LPA on appeal. It is therefore in the LPA's interest to ensure sufficient staff to determine applications within the stipulated period of time.
REG06	Review transport structure, functions and staffing levels, linking together savings proposals REG 06, 07,08 and 11 to ensure delivery of total savings target from these proposals. Lewisham's Head of Transport retired in August 2010.	Legal implications will need to be considered when specific proposals are brought forward.
REG07	Outsourcing of transport design services	No specific legal implications at this stage.
REG08	Highways network management collaborative working	The Council has powers to jointly procure works and services with other boroughs. Specific legal implications will need to be considered when specific proposals are brought forward.

Ref	Summary of proposal	Legal implications
REG09	Remove parking pay and display equipment	<p>There is no specific statutory requirement for cash payment options to be maintained. However, there is a general duty for the Council to exercise its traffic order making function to secure “the provision of suitable and adequate parking facilities on and off the highway”.</p> <p>Traffic orders would be needed to bring any new arrangements into effect and the public would have the opportunity to make representations before any orders are finalised.</p>
REG10	Integrate the Parking Shop with Access Point	No specific legal implications
REG11	Review of Transport customer processes	No specific legal implications provided that the Council can continue to meet its obligations in relation to public consultation post reorganisation

CUSTOMER SERVICES

Ref	Summary of proposal	Legal implications
CUS02	Redesign Re-housing and Lettings Service	This service has statutory obligations to fulfil housing strategy commitments. The current proposal does not appear to impact negatively upon those obligations but will need to be kept under review.
CUS03	This saving would be achieved by changes to the way in which temporary accommodation is procured and managed.	A review is being proposed in light of current Local Housing Allowance changes and the context of future procurement of private sector leased accommodation. – the outcome of this review is not yet known. No legal implications to add at the present.
CUS04	Transferring customer contact to CallPoint Use of the website to give advice, receive applications and take payments Streamlining the administration support for the three areas Streamlining the structure in private sector housing to reduce posts at team leader level	No loss of statutory functions provision is being envisaged by this restructuring; Handyman service – has been a government initiative – targeted to assist the elderly and vulnerable. Communities and Local Government successfully secured funding for a two-year pilot (2009-11) to develop enhanced handyperson services. However, from 2011 onwards all future funding requirements for the handyperson services are to form part of a mainstream central government spending review.
CUS09	The proposal is to use an automated switchboard to replace some of the switchboard staff.	Potential disability implications for service users and so EIA will be required. There may be implications for those with a disability using an automated system. A further report would be submitted to M and C on any proposed contract and this report would address the equalities issues
CUS11	Reduce the number of benefits assessors by a further 10 posts over the next three years.	General implications apply. The number of posts proposed to be deleted, albeit in 2 stages will begin 2012/13. It is noted that continued

Ref	Summary of proposal	Legal implications
		<p>service provision is dependent upon whether or not there will be a reduction in the subsidy received from the DWP for the HB scheme. The current and most recently issued Subsidy circular issued by the DWP was on the 29th November 2010 and dealt with the subsidy distribution for 2011/12. Nothing further has so far been issued by the DWP for the later period concerning 2012/13 which is particularly relevant to the proposal here concerning the deletion of posts.</p>
CUS14	Reduce the number of Revenues Officers by a further 4.5 posts over the next three years	Proposal is for 2012/13 - general legals apply
CUS16	Close Cashiers to the Public	Employment considerations apply
CUS17	Transfer 14 day letters to Bailiffs	General implications apply - proposed for year 2013/14
CUS18	Cease the night-time refuse collection service	<p>Under Section 89(1) of the Environmental Protection Act 1990, the Council is under a statutory duty to ensure that open land under its direct control and to which the public have access is, so far as practicable, kept clear of litter and refuse. Under Section 89(2), the Council is also under a statutory duty, so far as is practicable, to ensure that public highways within its area are kept clean. In deciding what standard is required, the Council must have regard to the character and use of the land or highway, as well as the measures which are practicable in the circumstances. Under Section 89(10), the Council is also required to have regard to the code of practice published by the Secretary of State from time to time. In particular, the code requires the Council to allocate its land into different types or "zones" which must be publicised. The code then sets out cleanliness</p>

Ref	Summary of proposal	Legal implications
		standards for the different types of land and maximum response times for cleaning an area which has been littered. The duty applies seven days a week. Members of the public may complain to the Magistrates Court where they consider that there is a breach of Section 89. The code of practice is admissible in evidence and the court may take into account any relevant provision in the code of practice. If the complaint is successful, a litter abatement order will be made, failure to comply with which is an offence. The court may also award costs if it is satisfied that there were reasonable grounds for bring the complaint, even if by the time the complaint is heard, the litter has been cleared away or the lack of cleanliness rectified. In considering any savings proposals in relation to these matters, the Mayor must therefore be satisfied that the Council will still be able to comply with its duties under Section 89 and the requirements contained in the code of practice.
CUS28	No provision of sweeping services to designated secondary streets on a Sunday and to reduce the frequency of sweeping to residential streets across the borough to just once per week	See CUS18
CUS29	Stop street recycling service	The proposal may affect the Council's ability to meet the recycling targets combined in the Local Area Agreement and the Municipal Waste Management Strategy which feeds into the Council's Sustainable Communities Strategy.
CUS 36	Reduction of 1 post following letting of Beckenham Place Park	The contract for the management of Beckenham Place Park has been tendered and the tender returns are due on 27 February 2011. It is too early to determine whether the procurement will be successful, but the proposed savings are currently predicated upon the success of the externalisation.

Ref	Summary of proposal	Legal implications
CUS41	Delete a Principal Trading Standards Officer post and a Trading Standards Enforcement Officer post	Proposals are for a two stage deletion of posts: 2012/13 & 2013/14
CUS46	It is proposed to combine the Public Health and Nuisance Team (PH&N) with the Environmental Protection (EP) Team under the current PH&N Manager.	Generally, there is to be a restructuring – resulting in the deletion of a number of posts with no additional legal implications save for general employment implications. Attention will be given to dealing with complaints of a public health & statutory nuisance nature. These include, but are not limited to, the mandatory issuing of Abatement Notices pursuant to section 80 of the Environmental Protection Act 1980 where nuisance or matters which are deemed to be prejudicial to health have been actually witnessed by authorised officers in accordance with the provisions of section 79 of the 1980 Act. The proposal on the face of it will not undermine our ability to carry out our relevant statutory obligations.
CUS 47	Reduction of costs of contract	Under the terms of the contract with Glendale, the contractor agrees to achieve year on year efficiencies. The proposed reduction in on site staff presence in some parks has been agreed in principle with Glendale subject to a mayoral decision.
CUS48	Gradually removing all dog waste bins and promoting the use of litterbins to dispose of wrapped dog waste	Animal faeces are deemed to be “domestic offensive/hygiene waste” and consequently may be disposed of with normal refuse, provided that it is wrapped thoroughly first. (Waste Regulations 2005 as amended) . In 2009, the Council adopted its own Dog Fouling Orders to have more effective enforcement powers against irresponsible dog owners who fail to clean up after their pets in open spaces.
CUS49	Delete remaining Waste Advisor post	General legal implications apply

Ref	Summary of proposal	Legal implications
CUS50	Business Rates / Debtors Team management review	General legal implications apply
CUS51	Benefits - Management Team Review	General legal implications apply
CUS 52	The contractual obligations of the Council under the contract with SELCHP are set out in the body of the proposal.	There are no special legal implications relating to the proposal to sell excess tonnage to neighbouring authorities.
CUS 53	Reduction in waste management improvement budget	There are no additional legal implications

RESOURCES

Ref	Summary of proposal	Legal implications
RES 08	The proposal is to align the employee relations function with the advisory services function.	General legal implications apply – no specific legal implications.
RES14	To streamline Human Resources (HR) processes as well as reducing manager dependency on HR in order to reduce the reliance on advisers supporting casework.	General legal implications apply – no specific legal implications.
RES 16/17	Savings on salary budget in Business and Committee Services and consideration of reduction in operation costs for Member Development or a combination of salary and operational costs.	General legal implications apply – no specific legal implications.
RES21	The proposal is to restructure the Communications Unit.	General legal implications apply – the Government has consulted on changes to the Code of Practice applying to local authorities' publicity. In time this may impact on activities in the unit.
RES25	The proposal is to restructure the team to bring together the various strands of work which have evolved over time.	General legal implications apply – no specific legal implications.
RES32	Complete a reorganisation of all staff resources under centralised management	General legal implications apply – no specific legal implications.
RES33	The proposal is to reduce numbers of ICT end-user devices, accounts, licences, servers and to some extent, data volumes.	The 3 year contract with Microsoft terminates on 31 March 2012. The licences already obtained from Microsoft are in perpetuity and therefore will be retained. The proposal is not to upgrade or increase the number of licences upon expiry of this contract.
RES34	This proposal assumes a saving on software maintenance and other external costs	No specific legal implications.
RES35	A reduction in the Housing Benefit	There are no additional legal implications, save in relation to

Ref	Summary of proposal	Legal implications
	Investigations and a reorganisation of the Special Investigations Team	employment. There are proposals for the DWP to take sole responsibility for investigating Housing Benefit fraud and related enforcement action from 2013/2014 with inevitable implications for Council HB investigators who are currently undertaking this statutory function.)
RES 36	Reduce corporate publications to 4 per annum	No specific implications and See Res 33 above

CHILDREN AND YOUNG PEOPLE

Ref	Summary of proposal	Legal implications
CYP13	Within the context of the 20% cuts to the grants constituting the Early Intervention Grant: In 2011/12 we propose to cease to provide a universal early years service out of Children's Centres. It is proposed that the grant is allocated over eight categories of expenditure	Local authorities are required to make arrangements to secure that early childhood services in their area are provided in an integrated way that facilitates access to services and maximises the benefits to children, parents and prospective parents. The arrangements made under section 3(2) of the Childcare Act 2006 must include arrangements for sufficient provision of children's centres to meet local need.
CYP15	There are four Early Years Centres (EYC): Rushey Green, Honor Oak, Amersham and Ladywell. They provide full day care for children 0-5. The introduction of the extended free provision for three to four year olds and the change in the economic climate has resulted in a decline in demand for childcare. 900 providers closed last year nationally.	There is a separate report in support of this proposal and detailed legal implications will be set out in that report
CYP16	To reduce overall management costs by the deletion of one senior manager post. There was a delay in appointing a substantive head of IYSS which resulted in some duplication of posts. It is proposed to delete both the Head of IYSS and Head of Youth Service posts and appoint one Head of Youth Services.	General legal implications apply

Ref	Summary of proposal	Legal implications
CYP23	Reduction of 1x social worker adoption support. Lewisham currently has a well resourced post adoption service. This will mean less social work support would be available to those who have adopted children (affects post adoption only).	The Council has a duty under the Adoption and Children Act 2002 to offer an adoption support service. This post forms part of that service. There are no identified service issues. Employment considerations are those which are applicable in consideration of the proposed deletion.
CYP39	Reduction in children becoming Looked After 14+. Savings will be achieved through the anticipated impact of the Early Intervention service. This saving is dependent on the partnership being able to meet the needs of children aged 14+ years through partnership working using the Team Around a Child to keep children within the care of their family. We will prevent children coming into care, which is anticipated to make savings from Children's Placement Budget.	<p>The Council has a general duty to safeguard and promote the welfare of children within their area who are in need; and so far as is consistent with that duty, to promote the upbringing of such children by their families, by providing a range and level of services appropriate to those children's needs. (s17 Children Act 1989) There is an itemised schedule at sch 2 of the Act setting out the services which the Council may or must provide, with the overarching provision that any service may be provided for the family of a particular child in need or for any member of his family, if it is provided with a view to safeguarding or promoting the child's welfare.</p> <p>As there is a significant rate of family dispute and breakdown in adolescence, it is appropriate for these discretionary services to be targeted towards this sector of the child population.</p>
CYP40	The new Working Together guidance makes it clear that only qualified workers can complete assessments, stating that assessment of Children in Need must not be undertaken by unqualified social workers. As Social Work assistants have previously carried out this work, the new guidance means their work will reduce. It is also intended that Children in Need work is relocated to the early intervention project. As	These posts are not those of qualified social workers. There are employment implications, but the proposal reflect the new requirement that only qualified social workers undertake assessments of Children in Need. Working Together is statutory guidance issued pursuant to the Local Authority and Social Services Act, 1970,s 7.

Ref	Summary of proposal	Legal implications
	such, the proposal is to delete the Social Work Assistant posts in the Referral and Assessment service.	
CYP41	Merge management responsibilities across the above services with the aim of deleting one Service Manager and one Business Support Team Manager.	The Council has a duty to provide sufficient social workers with effective management support to provide children's social care services in accordance with statutory requirements (LASSA 1970). This proposal must comply with the requirement to provide a sufficiently staffed service. Otherwise, it involves employment issues provided for within the Council's employment policies.
CYP42	Co location of 1-6 Business Support Officers with Police. Work with the Police will reduce the number of contacts that take up a considerable amount of admin time. At the present time the Police send to CSC details of every child that comes to their attention.	There are no implications save staffing implications.
CYP43	Section 17 is used to provide short-term financial support to vulnerable families. However, there are now a range of commissioned family support services which can provide support to vulnerable families; the proposal to reduce the S17 budget takes account of this. The budget is also used for expert assessment pre-proceedings and there is some risk that a reduction in the budget will lead to an increase in the number of children in care.	The Council has a general duty to safeguard and promote the welfare of children within their area who are in need; and so far as is consistent with that duty, to promote the upbringing of such children by their families, by providing a range and level of services appropriate to those children's needs. (s17 Children Act 1989) There is an itemised schedule at sch 2 of the Act setting out the services which the Council may or must provide, with the overarching provision that any service may be provided for the family of a particular child in need or for any member of his family, if it is provided with a view to safeguarding or promoting the child's welfare. The Council has a wide discretion as to how to deploy its powers and duties under s17.
CYP44	Savings will be delivered through the reconfiguration of the South London and Maudsley NHS Trust (SLAM) Children and	The Council has duties under s17 Children Act and under S 11 Children Act 2004 , to provide services for children in need and also to safeguard and promote the welfare and physical and mental health of

Ref	Summary of proposal	Legal implications
	<p>Adolescent Mental Health Service (CAMHS) to achieve efficiencies, reflecting a reduction in the local authority's grant income and budgets supporting this Community Health contract. Service reconfiguration will be led by Children's Joint Commissioning service for both LBL and NHS Lewisham, working in partnership with SLAM and Children's Social Care to ensure that the mental health needs of the most vulnerable children and young people continue to be met.</p>	<p>the children in our area. The Council must make arrangements for ensuring that—</p> <p>(a) our functions are discharged having regard to the need to safeguard and promote the welfare of children; and</p> <p>(b) any services provided by another person pursuant to arrangements made by the person or body in the discharge of their functions are provided having regard to that need.</p> <p>Therefore the Council must have regard to these requirements when seeking to reconfigure services for children's mental health.</p> <p>The Council also has duties to have regard to existing contractual and other agreements which may be in place in relation to joint working.</p>
CYP45	<p>As a result of having to undertake serious case reviews the C & YP directorate has had to employ consultants who have been commissioned to undertake investigative work. Savings can be realised if this work is undertaken by existing staff with no involvement in the cases.</p>	<p>Chapter 8 of Working Together to Safeguard Children sets out the process for the investigation and preparation of an Overview Report. Working Together is binding Statutory Guidance. It provides that the SCR Panel, on behalf of the LSCB, should commission an overview report that brings together and analyses the findings of the various IMRs from organisations and others, and that makes recommendations for future action. It is crucial that the SCR Panel and the overview report author have access to all relevant documentation and where necessary individual professionals to enable both to undertake effectively their respective SCR functions.</p> <p>The overview report should be commissioned from a person who is independent of all the local agencies and professionals involved and of the LSCB(s). The overview report author should not be the chair of the LSCB, the SCR sub-committee or the SCR Panel. Those conducting management reviews of individual services should not have been</p>

Ref	Summary of proposal	Legal implications
		directly concerned with the child or family, or have been the immediate line manager of the practitioner(s) involved.
CYP47	Review Business Support with the intention of reducing two posts. To identify where savings can be made across the Children's Social Care service	There are no particular legal implications save those relating to the employment issues.
CYP64	PA/ Secretarial support re-organisation. A review of PA and secretarial support across the directorate to reduce levels of personal support through more team based support approaches.	There are no particular legal implications save those relating to the employment issues.
CYP65	The savings proposal has two aspects to it. The first is to ensure that wherever possible the charges for services that schools have responsibility for are properly charged and that where there is some joint responsibility schools are contributing to that cost also. This will involve a review of the current costs and charges and ensuring that there is a proper allocation of overheads to those services' costs. The second aspect is to consider the areas of service where there are no charges but where schools become academies there should be charges.	Under the Scheme of Financial Delegation to Schools, service level agreements must be agreed one week before the beginning of a financial year to be effective for that financial year and schools shall have at least one month prior to the agreement date to consider the terms of the agreement.
CYP67	Reduction of nursery Priority Places - there are currently 52 places and a budget of £416k. Some of these places relate to intervention work and these will be excluded from the proposals. Estimated future costs are £50K below the budget.	Local authorities are required to make arrangements to secure that early childhood services in their area are provided in an integrated way that facilitates access to services and maximises the benefits to children, parents and prospective parents. These proposals have to be consistent with the local authorities ability to meet its statutory responsibilities.

Ref	Summary of proposal	Legal implications
CYP68	One of the largest costs associated with Court Cases is the costs of barristers to represent the local authority in Court. We plan to make a significant saving in our legal budget by employing our own staff to do the advocacy in Court thus making significant savings.	The Council has to be represented in Court cases by legal representatives briefed on its behalf. This task may be fulfilled by external Counsel or internal lawyers.
CYP69	The biggest expenditure with Looked after Children is the placement costs. The costs of residential placements for our most difficult and damaged children can be very expensive – regularly £3000 a week. From 2011/12 we will aim to use residential placements less and concentrate on placing our young people in foster carer which is cheaper and also often better for the young people.	Looked After Children may be placed with in house or externally commissioned foster carers, or in residential or other suitable setting, according to their needs. Care plans, including placements, are reviewed on a regular basis, with the role of the Independent Reviewing Officer being to ensure that the child's ongoing needs are being met in the placement and the care plan is being fulfilled.
CYP70	A re-organisation of student support and estates management services to produce a saving of £150k. It is proposed to implement a re-organisation of the Estates Management Unit that would reduce the overall staffing resources required to provide the services to schools and introduce charges to schools for the service provided to them. It is also expected that third party providers will be explored for parts of the service provided.	There are no additional legal implications save for those referred to in the main body of the report.
CYP71	Travellers Education Team to cease	A separate report deals with this issue. It contains equalities implications and consultation responses to which the Mayor must have regard in considering the proposal.
CYP 72	Reduction of school improvement partners	The local authority is statutorily required to ensure that its education and training functions are exercised with a view to promoting high

Ref	Summary of proposal	Legal implications
		standards , fulfilment of potential and fair access to opportunity for education and training. The engagement of SIPs was developed to support these obligations. The local authority will have to be satisfied that it can meet its statutory obligations set out above in the absence of SIPs.. Prior to expiry, contracts would have to be terminated on contractual notice, renegotiated by agreement, or varied in accordance with the contract
CYP 73	Reduce Music Service	There are no additional legal implications save for those referred to in the main body of the report. Full legal details will be addressed when the proposal is finalised
CYP 74	Workforce and Succession planning	The local authority is statutorily required to ensure that its education and training functions are exercised with a view to promoting high standards , fulfilment of potential and fair access to opportunity for education and training. These proposals have to be consistent with the local authorities ability to meet its statutory responsibilities.
CYP 75	Reduction in support to primary schools	The council must consider the outcome of the consultation and the implications of the proposal. The local authority is statutorily required to ensure that its education and training functions are exercised with a view to promoting high standards , fulfilment of potential and fair access to opportunity for education and training. These proposals have to be consistent with the local authorities ability to meet its statutory responsibilities.
CYP 76	SIP reduction for secondary	As CYP 75
CYP 77	Reduce training programmes and support for schools	AS above
CYP 78	Reduction of consultants providing EMAS	Termination would be in accordance with contractual provisions between the Council and the consultants
CYP 79	Reduction of staff on cessation of healthy schools work	Consultation responses to be reported. The local authority is statutorily required to ensure that its education and training functions are

Ref	Summary of proposal	Legal implications
		exercised with a view to promoting high standards , fulfilment of potential and fair access to opportunity for education and training. These proposals have to be consistent with the local authorities ability to meet its statutory responsibilities. There will of course be staffing implications in accordance with Council procedures
CYP 80	School Improvement	This appears to have been implemented
CYP 83	Reduction in the number of LEARN Team consultants	The local authority is statutorily required to ensure that its education and training functions are exercised with a view to promoting high standards, fulfilment of potential and fair access to opportunity for education and training. These proposals have to be consistent with the local authorities ability to meet its statutory responsibilities.
CYP85	14-19	Section 68 of the Education and Skills Act 2008 places a duty on local authorities in England to make available to young people and relevant young adults for whom they are responsible such services as they consider appropriate to encourage, enable or assist them to engage and remain in education or training. The savings proposals set out have to be mindful of the local authority's ability to comply with its statutory responsibilities
CYP86	EBP	Education and Business Partnership assist the local authority in meeting its statutory responsibilities set out at Chapter iv of the Education Act 1996. These proposals have to be consistent with the local authorities ability to meet its statutory responsibilities.
CYP86b	Lewisham Education Business Partnership engages employers to work on a range of activities for learners and teachers which develop skills for the world of work with the aim to raise the achievement, motivation, confidence and abilities of the young people of Lewisham to	Education and Business Partnership assist the local authority in meeting its statutory responsibilities set out at Chapter iv of the Education Act 1996. These proposals have to be consistent with the local authorities ability to meet its statutory responsibilities.

Ref	Summary of proposal	Legal implications
	<p>help prepare them for work, training or progression to higher education</p> <p>The proposal is to delete service currently funded from grant and general fund (£10k) - continuation of service based on traded activities.</p>	
CYP88	LLDC	<p>The local authority is statutorily required to ensure that its education and training functions are exercised with a view to promoting high standards, fulfilment of potential and fair access to opportunity for education and training. These proposals have to be consistent with the local authorities ability to meet its statutory responsibilities.</p>
CYP89	<p>City Learning Centres (CLCs) were set up in 2000 as part of a wider strategy known as 'Excellence in Cities' to raise pupil attainment in inner city areas. CLC's are overseen by BECTA (until March 2011) and funding is released through Partnership for Schools. Alternative income proposals will be made in order to trade with schools.</p>	<p>The local authority is statutorily required to ensure that its education and training functions are exercised with a view to promoting high standards, fulfilment of potential and fair access to opportunity for education and training. These proposals have to be consistent with the local authorities ability to meet its statutory responsibilities.</p>
CYP91	SACRE – consultant to be self financing	<p>Section 309 Education Act 1996 requires local authorities to constitute a SACRE to advise the authority on religious worship and religious education. These proposals have to be consistent with the local authority's ability to meet its statutory responsibilities.</p>
CYP92	Special Needs – discontinue the behavioural support team	<p>Section 175 of the Education Act 2002 imposes a duty on local authorities (amongst others) to make arrangements in regard to the welfare of children. Local authorities must make arrangements to ensure that their education functions are exercised with a view to safeguarding and promoting the welfare of children. These proposals have to be consistent with the local authorities ability to meet its statutory responsibilities. EIA to be reported. Employment</p>

Ref	Summary of proposal	Legal implications
		considerations apply
CYP93	SEN – reorganisation of service with reduced provision	Section 321 sets out the basic duty on local authorities to identify and determine the special educational provision which should be made available for children for whom they are responsible. The proposals have to be consistent with the local authorities ability to meet it statutory responsibilities. EIA to be reported. Staffing implications apply

COMMUNITY SERVICES

Ref	Summary of proposal	Legal implications
COM05	Reconfiguring and restructuring of the library and information service	There is a statutory duty under the Public Libraries and Museums Act 1964 to provide a comprehensive and efficient library service, and there are powers for the Secretary of State to intervene if he thinks provision is unsatisfactory. Further public consultation has been undertaken and the Mayor should have regard to its outcome. A full report contains specific legal implications.
COM13	The amalgamation or re-alignment of neighbourhood and community functions within the Division and an associated restructure.	General legal implications apply
COM16	This saving will be achieved by reducing the business support across the assessment and care management function.	General legal implications apply
COM17	This saving will be achieved by providing service users with up to 6 weeks of intensive support (reablement), at the first point of contact with adult social care services	The type of care package given will need to be consistent with the assessment of their need under Section 47 NHS and Community Care Act 1990, they have to be performed within a reasonable time but in some circumstances, for example on hospital discharge, they will be done before discharge. The council has a discretion about the care package, but it must meet the identified need and be subject to eligibility criteria. Best practice guidance demonstrates that early intervention on an intensive basis is often a very effective use of resources to maximise client recovery.
COM19	This saving will be achieved by restructuring the care management and assessment teams within adult social care to align with a redesigned delivery model.	Personalised budgets and direct payments must be provided to service users to assist them in taking control of their own arrangements for identified care needs. They are under no obligation to use any directly provided Council service and so the Council's core function in this respect is assessment. The new restructuring is to reflect this development.

Ref	Summary of proposal	Legal implications
COM21	The saving will be achieved by increasing the number of direct payments to existing and new service users.	See above
COM22	This saving will be achieved through the reduction and restructuring of the in-house homecare (domiciliary care) service.	General legal and employment considerations
COM27	The saving will be achieved by increasing charges for non-residential services, in other words those services that enable clients to remain living in their own homes.	This is the subject of a full report in which detailed legal implications are set out.
COM28	Increasing the charge for Meals on Wheels	Local authorities have a discretionary power to charge for certain non-residential services such as meals on wheels provided to older people and disabled people. By statute local authorities “may recover any such charge (if any)” as they consider reasonable. There is a requirement to consult and the Mayor must have regard to the outcome of such consultation when coming to a decision. This is dealt with more fully in the report referred to at COM 27 above
COM31	This will be achieved through increasing third party income by 5%, scaling back elements of the event and working with the main contractor to identify efficiencies.	No specific legal implications
COM32	A reduction to borough contributions of the London Boroughs Grants Scheme	The London Boroughs Grants Scheme was set up under Section 48 Local government Act 1985 to provide funding for voluntary organisations offering London wide services or operating in two or more boroughs. Under the statute there is a requirement that 2/3 of the boroughs agree the budget annually
COM33	Further efficiencies from the SLAM contract	The Council entered into a partnership under S 31 Health Act 1999 (now S75 NHS Act 2006) where the Lewisham PCT and the Maudsley Foundation Trust for adult social and mental health services in the

Ref	Summary of proposal	Legal implications
		London Borough of Lewisham. The agreement permits variation to the services and budget contribution by agreement between the parties, termination on 12 months notice, or earlier by agreement. In the light of the proposed legislative changes proposed under the Health and Social Care Bill 2011, it will be necessary to re-negotiate the terms of this contract. The social care services are provided under the NHS and Community Care Act 1990. the Council has a statutory duty to assess service users' needs and to meet those needs. It can have regard to resources in the discharge of this duty.
COM34	The framework agreement will continue to deliver efficiencies from decommissioning, recommissioning and renegotiating contracts and reducing provision where appropriate.	There is no specific legal duty on the Council to provide a supporting people service. However, there are service users who benefit from this contract who are also in receipt of services that the Council is under a duty to provide under various statutory provisions. Should any of the services under the framework agreement change or be decommissioned, consultation will need to be carried out at that point.
COM35	A phase 1 saving of £45k reduced the allocation in 2011/12 onwards to £7.5k to each ward. This further proposal is to cut the remaining budget - i.e. £7.5k per ward or £135k in total.	General legal implications apply

NB. In addition to the specific legal implications set out in this summary, there are a number of general legal implications set out in the main body of the report. Members must also have regard to those legal implications in considering the proposals for specific service reductions and reconfigurations.

In some cases, work is still ongoing on the proposals and the legal advice will be finalised when the detail of the proposal is finalised

Themed Reviews and Head Office Management Re-Organisation

There are a series of themed reviews currently taking place which are expected to contribute to the revenue budget savings for 2011/12. These are as set out in the table below.

Reviews	2011/12 £m
Fleet Transport and Vehicles	0
Removing Cash	0.075
One Front Door	0
Learning & Development	0.140
Fees & Charges	3.000
Waste Management	0
Management Review	1.300
Total	4.515

Note: A total of £215k was agreed as part of the first phase proposals in November 2010. This comprises £75k for Removing Cash and £140k for Learning & Development.

- **Income – Review of Fee & Charges**

The Review of Fees and Charges is attached at Appendix Y8. It considers options to amend the fees and charges levied to Lewisham's residents, businesses and service users for a variety of services. Many of these charges have not been reviewed for a number of years, and in most cases the recommendations in this report, if adopted, would increase charges to around the 2010/11 London averages. It is anticipated that proposals totalling £3m could be achieved for 2011/12.

- **Fleet, transport and vehicles** – This review is considering a range of options for delivering economies of scale; economies of scope and improved efficiency. There are no short term savings expected from this review. The following two pieces of work were identified as presenting an opportunity to achieve budget savings in the future:

- The Council should continue to contribute to the work being undertaken by Capital Ambition on the feasibility of jointly procuring vehicles across London boroughs.
- To undertake a piece of work to review future demand for passenger services and possible alternatives for service delivery in the future.

- **Removing cash from the Council** – The objective of this review is to establish the scope of migrating cash payers to alternative channels (i.e. debit card payments) or where this is not possible, to allow cash payments at PayPoint or Post Offices. The savings already identified amount to £150k, of which £75k

relates to 2010/11 and has already been agreed as part of the first phase of savings.

Work has been progressing on the following strands:

- developing technology to support changes to payment methods
- working with managers to modernise payment processes
- consultation and communication

Further work will be needed in order to determine the extent of the savings which could be released in the future. Appendix Y15 gives details of the outcomes of consultation and research undertaken as part of this review.

- **One Front Door** – Extending Call Point / Service Point approach – A wide range of services could benefit from being brought together through a single access point. It is anticipated that future savings in this area can be made from a diverse range of services.

- **Learning and Development** – A Joint procurement project to secure a single managed learning service provider is being conducted in partnership with three other boroughs in order to generate new efficiencies. The new contract will be let from April 2011 by Lewisham on behalf of the consortium partnership that comprises of Lewisham, Greenwich, Lambeth and Bexley and is estimated to deliver some £500k of savings across the partnership during the first year, of which £140k are anticipated to be Lewisham specific savings. This saving has already been agreed as part of the first phase proposals. There is the potential for further savings to be realised as other Councils and partner agencies join in with the partnership and a rebate model is being built in to recoup costs and create a potential income generation option.

Other work includes the Learning and Development contract which is currently being retendered. It is possible that the value of the contract could be reduced by approximately 15%, by managing attendance and the supply of training more effectively. A further 10% reduction is anticipated in the demand for people attending essential training only over the next three years.

Furthermore, additional work is ongoing to create a single, rationalised L&D unit for Lewisham, instead of having separate units in the Corporate Centre, Adults and Children's Directorates. It is anticipated that this will result in a 50% saving of resources through a head count reduction which equates to circa £400k savings, from a reduced administrative function and to be mainly realised from within Adult Social Care.

- **Waste Collection and Disposal Strategy** – A strategy is being developed to look at options for improving waste management. This project is exploring the best way possible to progressing with the Lewisham's Waste Management Strategy that will end of 2010/11.

- **Management Re-organisation**

The Chief Executive is leading a review of the Council's overall management arrangements. In this review he is also examining the scope for further reductions in the Council's 'corporate headquarters' functions. The aim is not just to adopt leaner management arrangements, but also to adopt a smarter approach to managing the whole organisation. Costs are a function not simply of pay levels, but of the number of managers and how they work together. It will be necessary to adapt the Council's corporate management approach to reduce costs further. This review will therefore cover the substance and the style of the Council's management arrangements to ensure that services deliver the outcomes intended, and that the Mayor and the Council continue to receive the best professional and managerial advice available. These changes are to be phased in across the rest of the Administration. There will be a reduction in the number of directorates. Moreover, management layers will be reduced, spans of control increased and there will be absolute reductions in the numbers of senior managers. The plan is to reduce costs by some £1.3m for 2011/12 and a further £1.2m for 2013/13.

- **Terms and Conditions**

It is proposed that changes to terms and conditions should be considered alongside the benefits related to easing the impact of redundancies. Where changes to terms and conditions could be translated into cashable savings these would reduce the council's need to make staffing reductions.

Terms and conditions form part of the contract between the Council and each employee, changes to such conditions should be introduced with agreement of employees. The Council has a collective bargaining arrangement and will attempt to negotiate any such change with the trade unions in the first instance. These negotiations and discussions have already begun.

There is a clear expectation of a substantial contribution from these areas which are currently under review. It is not unreasonable to assume at this stage, that changes to terms and condition could be implemented in 2012/13 to deliver savings in the region of £2m.

REVIEW OF FEES & CHARGES

1. PURPOSE

- 1.1 The purpose of this report is to present the Mayor with proposals to amend the fees and charges levied to Lewisham's residents, businesses and service users for a variety of services. Many of these charges have not been updated for a number of years, and are typically below, often significantly below, the London median. The recommendations in this report, if adopted, would tend to increase charges to around the 2010/11 London averages.
- 1.2 The report also sets out policy proposals for how fees and charges should be updated in future years.

2. EXECUTIVE SUMMARY

- 2.1 In 2009 officers carried out a benchmarking exercise. This showed that Lewisham's overall income from fees & charges was relatively low when compared with other London boroughs. Further investigations showed that:
 - There is no consistent policy for setting fees and charges across the Council
 - Fees appear to have significant inertia, tending to remain constant rather than drifting upwards with inflation
 - There are a number of areas where fees are significantly below benchmark levels
 - Fees have historically not been set on a consistently applied understanding of costs and market demand.
- 2.2 Considering these factors officers from across the Council have carried out a range of rigorous service reviews. In each case options have been presented to an Executive Director, based on thorough analysis.
- 2.3 If, following consultation, where necessary, all the options in this report were agreed the total estimated additional net income receivable by the Council in 2011/12 would be £3m. This includes reasonable and prudent discounts for the effect that increases in charges for some services will have on demand for them. Further additional income of £1.74m could reasonably be expected to be achieved in 2012/13 and £0.26m in 2013/14 in respect of the staged price increases recommended by way of this report and by adopting the overall policy principle of an annual review of fees and charges.
- 2.4 The report sets out proposals for increases to charges for eleven services. In each case there is a recommended option, and accompanying analysis of the policy, service, legal and financial consequences of increasing prices. These proposals are presented in decreasing order of financial magnitude. Lastly, the report sets out a policy framework for an annual review of fees and charges.
- 2.5 The proposals in this report have been formulated to optimise income to the Council, not to maximise it. The policy objective has been either to place prices at or around the 2010/11 London median for the service in question, or to remove or

reduce Council subsidies that are not currently targeted on those most in need. In doing so due regard has also been taken of the wider policy implications that would flow from price increases, including the impact on equalities, and where appropriate the proposals in the report have been adjusted accordingly.

3. RECOMMENDATIONS

- 3.1 To approve the recommendations in relation to:-
- 3.1.1 parking charges set out at paragraph 6.27 of this report;
 - 3.1.2 school meals set out at paragraph 7.12 of this report
 - 3.1.3 early years nursery places at paragraph 8.9 of this report
 - 3.1.4 the highways charges at paragraph 9.10 of this report
 - 3.1.5 the trade refuse at paragraph 10.7 of this report
 - 3.1.6 the Community Education Lewisham at paragraph 11.4 of this report
 - 3.1.7 the Registrars at paragraph 13.6 of this report
 - 3.1.8 the Community Centres at paragraph 14.4 of this report
 - 3.1.9 pest control at paragraph 15.3 of this report
 - 3.1.10 the local land charges at paragraph 16.7 of this report
 - 3.1.11 the building control at paragraph 17.2 of this report
 - 3.1.12 the court costs and debtors fees at paragraphs 17.3 and 17.4
 - 3.1.13 future policy at paragraph 18.3 of this report

4. POLICY CONTEXT

- 4.1 The Council's policy framework sets out the priorities that drive the medium term financial planning process and the allocation of resources. In identifying fee increases which will contribute to the budgeting process for 2011/12, consideration has been given to the existing policy framework, in particular the Sustainable Community Strategy and the Council's 10 Corporate Priorities and these are set out below:

Sustainable Community Strategy

- **Ambitious and achieving:** where people are inspired and supported to fulfil their potential.
- **Safer:** where people feel safe and live free from crime, antisocial behaviour and abuse.
- **Empowered and responsible:** where people are actively involved in their local area and contribute to supportive communities.
- **Clean, green and liveable:** where people live in high quality housing and can care for and enjoy their environment.
- **Healthy, active and enjoyable:** where people can actively participate in maintaining and improving their health and well-being.
- **Dynamic and prosperous:** where people are part of vibrant communities and town centres, well connected to London.

Corporate Priorities

- **Community Leadership and Empowerment:** developing opportunities for the active participation and engagement of people in the life of the community.
- **Young people's achievement and involvement:** raising educational attainment and improving facilities for young people through partnership working.
- **Clean, green and liveable:** improving environmental management, the cleanliness and care for roads and pavements, and promoting a sustainable environment.
- **Safety, security and a visible presence:** partnership working with the police and others to further reduce crime levels and using Council powers to combat antisocial behaviour.
- **Strengthening the local economy:** gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
- **Decent Homes for all:** investment in social and affordable housing to achieve the decent homes standard, tackle homelessness and supply key worker housing.
- **Protection of children:** better safeguarding and joined up services for children at risk.
- **Caring for adults and older people:** working with health services to support older people and adults in need of care.
- **Active, healthy citizens:** leisure, sporting, learning and creative activities for everyone.
- **Inspiring efficiency, effectiveness and equity:** ensuring efficiency and equity in the delivery of excellent services to meet the needs of the community.

The Council is also under a duty to set a balanced budget and to comply with its fiduciary duty to Council tax payers. In times of severe austerity and very significant reductions in government funding, the Council now seeks to retain services where possible and it is in this context that it considers increases in charges with a view to avoiding service closure wherever possible and to balancing a budget.

- 4.2 This review makes recommendations for fee increases in eleven services across the Council. For many of these a specific policy context applies, and where this is the case the relevant additional information is contained within the body of the report.

5. REASONS

- 5.1 The current economic climate has placed unprecedented pressure on public sector finance. In Lewisham, this has translated to an expected savings requirement of at least £88m over the next four years. The council is adopting a number of strategies in order to identify how to deliver these savings whilst protecting the delivery of front-line services.
- 5.2 One of these strategies is a review of the fees and charges levied on some of the Council's statutory and discretionary services. However the guiding principle in developing these proposals has been to optimise income from charges, not to maximise it.

- 5.3 In many cases the proposals in this report, if adopted, would restore charges to the 2010/11 London averages. Currently most charges for council services are below or significantly below London averages. If other councils increase charges as part of their current budget rounds, as is arguably likely, then Lewisham's charges will mostly remain below the 2011/12 averages. By setting a pricing policy this way the council will help to ensure that the increases proposed do not have a disproportionate impact on any particular group whilst still generating reasonable additional income.
- 5.4 By charging less than cost for some services the council is, in effect, choosing to provide a subsidy. Such subsidies can reflect council policies. However, this is not always the case. As an example, in setting charges for primary school meals at 25% below the London median, and in so doing subsidising a significant proportion of the cost, the Council is in effect choosing to subsidise families by a significant amount per child per week. Those low income families most in need are already protected from the impact of price increases through the provision of free school meals. The effect of the current charging regime in this example is therefore to provide a subsidy to families other than those on the lowest incomes.
- 5.5 Removing or reducing subsidies that do not accord with policy priorities will help the council to redistribute resources to protect its most vulnerable residents. Where proposed price increases may impact on particular groups appropriate mitigation measures are set out in this report.
- 5.6 The services that were reviewed and where a price increase is proposed are:
- Parking
 - School Meals
 - Early Years
 - Highways
 - Trade Refuse
 - Libraries
 - Community Education Lewisham (CEL)
 - Registrars
 - Community Centres
 - Land Charges and Planning
 - Pest Control
- 5.7 The services that were reviewed and where a price increase is not proposed are:
- Building Control
 - Court Fees (i.e. the charges the council is entitled to levy on debtors whom it is required to take court proceedings against in order to enforce legitimate debts)
 - Debtors
- 5.8 The reviews in general considered cost implications to the council, identified areas where hidden subsidies have been granted over the years, and carried out benchmarking with other local authorities, before making proposals.
- 5.9 The proposals in this report have all been reviewed by an independent Executive Director or the Chief Executive and the rationale for proposals sets out all relevant considerations including service, financial, legal and equalities implications.

5.10 If all of the proposals in this report (some of which are still subject to consultation) were implemented the potential additional income from each service area would be as set out in the table below:

Service	Additional income		
	2011/12	2012/13	2013/14
	£'000	£'000	£'000
Parking	1,900	18	0
School meals	260	260	260
Early Years (note 1)	481	(481)	0
Highways	438	0	0
Trade Refuse	100	100	0
Libraries	50	0	0
CEL	45	0	0
Registrars	36	0	0
Community Centres	30	0	0
Pest Control	25	0	0
Planning	23	0	0
Gross additional income	3,388	(103)	260
Provision	(388)	0	0
Future years	0	1,843	0
Net	3,000	1,740	260

Note 1 – Early years' income assumed to be for one year only for the purposes of this review, given current uncertainty about levels of service provision

5.11 The total potential additional income to be derived from these specific proposals, if all of them were to be adopted, would be £3.545m over three years. In estimating this, appropriate account has been taken of the effect of price rises on demand within each specific proposal. However, there are inherent risks in making such estimates, especially as now, at times of economic uncertainty. Furthermore, for services where consultation is ongoing decisions are only to be taken following consideration of the responses. It is not possible at this point to predict what the final decision would be until that further consideration has been completed.

5.12 In aggregating these proposals, therefore, a further 10% reduction in the gross additional income raised has been applied as a provision or contingency, to be added centrally and allocated out as necessary on the authority of the Executive Director for Resources.

5.13 Price increases over three years have sometimes been proposed. However, in other cases it has not been possible to plan increases other than in 2011/12, largely because the fact that prices have tended to remain fairly static in recent years means that officers often have relatively little market information about the impact on demand of price increases. This makes it difficult to propose further price increases beyond 2011/12. However, given the current gap between Lewisham's prices and the London medians, and because it is arguably likely that other boroughs will also increase prices for 2011/12, the income forecasts for

2012/13 and 2013/14 are considered reasonable at this stage.

6. Parking

- 6.1 The Parking service is responsible for parking enforcement within a broader range of traffic management objectives for the Council. Total income earned in the last full financial year, 2009/10, was £5.9m, which financed part of the cost of managing the service and broader highways related objectives. In particular, income was recycled to finance a prudential borrowing model used to finance investment in the highways (and related infrastructure) network.
- 6.2 Charges are legitimately levied for a range of parking services. In most cases these charges are either below or significantly below the benchmarked charges for similar services across London. In a small number of these cases the differences in prices can be very clearly linked to geographic factors (it would not be reasonable to compare the price of a residents' permit in Lewisham at £60 to that of one in the City of London at £990). However, Lewisham's prices are below London median prices in most categories.
- 6.3 Recommendations in respect of parking charges have been made on the basis of the following principles:
- that where charges can reasonably be benchmarked across London consideration should be given to setting charges at around the current median price
 - that although there is already, at the point of drafting this report, some significant evidence that other London boroughs intend to increase parking charges significantly (in at least nine other boroughs, according to a recent BBC news article) the benchmark should remain based on 2010/11 prices for the purposes of setting Lewisham's charges in 2011/12
 - that consideration should be given to the impact of increased charges on particular groups including the elderly, those in need of at home support, and carers of elderly or infirm
 - that decision should seek to impose as little bureaucratic overhead as possible by keeping pricing units simple
 - that prices for staff parking should not incentivise travel by car and should therefore be benchmarked to the cheapest alternative cost of public transport
 - that consideration should be given to the impact of increased charges on businesses and the local economy

The table overleaf sets out the areas of parking charges proposed. Statutory consultation on these proposed increases has commenced, but has not yet concluded. The Mayor is therefore recommended to note these proposals and to delegate authority to the Executive Director for Regeneration to consider them, and to decide whether, having regard to the consultation, to implement them.

Item	Current Charge	Proposed Charge	Revenue impact	Summary Comments	Ref to para further detail
	£	£	£'000		
Annual Residents' Permit	60/year	120/year	450	7,600 permits issued. Demand relatively inelastic. Proposed price of c33p/day is 2010/11 London median. Each £10 change in price increases/reduces income by £76,000. A charge of £180/year (50p day) would be near 2010/11 London top quartile (10 boroughs currently charge more)	6.4 to 6.6
Visitor Parking Permits	2.80/day	5.60/day	220	61,000 ½ day permits and 48,000 day permits issued. Assumed 10% reduction in demand on price increase. Proposed price maintains relationship between annual residents' permit and visitor parking permit	6.7 to 6.9
Visitor Parking Permits	8.00/week	28/week	235	11,800 weekly permits issued. Current ratio less than 3:1 of weekly cost to daily cost unsustainable, proposed to change to 5:1 (as some CPZs only operate 5 days a week). Only two other London boroughs offer discounted weekly permits. Assumed 10% reduction in demand on price increase	6.7 to 6.9
Carers' permits	60/year	65/year	1	To protect vulnerable residents who depend on visits from family and friends, a carers' permit is available for residents in CPZ areas. As the price of these has been frozen for some time a "catch-up" inflationary increase only, to £65/year – less than 20p/day – is proposed	6.9
Business Permits	300/year	500/year	220	1,145 issued. The proposed new price is pitched at the cost (in 2010/11) of a return bus journey by Oyster card, with an assumed 10% reduction in demand. Every £10 change (up or down) in the price changes income by £10k	6.10 to 6.12
Staff permits	300/year	500/year	60	Price for staff permits is set at the same level as for business permits. Every £10 change (up or down) in the price changes income by £2.5k	6.13 to 6.14
Health Workers' Permits	100/year	200/year	54	Increase at broadly similar rate to other increases to preserve relative value of discount provided	6.15
Pay and Display	1/hour	1.40/hour	880	Benchmarking information is less readily available. Recommended price increase not considered to provide significant disincentive, but prudent 20% reduction in demand modelled in to income forecasts. Every 10p difference in hourly rate changes income by approximately £220,000.	6.16 to 6.17
Bay	10/day	30/day	30	Proposed price increase still leaves prices at	

Suspension				only half of what some neighbouring boroughs, e.g. Greenwich, charge	
Inner/outer London PCN			18	Remove the current discount for PCNs issued south of the South Circular, which the Council is not obliged to offer. Subject to approval from London Councils, so revenue impact will be in 2012/13	
Sub-total			2,168		
Discount for impact on demand			(250)	Calculated as 10% reduction in daily visitor permits, 10% reduction in weekly visitor permits, 10% for business and staff permits, and 20% for P&D activity	
Net additional income			1,918	If possible changes will be implemented on 1 April 2011. Where this is not possible the contingency budgets referred to in this report will be considered to offset the pressure otherwise caused.	

6.4 At present charges in London for a residents' permit are as follows:

- seven boroughs charge £60 or less (Hillingdon £40, Ealing £45, Newham and Greenwich £50, Barking & Dagenham, Kingston and Lewisham £60)
- seven boroughs charge more than £60 but less than £100 (Barnet, Bromley and Enfield £70, Havering £76.15, Bexley £90, Wandsworth £95, Southwark £99.30)
- eight boroughs charge £100 or more but less than £150 (Brent and Redbridge £100, Sutton £110, Harrow £122, Hounslow £130, Westminster £132, Merton £140, Camden £145)
- four boroughs charge £150 or more but less than or equal to £200 (Haringey £150, Croydon £193, Islington and Lambeth £200)
- seven boroughs charge more than £200 (Kensington & Chelsea £214.50, Hackney £230, Waltham Forest £235, Tower Hamlets £300, Richmond £450, Hammersmith & Fulham £482, City of London £990)

6.5 This makes the current median price £110 and the mean is £175 (or £150 excl. City). The recommended increase to £120 has been put forward as reasonably balancing the need to consider additional sources of revenue against the policy principle of benchmarking prices to around the current median. At present 7,600 permits are issued. This section of the report assumes the no new CPZs are introduced for the purposes of estimating the financial implications of the proposed price increases. On this basis there are good grounds for assuming that demand for residents' permits is fairly

inelastic with respect to this price increase, as the increase of £60 (say approximately one full tank of petrol) is a relatively minor element of the overall cost of running a car.

- 6.6 On the basis that demand is fairly inelastic there is a purely financial incentive to increase charges beyond this proposed level. For information, every £10 variation to the proposed charge would increase (or decrease) income by some £76,000, although beyond a certain point the increases in price might start to impact on demand (i.e. that demand is not infinitely price inelastic). An increase to £180 was considered, and rejected as being significantly above the current London median, albeit that it would still be below the current prices of ten London boroughs. A review of prices for 2012/13 will be carried out to assess the case for a further increase at that stage.
- 6.7 Visitor parking permits are currently charged at £2.80/day, slightly above the London median of £2.40. However, this comparison is incomplete. Lewisham is one of only three boroughs to offer a weekly visitors' permit. The only other inner London borough to do so charges six times the price of a daily permit for a weekly permit, whereas Lewisham's charge is less than three times the daily rate. There is therefore a very significant discount on offer in Lewisham, making the true comparator price significantly below the current median. On a weekly basis, a visitors' permit in Lewisham currently costs £8, placing it in the lower quartile and well below the median of £17.20
- 6.8 On this basis it is proposed to increase the basic charge by 100%, to maintain the pricing relationship between residents and visitors permits. At the same time the ratio between a daily and a weekly permit should be adjusted to 1:5. This will raise additional revenue of £455,000 p.a. to which a 10% reduction has been modelled to account for the impact on demand, as there is greater price elasticity in this instance.
- 6.9 Visitors will still be able to use pay & display parking for short visits, which will continue to be available in 15 minute pricing units. A separate carer's permit is available, so that someone living within a CPZ with care needs can obtain a permit allowing such visitors to park at a highly discounted rate. The price of a carer's permit is currently £60 per year, and it is proposed to increase this by an allowance approximately equal to three years' inflation, to £65. This reflects the fact that prices have been frozen for some time, and also maintains pricing in administratively convenient units to minimise overhead for the council and inconvenience for residents. The effect of this will be to enhance the relative value of the concession from nil (i.e. loss of the Residents Permit Price) to £55 or 55% of the Residents Permits Price
- 6.10 The current pricing for business parking permits in London is as set out below:
- Six boroughs charge £200 or less (Havering £71.05, Greenwich £130, Bexley and Kingston £150, Haringey and Newham £200)
 - Six boroughs charge more than £200 but less than or equal to £300 (Bromley £210, Redbridge £245, Ealing £250, Lewisham, Brent and Harrow £300)

- Six boroughs charge more than £300 but less than £600 (Barking & Dagenham £350, Southwark £401.28, Hillingdon £480, Merton £502, Lambeth £525, Waltham Forest £575) – the current median is therefore Merton's price of £502
- Nine boroughs charge more than £600 but less than £1,000 (Barnet £620, Tower Hamlets £625, Islington £634, Hounslow £635, Croydon £715, Wandsworth £720, Enfield £750, Sutton £820, Camden £872.50)
- Four boroughs charge more than £1,000 (Hackney £1,230, Hammersmith & Fulham £1,269, City £4,250, Richmond £4,500)
- The current mean price is therefore about £740, but as this is not considered the best measure of central tendency for the purposes of this comparison, as the relatively high prices charged in some boroughs.

- 6.11 On this basis an increase to the current median price of £500 is recommended, in line with the general principle being adopted for most parking pricing. This price is slightly less than the cost of a return daily journey bus journey by Oyster card, and so will remove some of the current financial incentive to drive to work rather than take public transport. The revenue impact of this, on the basis of the current 1,145 permits issued, is estimated at £220,000 per annum, and a 10% discount to this is considered reasonable as there may be a marginal switch to public transport as a result.
- 6.12 Every £10 change in the recommend price will increase (or decrease) the revenue impact by around £10,000 p.a. An increase to the current mean price of around £740 would therefore generate additional revenue of £240,000 over and above the £220,000 already modelled, although this may need to be reduced further to take account of the likely impact on demand. The mean price is not a very robust comparator for these purposes, but a justification could arguably be made on the grounds of encouraging public transport, since a parking charge of about £3.50 per day might be sufficient to encourage greater use of cheaper public transport options. However, this is not recommended, principally on the grounds that it would place prices in the upper quartile for London, and may start to discourage businesses from locating in the borough.
- 6.13 Prices for staff parking permits are currently set at the same level as for business permits, and it is proposed that this ratio is maintained. This is because it clearly shows that the council, as an employer, is not seeking to advantage itself over other employers in the borough and because, as shown above, the price is logically reasonable as being broadly comparable with the cheapest public transport alternative, and an update will be provided at the meeting.
- 6.14 The revenue impact of this proposal would be £60,000 p.a., and every £10 variation in price would increase (or decrease) this by £2,500 p.a. Consultation with the council's recognised trades unions in respect of this proposal is not statutorily required, but is recommended in any event.

- 6.15 The council provides parking permits to certain specified health workers, enabling them to park anywhere in the borough for the purchase of the permit. The price for this is currently heavily discounted, at £100 p.a. This charge has been fixed since its introduction in 2003, and about 540 permits are currently issued. An increase to £200 is proposed, on the grounds that this will, broadly speaking, preserve the relative value of the discount being provided.
- 6.16 The council currently charges £1 per hour (25p per 15 minutes) for parking in its car parks and on streets in CPZs. This is arguably the more volatile area of parking charges, with an increased likelihood of changes in demand as a result of price changes. Pricing needs to be kept in convenient units (i.e. that when the hourly charge is divided by four, to represent the 15 minute charging units, a price that is a multiple of 5p arises). On this basis the practical price increase would either be to £1.20 or £1.40 per hour (30p or 35p per 15 minutes).
- 6.17 Reflecting the need to raise revenue the higher price is recommended. This is not a price that easily admits to robust benchmarking, since different economic and other activity in different areas will justify very different pricing strategies, and it is therefore difficult either to justify or to argue against this price on the basis of benchmarking information alone. Within the borough the largest competitive provision of parking is at the Riverdale centre in Lewisham, where prices are at 90p per hour, but where the council does not provide significant alternative provision.
- 6.18 The existing structure of exemptions will continue to apply, e.g. after 6.30 for on-street parking and where free parking is currently provided at weekends. Given the possibility that this may impact on demand more than in other areas a prudent assumption of a 20% reduction in demand has been assumed for financial modelling purposes.
- 6.19 The statutory process to increase parking charges is as follows: In accordance with Section 46 of the Road Traffic Regulation Act 1984, the Council may impose charges to be paid for vehicles left in a parking place designated by order. Section 46A then provides that the Council may vary those charges by notice given under that section, following the procedure laid down by the Local Authorities' Traffic Orders (Procedure)(England and Wales) Regulations 1996. This requires formal notice of proposals to be given by the Council and a prescribed period for objections. The Council must then consider those objections before proceeding. The amount of the charges set is at the discretion of the Council, but in accordance with general principles, the discretion must be exercised reasonably and any charges should be proportionate. Section 55 provides that the Council must keep an account of its income and expenditure in respect of parking places on highways and prescribes the purposes for which any surplus may be applied.
- 6.20 Formal notices have been published and an update on the consultation will be given at the meeting. Once the consultation has closed the Council must then consider responses to the consultation with an open mind and decide whether to increase the charges as proposed or not. This is a decision of the Mayor or as he chooses to delegate.

- 6.21 Subject to consultation, if the recommendations in respect of parking are adopted, the transport service would set an additional target of £2.150m, with a further increase of £0.018m planned for 2012/13. At the same time, recognising the potential impact on demand, a contingency budget of £0.250m would be established, to be allocated on the authority of the Executive Director for Resources, subject to evidence being presented of ongoing reduced demand as a result of these changes. The net saving to the Council would therefore be £1.9m in 2011/12.
- 6.22 The review of charges noted potential future pressures on parking provision in the borough. These included recent (and likely future) increases to public transport ticket prices which may incentivise travel by car to stations as close to central London as possible, particularly where relatively cheap parking is available near station as is currently the case in Lewisham.
- 6.23 As overall income from parking is highly dependent on the geographic area of the borough to which controlled parking restrictions apply and as future pressures such as this have been identified, the Mayor is recommended to ask officers to prepare a report setting out the policy, service and financial consequences of extending the scope of controlled parking.
- 6.24 There may be limited implications on crime and disorder, to the extent that some drivers may seek to avoid paying legitimate parking charges, i.e. committing civil rather than criminal offences. Continued robust enforcement of legitimate parking controls will alleviate this impact, and hence it is not anticipated to have a significant financial impact.
- 6.25 No significant equalities impact has been identified. Where there may be a limited impact appropriate mitigation has been proposed, as set out below.
- 6.26 The proposals could be considered to impact negatively on elderly and/or disabled residents and those reliant on at-home care, as carers would need to park nearby. However, this is mitigated by the fact that a carer's permit is available and is being increased in price only in line with inflation, which means that a proportionately greater subsidy will be available in such cases in the future. Blue badges will continue to be provided, offering free parking to those with qualifying disabilities, further offsetting any possible adverse impact.
- 6.27 **Recommendations** Officers therefore recommend that the Mayor:
- 6.27.1 to note that parking charges are significantly lower than most other London Boroughs
- 6.27.2 to note that consultation is ongoing in relation to proposed increases as set out in paragraph 6.20 above
- 6.27.3 to delegate authority to the Executive Director for Regeneration to consider the outcome of the consultation and having considered that to decide whether to increase charges as proposed with effect from the 1st April 2011 (or such other date as he shall determine)

6.27.4 to note the proposals in relation to staff parking charges set out in paragraphs 6.13 to 6.14 and that consultation on this proposal are the subject of consultation with the Trade Unions in the context of consultation of a number of other matters relating to terms and conditions and to delegate to the Executive Director for Resources authority to decide whether to implement increased charges for staff parking as she determines.

6.27.5 to ask the Executive Director for Regeneration to prepare a report on the possible extension of CPZs and to refer back to the Mayor and Cabinet for a decision at the earliest opportunity.

7. School meals

7.1 Last year nearly 1.15m primary and 175,000 secondary school meals were provided by the Council through a contract. Families pay for school meals, currently at £1.40 per primary school meal and an average price of £1.85 per secondary school meal. Free school meals are available to those on low incomes.

7.2 Paid for meals are subsidised significantly by the Council. The price for the meal paid by the child does not reflect the cost paid by the Council to the contractor. The council recovers only the income foregone for free school meals, i.e. the £1.40, from central government, and therefore still subsidises the provision of these.

7.3 The current median price for primary school meals in London is £1.85, with more than one quarter of authorities charging over £2. Prices for Lewisham's meals have remained fixed since 2007, thereby increasing the proportion of subsidy paid by the Council since then, as costs have risen with inflation. Summary pricing information for 2010/11 is as set out below:

- ten boroughs charge £1.75 or less (Newham free (under government pilot scheme), Lewisham and Greenwich £1.40, Hounslow and Lambeth £1.60, Westminster £1.70, Hackney, Hammersmith & Fulham, Harrow and Waltham Forest £1.75)
- 13 boroughs charge more than £1.75 but less than £2.00 (Southwark, Islington, Bromley £1.80, Tower Hamlets, Kensington & Chelsea, Havering, Hillingdon and Brent £1.85, Merton, Barking & Dagenham and Haringey £1.90, Camden and Redbridge £1.95)
- nine boroughs charge £2.00 or more (Sutton, Richmond, Merton, Enfield, Ealing, Barnet, Bexley, Croydon all £2.00 and Wandsworth £2.25)

7.4 The median price is therefore £1.85, and the mean £1.80 (in this case the relatively close distribution of pricing makes either measure a reasonable benchmark). Lewisham's current price is the joint lowest in London, excluding the pilot exercise in Newham which is financed differently and so not properly comparable.

- 7.5 In considering these factors, officers were therefore minded to recommend a significant price increase. Low income families would still be protected by the free school meals, and the subsidy currently paid by the Council, including to families with high disposable incomes, does not appear justifiable, especially given that prices are significantly below London averages and well below actual cost.
- 7.6 The contractual provisions allow for increases to the price paid by pupils for meals. In secondary school prices may be increased annually from April 2011 by the Consumer Price Index. So, from April 2011, the Council could increase the average price of a secondary meal towards £2, although since a cafeteria system is in operation the actual average price could vary. In primary schools, the situation is different. There is an annual review following consultation with the contractor. Informal discussions with the contractor have indicated that an increase in primary school meal prices of 20p for 2011/12 would not create for them any particular concerns.
- 7.7 Increasing the prices of school meals has some effect on demand, assumed in this case to be 5%. Practical experience elsewhere is often difficult to quantify, as this effect is often short-lived. In this case, since the council subsidises meals, reductions in demand actually reduce expenditure by more than the corresponding loss of income, and so this effect has a positive financial consequence. In the event that this effect is more pronounced than this the further reduction in net costs will be brought into the calculations for the 2012/13 budget.
- 7.8 Consultation on price increases is currently underway, under the terms of authority previously delegated to officers. It closes on 16th February and the outcome will be reported verbally to the Mayor at the meeting.
- 7.9 No adverse equalities implications have been identified as there is no evidence that the service is used disproportionately by any ethnic, gender or other defined group for these purposes, relative to the overall relevant population for these purposes. In other words, although the majority of children in Lewisham's schools are from black or ethnic minority backgrounds there is no evidence of higher or lower take up of school meals from within this group.
- 7.10 The provision of free school meals to those on low incomes provides significant mitigation against the impact of price increases on low income groups, in which some minority groups are disproportionately represented. Those receiving free school meals are entirely unaffected by these proposals. Low income families who earn enough not to qualify for free school meals will be affected, but prices will remain significantly below the London median, and the current subsidies to families other than those most in need will be reduced.
- 7.11 The legal implications associated with the contractual position are set out above. The Council is under a duty to provide free school meals for those eligible and may provide school meals for other children at its schools. The proposals comply with relevant statutory provisions

7.12 The Mayor is therefore recommended to:

- 1) consider the outcome of the consultation exercise currently under way and having done so, to
- 2) decide whether to agree to increase the price of primary school meals paid by those children to £1.60 for 2011/12 with effect from the start of the summer term
- 3) decide whether to increase the average price of secondary school meals by the rate of inflation as measured by the CPI
- 4) agree in principle, that in subsequent years the price should increase to £1.80 in 2012/13 and £2 in 2013/14, subject to the proper process for implementing such
- 5) note that the assumed effect of this for financial planning purposes will be an additional £230,000 income in 2011/12, a further additional £230,000 in 2012/13 and a further £230,000 in 2013/14, although these actual figures may vary according to such factors as possible reduced take up (see below)
- 6) note that the assumed 5% reduction in demand will have the effect of reducing (net) expenditure in each of these years by a further £30,000, making the total saving over the three years in question £780,000

8 Early Years

- 8.1 A report on the future of early years provision appears elsewhere on this agenda. Members' attention is drawn to the description of the service provided in that report. The Council's budget proposals contain separate recommendations in respect of the Early Years service, in terms of the level of service to be provided. This report is concerned solely with the fees charged for the service. The additional income derived from these recommendations, if adopted, may therefore be available only on a temporary basis, depending on the decisions made about future services.
- 8.2 Council run nursery places cost between £222 and £296 per week to provide. They are currently charged at a flat rate of £175 per week per child, thereby granting a subsidy of between £47 and £121 per week per child (or between about 20 and 40% of the cost). Other providers of nursery places charge differential rates for children of different ages, reflecting the additional costs, especially staffing costs, of supervising in particular very young children. Officers recommend that the Council adopt this practice and also increase prices towards more commercial rates in order to reduce these subsidies.
- 8.3 It should be noted that these subsidies are currently, almost by definition, paid to working parents, typically not the most vulnerable group within the borough, and that a range of other benefits are also available to help working parents on low incomes subsidise the cost of such child-care. As the other report shows, these subsidies are often paid to parents with incomes above £23,000pa, for who the subsidy was not originally intended.

- 8.4 An initial consultation on the future of the early year service and possible closures has been carried out with users of the service. Details of the responses appear in the associated report on this agenda. In the context of that consultation, parents suggested that they would prefer to pay increased charges as an alternative to closure. This proposal originated with users of the service and not with council officers. As a response, further consultation is now being carried out on the proposed level of the increases. A letter has been sent to all parents of children using the service and they have been invited to make any comments they may have to the Council by 16 February 2011 and any comments received will be reported orally at the meeting.
- 8.5 The wider report elsewhere on this agenda as regards future service provision contains detailed equalities impact assessments. In the context of charges for the service, it is relevant to note that BME groups make up a significant proportion of the users of the service. However, it is important to note that provision will remain free for those on defined low incomes.
- 8.6 The specific legal implications associated with this proposals are set out below. Local authorities are permitted to provide childcare themselves, but (except in the case of day care for children in need,) only if there is no other provider willing to provide it or the local authority considers in all the circumstances, that it is appropriate to do so. In exercising any of these powers the local authority must have regard to guidance issued by the Secretary of State.
- 8.7 Pursuant to the Childcare Act 2006, the Government funds local authorities to ensure a free part-time early education place for every 3 and 4 year old in settings that have been inspected by Ofsted and found to be of satisfactory quality.
- 8.8 From 1st April 2006 3 and 4 year olds have been entitled to free early years education comprising 12.5 hours per week for 38 weeks of the year. Parents do not contribute towards this minimum entitlement but may be charged fees for any services or childcare additional to the free place. Any additional fees must be charged at a reasonable rate.
- 8.9 Officers therefore recommend that the Mayor:**
- 8.9.1 considers the outcome of the consultation exercise
- 8.9.2 having considered the outcome of the consultation exercise carefully, decides whether;
- a to increase the price of a weekly nursery place for a child under the age of 2 from £175.00 to £250.00
 - b to increase the price of a weekly nursery place for a child aged between 2 and 3 years from £175.00 to £225.00
 - c to increase the price of a weekly nursey place for a child aged over 3 from £175.00 to £205.00
- 8.9.3 notes that adopting these recommendations would mean that the service would still be subsidised by the Council by an average of approximately 15% per place
- 8.9.4 notes that if the proposals as set out in this report are accepted, for financial planning purposes the additional income to be generated in 2011/12 would be

£155,000, £148,000 and £178,000 respectively for each of the three age bands, or £481,000 in total, and that given the current uncertainty about future levels of service provision that this income should only be built into the Council's budget model for 2011/12.

- 8.10 The review of this service also noted that, even with these increases, income will not be sufficient to meet the cost of provision. The Early Years service is investigating means by which the service can be provided at lower cost to the Council, and further options will be provided separately.
- 8.11 Increasing prices to full cost is not recommended for 2011/12, as the proposed price increases already range from 15-40% of what for some families will be a significant proportion of their weekly or monthly disposable incomes. Increasing prices to full cost would have the effect set out in the table below.

Category	Current Fee	Recommended Fee	Fee required for full cost recovery	Additional income (cf full cost fee to recommended fee)
	£'000	£'000	£'000	£'000
Children aged 2 and under	175	250	296	95
Children aged 2 to 3	175	225	260	100
Children aged 3 and older	175	205	222	85

- 8.12 A maximum of £280,000 additional income could therefore be achieved by moving immediately to full cost recovery. However, the actual figure might be less, because such price increases would start to reduce demand for the service, and begin to become uncompetitive against the private sector. The recommended price increases, by contrast, will still leave the cost of the service below that generally available for equivalent services in the private sector, and so less likely to impact on demand.

9 Highways

- 9.1 The Council makes a variety of charges to companies and individuals for works to the public highways, including for crossovers (dropped curbs) to cover the cost of works (although these are often currently provided at a subsidy), licenses for skips and scaffolding and other street works. Benchmarking in this area is more difficult, because not all local authorities publish a list of charges, and where they do the charges are not always directly comparable. The proposed increases to prices are therefore based more on the principle of reducing Council subsidy from services that can be provided commercially.

9.2 Where possible charging mechanisms have been simplified and more appropriate sanctions included to ensure compliance with safety and other requirements.

9.3 The table below sets out the current and proposed charges, with commentary where appropriate.

Item	Current Charge	Proposed Charge	Extra Income	Comments
	£	£	£'000	
Crossovers (dropped curbs)	Part cost recovery	Full cost recovery and minimum charge £1,000	54	Current (refundable) administration fee of £75 to be increased to £100 and made non refundable.
Temporary crossover	Not currently granted	£150 for three months, plus admin. fee of £100 and deposit	Incl. above	£500 penalty fee (reduced to £300 if paid in 14 days) for working without a license. £100 renewal fee for requests submitted 14 days before expiry of old license
Access bar	50	55	Incl. above	
Skip licenses	27/month plus deposit	50/month plus inspection fee of £60 plus deposit	167	£500 penalty fee (reduced to £300 if paid in 14 days) for working without a license.
Skip licenses (of highway)	Nil	Inspection fee of £60 plus deposit	Incl. above	£150 penalty fee for working without a license
Roll on/off skip license	Nil	100/month plus inspection fee of £60 plus deposit	Incl. above	
Scaffold licenses	108/3 months	250/3 months plus 60/inspection fee	10	Currently variable rates for longer licenses £500 penalty fee (reduced to £300 if paid in 14 days) for working without a license or breaking conditions of license
Scaffold license extensions	n/a	55/3 months	Incl. above	This charging structure will make it easier for contractors to obtain the length of license they need and simplify charging mechanisms
Hoarding licenses	108/3 months	175/3 months plus deposit plus £60 inspection fee	3	£500 penalty fee (reduced to £300 if paid in 14 days) for working without a license.
Building materials on highways	Nil	60/month plus deposit and £60 inspection fee	4	£500 penalty fee (reduced to £300 if paid in 14 days) for working without a license.
Container license	55/month	100/month plus deposit	Incl. above	£500 penalty fee (reduced to £300 if paid in 14 days) for working without a license.

		plus £60 inspection fee		
Crane (highway oversail) license	300	300 plus £100 for each extension plus variable charge at cost plus administration for any damage caused	Incl. above	Base charge remains at TfL level, but other charges introduced to achieve parity with other boroughs
Road closures	2,000/ closure	2,000 / closure	Incl. above	Introduce £1,000 penalty for overruns,
Streetworks s50 license	200	390/new apparatus 240/existing apparatus inspection	Incl. above	
Net additional income			238	

- 9.4 The income above is assumed to be from the charges made for issuing licenses. Additional income of £200,000 p.a. is also considered reasonable for charges for contraventions, based on current experience and a more rigorous enforcement regime. The effect of this would be to increase the income from the service to around £0.75m, as against a direct cost of over £1.1m.
- 9.5 The Mayor is recommended to approve the increases to charges and fines for highways works as set out in paragraph 9.3.
- 9.6 The Mayor is also recommended to agree that skip licences no longer be issued to individuals but to skip companies only. For a charge, skip companies will apply to join the Council's new approved suppliers' list and only companies on that list will be able to apply for licences. This is the practice of a number of other boroughs and has environmental and other benefits such as ensuring that the company has a satisfactory Waste Regulation registration, a satisfactory Health and Safety policy and adequate Public Liability Insurance.
- 9.7 The legal implications associated with this proposal are as follows. The Local Authorities (Transport Charges) Regulations 1998 give power to charge for the exercise of various functions as listed in the Schedule to the Regulations. These include crossovers, skip licenses, hoarding licences, building materials on highways and road closures. The Regulations provide that the amount of any charge is in the Council's discretion but, in determining the charge, the Council is to have regard to the cost to it of dealing with the matters in question. In accordance with general principles, the discretion must be exercised reasonably and any charges should be proportionate.
- 9.8 In accordance with Section 139 of the Highways Act 1980, a builders skip shall not be deposited on the highway without the permission of the highway

authority. Any application process operated by the highway authority must be fair and transparent.

- 9.9 No equalities impact has been identified, as there is no evidence that the service is used disproportionately by any ethnic, gender or other defined group for these purposes
- 9.10 **Recommendation** Officers therefore recommend that the Mayor approve the increases to charges and fines for the highways works set out in paragraph 9.3 with effect from 1 April 2011

10 Trade Refuse

- 10.1 The Trade Refuse Service operates in a commercial and competitive market. Detailed benchmarking shows that similar boroughs tend to charge around 30% more than Lewisham, where they provide the service at all. Private contractors operating in the borough tend to undercut Lewisham's prices for larger bins, which are generally easier to collect and often from larger and hence, arguably, more reliable customers. At the same time they tend to charge more than Lewisham does for smaller bins.
- 10.2 In effect the private sector has sought to cherry-pick the most profitable customers, relying on the fact that the Council, whilst acting competitively, must also have regard to its duties under the Environmental Protection Act, and hence balance pricing policy against the risk of fly-tipping.
- 10.3 Taking this into account the pricing changes set out in the table below are recommended. On average they are increases of around 10%, which will still leave the Council's prices below the average of other boroughs. However, the option of a more significant rise is not recommended at this stage, because of the highly competitive market in which the service operates.

Bin Size	Current Price £	Proposed Price £
240 L	345	380
360 L	390	430
1100 L	722	795

- 10.4 These price increases, if agreed, would generate additional income of £100,000 p.a.
- 10.5 Consideration has also been given to whether the service should operate at all. Some boroughs do not operate a trade waste collection service, because there is an active private market for the service (all boroughs must ensure that an enforcement service operates, to make sure that businesses do dispose of waste properly rather than by dumping it). However, this model works better where other related functions such as street cleaning and domestic refuse collection are outsourced. In Lewisham the trade refuse service can operate

alongside these other services, spreading overhead costs and hence reducing unit costs.

- 10.6 Consideration has also been given to whether the service should, subject to appropriate legal powers being established, start to operate outside the borough's boundaries. If sufficient contracts could be secured it would give the service the opportunity to spread its overhead costs over a wider basis, reducing the net costs of the service. There are specific legal implications, covered below, that need to be considered in respect of this, but subject to these being resolved it offers considerable potential and also significant risks that would need to be managed. An indicative assessment is that this could reduce net costs by a further £100,000.
- 10.7 The Mayor is therefore recommended to:
- I. approve the price increases set out in paragraph 10.3 and note that these will deliver additional income of £100,000 p.a.
 - II. ask the Head of Environmental Services to bring forward a report setting out the business case for extending the trading operations beyond the borough's boundaries at such stage as the legal issues are capable of resolution
 - III. note that the target saving from extending trading operations will be £100,000 in 2012/13.
- 10.8 The legal implications associated with this proposal are set out below. The Council, as a London Borough is a "waste collection authority", pursuant to the provisions of the Environmental Protection Act 1990 as amended ("EPA"). "Controlled Waste" (section 45 of the EPA) generally covers what is understood to be "trade refuse"; however, pursuant to section 45(1) (b) waste collection authorities have only a duty to collect "commercial waste" if requested to do so by the occupier, provided it is limited to its own actual area. Consequently we have no explicit power to collect trade waste under current legislation outside of the Borough. Depending on the outcome of the Supreme Court decision in relation to the use of Section 2 Local Government Act 2000, it may be that vires could be established under this section. The implications of the Decentralisation and Localism Bill may however provide such a power when in force. Any exploration of this opportunity to spread overheads would need to be the subject of a further report.
- 10.9 No equalities impact has been identified, as there is no evidence that the service is used disproportionately by any ethnic, gender or other defined group for these purposes.

11. Libraries

- 11.1 The public library service is currently financed by a substantial public subsidy. No plausible regime of fees and charges could cover the costs of the service, and the income derived from such charges could only be a relatively small part of the total libraries budget. Nonetheless, fees and charges do have a proper part to play in the provision of libraries. Fines for late returns, for example, provide an incentive for books to be returned on time, thus circulating the stock more quickly and reducing the total stock requirement and hence cost.

11.2 In addition, there are separate proposals regarding the future of five of the borough's libraries. The proposals in this section of the report have been costed on the assumption that the Council will only continue directly to provide seven libraries in the borough. Were further libraries to be directly provided then the income figures set out here would be increased proportionately (i.e. by 70%).

11.3 The following price changes are proposed

Late return fines

- To increase from 10p to 20p/day (5p to 10p/day for concessions)
- Under current calculations these increases would generate c.£30k prorated to seven libraries

The current London average fine for late returns is between 20p and 25p. The lower rate is proposed, in line with the general principle of increasing charges only to the average, not above. Were the higher rate of 25p/day to be selected the total additional income across seven libraries would be £45k. No changes are proposed to the current maximum fines, since they are already set at a level where to increase them further would simply provide an incentive not to return books.

The proposals are consistent with the legislation relating to library provision.

A limited equalities impact has been identified. There is no evidence that the service is used disproportionately by any ethnic, gender or other defined group for these purposes, except from those aged 60-64, from whom it is proposed to remove the concessionary rate applied to fines for late returns

Concession for over 60s on late return charge

- to increase the age at which the concession applies to 65.
- to note that there may be some practical issues in enforcing this, since the current practice is to apply the concession on production of a valid bus pass, which can be granted at age 60 and does not specify the date of birth. In recognition of this it is proposed not to set an income target at this stage to allow time to develop an alternative system, if one is practicable.

Media hire:

- to increase the charges for hire of CDs from 50p to £1.25, in line with the London median
- to increase the charges for hire of DVDs from £2.50 to £3.00, in line with the London median
- to increase the charge for single page internet colour copying from £0.15 to £0.50, in line with the London median
- to delegate to the Head of Cultural Services authority to amend other media hire charges (of which there are many), subject to this being

exercised, so far as is reasonable, to place prices at or around the current London median

- to note that additional income of £20,000 can reasonably be achieved from these pricing proposals in respect of media hire.

11.4 The Mayor is recommended to approve the pricing proposals set out above.

12 Community Education Lewisham

12.1 The Community Education Lewisham (CEL) service operates in a market that is quite responsive to changes in price, and with a complex mix of public funding regimes. Some courses are directly subsidised by government and others depend wholly on fees from students. It is not always practical to recover the full costs of these latter courses from fees, but more economic than not to run them as they provide a contribution towards the overall running costs of the service.

12.2 The following pricing changes are recommended:

- I. to make no change to the fees for “learner responsive” courses
- II. to increase the fees for those courses that are able to operate on a “full cost recovery” basis to that cost, currently calculated at £7.50/hour, generating additional income of £12k
- III. to freeze other course fees at £4.00 hour, generating an additional £5k in income, given that this is likely to be nationally set at this level in any event
- IV. to increase the age at which concessionary charging rates apply from 60 to 65, but to maintain that concession rate at 50%, noting that most other boroughs do not offer such a significant concession, generating additional income of £33k

12.3 This proposal (item iv) will enable us to maintain the concession rate at 50% for those residents aged 65 and over. This proposal is consistent with the current retirement age of 65. There are no further significant equalities implications identified.

13 Registrars – Nationality Checking Service

13.1 The National Checking Service (NCS) is partnership between the Home Office Border and Immigration Agency and a number of local authorities in England and Wales. Applicants using the NCS system provided by local authorities may, for a payment which is locally set, have the Council team check that applications have been completed properly and have all the required documents attached. Only then will the application be submitted. The NCS role is a discretionary service for the local authority. Under section 93 of the Local Government Act 2003 the Council has power to charge for discretionary

services where the person receiving the service agrees to its provision. Under section 93 the Council must ensure that taking one year with another the income from charges for each Council's discretionary service does not exceed the costs of provision. Subject to that, the Council may set the charges it thinks fit. It is clear that an appropriate benchmarking exercise has been carried out. On 27 September 2006 the Mayor granted his approval for the Council to provide the service on a self funding basis.

- 13.2 Current charges for the nationality checking service are below the benchmarked London average, and the following price increases are recommended in order to bring prices up to the average:
- single person (including children qualifying in their own right) – increase from £40 to £50
 - couple – increase from £55 to £70
 - child (accompanying an adult) – increase from £15 to £25.
- 13.3 These price increases are reasonably expected to generate additional income of £36k p.a. Further increases at this time are not recommended, in order to keep prices at the current London averages. The council subsidy provided to the service will still exceed £200,000 p.a. after implementation of these increases.
- 13.4 There are no other obvious opportunities to increase the income from other aspects of the registrars service. Charges for birth and death certificates are set nationally. Some boroughs are able to generate significant income from facilities for wedding services, but in Lewisham there are no suitable premises without significant investment, which would not be commercially viable.
- 13.5 The nationality checking service provides a non-statutory service to check citizenship applications. Customers are therefore not UK citizens, and hence from a range of ethnic backgrounds. However, the price increase proposed is in line with other boroughs', and customers can submit applications without using the service. Accordingly, no adverse equalities implications have been identified.
- 13.6 The Mayor is therefore recommended to approve the pricing proposals set out in paragraph 13.2.

14 Community Centres and Premises

- 14.1 The Council indirectly subsidises various community groups across the borough by approximately £0.75m to £1m per annum through the provision of its community centres and community premises. This includes rent subsidies to key third sector organisations (in Council premises) and planned preventative maintenance costs. It is quite clear that no pricing strategy could possibly make these centres self-financing, but some changes are proposed. In addition, officers will change financial reporting practices to ensure that this subsidy is in future more transparent.

14.2 Community centres are either used on a one-off basis (e.g. to host a wedding reception or other social event) or on regular (e.g. weekly) basis with some facilities (e.g. offices and nurseries) being occupied on an exclusive basis. One-off events are more likely to be booked by private individuals than by commercial or voluntary groups. Regular bookings are made either by private clubs or voluntary groups, and in some cases it is not clear-cut where the distinction between the two starts and finishes: certainly it would be very difficult to provide an exact rule or definition to separate the two.

14.3 This is important because, generally speaking, the council's policy would be more likely to grant concessions to community groups than to private groups more able to fund themselves. However, at present charges and concessions are not always consistent with these policy objectives.

14.4 Accordingly, it is recommended that the Mayor agree the pricing scheme set out below:

- to increase the one-off charge for public liability insurance from £5 to £25 for private hire, more accurately reflecting true costs
- charge regular commercial users standard hourly rates as shown in Appendix One, rather than the current mixture of rates (unless it can be demonstrated that important services would be withdrawn)
- to set standard concessionary fees for full time occupiers, based on £12.60 for a three hour session, compared with the current £12 charge per session (but with discretion for the Head of Community and Neighbourhood Development to reduce these where a community group is able to demonstrate a valid reason for so doing)
- to set standard rents of £12.60 per three hour session for sessional users, to eliminate the current set of variable charges that cannot objectively be justified.
- to charge organisations who occupy facilities or premises on an exclusive basis rents and service charges rather than hourly fees and asks the Executive Director for Community Services to ensure that appropriate charges are made to hirers in accordance with this scheme with effect from 1 April 2011.

14.5 These changes are anticipated to generate additional income of £30k p.a.

14.6 No specific equalities impact identified, except that the majority of private users are faith based organisations, but this is of limited impact as the proposed charges will still leave a significant council subsidy in place.

15 Pest Control

15.1 The Mayor is recommended to increase the charges made for removal of all pests (other than rats) to the South East London local authority average as set out in the table below. This is expected to generate additional income of £25k p.a.

	Current price	Proposed price
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Rats	£0	£0
Mice	£75	£85
Cockroaches	£100	£115
Bedbugs	£75	£95
Fleas	£50	£85
Wasps	£50	£50

- 15.2 Consideration has been given to introducing charges for removal of rats. Based on current volumes of activity a charge of around £100 – which is not untypical for the small number of authorities that do make such a charge – would generate income of in the region of £50k to £80k p.a. This position will be kept under review, but is not proposed at the current time. If such charges were introduced and led to significant numbers of residents ceasing to use the service then there could public health issues as a result. Officers will continue to track the experience of the limited number of other authorities that do make such charge, to see if this policy should be amended in the future.
- 15.3 No specific equalities impact identified, as there is no evidence that the service is used disproportionately by any ethnic, gender or other defined group for these purposes.
- 15.4 The Mayor is recommended to agree the pricing scheme set out at paragraph 15.1.

16 Land Charges and Planning

- 16.1 Lewisham has one of the lowest fees nationally for full searches (£65). However, no changes to these are proposed at the current time, pending a wider review of planning and land charges due to take place in 2011. The Head of Planning will report on the outcome of this in the first half of the 2010/11 calendar year.
- 16.2 Local authorities are now entitled to introduce charges for providing pre-application advice to major and minor (non-householder) planning applications. The principle behind this is that, from the point of view of a developer, such advice may help them to avoid delays in the planning process, e.g. by encouraging them not to submit unrealistic applications. From the local authority's point of view such advice may help to reduce the cost of dealing with later appeals and speed up the processing of reasonable applications.
- 16.3 Many London authorities do make such charges, the average rate currently being £1,725 for major applications. However, although pricing will be benchmarked against this level the Mayor is also recommended to delegate authority to the Head of Planning to vary this as appropriate, bearing in mind that this is a new area of charging for Lewisham. Provisionally, charges for 2011/12 will be set at £1,000 for an initial meeting, with subsequent charges additional to this depending on the nature of the application. A formalised policy may be adopted for 2012/13, based on the experienced gained at that time, at which time charging for minor applications will also be considered.

- 16.4 Assuming a 40% take-up these charges are expected to generate additional income of £23k p.a. This will not result in the service making a profit.
- 16.5 It should also be noted that the government is currently consulting on proposals to introduce local planning application fee setting from October. The aim is to introduce a robust, transparent process that shows customers what they are paying for in a planning application fee and to seek over time to reflect the true costs of handling planning applications and ensure adequate resources are applied.
- 16.6 The provision for pre-application advice is a discretionary service which the Council is not under a duty to provide as such the Council has power to charge for the provision under Section 93 Local Government Act 2003. Where a local authority opts to charge a fee for provision of a discretionary service the charge must be on a not for profit basis and over the course of each year the increment charges for such services must not exceed the cost of providing them. Where the Council sets the charge for a pre-application service it will need to clearly set out its scale of fees and charges alongside the level of service an applicant will receive for that charge.
- 16.7 The Mayor is recommended to agree the pricing proposals set out above.
- 16.8 No specific equalities impact identified, there is no evidence that the service is used disproportionately by any ethnic, gender or other defined group for these purposes

17 Other services where no increases to charges are proposed

- 17.1 A new fee structure for the building control services was introduced in October 2010, in response to a requirement imposed by new legislation. However, an overview of the service suggests that there may be scope to reduce its net cost by reducing the scope of functions only to those areas specified by statute where there is no private sector competition. Furthermore, the net cost might be reduced if all council services requiring the use of building control functions used the council's building control services (although if this were to be mandated assurances about quality and speed of response might be required).
- 17.2 The Mayor is therefore recommended to instruct the Head of Strategic Housing to report back during 2011/12 (in sufficient time for the 2012/13 budget setting round) on options for the service, including possible further changes to fees and charges, in particular for larger works.
- 17.3 Lewisham's charges for court costs are currently above the London median, and so, in line with the principles of this report no increases are proposed. These charges are only levied against those who the council is required to take to court to enforce legitimate debts. They are considered to be an effective way of encouraging payment. Reducing charges might lead to reduced collection rates for council tax in particular, where even a 1% reduction could cost the council nearly £1m. Accordingly, no changes to the current charges are proposed at the current time.

- 17.4 The council is now entitled to charge interest for late payment of commercial invoices. Based on current collection this could in theory generate an additional £28k p.a. However, new software would be required to enable the council to add this to bills without considerable officer time, which would add to administrative costs. Accordingly, this is not recommended at the current time, but will be considered as part of the business case for any such investment.
- 17.5 Charges for adult social care and meals on wheels have been reported separately to the Mayor.

18 Ongoing review of fees and charges

- 18.1 The review has shown that charging for services is a complex matter. In some cases services operate in commercial markets, competing against private sector businesses. In others, services seek to balance recovering costs against wider policy objectives, and in still others charges, whilst still important as a means of managing the service, can only ever recover a relatively small proportion of the total costs of the service.
- 18.2 This complexity should, at least arguably, have led to frequent changes in pricing over recent years, in response to financial, policy and market pressures. However, whatever the reasons, the opposite has tended to be true, and in many services the real value of charges has gradually reduced as pricing has not even been adjusted for inflation as a minimum.
- 18.3 It is important to ensure that charges are reviewed regularly to ensure that they remain appropriate. The need to do this also introduces a useful discipline to the management of the organisation. At the present time it would seem appropriate to require this to be reported to the Mayor at least annually, as part of the budget process.
- 18.4 However, given the complexity of many charging regimes an annual review may not give sufficient flexibility for managers to respond to market or policy pressures. In some specific cases the recommendations in this report address this, by providing specific delegated authority to named Officers to vary certain charges. More generally, it would also be appropriate to allow Executive Directors to vary any other charges for services within their directorates (other than those to which specific delegated authority has already been granted) to enable quick reaction to changes in the service, its customers, competitors etc.
- 18.5 The Mayor is therefore recommended to delegate authority to Executive Directors to vary charges in their directorate up or down by no more than 10% during any given financial year, subject to all such actions being reported for information as part of the annual review of fees and charges.

19 FINANCIAL IMPLICATIONS

- 19.1 The recommendations in this report have set out how charges have tended to be set below, often significantly below, the London average. By correcting this, according to the recommendations set out in this report, additional income of £3m would be achieved in 2011/12.
- 19.2 However, in reviewing fees and charges it is important to consider either that changes to charges may reduce demand and/or that provision will need to be made for non-payment. Accordingly, a provision of £0.361m (just over 10%) is recommended as a sensible and prudent measure. This provision shall be held by the Executive Director for Resources and applied as appropriate.
- 19.3 The review has been based on thorough analysis and robust challenge by officers. It is reasonable to assume, with these contingencies, that the additional income forecast of £3m in 2011/12 will be achieved. Forecasting for future years is more difficult, because of the complex nature of the markets in which council services charge. However, a key underlying policy principle of the review has been to place charges at or around the current London median in most cases. It is not unreasonable to assume that other councils may increase charges in 2011/12. If this is the case then it is reasonable to assume that by tracking the previous year's averages further income will be achieved in 2012/13.
- 19.4 Therefore, although specific proposals have not always been identified, it is not unreasonable to assume additional income of £2m over 2012/13 and 2013/14, profiled as set out in the table at section four of this report.
- 19.5 All other financial implications are as stated in the body of the report.

20 LEGAL IMPLICATIONS

- 20.1 The Council is under a fiduciary duty to council tax payers to exercise proper custodianship of council funds. Members are reminded of this duty in considering the level of charges to be made for certain services.
- 20.2 The Council has power under Section 93 Local Government Act 2003 to charge for discretionary services i.e. those services which an authority has the power but not a duty to provide. The Council may charge where the person receiving the service agrees to its provision but does not arise where there is a specific charging power or there is an express prohibition on charging. Councils must ensure taking one year with another that the income from charges for each kind of discretionary service does not exceed the costs of provision. Subject to that, the Council may set the charges it thinks fit and may in particular charge only certain people for a service or charge different people different amounts.
- 20.3 Where a Council seeks to operate commercially (i.e. trade for a profit) in a discretionary service by virtue of Section 95 Local Government 2003 it may only do so through the use of a company.
- 20.4 In some cases the Council may be under a specific statutory duty to consult (as in relation to parking charges) and in other circumstances there may be a

legitimate expectation that the Council will consult on proposed changes to charges. The Council must consider the outcome of any consultation exercise with an open mind and where consultation has not been completed at the time of consideration of this report either the Mayor must consider a further report detailing the outcome of that consultation or delegate the consideration of the consultation responses and the final decision to an officer as is suggested at several points in this report.

- 20.5 Equalities Legislation: Sex Discrimination Act 1975 (SDA), the Race Relations Act 1976 (RRA) and the Disability Discrimination Act 1995 (DDA) – all as amended – all contain provisions whose aim is the progressive elimination of discrimination in the public sphere. This is done by requiring public bodies including local authorities to have regard to the need to eliminate discrimination. This is often referred to as the “general duty”. The Acts also contain provisions allowing the Secretary of State to make orders or regulations imposing specific duties for the purpose of ensuring the better performance of the general duty.
- 20.6 By Section 76A of the SDA the local authority in carrying out its functions must have due regard to the need to:
- (a) eliminate unlawful discrimination and harassment; and
 - (b) to promote equality of opportunity between men and women.
- 20.7 Statutory Order has been made under Section 76b requiring local authorities to publish agenda equality scheme, requiring implementation within 3 years and review every 3 years at least with regular reports on the achievement of the aims of the scheme.
- 20.8 The Statutory Code of Practice highlights that the regard for these duties must be “due” with proportionality and relevance being key principals. It acknowledges that authorities may not always be able to adopt actions that would best promote equality but that they must ensure that in making decisions due regard is had to the duties under the Act. Statutory guidance points out that equalities impact assessments are a tool to assess the impact of policies and that where full EIAs are conducted they should be evidence based with an assessment of the likely impact and should consider possible actions to mitigate any adverse impact.
- 20.9 By section 71 RRA local authorities are required in carrying out their functions to have due regard to the need:
- (a) to eliminate unlawful racial discrimination; and
 - (b) to promote equality of opportunity and good relations between persons of different racial groups.
- 20.10 Again the Secretary of State has imposed specific duties by statutory order with requirements such as the publication of a Race Equality Scheme and periodic review of the functions relevant to the scheme, monitoring and review.

- 20.11 The Statutory Code of Practice issued by the Commission for Racial Equality also points to the need for the regard to the duty to be due – being proportionate according to the relevance of the duty to the service in question. It is also clear that due regard must be had to the duty and the core functions of policy development, service design and delivery, decision making, employment and among other things in the exercise of statutory discretion.
- 20.12 The general duty in relation to disability is set out in Section 49A of the DDA. Under this every public authority must, in carrying out its functions, have regard to:
- (a) the need to eliminate discrimination is unlawful under the Act;
 - (b) the need to eliminate of harassment of disabled people that is related to their disabilities;
 - (c) the need to promote equality of opportunity between disabled persons and other persons;
 - (d) the need to take steps to take account of disabled persons disabilities even where that involves treating disabled persons more favourably than other persons;
 - (e) the need to promote positive attitudes towards disabled persons; and
 - (f) the need to encourage participation by disabled persons in public life.
- 20.13 The Secretary of State has made Regulations which impose on local authorities the duty to publish a Disability Equality Scheme, Review and Implementation with reporting requirements.
- 20.14 The Statutory Code of Practice reflects the emphasis in the other statutory codes on proportionality and relevance, and the need for evidence based EIAs where they are appropriate using data and research. It emphasises the important role of consultation and the involvement of stakeholders, as well as the need to mitigate adverse impact where possible.
- 20.15 Members attention is also drawn to guidance issued by the Equalities and Human Rights Commission. Very topically there is new guidance entitled “Using the Equalities Duties to make Fair Financial Decisions”. Members’ attention is drawn to this guidance which is appended to the Budget Report elsewhere on this agenda and is available on the EHCR website.
- 20.16 The Courts view all three of these duties as very important and rely on the statutory codes of practice. It is necessary for Members to have regard to these duties, codes and guidance before any decision is made paying attention to the substance of the analysis in relation to these duties before any decision is made.
- 20.17 The Council’s own Equality Scheme and its toolkit for conducting equalities impact assessments reflect the statutory codes of practice and guidance and

provide for the Council to consider equality issues including gender, race, disability, age, sexual orientation, religion and belief. In considering the impact of increased charges on equalities all of these issues need to be borne in mind notwithstanding that the general duties do not yet extend to all of these areas.

- 20.18 The Equality Act 2010 came on to the statute books in late 2010 but many of its provisions await commencement. It is likely that from April 2011 the new public sector duty, which extends “due regard” to cover age, sexual orientation, pregnancy and maternity and religion and belief, will have effect. The provisions relating to the duty in relation to socio- economic factors have also yet to be brought into effect. As subsequent decisions regarding budgetary matters are made it will be essential to ensure the most up to date position is reported to Members. At the time of writing the Codes of Practice to apply from April 2011 remain in draft.
- 20.19 Members are reminded that in considering the proposed increase to charges, the requirement under all three statutes is to have regard to the need to eliminate discrimination and promote equality of opportunity. It is not a requirement to eliminate discrimination or promote equality. The duties are “have regard duties” and the weight to be attached to them is a matter for the Council bearing in mind the issues of relevance and proportionality. It is an option available to Members provided they grapple seriously with the duties imposed upon them by the equalities legislation and the Council’s Equality Scheme to take the view that the requirement to make a balanced budget in times of such very severe financial restraint require the increases in charges proposed to be made.
- 20.20 Human Rights Act 1998 . Since the introduction of the Human Rights Act 1998 (HRA) the rights set out in the European Convention of Human Rights (ECHR) have been incorporated into UK legislation and can be enforced in the domestic courts without having recourse to the European Courts.
- 20.21 Those articles which are particularly relevant to public services are as follows:
- Article 2 – the right to life
 - Article 3 – the right not to be subject to degrading treatment
 - Article 5 – the right to security of the person
 - Article 6 – the right to a fair trial
 - Article 8 – the right to respect for private and family life, home and correspondence
 - Article 9 – the right to freedom of thought, conscience and religion
 - Article 10 – the right to freedom of expression
 - Article 11 – the right to peaceful assembly
 - Article 14 – the right not to be discriminated against on any ground

The first protocol to the ECHR added:

- Article 1 – the right to peaceful enjoyment of property
- Article 2 – the right to education.

- 20.22 No Human Rights implications have been identified in connection with any of the proposed increase to charges.
- 20.23 Crime and Disorder – Section 17 of the Crime and Disorder Act 1998 requires the Council when it exercises its functions to have regard to the likely effect of the exercise of those functions and the need to do all that it reasonably can to prevent crime and disorder in its area.
- 20.24 Best Value – Under Section 3 Local Government Act 1999 the Council is under a best value duty to secure continuous improvement in the way its functions are exercised having regard to a combination of economy, efficiency and effectiveness. It must have regard to this duty in making decisions in relation to this report.
- 20.25 Environmental Implications – Section 40 of the Natural Environment and Rural Communities Act 2006 states that “every public authority must in exercising its functions, have regard, so far as is consistent with the proper exercise of those functions, to the purpose of conserving biodiversity”. No such implications have been identified in relation to the fees and charges proposals.
- 20.26 The specific proposals set out in this report may have specific legal implications attaching to individual proposals. These are set out in the body of the report.

21 EQUALITIES IMPLICATIONS

- 21.1 The impact on equalities is set out in the context of the specific proposals., based on the Equalities Impact Assessment which has been carried out. In most cases the proposals in this report either do not have an equalities impact, or if they do it has been assessed as having a low impact.
- 21.2 Generally speaking, increases in fees and charges will tend to have a disproportionate impact on people on lower incomes, as a greater proportion of their net disposable income will be taken up by the increase. However, in mitigation of this it is first important to note that the effect of these price increases will in most cases be to leave prices at around the 2010/11 London medians, and therefore most probably below the 2011/12 London medians once these are known. It is also relevant to note that concessions apply, either in terms of benefits through the national tax and benefit system or through council charging policy that will mitigate the impact of these increases for low income groups. Finally, it is important to note that charging regimes are in reality merely a proxy description for the subsidies that the council provides for a variety of services. In many cases these subsidies are not exclusively directed towards those who are not in the greatest need.

22 Consultation

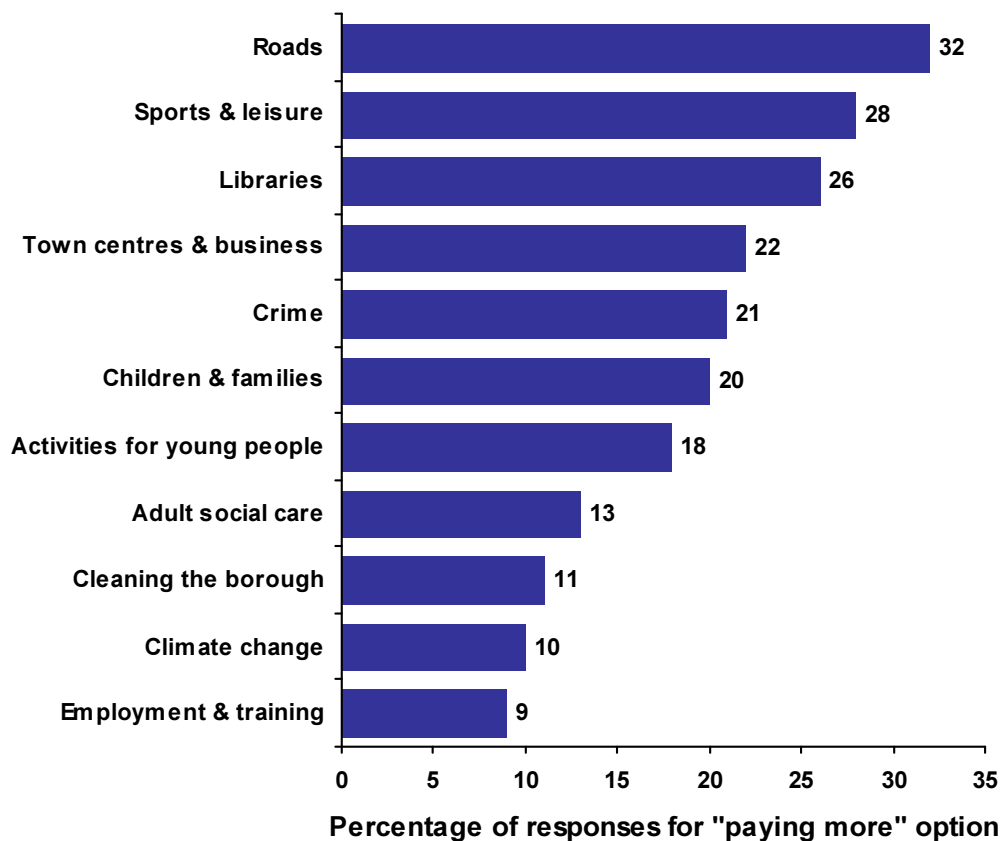
- 22.1 The Our Lewisham, Our Say public consultation and dialogue was designed to explain to residents the budget challenge the Council will face in the coming

years, and to test their opinions on some of the solutions the Council will have to consider as it meets that challenge. Those solutions included:

- Reducing some levels of service
- Increasing charges for some services, and
- Residents and community groups playing a greater role, for instance by volunteering to deliver services.

22.2 This was a mixed-methods consultation which ran from July to October 2010. It included a detailed online survey, an easy to complete and return ideas form in Lewisham Life, and face-to-face discussion and deliberation at local assemblies. More than 2,500 people took part, with nearly 1,000 surveys and 1,200 at local assemblies. The results were reported to Mayor and Cabinet on 17 November 2010.

22.3 One of the key findings of the consultation was that residents were prepared to pay more for some services. The chart below shows the proportion of residents who stated that it would be better to maintain current service levels and charge more for the service than to reduce service levels, when faced with the options set out above for each of the eleven service areas in the survey.



22.4 Of these results, those in relation to roads and to libraries are particularly relevant to this paper as recommendations relating to those fees are contained within the report.

- 22.5 On roads, nearly one third of respondents chose the option that *“it would be better to increase parking charges if that meant you could maintain roads better”*. On libraries nearly one third of respondents chose the option that *“I would be prepared to pay more for some services provided by libraries in order to maintain the current level of service”*.
- 22.6 In summary, the consultation results show a general sentiment of support towards increasing fees rather than reducing services, and stronger support in relation to specific services, as set out above.
- 22.7 There has been a range of specific consultation exercises in respect of the proposals in this report. Their outcome is dealt with in the body of the report.

23 ENVIRONMENTAL IMPLICATIONS

- 23.1 Recommendations to increase parking charges set out in this report will in part incentivise travel by sustainable means. For instance, the recommended increase to business and staff permits, which will make the annual cost equivalent to the cost of return journeys by public transport, will remove the disincentive to travel by public transport.

24 CRIME AND DISORDER IMPLICATIONS

- 24.1 There are no crime and disorder implications directly arising from this report.

25 BACKGROUND PAPERS

None

Appendices

- 1 Schedule of Community Centre Charges

For further information on this report please contact:

Conrad Hall, Head of Business Management and Service Support

Community Centres Hire Charges - One Off Bookings				Appendix 1
Premises	Facility	Charges - 2010/11 (£)		Recommended Charges - 2011/12 (£)
EVELYN COMMUNITY CENTRE CAPACITY 150	MAIN HALL	Hourly Rate: Sat & Sun	17.50 26.00/hr before 6.00 pm 38.00/hr after 6.00 pm	20.00 28.00/hr before 6pm 40.00/hr after 6pm
	OFFICE/MEETING	Hourly Rate:	9.50	12.00
58 LETHBRIDGE CLOSE CAPACITY 50	MAIN HALL	Hourly Rate Sat & Sun	12.00 16.50/hr before 6.00 pm 19.50/hr after 6.00 pm	15.00 20.00/hr before 6.00pm 25.00/hr after 6pm
HILLCREST CLUBROOM CAPACITY 50	MAIN HALL	Hourly Rate: Sat & Sun	12.00 16.50/hr before 6.00 pm 19.50/hr after 6.00pm	15.00 20.00/hr before 6.00pm 25.00/hr after 6pm
SAVILLE CENTRE CAPACITY 50	MAIN HALL	Hourly Rate:	12.00	15.00
		Hourly Rate: Sat & Sun	16.50/hr before 6.00pm 19.50/hr after 6.00pm	20.00/hr before 6.00pm 25.00/hr after 6pm
SCOTNEY HALL CAPACITY 80	MAIN HALL	Hourly Rate: Sat & Sun	14.50 19.50/hr before 6.00 pm 29.00/hr after 6.00 pm	17.00 22.00/hr before 6.00pm 31.50/hr after 6pm

	COMMITTEE ROOM	Hourly Rate	9.50	12.00
	MEETING ROOMS (1& 2)	Hourly Rate:	6.50	9.00
SEDGEHILL COMMUNITY CENTRE CAPACITY 150	MAIN HALL	Hourly Rate: Sat & Sun	17.50 29.00/hr before 6.00 pm 40.50/hr after 6.00 pm	20.00 32.00/hr before 6pm 43.00/hr after 6pm
	COMMITTEE ROOM	Hourly Rate: Sat & Sun	12.00 16.50/hr before 6.00 pm 19.50/hr after 6.00 pm	15.00 19.00/hr before 6.00pm 23.00/hr after 6pm
SLAITHWAITE COMMUNITY FLAT 15	MAIN HALL	Hourly Rate: Sat & Sun	12.00 12.00/hr before 6.00pm 12.00/hr after 6.00 pm	15.00 15.00 15.00
SYDENHAM HILL CLUBROOM CAPACITY 100	MAIN HALL	Hourly Rate: Sat & Sun	14.50 19.50/hr before 6.00 pm 29.00/hr after 6.00 pm	17.00 23.00 31.50
WOODPECKER COMMUNITY CENTRE CAPACITY 150	MAIN HALL	Hourly Rate: Sat & Sun	17.50 26.00/hr before 6.00 pm 38.00/hr after 6.00 pm	20.00 28.00/hr before 6pm 40.00/hr after 6pm
	PROJECT ROOM 1	Hourly Rate:	6.50	9.00
	PROJECT ROOM 2	Hourly Rate:	9.50	12.00

	GAMES ROOM	Hourly Rate:	6.50	9.00

Proposals for the Early Years Centres including outcomes of the formal consultation of the closure of Amersham

1. Purpose

- 1.1 This report sets out staged proposals for Lewisham to cease being a provider of childcare. For the first phase, proposals are set out for the closure of Amersham Early Years Centre and approaches for the three remaining centres – Honor Oak, Rushey Green and Ladywell. Formal consultation has taken place with both parents and staff at Amersham Early Years Centre and the outcomes are contained within this report.

2. Recommendations

- 2.1 The Mayor is asked to note the consultation response and to agree:
- 2.1.1 the closure of Amersham Early Years Centre;
 - 2.1.2 that the closure date for Amersham Early Years Centre is August 2011;
 - 2.1.3 for a formal consultation to start with staff at all three remaining Early Years Centres (Honor Oak, Ladywell and Rushey Green) to reduce costs through re-organisation;
 - 2.1.4 that the final decision about re-organisation is delegated to the Executive Director for Children and Young People;
 - 2.1.5 that officers progress proposals to grant to a private or voluntary sector the lease of Rushey Green EYC and bring back the results of the consultation before making the final decision on the granting of the lease;
 - 2.1.6 the exploration of options for the delivery of Council provided child care at Ladywell and Honor Oak Early Years Centres being provided by a third party that secures the continuation of the specialist provision for children with complex needs, with the results of the exploration of options being brought back, before making the final decision about third party provision.

3. Background

- 3.1 On the 17th November the Revenue and Budget Savings 2011/14 report sought authority to start formal consultation on the closure of Amersham Early Years Centre. This was in response to the three year strategy endorsed by the Mayor and Cabinet on the 23rd June 2010 to start the process of the Council ceasing its role as provider of childcare.

4. Policy Context

- 4.1 The Council's Sustainable Community Strategy "Shaping our Future" sets out a vision for Lewisham and the priority outcomes that we can work towards in order to make this vision a reality. In considering how to achieve the budget

savings we have worked to the nine principles agreed in the 14th July report to Mayor and Cabinet. The 2006 Childcare Act set out a clear role for the Local Authority to secure sufficient childcare and as the strategic lead in developing the childcare market, not as the provider of these services. It is clear that the Local Authority should be the provider of last resort. The development of this proposal enables Lewisham to take that strategic lead and over this period cease to be a childcare provider.

5. Proposal

- 5.1 The key objective in this proposal is that Lewisham stops being a direct provider of childcare. Childcare is currently provided by childminders, Private and Voluntary (PVI) nurseries, maintained schools and the four Early Years Centres. Information about the number of providers and childcare places is contained in Appendix 1. This mix of provision has provided stability and ensured sufficient affordable childcare places. However, this approach is no longer sustainable at the four Early Years Centres as high levels of subsidy are required for the Council run services.
- 5.2 When the Early Years Centres were first set up they were to provide affordable childcare to families with incomes below £23,000. This threshold was relaxed some time ago to ensure that the places were filled. Over a period of time families with higher incomes have made use of the subsidised childcare places available in the four centres. There is no justification for the continuation of providing subsidised childcare at these centres for parents with incomes above £23,000. The new Government has also relaxed the regulation requiring Local Authorities to provide childcare at Children Centres within the most deprived wards.
- 5.3 The average unit cost calculated across the four centres is estimated to be in the region of £300 and is higher than the PVI sector. Lewisham's involvement in childcare may have unintentionally prevented other providers entering the local childcare market, although the number of private and voluntary sector services is healthy. Feedback from local providers however has been that they have not been able to compete with Lewisham's subsidised provision on price terms. It is anticipated that the proposal for the Council to stop being a direct provider of childcare may encourage new providers into the borough.
- 5.4 The first stage of this proposal is to close Amersham Early Years Centre. The response to the formal consultation is set out in section 6 of this report.
- 5.5 The second stage is to withdraw from direct provision of childcare at Rushey Green Early Years Centre. It is proposed that this will be achieved by the transfer of the lease through a competitive process. Rushey Green is currently a designated Children's Centre and the proposal includes removing this designation. The limitations in the accommodation at the centre mean that there are very few Children's Centre services delivered on site. Proposed changes to Children's Centre provision include only funding targeted services. The re-commissioning of Children's Centre services will ensure that key provision continues at Ladywell or the other Children's Centres in the area.

- 5.6 Ladywell and Honor Oak have been developed to make specialist provision for children with complex needs, including short breaks for parents. The Local Authority will want to ensure continuity of this specialist provision. The proposal is to maintain the designation of Ladywell as a Children's Centre. Officers will explore the different options available for achieving this objective and report back in June 2011.

6. Consultation Outcomes

A meeting for parents took place on Thursday 16th September 2010 at Amersham Early Years Centre with a total of 19 parents in attendance, out of a possible 45. In addition we received two written responses from parents and one response from the Lewisham NUT. The issues raised were as follows.

- **Parents expressed concerns about the consultation process.**
- **Response:** It is disappointing that parents did not feel that the consultation was a genuine attempt to obtain service users' views. The outcomes of the consultation are contained in this report. The *Our Lewisham, Our Say* consultation was intended to canvass as many views as possible in order to assist in the very difficult decision making that lies ahead. Officers have taken steps to ensure that consultation is meaningful and that views are well represented in reports.
- **Parents requested that if the Amersham Centre is to close, the Council consider delaying its closure until the end of August in order for parents to seek appropriate alternative child care.**
- **Response:** Officers recognise that August would be a less disruptive time scale for children and their parents. There is a specific recommendation regarding this in this report.
- **Parents asked why the Early Years Centre could not recruit more children to make it more sustainable.**
- **Response:** In order to recruit more children the Early Years Centre would need more staff, to comply with Ofsted regulations. This would be a growth proposal which is not practicable in the current financial circumstances and would increase the overall cost to the Council of the service.
- **Parents expressed concerns about the overall availability of child care in the area as Orchard Grove Nursery has also closed. The NUT also raised this issue.**
- **Response:** Orchard Grove Nursery is due to close on the 28th February 2011 as the current providers do not wish to continue to deliver services from this site. The current provider has been at the site since 2007 when it was opened. There have been a number of enquiries about the availability of the premises from the Private, Voluntary and Independent sector. The Local

Authority will seek to let the lease in order that childcare continues on that site.

There are 2 new nurseries opening within a mile of Amersham over the next few months and this will create additional competition. One of these will provide 68 childcare places and the other 57. They will therefore replace the 100 places previously provided by Amersham, and provide an additional 25 places in this area.

- **Parents and the NUT challenged the financial information provided by officers**

- **Response:** In order to prepare for the informal consultations with staff and parents with children at the Early Years Centres, the figures that officers originally provided were based on the consultation paper for all four Early Years Centres. This gave an average level of subsidy of £300 per place.

During the formal consultation on closure proposals for Amersham figures were based on actual costs for that centre, which resulted in the higher figure of £405.

- **The NUT stated that overall parents were very happy with the setting and were concerned that officers had raised issues about the OFSTED grade of 'satisfactory'.**

- **Response:** Amersham has had a 'satisfactory' Ofsted judgement in the last two inspections. The Local Authority would expect more progress to have been made towards achieving a 'good' or 'very good' grade.

- **Some parents reiterated the view that childminding was not a suitable alternative to nursery. This concern was also raised by the NUT.**

Response: The parents at Amersham had already made a choice for a place in an early years setting and clearly this is their preferred provision. However, in assessing if there are sufficient childcare places available we are required to take account of places provided by childminders. We have offered services in order to assist parents with moving their children and there is now a designated liaison officer working with families and part of her role is facilitate meetings between parents to enable them to meet registered childminders in the area.

7. Business Case for proposing the closure of Amersham

- 7.1 The Amersham Early Childhood Centre is registered with Ofsted as a 100 place nursery and delivers universal childcare services and early intervention. Many children were given places at the centre through the priority placements and the community routes. The average unit cost of a place at the nursery is £405. As part of the 2007/8 savings proposals it was agreed to reduce expenditure at Amersham Early Years Centre and take numbers down from 100 places to 50. The basis of the proposal was under-occupation of the nursery. It has not been possible to take the numbers back up to 100 as this would require growth and in the current climate that is not feasible.

- 7.2 The change in the criteria for priority childcare placements has resulted in fewer children meeting the criteria and being offered places at Amersham. Existing priority childcare placements have reduced as cases have been reviewed and circumstances have changed.
- 7.3 The analysis of value for money for the Early Childhood Centres is informed by the quality of the services delivered and the cost of provision. This is because staffing costs are higher, there is a high level of subsidy and the unit cost of Amersham is higher than other centres because there is a higher use of agency staff to cover absences which impacts on the cost. Increasing staff so the nursery can take additional children would not bridge the gap between the cost of the centre and the income generated.
- 7.4.1 The Early Childhood Centres were developed to deliver high quality, affordable childcare accessible to all. The cost of childcare in Lewisham Early Childhood Centres was set in 2007 at a flat rate of £175.00 per week which was the child element of the Tax Credit. Other providers range in cost from £150.00 to £281.00, with the lower cost providers generally operating from the community sector some of which are subsidised through a community grant.
- 7.4.2 As mentioned above, there are 2 new nurseries opening within a mile of Amersham over the next few months and this will create additional competition.
- 7.4.3 The recommendation to consider delaying the closure of Amersham until August will deliver much better outcomes for the children currently attending the nursery. This will be achieved through a natural progression for some of those children moving to school reception classes, and children moving to other nursery provision will be able to have continuity, especially if they have additional needs. Closing the nursery mid term would also prevent parents from taking up the benefit of the Free Entitlement and so involve them in additional costs, because they would miss the date for registering for this entitlement.

Parents requested this option be considered, to enable them sufficient time to make alternative arrangements. Parents endorsed this request by identifying that, in their experience, it had taken a considerable time to locate and access an appropriate childcare to meet their needs. The August closing date would also support the staff to manage the change as historically the Early Childhood Centres close for a week at this time.

8. Reducing costs at the three remaining Early Years Centres

- 8.1 In order to maximise the opportunity to transfer the three remaining centres, steps will need to be taken to reduce their cost base. This will be achieved partly by increasing income through the proposal to increase fees. It will also require a reduction in expenditure. The Mayor is asked to agree to the re-organisation of the centres to achieve this objective. It is likely that it will result in some redundancies. However, the Ofsted required ratios will continue to apply and any re-organisation will need to take this into account.

The Mayor is asked to delegate final decisions about re-organisation proposals to the Executive Director of Children and Young People.

9. Transfer of Rushey Green

- 9.1 The second phase of this proposal is to grant a lease of Rushey Green to a third party provider. A condition of the lease will be that childcare remains the core business to be provided from the site. In this way the LA will maintain the childcare places without being a direct provider of the service. The letting of the lease will require a competitive process. At the point of transfer TUPE may apply to those staff working at the Council.

Lewisham toy library currently operates from the Rushey Green building, however, this is discrete provision and they have their own access to the building. These proposals do not impact on the ongoing provision of the toy library or Bunbury Voluntary Group.

10. Increasing Fees

- 10.1 Proposals are contained in the Fee and Charges Report, which is also on this agenda, for increasing fees to a more competitive rate.

11. Proposals for withdrawing from the childcare business

- 11.1 The local child care market is largely composed of schools, childminders and small PVI providers, as well as the local authority's four settings. There are no large providers in the borough.
- 11.2 Options are being explored to enable Lewisham to withdraw from the child care business. The Private, Voluntary and Independent childcare market in Lewisham is responsive to childcare demand. Many nursery providers are aware of the current market changes and are ready to respond to that demand. Many providers cite the fact that premises are hard to find although there is consistent interest from parties who either want to start a childcare business in Lewisham or would like to expand their existing one. Since developing these proposals we have seen plans for two PVI nurseries opening in the area of Amersham, illustrating the dynamic within the childcare market.
- 11.3 A series of soft market testing meetings have taken place with organisations from the Private, Voluntary and Independent sector to test which organisations would be interested. Some businesses saw this as opportunity to expand and at least one saw it as part of their mission to expand into disadvantaged areas. We will be re-organising to reduce costs, the increased fees will help as well. At the point of transfer the staff relocated to the new centres will have TUPE arrangements.

12. Equalities Impact Assessment

- 12.1 A full EIA has been conducted on the proposal and is attached at Appendix B. Due regard was paid in particular to the Race Relations Act 1976 - Section 71,

the Sex Discrimination Act 1975 - Section 76 and the Disability Discrimination Act 1995 - Section 49.

- 12.2 Provision for the under 5s has increased with the implementation of the 15 hours flexible offer, which is available both in schools and in maintained and non-maintained early years centres. Lewisham implemented this offer from September 2010, one year in advance of the national roll-out. Whilst the Early Years Centre proposals remove some childcare places they do not have a negative impact overall as supply is currently in excess of demand.
- 12.3 It is acknowledged that there continues to be limited availability of childcare provision for children under the age of two. We continue to work with providers to increase the availability of childcare for this age-group.
- 12.4 Although two of the four centres are situated in wards with a high level of deprivation, children accessing the centres are drawn from further afield. The centres were originally set up to provide affordable childcare and support parents back into employment. The centres no longer cater exclusively for this group. Families have indicated that they can pay more for childcare and have suggested this as an alternative to closure. The data from the EYCs about users indicates that at all the centres a significant proportion of the children who attend are in two-parent families and most of these parents are also in regular employment.
- 12.5 The EYCs provide specialist services for children with special needs and disabilities and so those children will be affected by the closure of one of the centres. However, this is likely to have a low impact as it will affect a relatively small number of children. Currently, due to staffing and operational difficulties there are no children with special needs attending Amersham ECC, and relatively small numbers at the others apart from Rushey Green ECC. There are plans to develop the special needs resource opportunities at Ladywell and Honor Oak in the near future. The proposals contained within this report ensures continuation of this provision.
- 12.6 The local authority will ensure that if there is a decision to close a centre we will support parents to find alternative provision. For those children placed under the priority places scheme we will ensure that a sustainable alternative placement is found.
- 12.7 In terms of the gender of staff at the EYCs, almost all are female reflecting the picture of the Council as a whole as there are more female than male staff employed. Therefore it is anticipated that any deletion of posts in the EYCs will impact more on women.
- 12.8 The two centres with the highest reported proportions of single parents are Honor Oak (35% single parents) and Rushey Green (30%), and we assume that in most of these cases the parent is female.
- 12.9 As reported previously, Lewisham is an ethnically diverse borough and any reduction of service is therefore likely to impact upon people from a range of

ethnic minority groups. It is not expected that there will be any significant impact for staff, children and families of different faiths and beliefs.

- 12.10 There is no information available about the sexual orientation of staff or parents at the centres, although the written responses to the consultation indicate that almost all parents have identified themselves as heterosexual. It is not expected that there will be any significant impact upon this category.

13. Financial Implications

- 13.1 In 2010/11 the projected net costs of operating the four early years centres is £1,706k. This is equivalent to a weekly cost of £300 against a weekly charge for a place of £175.
- 13.2 The net costs of running the Amersham Centre are £383k: a net cost per week for a place of £405 against the average of £305. On this basis the closure of the Centre will save the Council £383k in a full financial year. The proposal to close from 31 August 2011 would realise a year 1 saving of £224k.
- 13.3 Other re-organisation proposals are being explored to reduce the costs of the centres by a sum of up to £290k. This with the part year impact of the proposed closure of the Amersham Centre would realise the total saving of £512k.
- 13.4 The proposals to increase charges for families using the early childhood centres child care provision are set out in the Fees and Charges report elsewhere on this agenda. It is anticipated that the proposal will raise £481k in a full financial year assuming the same level of usage is achieved. The benefit from this proposal is accounted for in the total increased income attributed to the proposals in the fees and charges report.
- 13.5 In order to achieve the savings from the closure of the Amersham Centre there are likely to be redundancies. The costs of these redundancies would fall on the 2011/12 costs of the service. They are estimated at up to £340k and would be recovered from within the service budget in 2011/12.

14. Capital Finance Implications

The Amersham Centre has benefitted from capital grant expenditure and the grant conditions stipulate that a proportion of that investment would need to be repaid if there was any disposal of the asset. This is stipulated in the Capital Guidance document, which sets out the length of time that any clawback provisions would apply for.

15. Legal implications

- 15.1 Under the provisions of the Childcare Act 2006 a local authority has to make arrangements in an integrated manner with a view, broadly, to securing maximum benefit for users of early childhood services and making their

availability widely known. Local authorities are required to facilitate and encourage the involvement of parents and prospective parents, early years providers and others engaged in activities which may improve the well-being of young children in the development of those arrangements.

- 15.2 In responding to its responsibilities under the Childcare Act 2006 the local authority must have regard to the quality and quantity of early childhood services which are provided or expected to be provided, in their area and their location.
- 15.3 Section 8 of the Childcare Act 2006 enables a local authority to assist any person who is providing (or proposing to provide) childcare, or to make arrangements with a person for the provision of childcare (including, in either case assisting financially).
- 15.4 Local authorities are permitted to provide childcare themselves, but (except in the case of day care for children in need under s18 (1) or (5) of the Children Act 1989) only if there is no other provider willing to provide it or the local authority considers in all the circumstances, that it is appropriate to do so. In exercising any of these powers the local authority must have regard to guidance issued by the Secretary of State.
- 15.5 In coming to a decision on the possible closure of the Amersham Early Years Centre the Mayor has to be satisfied that this is a reasonable decision to reach having regard to all relevant considerations and disregarding irrelevant considerations.
- 15.6 If one of the Centres closes then the staff based there will be in a redundancy situation. Those staff that are not able to be re-deployed will be made redundant. If the Centre closes then TUPE will not apply as the Council will not outsource the service.
- 15.7 The remaining Centres that would stay open will require further re-organisations to make the necessary efficiency savings which may well lead to redundancies.
- 15.8 Ultimately if the Council outsources the service to the private sector then it is likely that TUPE will apply.
- 15.9 The Councils corporate employment procedures will be followed including consultation with affected staff.

16. Crime and disorder implications

- 16.1 There are no major crime and disorder implications arising from this report, although consideration will be given to ensuring the safety and security of the premises if the decision is made to close a building.

17. Environmental implications

- 17.1 If the decision is made to close a building a full decommissioning exercise will take place to ensure that all the environmental issues are taken into account.

18. Background documents and originators

- 18.1 Report to Mayor and Cabinet dated 14th July 2010 Financial Survey and Revenue Budget Savings Options 2011/14.

18.2

If there are any queries arising from this report, please contact Lyn May, Service Manager, Children's Centre, Childcare and Play 3rd floor, Laurence House, telephone 0208 314 6345.

Appendix 1

Provision of Childcare places in Lewisham

Type of Provider	Number	Places	
Childminders	520	2019	
PVIs	92	3019	
Schools	54	2845	Places taken up (not places offered)
Early Years Centres	4	250	Counting Amersham as 50
Total	670	8133	

Proposal to close Amersham Early Years Centre in 2011-12 and to reduce the budgets of the remaining three centres

Equalities Impact Assessment
October 2010

Contents

- 1 Introduction
- 2 Management of the EIA
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- 8 Action Plan
- 9 Formal agreement
- 10 Publication of results
- 11 Monitoring

1. Introduction

This impact assessment was undertaken using the methodology and approach set out in Lewisham's Equalities Impact Assessment (EIA) toolkit.

Every service undergoing organisational change or review requires the undertaking of such an assessment to ensure that the proposals address equalities and that implementation meets both the aspirations set out in the Council's equalities policies and statutory requirements.

This assessment has considered the content of the proposals and analysed whether these are likely to have a positive or negative impact on different groups within the local community. Having made this assessment it sets out the action to be taken to prevent direct and indirect discrimination and positively promote positive and harmonious community relations.

2. Management of the EIA

This assessment was undertaken by Lyn May, Head of Children's Centres, Childcare and Play service supported by:

Robert Hodges, Policy Officer, Commissioning, Strategy & Performance

Paul Yiannakou, Children's Centre Childcare and Play Programmes Manager

Kate Platt, Children's' Centre Service Area 1 Manager

Penny Arlett, Children's Centre Service Area 2 Manager

The methodology used for this EIA has been to:

- Collate and analyse relevant data in relation to the proposal
- Review relevant consultations undertaken on the proposal that relate to equalities
- Present a draft EIA to the Directorate Management Team of the Children & Young People's directorate for recommendation of changes and approval

3. Identification of aims and objectives

This proposal is part of a package of budget savings proposals to be considered by Lewisham Council to enable it to achieve the required £1,218,000

The overall aim of the proposal is to achieve efficiency savings within the Early Childhood Centres from 2011 – 2014 whilst ensuring that provision is effectively targeted across all of Lewisham's Children's service areas and all settings.

The key elements to the proposal are to:

- ❖ Close Amersham Early Years Centre in 2011/12 based on the fact that two of the four centres received a good Ofsted report, one received an outstanding Ofsted report, and Amersham was judged satisfactory. The Amersham building also needs further capital investment; Value for Money at Amersham is poor. There is sufficient alternative childcare in the local area.
- ❖ Research the possibilities of reducing the budgets of the remaining three centres to make them sustainable and independently viable, and as a result :

- ❖ Seek for an alternative delivery arrangement during 2012 – 2014; this could either take the form of (1) being offered out to the private and voluntary sectors via a tendering process; or (2) a takeover as part of a management buy-out or staff co-operative process, or (3) closure as a final resort.

The objectives of the proposal are that

- a) The following savings are achieved over the next three years:

Year 2011-12	2012-2013	2013-2014
£512,000	£584,000	£712,000

- b) The Council ceases to be a direct provider of childcare. The stimulus for this is set out in the Childcare Act 2006 which states that “ Securing “sufficiency” does **not** mean local authorities providing childcare themselves (although they may do in certain circumstances). The 2006 Act set the local authority role as one of market facilitation and support across the sector to ensure that childcare provision is sufficient to enable parents to work. In accordance with section 8 (3), local authorities should only provide new childcare themselves when there is no other person or provider willing to provide it” .

4. Scope / focus of the EIA and assessment of relevance

The main aim of this EIA is to determine the answer to the following two questions:

Do the proposals discriminate against or adversely impact on individuals or groups using or working in any of the Early Childhood Centres ?

Can the proposals be delivered in a way that further promotes equal opportunities?

See table below...

4.1 Assessment of the proposals

Below is an initial assessment of the proposal that looks at the potential impact and relevance on seven equality strands: gender, race, disability, age, sexual orientation, religion and belief, and socio-economic factors.

Equalities category	Key equalities legislation	Assessment of POTENTIAL impact High, Medium, Low, Neutral (Positive or Negative)	Reason for this initial assessment
Age	Employment Equality (Age) Regulations 2006 Equality Act 2010	Medium (negative)	<p>Early Childhood Centres provide services for our youngest children (aged 0 – 5 years); any proposed closures or changes will therefore have the greatest impact upon provision to this age group.</p> <p>Those children who receive a service from Amersham ECC would need to be found alternative provision following the closure of the centre and so there will be some disruption in the continuity of their care. However, the amount of available provision from all sectors across north of the borough has been assessed and it is evident that there will be sufficient alternative local provision to meet demand following the closure.</p>
Disability	Disability Discrimination Act 1995 / 2005 Equality Act 2010	Low	<p>Early Childhood Centres have traditionally offered places to children with special educational needs and disabilities; any changes may therefore have an impact on this group of children.</p> <p>Those children who have disabilities who attend Amersham ECC would need to be found suitable alternative provision following the close of the centre. However, there are currently (October 2010) no disabled children accessing the centre and so the impact on this group of children will be minimal.</p> <p>It is not expected that the budget changes at the other ECCs will impact upon provision available for children with special needs and/or disabilities.</p>
Gender (inc Gender reassignment, pregnancy and maternity)	Equal Pay Act 1970 Sex Discrimination Act 1975 Equality Act 2010	High (negative)	<p>The majority of Early Childhood Centre staff are female and so the impact of the proposal to close Amersham ECC (including deletion of posts) will be felt most significantly by women.</p> <p>It is possible that the proposals could have a greater impact upon mothers and</p>

			female carers as these tend to make up the greatest proportion of adults with the main caring role.
Race	Race Relations Act 1976 Race Relations (Amendment) Act 2000 Equality Act 2010	Medium (negative)	<p>A large proportion of Amersham Early Childhood Centre staff are from black and minority ethnic groups; the closure of the centre and deletion of posts will therefore impact more significantly upon these groups.</p> <p>The proposed changes will take place in areas which contain some of the greatest levels of ethnic diversity across the whole borough; it is therefore expected that there will be a disproportionate impact upon these communities.</p>
Religion / Belief	Employment Equality (Religion or belief) Regulations 200	Low	<p>The proposed changes will take place in areas which contain some of the greatest levels of ethnic diversity across the whole borough; this ethnic diversity is likely to be similarly reflected in the range of faiths / beliefs that are practiced.</p> <p>Some staff at centres are trained to be able to offer facilities (e.g. preparation of certain foods) that address specific cultural and religious needs of users. The proposed closure of Amersham ECC will therefore result in a reduction of this special provision.</p>
Sexual Orientation	Employment equality (sexual orientation) Regulations 2003 Equality Act 2010	Neutral	Services and employment provided by the Early Childhood Centres do not discriminate on the grounds of sexual orientation. It is not expected that there will be any disproportionate impact upon this equality category.
Socio-economic (i.e. the combination of factors including income, level of education, and occupation)		Medium (negative)	The proposals could impact upon the economic status of both staff (at Amersham ECC) and users of all centres. The proposal to close Amersham ECC would mean that those staff whose posts are deleted will be included in the Council's redeployment processes and this may lead to redundancy if suitable alternative employment cannot be identified. Closure or changes in provision could also impact on users who may not be able to afford fees if they are higher in the private sector.

5. Relevant data and research

There are four Early Childhood Centres in Lewisham. Two of them are in Children's Services Area 1 (Amersham ECC and Honor Oak ECC) and two in Children's Services Area 2 (Ladywell ECC and Rushey Green ECC). Areas 3 and 4 do not have directly managed Early Childhood Centres.

Early Childhood Centres have evolved over a 16 year period when they were transferred from LB Lewisham Social Care and Health department to a newly integrated Early Years service combining Education and Social Services provision into one service unit. At that point their purpose was to provide a "care" service for children referred via a social services route. The new service aimed to change the ethos of these centres by adding early education into the offer and broadening the scope of these centres to provide places for children of low income working families. Early Childhood Centres today provide early education and childcare for both working parents with children aged 0 – 5 years and for children deemed to have a priority need as set out in the agreed criteria. Children will be considered in priority need of day integrated education and day care services if:

- The child has a Child Protection (CP) or Child in Need (CIN) Plan, and is an open case to children's social care

And/Or

- The child has a Statement as agreed through the Special Educational Needs (SEN) Panel

And

- That childcare is identified as the most appropriate intervention to meet the needs identified in the CIN/CP Plan or Statement

And

- The parents/carers have been assessed as not being in a financial position to pay for the childcare themselves

And

- Alternatives have been explored where appropriate, e.g. childcare provided by family members

And

- The parents/carers views have been taken into account when making a referral

The referral needs to be accompanied by the minutes from the Multi Agency Meeting that has agreed the need for the referral.

Each referral will be reviewed at the same time as the CIN/CP/Statement is reviewed or earlier if the family situation changes. There should be an agreement that childcare remains the most appropriate service for the family.

Early Childhood Centre information

Centre Details	Catchment area	Services provided	Staff Numbers	Main Service Users
1) Amersham Early Childhood Centre, 77 Amersham Road, London, SE14 6QQ	Brockley Ward and Children's Centre Service Area 1 (Brockley, Telegraph Hill, New Cross and Evelyn Wards)	100 Early Education and Childcare places Some places for children with identified special needs	21	Working parents and parents of children with a priority need
2) Honor Oak Early Childhood Centre, Brockley Way, SE4 2LW	Telegraph Hill Ward and Children's Centre Service Area 1 Brockley, Telegraph Hill, New Cross and Evelyn Wards	68 Early Education and Childcare and a special needs unit	24	As Above
3) Ladywell Early Childhood Centre, 30 Rushey Mead, London, SE13 7HT	Ladywell Ward and Children's Centre Service Area 2 (Crofton, Park, Lee Green, Lewisham Central, Blackheath, Ladywell, Rushey Green But also priority children can come to the centre from all over he borough	80 Early Education and Childcare and a special needs unit, also on site pre-school managed by the Pre-School Learning Alliance	39	As Above
4) Rushey Green Early Childhood Centre, 41 Rushey Green, London, SE6 4AS	Rushey Green Ward and Children's centre Service Area 2 (Crofton, Park, Lee Green, Lewisham Central, Blackheath, Ladywell, Rushey Green) But also priority children can come to the centre from all over the borough.	60 Early Education and Childcare places and places for children with Special Needs	23	As Above

- **Children’s Centre Service Area One**

Deprivation¹

This area serves the northern part of the borough and two of its four wards (Evelyn and New Cross) have the highest concentrations of overall deprivation in the whole of the borough. At least 66% of each of these wards has at least 90% of their Lower Super Output Areas (or localities) in the 20% most deprived in the country.

- Health and disability deprivation

Four of Evelyn wards’ localities (and one of Brockley’s) are amongst the 20% most deprived in the country for health and disability deprivation

Income deprivation affecting children

Twelve of Area One’s localities are amongst the 10% most deprived in the country for income deprivation affecting children, and 29 are amongst the 20% most deprived.

Ethnicity – Area One

The Census data from 2001 indicates that wards within Area One contained the highest proportion of black and minority ethnic residents in the borough:

Evelyn ward has the highest proportion of black and minority ethnic (BME) residents in the borough. BME residents account for 55% of the Evelyn population, compared with an average of 34% across the borough:

From 2001 Census

<u>Ward</u>	<u>Ethnic diversity (size of BME population)</u>	<u>Rank in borough</u>	<u>Comparison</u>
Brockley	40%	5th	Lewisham - 34.0 % London – 28.9%
Evelyn	54.8%	1st	“
New Cross	52.7%	2nd	“
Telegraph Hill	41.9%	4th	“

Although there have been many demographic changes over the nine years since this data was collected, more recent statistics indicate that the area continues to have one of the highest proportions in the borough of younger residents from black and minority ethnic communities:

Approximate ethnicity analysis of children aged 0- 4 years using the Together for Children calculation²			
<u>Ward</u>	<u>White British</u>	<u>Black and minority ethnic</u>	<u>Rank in borough (% of BME)</u>
Brockley	26.5%	73.5%	9th
Evelyn	7.3%	92.7%	2nd
New Cross	6.8%	93.2%	1st
Telegraph Hill	36.5%	63.5%	15th

¹ Indices of Deprivation, Dept for Communities & Local Government 2007

² An estimation based on the numbers of children registering for services at local Children’s Centres

- **Children’s Centre Service Area Two**

Deprivation

This area serves the eastern and central part of the borough and has pockets of deprivation across its six wards. It contains the lowest levels of overall deprivation in Lewisham and three of its wards (Crofton Park, Ladywell and Lee Green) contain no Lower Super Output areas (or localities) in the 20% most deprived in the country; Catford South is the only other ward in the borough that has this.

However, there are aspects of deprivation in which certain wards figure relatively highly (see below).

- Heath and disability deprivation

- Lewisham Central and Rushey Green wards each contain one locality which is amongst the 10% most deprived in the country; New Cross is the only other ward in the borough that has such a locality.

- Income deprivation affecting children

Across the borough there are 38 localities amongst the 10% most deprived in the country for income deprivation affecting children. In Area 2, three of these localities are in Blackheath and three are in Lewisham Central. The other three wards contain none of these localities.

Ethnicity – Area Two

From 2001 Census

Ward	Ethnic diversity (size of BME population)	Rank in borough	Comparison
Blackheath	23.2%	15 th	Lewisham - 34.0 % London – 28.9%
Crofton Park			“
Ladywell	35.9%	8th	“
Lee Green	22.4%	16th	“
Lewisham Central	38.1%	6th	“
Rushey Green	44.6%	3rd	“

Approximate ethnicity analysis of children aged 0- 4 years using the Together for Children calculation³			
Ward	White British	Black and minority ethnic	Rank in borough (% of BME)
Blackheath	36.0%	64.0%	14 th
Crofton Park	26.8%	73.2%	10th
Ladywell	35.6%	64.4%	13 th
Lee Green	48.3%	51.7%	18th
Lewisham Central	27.6%	72.4%	11th
Rushey Green	12.7%	87.3%	3rd

³ An estimation based on the numbers of children registering for services at local Children's Centres

1) Amersham ECC

Amersham ECC is located on the main A2 road which is a major bus route although car parking is more difficult; New Cross and New Cross Gate stations are within easy walking distance. The centre is open for fifty weeks per year and offers childcare provision for children aged three months to five years. The Centre has been refurbished in recent years although there continue to be additional works required due to the age of the building.

The availability of alternative childcare in the nearby area to Amersham ECC (includes SE14 and SE4 postcodes) includes:

27 Childminders
19 Nurseries
6 Schools
1 Pre-school

There are currently 49 children on roll, including eight “priority case” children:

- children whose parents are drug misusers
- children whose parents have mental health issues
- children with educational issues.

- Ethnicity of users – September 2010⁴

Children from black and minority ethnic minority groups make up at least 84% of those who attend the Centre:

Ethnicity	Number of children	%
White British	2	4
White Other	3	6
Black Caribbean	9	19
Black African	18	36
Indian	2	4
White / Asian	2	4
White / Black African	1	2
Mixed Other	9	19
Not known / not stated	3	6
TOTAL	49	100

- Children with Disabilities / Special Educational Needs

There are currently no children with disabilities / special educational needs using the Centre.

- Other Family data

⁴ Data supplied by Amersham ECC

Most families using the Centre live nearby in the New Cross area; all but six children reside within the borough of Lewisham:

Postcode	Number of children	%
SE4 (Brockley)	2	4
SE6 (Catford)	1	2
SE8 (Deptford)	7	15
SE9 (Grove Park/ Mottingham)	1	2
SE13 (Lewisham / Hither Green)	3	6
SE14 (New Cross)	27	55
SE23 (Forest Hill)	2	4
Out of borough		
SE5 (Camberwell)	1	2
SE15 (Peckham)	2	4
SE22 (East Dulwich)	2	4
DA1 (Kent - Dartford)	1	2
TOTAL	49	100

Other details that are known relating to the families of children using the Centre include:

Economic status:

- 10 children (20%) are in a single parent situation
- There are no teenage parents using the Centre

- Staffing

There are 21 members of staff employed at the Centre. Most of these are full-time posts ; all staff are female.

Position	Number of staff
Head of Centre	1
Deputy Head of Centre	1
Third-in-Charge	1
Peripatetic Nursery Officer	1
Nursery Officer	11
Cook	1
Kitchen Assistant	1
Support Worker	1
Teacher	1
Housekeepers	2

The majority of staff are from black and minority ethnic groups:

Ethnic Category	Number of staff	%
Black Caribbean	8	38
Black African	3	14
Black other	1	5
Mixed White / Black Caribbean	1	5
White British	2	9
White Other	5	24
Asian other	1	5

	21	100
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2) Honor Oak ECC

Honor Oak ECC is located in the middle of a housing estate in Brockley, near to the border with the borough of Southwark. The Centre is close to several bus routes and three BR stations are within a short walking distance: Brockley, Honor Oak and Crofton Park. The nearest shops are located in Crofton Park – about a 15 minute walk away. The centre is open for fifty weeks per year offering childcare provision for children and from three months to five years.

The availability of alternative childcare in the immediate area to Honor Oak ECC (includes SE23 and SE4 postcodes) includes:

27 Childminders
 9 Nurseries
 3 schools

There are currently (September 2010) 54 children on roll, including eight “priority case” children:

- 2 on the Child Protection register
- 4 with a Statement of Educational Needs
- 2 children in need

- Ethnicity of users – September 2010⁵

The children and families using the service are from a range of ethnic groups with at least 39% of these being from black groups:

Ethnicity	Number of children	%
White British	8	15
Black British / Black Caribbean	10	19
Black African	7	13
Black Other	2	3
Mixed White and Black Caribbean	1	2
Mixed White and Black African	1	2
Mixed White and Asian	1	2
Any other mixed background	3	5
Info Refused	6	11
Not Known	15	28
TOTAL	54	100

⁵ Data supplied by Honor Oak ECC

- Children with Disabilities / Special Educational Needs

There are about 16% of children with special needs using the Centre:

<u>Disability / SEN</u>	<u>Number of children</u>	<u>%</u>
Autism	4	6
Speech & language needs	1	2
Down's Syndrome	1	2
Social / Communication condition	1	2
Complex needs	1	2
Unknown (under investigation)	1	2
No disability	45	84
TOTAL	54	100

There is also a proposal being considered to develop Honor Oak ECC with Direct Schools Grant funding in order to provide dedicated services for children with autism.

- Other Family data

Most families using the Centre live nearby in the Brockley area; all but one live within the borough of Lewisham:

Postcode	Number of children	%
SE4 (Brockley)	33	64
SE6 (Catford)	2	3
SE8 (Deptford)	2	3
SE13 (Ladywell / Lewisham)	3	5
SE23 (Honor Oak / Forest Hill)	6	11
SE26 (Sydenham)	5	9
BR1 (Downham)	2	3
Out of borough:		
SE15 (Peckham)	1	2
TOTAL	54	100

Other details that are known relating to the families of children using the Centre include:

Economic status:

- Most children (38) who attend the Centre have either one or both parents in current employment – **70%**
- 16 parents are currently unemployed
- 19 children are in a single parent situation
- Currently there are two teenage parents with children at the Centre, and one teenage carer (referred by children's social care).
- One parent is known to have a disability

- Staffing

There are 24 members of staff employed at the Centre. Most of these are full-time posts; all staff are female.

Position	Number of staff
Head of Centre	1
Deputy Head of Centre	1
Third-in-Charge	1
Nursery Officer (Qualified)	13 (inc 2 job-sharers)
Nursery Officer (Unqualified)	3
Mealtime Supervisors	2
Cook	1
Housekeeper	1
Laundry Assistant	1
End of Day Home Support Workers	5
Vacant posts	
Qualified Nursery Officer	2
Kitchen Assistant (part time)	2

The majority of staff are White British:

Ethnic Category	Number of staff	%
White British	13	60
Black British / Black Caribbean	7	30
Black African	3	10
TOTAL	23	100

3) Ladywell ECC

Ladywell ECC is located near the Brockley / Ladywell border within a residential area. There are good links to several bus routes and Ladywell BR station is within a ten minute walk from the Centre. The Centre is open for fifty weeks per year offering childcare provision for children aged three months to five years.

There are currently (September 2010) 49 children on roll in addition to 20 children who attend the Pre-School that operates on a sessional basis and is managed by Pre-School Learning Alliance. The Pre-School is a voluntary sector provision, working in partnership with the Children's Centre at Ladywell to provide for parents choosing sessional childcare as their preference. If it were decided that Ladywell ECC should be closed, the Pre-school would be able to continue operating although there could be problems in terms of building management and building maintenance that they may not be able to address.

The availability of alternative childcare in the nearby area to Ladywell ECC (includes SE13, SE14 and SE6 postcodes) includes:

52 Childminders
21 Nurseries
2 Schools

7 pre-schools

There are five “priority case” children on roll at the Centre:

- 2 on the Child Protection Register
- 2 Children in Need
- 1 with Complex health needs

- Ethnicity of users – September 2010⁶

The children and families using the service are from a range of ethnic groups with 45% of these being from Black British / Black African groups:

Ethnicity	Number of children	%
White British	21	43
Black British	15	31
Black African	7	14
White European	4	8
Mixed Other	1	2
S. American	1	2
TOTAL	49	100

- Children with Disabilities / Special Educational Needs

There are about 12% of children with special needs using the Centre:

Disability / SEN	Number of children	%
Downs Syndrome	2	5
Autistic Spectrum Disorder	1	2
Cerebral Palsy	1	2
Speech & Language needs	6	13
No disability	39	78
TOTAL	49	100

It is also being proposed to develop Ladywell ECC as a special needs resource using funding from the Direct Schools Grant.

- Other Family data

Most families using the service live within a close distance of the Centre – mainly in Ladywell, Brockley or Catford; 92% of families live within the borough of Lewisham:

Postcode / Area	Number of families	%
SE4 (Brockley)	8	20
SE6 (Catford)	4	10
SE12 (Lee, Grove Park)	2	5
SE13 (Ladywell, Lewisham)	13	33
SE23 (Honor Oak, Forest Hill)	6	16

⁶ Data supplied by Ladywell ECC

SE26 (Sydenham)	2	6
BR1 (Downham)	1	2
Out of borough:		
SE18 (Woolwich)	1	2
BR3 (Bromley)	1	2
E10 (Waltham Forest)	1	2
TN!5 (Kent – Tonbridge)	1	2
TOTAL	40	100

Other details that are known relating to the families of children using the Centre include:

Economic status:

- Most children who attend the Centre have either one or both parents in current employment
- Four parents are currently unemployed
- One parent attends college
- Four children are in a single parent situation
- Currently there are no teenage parents with children at the Centre.

- Staffing

There are 39 members of staff employed at the Centre. Most of these are full-time posts apart from the end of day Home Support Workers who work from 3.00 p.m. to 6.30 p.m., and two of the Nursery Officers:

<u>Position</u>	<u>Number of staff</u>
QTS	1
Head of Centre	1
Deputy Head of Centre	1
Deputy Head of Centre (SENCO)	1
Third-in-Charge	1
Nursery Officer	22
Nursery Officer (Complex Needs)	4
Kitchen Staff	3
End of Day Home Support Workers	5

These staff are from a diverse range of ethnic backgrounds; all staff are female

<u>Ethnic Category</u>	<u>Number of staff</u>	<u>%</u>
White British	11	28
Black British	8	20
Black African	7	17
Black Caribbean	5	12
Black African / Black Caribbean	1	3
Turkish / Turkish Cypriot	1	3
Sri Lankan	1	3
Other White	2	5
Mixed White / Black Caribbean	1	3
Asian	1	3
Other Asian	1	3
TOTAL	39	100

4) Rushey Green ECC

Rushey Green ECC is located in the heart of Catford and is accessible via several bus routes and two BR stations (Catford and Catford Bridge). There are a good range of shops nearby including the Catford Centre; there is also much local housing within a short distance including Milford Towers and the high-rise flats at Lewisham Park. Lewisham Hospital and the Kaleidoscope Centre for children with disabilities are just opposite the Centre; Catford Job Centre is a few doors away. The centre is open for fifty weeks per year offering childcare provision for children aged three months to five years.

The availability of alternative childcare in the nearby area to Rushey Green ECC (includes SE13, SE6 and SE12 postcodes) includes:

61 childminders
18 Nurseries
2 Schools
8 Pre-schools

There are currently (September 2010) 49 children on roll including 24 children receiving a priority nursery placement:

- 1 child has a parent with mental health needs
- 8 children have social worker involvement
- 3 children have social worker involvement and special needs
- 2 children have parents with special needs
- 9 children have Special Educational Needs

- Ethnicity of users – September 2010⁷

The children and families are from a range of ethnicity groups with Black Caribbean and Black Other being the most represented groups:

<u>Ethnicity</u>	<u>Number of children</u>	<u>%</u>
White British	6	10
White Other	3	5
White and Black Caribbean	8	11
White and Black African	5	8
Black Caribbean	23	33
Black African	8	11
Black Other	10	15
Mixed other	3	5
Chinese	1	2
TOTAL	70	100

- Children with Disabilities / Special Educational Needs

There are about 25% of children with special needs using the Centre:

⁷ Data supplied by Rushey Green ECC

<u>Disability / SEN</u>	<u>Number of children</u>	<u>%</u>
Speech and Language needs	10	15
Downs Syndrome	3	5
Autism	3	5
No disability	54	75
TOTAL	70	100

- Other Family Data

More than half of the families using the Centre live very nearby within the Catford area; only one child resides out of the borough:

<u>Postcode / Area</u>	<u>Number of families</u>	<u>%</u>
SE3 (Blackheath)	1	2
SE4 (Brockley)	2	3
SE6 (Catford)	39	55
SE12 (Lee / Grove Park)	2	3
SE13 (Lewisham / Hither Green)	11	15
SE14 (New Cross)	1	2
SE23 (Forest Hill)	5	8
SE26 (Sydenham)	4	5
BR1 (Downham)	4	5
Out of borough		
SE5 (Camberwell)	1	2
TOTAL	70	100

Other details that are known relating to the families of children using the Centre include:

Economic status:

- 32 children who attend the Centre have either one or both parents in current employment (e.g. less than 50%)
- 21 children are in a single parent situation
- Currently there are four teenage parents with children at the Centre.

- Staffing

There are 23 members of staff employed at the Centre. Most of these are full-time posts apart from one part-time Nursery Officer post.

<u>Position</u>	<u>Number of staff</u>
Head of Centre	1
Deputy Head of Centre	1
Third-in-Charge	1
Nursery Officer	13
Jobbing Assistant	1
Cook	1
Centre Support Worker	5

The staff are from a diverse range of ethnic backgrounds; all staff are female apart from two men.

<u>Ethnic Category</u>	<u>Number of staff</u>	<u>%</u>
White British	8	34
Black African	1	5
Black African / Black Caribbean	8	34
Other Mixed	2	7
Brazilian	1	5
Asian	1	5
Portuguese	1	5
Swiss	1	5
TOTAL	23	100

6. Consultation

Informal consultation

A series of informal consultation meetings with staff and the Head of Children's Centres, Childcare and Play took place in May/June 2010 (see list below). These meetings were set up to inform staff of the Council's financial position with regard to the national public sector savings programme and the potential implications for Children's Centres; staff were advised that proposals were at an early stage of development. information was also provided to Trade Union representatives.

<u>Date of event</u>	<u>Audience</u>	<u>Issues raised by staff</u>
24 th May 2010	Children's centre Service Area Managers	Concerns about ECC Staff and the quality of childcare linked to Children's Centres
26 th May 2010	Early Childhood Centre Managers	Officers were very concerned about the future employment situation and support for children with Special Needs and Disabilities. Concerns were raised the quality of private sector provision and its ability to meet the needs of vulnerable children; there was a general distrust with Ofsted judgements about cost-effectiveness of Centres.
1 st June 2010	Ladywell ECC Staff	Concerns were expressed about future support for children who no longer are supported by the priority funding budget Concerns also raised about increased pressure on Children's Social Care because of this.
1 st June 2010	Meeting Honor Oak Staff	As above
4 th June 2010	Meeting Rushey Green Staff	As above
23 rd June 2010	Meeting with Amersham Staff	As above

Formal Consultation

The formal consultation process was structured to ensure that parents, carers and staff were informed about the proposals in advance of the meetings and were aware about what was to be formally consulted upon.

Each Early Childhood Centre chose its preferred consultation format:

- **Staff consultations:** each centre chose to be consulted at a whole staff team meeting. The staff meetings were attended by the Head of Access and Support division, or representative; the Head of Children’s Centre Childcare and Play; an officer from the Council’s Human Resources team; Trades Union representatives (Ladywell and Rushey Green); the Children’s Centre Area Manager; and a note taker.

- **Parents and carers consultation events:** Ladywell ECC and Amersham ECC chose a formal, full parents meeting; Rushey Green ECC and Honor Oak ECC chose a drop-in approach. The parents/ carers meetings were attended by the Head of Access and Support division, or a representative; the Head of Children’s Centres, Childcare and Play; a note taker; the Children’s Centre, Childcare and Play officer responsible for childcare sufficiency; and the Family Information Service.

Briefing papers relating to the proposals were distributed to parents, carers and staff at least a week prior to the consultation meetings.

At the meeting parents and carers were given an additional information handout, a responses return paper with the equalities information to be completed to feed into this assessment, and information about how they could register their views with the Mayor.

The consultation dates and times are set out below.

<u>Date and Method</u>	<u>Audience/ Numbers</u>
6 th September 2010 Paper	Briefing ECC Parents, Carers and Staff
14 th September 8-10am Meeting	Honor Oak ECC Staff
14 th September 4-5.30pm Meeting	Ladywell Staff
15 th September 5-6pm Meeting	Ladywell Parents,
September 16 th 8am-10am Meeting	Amersham Staff
September 16 th 10-12am Meeting	Amersham Parents
September 20 th 3-5pm Meeting	Rushey Green Staff
September 21 st 9am-11am Meeting	Rushey Green Parents

Written responses to the consultation

34 written responses to the consultation have been received. These are mostly from parents of children who attend one of the Centres:

Amersham ECC - 8
Honor Oak ECC – 6

Ladywell ECC – 7
 Rushey Green – 11
 Unknown - 2

Most of these responses have been from mothers; seven have been from men. All respondents that have completed the equality data sheet are heterosexual apart from one bisexual female. Two of the respondents reported having a disability.

The ages of the respondents is recorded in the table below:

<u>Age range</u>	<u>Number of respondents</u>	<u>Percentage of written responses</u>
Under 18	1	3
18 - 24 years	2	6
25 - 34 years	10	29
35 - 54 years	14	41
Not known / not stated	7	21
TOTAL	34	100

The ethnicity of the respondents has been recorded in the table below:

<u>Ethnicity</u>	<u>Number of respondents</u>	<u>Percentage of written responses</u>
White British	9	27
White Other	3	9
Black British	1	3
Black Caribbean	6	17
Black African	3	9
Black Other	1	3
Mixed background	1	3
Indian	2	6
Arabic	2	6
Not reported	6	17
TOTAL	34	100

The faith or belief of the respondents is recorded in the table below:

<u>Faith / Belief</u>	<u>Number of respondents</u>	<u>Percentage of written responses.</u>
Christian	18	53
Muslim	1	3
Sikh	1	3
Hindu	1	3
No religious belief	8	23
Not stated	5	15
TOTAL	34	100

Issues arising from consultation:

There has been concern and opposition expressed to the proposals at the consultation events. Many parents are very complimentary about the care and professional attention that their children receive when attending the Early Childhood Centres. A number of parents have reported how their children had

progressed since attending one of the centres and have stated what a valued resource they are for both children and parents.

In particular it has been noted that the facilities at the Ladywell ECC are quite new and that it would therefore seem very wasteful to decide to close this centre. It was also noted that a number of the children using the centre have recently been transferred from the Margaret Sandra Day Centre which closed in March 2010. It has been commented that it would therefore be very disruptive to the care and development of these children for them to have to move elsewhere after such a relatively short time.

A number of questions were raised about the reason for the proposals and some felt that these are not clear. It was commented that the proposal is confused by two causes: 1) to make savings and 2) to address the section of the Childcare Act 2006 that states that local authorities should only provide childcare of there is no alternative provision.

There were a number of challenges and criticisms received about the accuracy and reliability of the written information that had been provided with the consultation documents. In particular there was dissatisfaction expressed about the statistics of the numbers of vacant childcare places; some parents of children at Amersham ECC undertook their own survey of locally available childcare which claimed that the levels are far lower than stated by the local authority. For example, it was commented that the figures do not differentiate between full-time provision (i.e. provision between 8.00 a.m. and 6.30 p.m.) and part-time provision. This is especially important to those working parents who need to leave their child at the centre for the whole day in order that they can travel to and from their place of work. Some parents said that this full-time provision is very hard to find and that there can also be long waiting lists.

Concerns were also expressed about the quality and cost of child care provided by the private, voluntary and independent sector; it was commented that standards of care in the private sector can be very patchy and are sometimes very poor. It was also queried whether there is an adequate level of private child care available to be able to deal with demand should an ECC be closed.

Many parents (including practically all of those who submitted a written response) said that they would be prepared to pay higher fees if it ensured that the Early Childhood Centre could remain open. Parents have also suggested that further consideration needs to be made of managing the centres more efficiently in order to achieve savings without resorting to closure. Suggestions have included: review staffing levels; review the facilities at the Centres (e.g. provision of food, toys etc), and look at changing the management of the centres so that they are self-funded, possibly with more parental input into their operation.

A number of parents expressed their preference for nursery settings as opposed to childminders; it is felt by a number of parents that children are happier and better cared for in a nursery setting that enables them to socially interact with more children of different ages and abilities. There was some particular antipathy expressed about childminders, e.g. "I would rather stay home on benefits than leave my child with a childminder".

Other comments related to the geographic locality of the centres; it was noted that they are all easily accessible and a number of them are near bus routes and train stations, which is especially useful for parents who travel some distance to their place of work. Some parents were concerned that the location of some childminders' homes are in parts of the borough which are fairly inaccessible.

Comments that relate to specific equality groups include the following:

Age

There have been a number of concerns raised by parents about the apparent lack of alternative provision for children up to the age of two years; it was commented that there is little provision for babies and that there can be long waiting lists for this.

There has also been concern expressed about the quality of childcare and security provided by childminders and by private sector nurseries. A number of parents have said that they feel that their children are safer in centres run by the local authority because there are higher standards of care and more stimulating facilities, and that all staff are CRB checked. In comparison it has been expressed that ensuring a child's security at a childminders' home is more difficult because it is not possible to monitor all visitors to the home. It has also been expressed that there are a greater range of activities available to children in ECCs compared with childminders, and that more attention is paid by professional staff to the development and welfare of children at these centres. Some parents have highlighted the very good results from Ofsted inspections that have recognised the role that the centre has played in improving child development.

Disabilities

Staff and parents have expressed concern about how children with special needs and disabilities will be supported; it was commented that there is evidence that the quality of provision in the private sector is poorer and the needs of vulnerable children are not as well addressed. One parent of a child with Autistic Spectrum Disorder (ASD) said that needs were not being met at another nursery, but had "come on leaps and bounds since attending Honor Oak"

There were also questions about future support for priority placed children, which includes children in need and those identified as having special educational needs. The response was that some priority placements are already made with PVI providers and the local authority will take a holistic view to ensure that sufficient availability for any priority places is ensured.

Gender

It was commented by one mother that the closure of an ECC could affect some mothers' ability to continue in employment as they would require more time to deal with their child's care before travelling to work.

No other issues relating to gender were identified in the consultation although it is noted that the majority of responses are from mothers / female carers.

Race

It was commented that the Early Childhood Centres are good community resources that enable young children to mix with others from a diverse range of cultures and abilities, reflecting the nature of their own local areas and promoting community cohesion. In particular it was mentioned that Amersham ECC holds a Diversity Day in which local families from a range of different cultures socialise at the centre and share in different foods.

Socio-economic factors.

As stated above, many parents expressed their willingness to pay higher fees to ensure that a centre remains in operation. There was some recognition that some parents might find it harder to afford the additional charges, for example those who cannot get top-up from Child Tax credit.

However, there were also concerns expressed about affordable childcare, and that private nurseries may charge higher fees and demand high non-refundable deposits with no guarantee of a place.

It was commented that some centres are located conveniently for working parents and those who have to work more flexibly, and that this may not be the case in the private, voluntary and independent sectors.

Staff at centres expressed concerns about their future employment and financial situations, and about any transfer for employment conditions if management of a centre is transferred elsewhere.

7. Assessment of impact and outcomes and reducing any adverse impact.

This assessment has considered the potential impact of the proposals upon people in the different equality categories and has identified no unlawful discrimination in terms of service provision. The Childcare Act 2006 makes it clear that there is no statutory requirement for local authorities to provide childcare, unless there is no alternative provision available. LB Lewisham has a responsibility to provide information about the range of childcare that exists, and will ensure that all children who are considered to be in priority need are found a suitable place.

Lewisham is a very ethnically diverse borough and so any changes or reductions to provision of services or employment are likely to have a more significant impact upon people from minority ethnic communities, and also upon women who are more represented in employment by Lewisham Council.

Lewisham Children and Young People's services are committed to ensuring that they promote equality and prevent discrimination across all their areas of responsibility. Every effort will therefore be made to ensure that any adverse impact of the proposals is minimised. Details of the possible impact upon each of the equality groups is given below; an Action Plan is included in section 8.

Age

The care patterns of young children who attend the ECC that is to close will be affected because they will need to be placed at an alternative service. This is regretted but every effort will be made by the Council's Family Information Service to ensure that all parents are given full guidance and information to be able to identify a suitable alternative. Placements will be found by the local authority for all "priority place" children.

It is noted that sufficient childcare provision for very young children (including those aged under 2 years) needs to be identified and that information about these services needs to be more readily available. The Council is able to provide information about local child care provision that is available across all sectors and will ensure that this includes details of those providers who are able to look after babies and very young children.

The concerns expressed by parents about problems in identifying suitable provision for children under 2 years are noted. However, whilst it is true that there is great pressure on group day care for babies, there are many childminders in the borough who could fill this gap. Fear that this would limit socialisation opportunities are being challenged by the development of childminding networks where childminders meet with other minders as a group.

It is not felt that there will be any significant impact felt by young children from the proposal to reduce the budgets of the other centres. These reductions will be implemented to ensure that the focus is on improving efficiency and effectiveness in the management of the centres and the care and well-being of children will remain paramount in this review.

The Local Authority acknowledges the concerns raised by some parents about the quality of some childminding services. However, childminding is seen by both local and central government as a legitimate branch of childcare. In Lewisham many childminders are organised in networks, supported by a network co-ordinator to ensure that the provision has a high educational element linked to the Early Years Foundation Stage. Additionally, all new childminders are given the support of an experienced childminder to ensure that quality is high even at the early stages of the minder profession. All Lewisham childminders have access to a comprehensive training programme and many of them are qualified to NVQ Level 3.

Safeguarding at childminder homes is ensured as all go through exactly the same CRB process as other settings, and they are visited by Ofsted both in terms of announced and unannounced visits to ensure that children are being well cared for.

Disability

It is not felt that the proposals regarding the Early Childhood Centres unlawfully discriminate against or otherwise disadvantage people with disabilities. It has been noted that there are also plans to extend the provision at two of the centres to provide special needs resources (at Ladywell ECC) and dedicated services for children with autism (at Honor Oak ECC). It is not felt that these plans will be put at risk or otherwise adversely affected by any of the current proposals.

All Early Childhood Centres provide specialist services for children with special needs and disabilities and so those children will be affected by the closure of one of the centres. However, due to staffing and operational difficulties there are no children with special needs attending Amersham ECC. The local authority will ensure that all priority placed children at the Amersham ECC, including any with disabilities and special educational needs, will be found suitable alternative placements upon closure.

The local authority will work with the remaining ECCs to ensure that the level and quality of provision to children with special needs remains a priority and that any budget reductions do not adversely impact upon these children.

The local authority will continue to work with local private voluntary and independent providers to encourage and support the sector to provide a sufficient level of affordable quality childcare across the borough for children with special needs and disabilities.

Gender

The staff at the ECCs are almost totally female reflecting the picture of the Council as a whole as there are more female than male staff. Any deletion of posts in the Early Childhood Centres will compound the position for women generally.

The data from the ECCs about users indicates that it is not expected that there will be any significantly greater impact upon female users (e.g. mothers) of the service from the proposals. For example, at all the centres a large proportion of the children who attend are in two-parent families and most of these parents are also in regular employment. Any impact from the proposals would therefore be expected to be shared between them.

The two centres with the highest proportions of reported single parents are Honor Oak (35% single parents) and Rushey Green (30% single parents), and it can only be an assumption that in most of these cases the parent is female.

Race

It is not felt that the proposals regarding the Early Childhood Centres unlawfully discriminate against people of different racial groups. As reported previously, Lewisham is a culturally diverse borough and any change or reduction of any service is therefore likely to impact upon people from a range of ethnic minority groups. It is recognised that the majority of staff at Amersham ECC are from black and minority ethnic groups, reflecting the ethnic diversity of LB Lewisham's employees. The Council has processes in place to minimise impact on staff in terms of redundancies and this includes consideration of alternative suitable employment through the redeployment procedures. The Council is also committed to enabling all directly affected staff to access support and training in order to increase their skills and employability.

Religion / Belief

Early Childhood Centres provide childcare for families and employment for staff regardless of their faith or belief. It is noted that due to the range of different cultures and beliefs that exist in Lewisham, any changes due to the current proposals will impact upon staff, children and families of different faiths and beliefs. However, it is not expected that there will be any significant impact upon any specific faith group from the proposals.

Sexual orientation

Early Childhood Centres provide childcare for families and employment for staff regardless of their sexual orientation. There is no information available about the sexual orientation of staff or parents at the centres, although the written responses to the consultation indicate that almost all parents have identified themselves as heterosexual. It is not expected that there will be any significant impact upon this category.

Socio-economic factors

The Childcare Act 2006 requires Local Authorities to “ensure that childcare provision is sufficient to enable parents to work”. In developing the current proposals LB Lewisham Children and Young People’s services has undertaken local research and identified that sufficient provision is available across all sectors to meet this demand. It is also committed to working with other local providers to encourage and support the sector in continuing to provide a sufficient level of affordable quality childcare. It is therefore felt that the proposals comply with legal requirements and that the authority is paying due regard to reducing inequalities outcomes resulting from socio-economic disadvantage.

This EIA has noted that two of the ECCs are within Area one which contains some of the highest concentrations of overall deprivation in the whole of the borough. It might therefore be reasonable to assume that any reduction of provision or any additional charge to a service within this area would disproportionately impact upon those who are least able to afford the cost of alternative provision or increased fees.

However, as has been noted earlier, many parents have expressed their willingness to pay more if it ensures that is centre is not closed, and although the economic status of parents of children at Amersham ECC is not known, 70% of parents of children at Honor Oak ECC are in employment and a number have said that they could pay more for the service.

Area two by comparison has some of the lowest levels of deprivation in the borough although there are aspects of deprivation in certain localities, and it is worth noting that Rushey Green ECC has a fairly high (i.e. more than 50%) proportion of children whose parents are not currently in regular employment. Nevertheless many parents (at the Rushey Green ECC consultation event as

well as in written responses) have suggested that fees should be increased in order to prevent closure of the centre.

It is also worth noting that most of the centres are located near to railway stations and this benefit has been relayed by a number of parents who have commented on the proposals. Many working parents leave their children all day at the centres whilst they travel to work by train; the closure of Amersham ECC is therefore likely to have a significant impact upon their ability to do this. Indeed, one couple has responded that one of them would need to give up work if another nursery could not be found. However, despite this it is thought to be unlikely that such alternative provision could not be sought within a convenient location and it needs to be noted that there is still a range of available childcare within all areas.

8. Action Plan

The recommended actions below were identified during the assessment; implementation of the Action Plan will be co-ordinated and monitored by the LBL Children & Young People's Access & Support division.

<u>Issue</u>	<u>Equality category</u>	<u>Recommendation / Action</u>
Availability of affordable quality childcare for children with special needs and disabilities, and for those aged up to 2 years.	Disability, Age	LBL to work with local private voluntary and independent providers to encourage and support the sector to provide a sufficient level of affordable quality childcare across the borough for children with special needs and disabilities.
Suitable placements to be found for all priority placed children affected by closure of a centre	Disability	LBL to ensure that all priority placed children at Amersham ECC, including any with disabilities and special educational needs, will be found suitable alternative placements
Support and guidance for staff at Amersham ECC whose posts are to be deleted	Race, Gender	LBL to ensure that all Amersham ECC staff are given personal support and guidance in finding alternative employment, including access to training and development programmes to extend their range of skills
Provision of information about local child care provision for children aged two years and under	Age	LBL to ensure that accurate and up to date information is always available about providers who are able to look after babies and very young children

9. Formal agreement

The completed Equalities Impact Assessment will be signed off by Lewisham's Mayor & Cabinet during consideration of the budget savings in February 2011.

10. Publication of results

The EIA will be publicly available as part of the reports to Mayor and Cabinet for the meeting to be held on 17 February 2011.

11. Monitoring

The achievement of changes, amendments and recommendations arising from the EIA will be monitored through the Service Plan of the Access & Support division.

MAYOR AND CABINET		
Report Title	Phase 2 Budget Savings Proposals related to the Early Intervention Grant, CYP13	
Key Decision	Yes	Item No.
Ward	Borough Wide	
Contributors	Executive Director for Children and Young People; Executive Director for Resources; Head of Law; Executive Director for Community Services	
Class	Part 1	Date: 04.02.11

1. Purpose

- 1.1 This report informs the Mayor and Cabinet of the amalgamation of a number of grant funding streams in relation to services for children and young people in to a single un-ringfenced Early Intervention Grant. It also details the significant reduction in that grant. The report suggests that in future available resources should be targeted at those most in need. The Mayor is asked to agree to the cessation of some services from the end of March 2011, to transitional provision in some activities with a 20% budget reduction and to consultation on the future priorities.

2. Recommendations

The Mayor is asked to:

- 2.1 Note the establishment of the Early Intervention Grant and the significant reductions in available resources
- 2.2 Agree that consultation begin on the proposed priorities for expenditure of the Early Intervention Grant and future service design and ask officers to bring a report back to the Mayor and Cabinet on the outcome of that consultation at the earliest opportunity.
- 2.3 To note any representations on proposals to discontinue grant funding/service agreements with those organisations set out in the Annex to this report and having considered them to decide whether to discontinue that provision as proposed with effect from 31st March 2011.
- 2.4 To note any representations on proposals to continue funding for organisations as shown in the annex to this report and having done so to decide whether to reduce funding by 20% for those organisations where this is proposed as suggested with effect from 31st March 2011

3. Background

- 3.1 On 23rd June 2010 Mayor and Cabinet endorsed a 3 year strategy and process to address an overall anticipated General Fund revenue budget deficit of £60 million, including £20 million saving in 2011/12.
- 3.2 In December 2010, Lewisham received its CYP settlement summary. Excluding schools. Previously, 41% of CYP budget has come from grants. There was a cut in these grants of approximately 21%.
- 3.3 The Early Intervention Grant replaces what was previously 22 grants consisting of:
- Sure Start Children's Centres
 - Early Years Sustainability – including sufficiency and access, quality and inclusion, buddying, holiday childcare and disabled access to childcare
 - Early Years Workforce – quality and inclusion, graduate leader fund and every child a talker
 - Two year old offer – Early Learning and Childcare
 - Aiming High for Disabled Children
 - Connexions
 - Think Family
 - Youth Opportunity Fund
 - Youth Crime Action Plan
 - Challenge and Support
 - Children's Fund
 - Positive Activities for Young People Programme
 - Youth Taskforce
 - Young People Substance Misuse
 - Teenage Pregnancy
 - Key Stage 4 Foundation Learning
 - Targeted Mental Health in Schools Grant
 - Contact Point
 - Children's Social Care Workforce
 - Intensive Intervention Grant
 - January Guarantee
 - Child Trust Fund

Ring-fencing has been removed from the Early Intervention Grant. The grant has been reduced from £22m to £17.6 million a £4.4m cut representing a 20% reduction in these grants. Section 4.11 gives a further breakdown of how this is proposed to be used.

4. Early Intervention Grant

- 4.1 This significant cut from the Government requires us to rethink how services should be shaped. The proposal is that we should move from universal to targeted services, particularly in the early years, ensuring our resources are focused on those children and families most in need. It is

proposed that we should continue to use our resources in partnership with Health and others.

- 4.2 The proposal is therefore to stop current provision and to re-commission new activity that is targeted and has more impact for children and families most in need.
- 4.3 It is proposed that the Early Intervention Grant is allocated over eight areas of proposed activity:
- 4.4 An Early Intervention service consisting of:
 - 4.4.1 **Targeted Early Years services** – for children and families at a targeted level of need through the Borough’s network of children’s centres. It is proposed to respecify services so that they deliver improved outcomes for families with additional needs and vulnerabilities, including improved readiness for primary education and learning, building social networks, improved parental/carer attachment and parenting skills, improved health outcomes and improved child development. It is proposed that we do everything we can not to close Children’s Centres, including working with our partners and the third sector. It is proposed that the specifications for this work relate to the different geographical Children’s Centre areas and that they specify outcomes required for children and families. It is proposed that the six schools which have a designated Children’s Centre on their sites be asked to outline how they will meet the requirements of bespoke specifications for the Children’s Centres. Work in this category will also include support for the improvement of early years provision and the resource to provide free childcare for disadvantaged two year olds.
 - 4.4.2 **Family Support Services** - providing targeted outreach and family support for children and families in need. It is proposed that these services will work with families to improve their skills and confidence and deliver improved outcomes for families including improved educational achievement; increased levels of attendance at school; improved behaviour and risk of exclusion from education; reduced risk of youth offending; reduced risk of social care interventions; prevention of placement breakdown.
 - 4.4.3 **Support for services in delivering ‘Team around the Child’ and ‘Team around the Family’** – providing quality assurance and improved planning and co-ordination of interventions for children and families at a targeted level of need. This will improve service co-ordination and impact, reduce the administrative overhead of front line services working directly with families in need, and drive improved outcomes and quality assurance.
- 4.5 **Diversion from Care** – providing services such as intensive support to those children and families facing multiple challenges and at high risk of social care interventions or accommodation (children looked after), entry to the criminal justice system, or acute health care interventions or admission. These services will work with families presenting chronic risks or facing immediate crises to both improve immediate outcomes and

reduce the longer term level of need within the family and the necessity for service intervention and support.

- 4.6 **Support for children with complex needs** – providing a range of services including short breaks for disabled children, securing continuity of our Multi- Agency work with disabled children and their families and specialist family support such as for those families supporting children with special educational needs or autistic spectrum disorders. These services will help families undertake their caring responsibilities and improve outcomes including educational achievement and attendance, health outcomes and reduce the risk of social care intervention and potential placements
- 4.7 **Youth services** – providing services to support young people including targeted activity to support those at risk of underachieving. This funding will support the youth service detached team. These services will drive improved outcomes including raised aspirations, improved educational attendance and achievement, reduced risk of offending and entry to the youth justice system, reduced risk of substance misuse and reduced risk of teenage pregnancy.
- 4.8 **NEET reduction work** - Services to ensure children and young people receive education, employment and training – providing services to those young people at specific risk of disengagement from education, employment or training such as outreach and support, NEET (Not in Employment, Education or Training) programmes, positive activities and youth work programmes. These will drive improved outcomes for young people including raised aspiration, educational attendance and achievement, reduced risk of entry to the criminal justice system and unemployment
- 4.9 **Family Information Service** – providing web based information and advice on children’s services to all families, carers and professionals living or working within the Borough.
- 4.10 While it is proposed that services funded through the Early Intervention Grant should focus on improving outcomes for targeted children and families, there will still be strong universal services provided for all children in Lewisham, including through the free 3/4 year old childcare offer, schools, primary health care from GPs, and the Health Visiting service.
- 4.11 In order to cover reduction of funding generally to children’s services, it is proposed that £1.7m grant substitution is made in 2011/12 from the Early Intervention Grant to cover youth and other relevant services from the General Fund, a £1m grant substitution to Children’s Social Care in 2010/11 is made, and a further £1m grant substitution to cover youth and other relevant services from General Fund is made in 2012-2013. This leaves £13.9m to deliver the programme outlined above. There are risks regarding grant substitution at this level as the grant has only been announced for two years.

5 Transition Arrangements:

- 5.1 The grant reduction and Government settlement requires us to spend £7m less in 2011/12. This breaks down to:
- £6.2m for activity in April –August 2011, and
 - £8.2m in September 2011 – March 2012 for the recommissioned activity as set out in section 4 above.

This requires decisions to be made about the activity that should continue until August 2011, when it is proposed that new services should be commissioned, and about the activity that should cease at the end of March 2011. These proposals will mostly mean stopping contracts with the voluntary sector currently funded through Sure Start. A large number of contracts were already planned to end 31st March 2011 and providers are already aware of this. The annex to this report sets out the proposals for the contracts that are proposed should not be renewed and those that are proposed to continue until end of August 2011, some with a 20% reduction in funding as indicated. The Mayor is asked to agree proposals in the annex taking into account the outcomes of the EIA and consultation set out in Section 6.

- 5.2 The new arrangements will also require significant staff reorganisations and transition arrangements will be needed to reduce staffing over the April to August 2011 period. The creation of the Early Intervention service will involve the merging of two existing service manager roles with a net loss of one post. As the detailed work on stopping and retendering activity is ongoing it is estimated up to 100 posts could be affected.

6. Consultation

- 6.1 All organisations whose funding is proposed to stop or reduce in this proposal have been written to and offered the opportunity to attend meetings to discuss the proposals, and are aware of proposals to end contracts at 31st March 2011. Many contracts were due to end in March 2011 in any case.
- 6.2 In addition we have written again to consult with all organisations facing cuts and they have been invited to respond. This consultation is still ongoing. We will ensure any representations are reported on the 17th February 2011.
- 6.3 Subject to Mayors agreement, it is proposed that further consultation be undertaken with providers, partners and service users on how the new services will be designed and delivered. When this is complete a report will be brought back to the Mayor which will include the responses and proposals for the future.
- 6.4 **Feedback from meeting with those organisations affected:**

Those at the meeting highlighted the following issues:

- Early Years services are experiencing a disproportionate impact nationally.
- There are concerns around other potential grant reduction from the Community Sector Unit (CSU) and any additional impact from this.
- Partners understand that they will be able to bid for newly specified work and want to know more about the opportunities in the future.
- Partners understand the Council's position in having to find significant savings.

6.5 Response:

6.5.1 One of our 8 areas of proposed Early Intervention activity is a targeted Early Years service. This will be delivered through Children's Centres focusing on families at a targeted level of need; 2 year olds offer; and 'closing the gap' improvement work. This is alongside delivery of the statutory offer for 3/4 year olds and services delivered by partner agencies such as the Health Visiting service.

6.5.2 We intend to work with providers alongside CSU to understand the joint impact of all proposals. Development of services under the eight areas of proposed Early Intervention activity include opportunities for PVI providers and local community partner organisations to bid to provide services.

6.5.3 Further consultation is proposed to take place with providers, partners and service users in the development of new specifications and inform the commissioning process. This allows for any additional issues to be addressed in the design, planning and delivering of new services.

7. Assessment of Equalities Impact

7.1 A full EIA has been completed in relation to the impact the proposals will have on equalities groups. Due regard being given in particular to Race Relations Act 1976 - Section 71, Sex Discrimination Act 1975 - Section 76 and the Disability Discrimination Act 1995 - Section 49.

7.2 The outcomes from the EIA can be summarised as:

Equalities Group	Impact
Ethnicity	Low, Negative
Gender	Medium, Negative
Age	Low, Negative
Disability	Neutral
Sexual Orientation	Neutral
Religion Beliefs	Low, Negative
Socio/Economic Factors	Low, Negative

- 7.3 The proposal maintains the statutory universal services provided by the Local Authority and refocuses services to be targeted to vulnerable children and families most in need.
- 7.4 There may be an impact from this proposal on some families who had previously used universal services which may no longer be available. However, we are refocusing our resources on those with the greatest need and these families will continue to be able to access services and receive appropriate support.

8. Financial Implications

Early Intervention Grant is £17.6m in 2011/12 reduction on the previous constituent grants of £4.4m. It is proposed that £2.7m of the grant is applied to the funding of children's social care and youth service expenditure leaving a balance of £14.9m. This level of expenditure would be £7.1m less than the equivalent spend in 2010/11.

The proposals in the annex to the report show expenditure reductions in the levels of grant estimated £8.3m and assume that all staffing re-organisations and decommissioning work can be achieved by September 2011. This reduction in spending allows the overall reduction of £7.1m to be met and the grant substitution proposals agreed in November 2010 prior to the creation of the early Intervention grant.

There are no capital financial consequences from this report.

There are risks regarding grant substitution as set out in this report as the grant has only been announced for 2 years.

9. Legal implications

- 9.1 Members attention is drawn to the legal implications set out in the main budget report appearing on this agenda and to the specific legal implications pertaining to the proposal at CYP13 of that report.

10. Crime and disorder implications

- 10.1 There are no major crime and disorder implications arising from this report.

11. Environmental implications

- 11.1 There are no major environmental implications arising from this report.

Early Intervention Grant Transition

**Contracts with 3rd Party Providers proposed to cease on 31st
March 2011-01-28**

Service	Narrative	Cost 2010/11	Cost 20 11/12 transition	Cost 2011/12 new	Total	Total Savings
CC DIETICIAN SERVICE.	This is a core Health Service which should be picked up by Public Health	60,000	0	0	0	
PCT BREASTFEEDING & SMOKING CESSATION..	This is a core Health Service which should be picked up by Public Health	192,000	0	0	0	
PCT ORAL HEATH	This is a core Health Service which should be picked up by Public Health	74,000	0	0	0	
LEE MANOR	CC Area 2 rented the old premises officer's house. Attached to the school. The lease has now expired	13,000	0	0	0	
BROCKLEY	This CC has closed for adaptations to the school	50,000	0	0	0	
Bunbury Project	Bunbury Childminders drop-in project at Clyde	4,000	0	0	0	
Barnados	Vietnamese Project in Akwaaba	23,000	0	0	0	
Sing & Sign	Speech and language Service provided through Children's Centres	10,000	0	0	0	
Relate	Project worked in Areas 3 and 4 providing counselling support to families	26,000	0	0	0	
Under Fives Inclusion in Reception Project Worker	Project already Ceased	15,000	0	0	0	

Working With Men and Baby and Me,	These projects have been historically commissioned through Sure Start Plus. The WWM project was set up in 2005 in as a result of the Teenage Pregnancy Strategy and Baby and Me was established in 2003		0	0	0
		92,000	0	0	0
Parent and Toddler Groups	CC use parent and toddler groups as a way of encouraging parents to engage with the programme	29,000	0	0	0
St James	This is a Family Learning project developed at St James Hatcham School. Local Headteachers propose a social enterprise.	78,000	0	0	0
Healthy Living Activity	These funds go to Teachsport a 3rd Sector organisation that delivers play in the parks sessions linked to healthy activity and healthy living programmes to targeted families. This is an area of work that should be picked up by Public Health.	200,000	0	0	0
SEN Young People's Forum - Night Flight (Connexions Grant)	Day time provision for children with complex needs. Previously proposed for in year saving and decision made to extend to March.	2,500			0
Metro Centre (Connexions Grant)	Lesbian, Gay, Bisexual and Transgender support worker (Gally Project). Previously proposed for in-year saving and decision made to extend to March.	21,000			0

VAL (Connexions Grant)	Provider Forum. Previously proposed for in-year saving and decision made to extend to March.	20,000				0
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Non SLA services proposed ceasing March 31st 2011

CONNEXIONS	It is proposed not to re let a contract for universal information and guidance which is a duty on schools and to focus on targeted work for those vulnerable young people likely to become NEET.	1,500,000				0
Parent and Community Development Funds	One off small grants on ad hoc basis	100,000	0	0	0	0
Play to Support Capital Development	To support Playbuilder. Already Ceased.	90,000	0	0	0	0
Governance	Advisory Boards in CC Areas used this money to give out as small grants to the community.	52,000	0	0	0	0
Sustainability	Resource to support private childcare providers who were in difficulty. Already Ceased.	77,739	0	0	0	0
Graduate Leadership Funding	Resource to increase number of Graduates in early years settings. Already ceased.	592,938	0	0	0	0

Every Child a Talker	Early Years element of school project. This project ceased in June 2010.	18,184	0	0	0
Training for NVQ and Ofsted	Resource to support PVI settings to upskill and upgrade staff. Settings will need to purchase their own training.	318,000	0	0	0
Training for Foundation Stage & KS1	As above. Settings will need to purchase their own training.	234,632	0	0	0
Family Information Service - Non staffing costs	Recruitment fairs - no longer being run	73,000	0	0	0
SAVINGS FROM PROPOSED CESSATION OF CONTRACTS		3,965,993	0	0	0

3,965,993

Contracts with 3rd Parties proposed to be extended until August 2011 for review, some with budget reductions - some on current funding and some with 20% cuts.

		Base Cost 2010/11	Cost 2010/11 Reduced as proposed	Cost 11/12 transition	Cost 2011/12 new	Total 2011/12 commitments
Crèche	Mango and Spice is a local voluntary organisation which provides crèche support for parents in the north of the borough which supports, ESOL and Substance Misuse support groups. To be reduced by 20%.	67,000	53,600	22,333		22,333
NATTL/Quaggy/Toy Libraries	These funds go to pay National Association of Toy Libraries and The Quaggy Toy Library. It also provides group activity in Mayfield, Ashlee, Baring, John Baird and St Donnatts Homeless Family Units.	352,000	281,600	117,333		117,333
Family Support and Family Intervention Project	Commissioned Family Support Services	924,000	924,000	385,000		385,000
PVAnd I Disability Inclusion	To support PVI sector in their provision of services for children with disabilities.	60,000	60,000	25,000		25,000
Out of School Childcare for children with disabilities	Childminding, holidays and after school clubs for children with disabilities and their families.	156,275	156,725	65,302		65,302
MAPP	A joint project for children with disabilities.	60,000	60,000	25,000		25,000
Ravensbourne and Lewisham Opportunity Pre-school	Support for children with special needs	72,000	72,000	30,000		30,000

Tribal Data Base	Provides the children centre database and performance profile, monitoring impact and required for CC inspections.	40,000	40,000	16,667		16,667
PSLA Fathers Project	This is a borough wide project which links to schools, settings and the Family Nurse Partnership.	50,000	50,000	20,833		20,833
Limelight	A voluntary sector project linked to the Pre-School Learning Alliance providing a range of CC activity in Area 3. To be reduced by 20%.	220,000	176,000	73,333		73,333
Ackroyd	Children's Centre based in a community nursery - to be reduced by 20%.	60,000	48,000	20,000		20,000
St Swithun's	Children's Centre lease payment	20,000	20,000	8,333		8,333
Manor House Library Lease	Lease	10,000	10,000	4,167		4,167
Transport Running Costs	Cut fleet to 1 Babygym minibus and the Playbus, decommissioning the Information Bus, 2 Babygym buses and when possible, 4 maintenance vans and staff.	60,000	30,000	12,500		12,500
School Based Childrens Centres						
Clyde	Figures for 2011/12 based upon Phase 1 saving CYP 02	108,000	72,500	30,208		30,208
Eliot Bank		50,000	40,000	16,667		16,667
Kilmorie		50,000	40,000	16,667		16,667
Kelvin Grove		50,000	40,000	16,667	10,000	26,667
Marvels Lane		22,500	17,200	7,167		7,167

Downderry	School based children centres costs to be reduced by 20%.	60,000	48,000	20,000	0	20,000
Torridon Library CC	Lease costs reduced to actual value rather than estimated value	50,000	50,000		10,000	10,000
Childrens Centres non employee admin costs	To be cut by 50% during transition period.	205,000	102,500	42,708		42,708
Besson Street CC	Lease costs	50,000	50,000	0	12,500	12,500
Childrens Centres premises related costs	Reduced costs as a result of fewer sites operating in 2011/12 and more efficient reception arrangements	1,075,100	690,700	287,792		287,792
2 Year Old Pilot	To reduce from £800,000 - £550,000 as numbers indicate this is sufficient.	816,620	550,000	229,167	320,833	550,000
Youth projects providing services through our Youth Centres, delivering a range of sports, arts, lifeskills and personal development programmes. Voluntary sector providers are: Bromley and Downham Youth Club; Lewisham Way Youth and Community Centre; Lewisham Young Women's Resource Project; Catch 22; Artefacts Entertainment; St Andrew's Youth and Community Centre; Young Lewisham Project; Youth Aid	A 20% reduction has been proposed across all projects to maintain maximum delivery through the same number of providers	201,662	161,330	67,221		67,221
SUB TOTAL		4,890,157	3,844,155	1,560,065	353,333	1,913,398

Savings on contracts in transition proposed to end 31 August 2011. (col C- G)

2,976,759

Staffing

Staffing to be confirmed in light of re-organisation proposals and proposals to commission provision rather than provide in-house. Estimates are for the deletion of up to 100 posts.

5,450,433	4,085,625	1,702,344		1,702,344
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Estimated Staff Savings

1,362,608

TOTAL SAVINGS

8,305,360

Phase 1 savings agreed November 2010 included above

326,500

Proposals about the allocation of the Early Intervention Grant Phase 2

Equalities Impact Assessment February 2011

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1. Introduction

This impact assessment was undertaken using the methodology and approach set out in Lewisham's Equalities Impact Assessment (EIA) toolkit.

Every service undergoing organisational change or review requires the undertaking of such an assessment to ensure that the proposals address equalities and that implementation meets both the aspirations set out in the Council's equalities policies and statutory requirements.

The Equalities Impact Assessment has been necessitated due to a reduction of resources both nationally and locally. Lewisham has responded to the national economic climate by reviewing its services and making efficiencies of around 25% across all services.

The efficiencies will be achieved in Phases which cover financial years 2011-12 (Phase 1) and 2012-14 (Phase 2).

The proposal relating to the future allocation of the Early Intervention Grant is included in Phase 2 and is listed as CYP 13 in the report to Mayor and Cabinet on the budget savings proposals.

This assessment has considered the content of the proposals and analysed whether these are likely to have a positive or negative impact on different groups within the local community. Having made this assessment it sets out the action to be taken to prevent direct and indirect discrimination and positively promote positive and harmonious community relations.

2. Management of the EIA

This assessment was undertaken by Warwick Tomsett, Head of Commissioning, Strategy & Performance

Rachael Turner, Head of Joint Commissioning, CYP

Catherine Bunten, Policy Officer, Strategy and Commissioning Team, CYP

The methodology used for this EIA has been to:

- Collate and analyse relevant data in relation to the proposal
- Review relevant consultations undertaken on the proposal that relate to equalities
- Present a draft EIA to the Directorate Management Team of the Children & Young People's directorate for recommendation of changes and approval
- This EIA will also be considered at a Mayor and Cabinet meeting in February 2011 as part of the Council's wider budget savings decision making process.

3. Identification of aims and objectives

This proposal is part of a package of budget savings proposals to be considered by Lewisham Council to enable it to achieve the required £1,218,000 in savings.

The overall aim of the proposal is to achieve efficiency savings within Children and Young Peoples Services from 2011 – 2014 whilst ensuring that improvements in services for Children and Young People across Lewisham are not lost.

The Phase 2 proposal in relation to the future allocation of the Early Intervention Grant are as follows:

3.1. Description of Saving Proposed:

Within the context of the 20% cuts to the grants constituting the Early Intervention Grant; in 2011/12 we propose to cease to provide non-statutory universal early years services out of Children's Centres. It is proposed that the grant is allocated over eight categories of expenditure:

1. Targeted Early Years services – for children and families at a targeted level of need through the Borough's network of children's.
2. Family Support Services – providing targeted outreach and family support to deprived children and families in need.
3. Support for services in conducting 'Team around the Child' and 'Team around the Family'.
4. Diversion from care – providing services such as intensive support to those children and families facing multiple challenges.
5. Support for children with complex needs – providing a range of services including short breaks for disabled children, support for children with Autistic Spectrum Disorders, behaviour support.
6. Youth Services – providing services to support young people including targeted activity to support those at risk of underachieving.
7. NEET (not in education, employment or training) reduction work.
8. Family Information Service – providing web based information and advice on children's services to all families, carers and professionals in the Borough.

It is estimated that a range of outcomes could be delivered with a value of £14m against a grant allocation of £17.65m. This would enable grant substitution of £1.7m to be undertaken in 2011/12. In addition a £1m could continue to support children's social care costs as in 2010/11 from the sure start grant.

This will mean stopping contracts for some providers and retendering against specifications. A large number of contracts were always planned to end on 31.03.11, and providers were already aware of this. New specifications will promote the involvement of the local community and voluntary organisations.

The transitional issues and costs are under consideration. The creation of the early intervention service will involve the merging of two existing service manager roles with a net loss of one post. The net budget shown is the current council contribution towards all current early years services which are largely funded by grant. As the detailed work on stopping and retendering activity is ongoing it is estimated up to 100 posts could be affected.

3.2. The overall objectives of the proposal are that:

1 Vulnerable Children and Young People in Lewisham receive the services they need, and that children are stopped from rising up the “triangle of need “ (as identified in the Lewisham Children and Young People’s Plan 2009 – 2012) through improved outcomes and impact.

2. The following savings are achieved over the next three years:

Year 2011-12	2012-2013	2013-2014	Total
£1695,000	£1000,000		£2695,000

4. Scope / focus of the EIA and assessment of relevance

The main aim of this EIA is to determine the answer to the following two questions:

- Do the proposals discriminate against or adversely impact on individuals or groups who are using or who would potentially benefit from the services provided to schools?
- Can the proposals be delivered in a way that further promotes equal opportunities?

Please see table 4.1 below::

4.1 Assessment of the proposals

Below is an initial assessment of the proposal that looks at the potential impact and relevance on seven equality strands: gender, race, disability, age, sexual orientation, religion and belief, and socio-economic factors.

Equalities category	Key equalities legislation	Assessment of POTENTIAL impact High, Medium, Low, Neutral (Positive or Negative)	Reason for this initial assessment
Age	Employment Equality (Age) Regulations 2006 Equality Act 2010	Low, Negative	<p>The Regulations make it unlawful to discriminate directly or indirectly on the grounds of a person's age; the regulations have a wide impact on other areas of employment law including unfair dismissal and redundancy provisions. The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including age, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>SERVICE USERS / STAKEHOLDERS: The proposals relate to provision of services for children and young people and so will impact disproportionately on this age group. However, the proposals maintains statutory universal services and the continuation of services at a targeted level of need to ensure effective support for vulnerable and underachieving young people.</p> <p>STAFFING: The proposals may impact upon the employment of up to 100 staff across the local authority. However, the impact of the proposals upon staff will be considered in a separate Equalities Impact Assessment that will be conducted when the specifications for the new services are being developed.</p>
Disability	Disability Discrimination Act 1995 / 2005 Equality Act 2010	Neutral	The DDA 1995 requires local authorities to have due regard to: eliminating unlawful discrimination against disabled people; eliminating harassment of disabled people; and promoting equality of opportunity. The Disability Equality Duty (part of the DDA 2005)

			<p>also places a duty on public authorities to promote equal opportunities for disabled people. The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including disability, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>SERVICE USERS / STAKEHOLDERS: There are a number of local and national targets relating to services for children with disabilities and the current proposals have been developed to ensure that services for this group continues to be a priority. This is central to the work of the Children with Disabilities team, the dedicated team and provision at Kaleidoscope, and the Aiming High programme.</p> <p>STAFFING: The proposals may impact upon the employment of approximately 100 staff across the local authority although specific details are not finalised and so the impact upon any staff with disabilities cannot yet be measured. The impact of the proposals upon staff will be considered in a separate Equalities Impact Assessment that will be conducted when the specifications for the new services are being developed.</p>
Gender (inc Gender reassignment, pregnancy and maternity)	Equal Pay Act 1970 Sex Discrimination Act 1975 Equality Act 2010	Medium, Negative	<p>The Sex Discrimination Act requires local authorities to have due regard to the need to eliminate unlawful discrimination and harassment and to promote equality of opportunity between men and women. The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including gender, gender reassignment and pregnancy & maternity, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>SERVICE USERS / STAKEHOLDERS: All services are equally accessible to boys/young men and girls/young women unless it has been identified that there is a specific need for a single-sex service (e.g. to support teenage mothers). As many of the current service users will be mothers with young children, there is likely to be a disproportionate impact on female service users.</p> <p>STAFFING: The proposals may impact upon the employment of approximately 100 staff across the local authority. Any proposals for reductions in staff are likely to impact disproportionately upon females who are more represented in the council – with 64% of employees being female. In CYP this rises to 84%. The impact of the proposals upon</p>

			staff will additionally be considered in a separate Equalities Impact Assessment that will be conducted when the specifications for the new services are being developed.
Race	Race Relations Act 1976 Race Relations (Amendment) Act 2000 Equality Act 2010	Low, Negative	<p>The Race Relations Act 1976 makes it unlawful to treat a person less favourably than other on racial grounds; it also provides protection from race discrimination in employment, education, training, housing and the provision of goods, facilities and services. The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including race, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>SERVICE USERS / STAKEHOLDERS: Lewisham's population is very diverse with a high representation of black and minority ethnic groups. Any changes to support provided to our children and young people is therefore likely to impact on these groups, in addition to the remainder of the population.</p> <p>The proposals include ceasing or not renewing some contracts with organisations who support children and young people from different black and ethnic minority communities.</p> <p>STAFFING: Impact of the proposals upon staff will be considered in a separate Equalities Impact Assessment that will be conducted when the specifications for the new services are being developed.</p>
Religion / Belief	Employment Equality (Religion or belief) Regulations 200	Low, Negative	<p>The Employment Equality Regulations 2003 make it unlawful to discriminate directly or indirectly or to harass an employee on the grounds of their religion or belief. The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including religion or belief, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>SERVICE USERS / STAKEHOLDERS: The proposals include ceasing or not renewing some contracts with organisations who support children and young people from different faith communities.</p> <p>STAFFING: The proposals may impact upon the employment of approximately 100 staff across the local authority. Impact of the proposals upon staff will be considered in a separate Equalities Impact Assessment that will be conducted when the</p>

			specifications for the new services are being developed. It is not expected that there will be any significant implications relating to the faith / beliefs of staff within the current proposals.
Sexual Orientation	Employment equality (sexual orientation) Regulations 2003 Equality Act 2010	Neutral	<p>The Employment Equality Regulations 2003 make it unlawful to discriminate directly or indirectly or to harass an employee on the grounds of their sexual orientation. The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including sexual orientation, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>SERVICE USERS / STAKEHOLDERS: No specific implications relating to sexual orientation have been identified within the current proposals.</p> <p>STAFFING: The proposals may impact upon the employment of approximately 100 staff across the local authority. Impact of the proposals upon staff will be considered in a separate Equalities Impact Assessment that will be conducted when the specifications for the new services are being developed. It is not expected that there will be any significant implications for LGBT staff within the current proposals.</p>
Socio-economic (i.e. the combination of factors including income, level of education, and occupation)	<i>There is no longer a legal requirement to report on socio-economic impact.</i>	Low, Negative	<p>The Equality Act 2010 introduces a new public sector duty to consider reducing socio-economic inequalities</p> <p>SERVICE USERS / STAKEHOLDERS: Some families who currently benefit from a broad range of universal provision will not meet the criteria for targeted services.</p> <p>STAFFING: The proposals may impact upon the employment of approximately 100 staff across the local authority, including the deletion of posts; those Council staff directly affected will be included in the Council's redeployment processes and this may lead to redundancy if suitable alternative employment cannot be identified. Impact of the proposals upon staff will be considered in a separate Equalities Impact Assessment that will be conducted when the specifications for the new services are being developed</p>

5. Relevant data and research

5.1. Grants

The Early Intervention Grant replaces what was previously 22 grants consisting of:

- Sure Start Children's Centres
- Early Years Sustainability – including sufficiency and access, quality and inclusion, buddying, holiday childcare and disabled access to childcare
- Early Years Workforce – quality and inclusion, graduate leader fund and every child a talker
- Two year old offer – Early Learning and Childcare
- Aiming High for Disabled Children
- Connexions
- Think Family
- Youth Opportunity Fund
- Youth Crime Action Plan
- Challenge and Support
- Children's Fund
- Positive Activities for Young People Programme
- Youth Taskforce
- Young People Substance Misuse
- Teenage Pregnancy
- Key Stage 4 Foundation Learning
- Targeted Mental Health in Schools Grant
- Contact Point
- Children's Social Care Workforce
- Intensive Intervention Grant
- January Guarantee
- Child Trust Fund

Ring-fencing has been removed from the Early Intervention Grant. The grant has been reduced from £22m to £17.6million, a £4.4m cut representing a 20% reduction in these grants.

This significant cut from the Government requires us to rethink how services should be shaped. The proposal is to move from universal to targeted services, particularly in the early years, ensuring our resources are focused on those children and families most in need.

The proposal is therefore to stop current provision and to re-commission new activity that is targeted and has more impact from children and families most in need.

5.2. Proposed Service

It is proposed that the Early Intervention Grant is allocated over eight areas of proposed activities:

An Early Intervention service consisting of:

Targeted Early Years services – for children and families at a targeted level of need through the Borough's network of children's centres. It is proposed to respecify services so that they deliver improved outcomes for families with additional needs and vulnerabilities,

including improved readiness for primary education and learning, building social networks, improved parental/carer attachment and parenting skills, improved health outcomes and improved child development. It is proposed that we do everything we can not to close Children's Centres, including working with our partners and the third sector. It is proposed that the specifications for this work relate to the different geographical Children's Centre areas and that they specify outcomes required for children and families. It is proposed that the six schools which have a designated Children's Centre on their sites be asked to outline how they will meet the requirements of bespoke specifications for the Children's Centres. Work in this category will also include support for the improvement of early years provision and the resource to provide free childcare for disadvantaged two year olds.

Family Support Services - providing targeted outreach and family support for children and families in need. It is proposed that these services will work with families to improve their skills and confidence and deliver improved outcomes for families including improved educational achievement; increased levels of attendance at school; improved behaviour and risk of exclusion from education; reduced risk of youth offending; reduced risk of social care interventions; prevention of placement breakdown.

Support for services in delivering 'Team around the Child' and 'Team around the Family' – providing quality assurance and improved planning and co-ordination of interventions for children and families at a targeted level of need. This will improve service co-ordination and impact, reduce the administrative overhead of front line services working directly with families in need, and drive improved outcomes and quality assurance.

Diversion from Care – providing services such as intensive support to those children and families facing multiple challenges and at high risk of social care interventions or accommodation (children looked after), entry to the criminal justice system, or acute health care interventions or admission. These services will work with families presenting chronic risks or facing immediate crises to both improve immediate outcomes and reduce the longer term level of need within the family and the necessity for service intervention and support.

Support for children with complex needs – providing a range of services including short breaks for disabled children, securing continuity of our Multi- Agency work with disabled children and their families and specialist family support such as for those families supporting children with special educational needs or autistic spectrum disorders. These services will help families undertake their caring responsibilities and improve outcomes including educational achievement and attendance, health outcomes and reduce the risk of social care intervention and potential placements

Youth services – providing services to support young people including targeted activity to support those at risk of underachieving. This funding will support the youth service detached team. These services will drive improved outcomes including raised aspirations, improved educational attendance and achievement, reduced risk of offending and entry to the youth justice system, reduced risk of substance misuse and reduced risk of teenage pregnancy.

NEET reduction work - Services to ensure children and young people receive education, employment and training – providing services to those young people at specific risk of disengagement from education, employment or training such as outreach and support, NEET (Not in Employment, Education or Training) programmes, positive activities and youth work programmes. These will drive improved outcomes for young people including raised

aspiration, educational attendance and achievement, reduced risk of entry to the criminal justice system and unemployment

Family Information Service – providing web based information and advice on children's services to all families, carers and professionals living or working within the Borough.

While it is proposed that services funded through the Early Intervention Grant should focus on improving outcomes for targeted children and families, there will still be strong universal services provided for all children in Lewisham, including through the free 3/4 year old childcare offer, schools, primary health care from GPs, and the Health Visiting service.

In order to cover reduction of funding generally to children's services, it is proposed that £1.7m grant substitution is made in 2011/12 from the Early Intervention Grant to cover youth and other relevant services from the General Fund, a £1m grant substitution to Children's Social Care in 2010/11 is made, and a further £1m grant substitution to cover youth and other relevant services from General Fund is made in 2012-2013. This leaves £13.9m to deliver the programme outlined above. There are risks regarding grant substitution at this level as the grant has only been announced for two years.

Transition Arrangements:

These proposals will mean stopping contracts current providers. A large number of contracts were already planned to end 31.03.11 and providers were already aware of this. The proposals also allow for the continuation of some contracts to end of August 2011 to allow for a recommissioning process before the new Early Intervention services begin in September 2011. A detailed project plan will be developed including transition arrangements and staff reorganisation.

5.3. Context:

Lewisham has a younger age profile than the rest of the UK with children and young people making up approximately 25% of our residents. Lewisham has approximately 37,000 pupils within its schools.

Ethnicity of Lewisham's pupil population⁸:

<u>Ethnic category</u>	<u>BME</u>	<u>White</u>	<u>Black</u>	<u>Asian</u>	<u>Mixed</u>	<u>Chinese</u>	<u>Other</u>	<u>Unclassified</u>
Education								
Nursery	76%	30%	48%	2%	15%	2%	1%	1%
Primary	74%	36%	38%	6%	13%	1%	2%	2%
Secondary	74%	33%	40%	5%	10%	1%	3%	3%
Special	71%	32%	50%	4%	9%	0%	2%	3%

Children with Special Educational Needs

Numbers of children with special educational needs and percentages across each school type are indicated below:

School Type	Non-statemented	Statemented	Non-statemented %	Statemented %
Nursery	22	0	10	0
PRU	9	15	5.7	9.4
Primary	4859	272	22	1.2
Secondary	2841	271	27.3	2.6
Academy	802	84	21.2	2.2
Special	105	494	17.5	82.5

Pupils in Lewisham receiving Free School Meals (FSM)

School Type	Eligible for FSM	Not eligible	Eligible for FSM (%)	Not eligible (%)
Nursery	67	154	30.3	69.7
PRU	13	146	8.2	91.8
Primary	5502	16611	24.9	75.1
Secondary	2455	7957	23.6	76.4
Academy	1062	2735	28.0	72.0
Special	279	320	46.6	53.4

⁸ Data supplied by LB Lewisham Children & Young People's Performance Unit

5.4. Existing service staffing information

This proposal will affect staff teams across the Children and Young People's Directorate.

As work on retendering continues, it is estimated that up to 100 posts could be affected. Staff across services and partners reflect the population context of Lewisham as such the proposal does not have any equalities implications for staffing.

As we develop specifications, a further EIA will be undertaken, which will analyse final staffing implications for any equalities impact.

6. Consultation

6.1. Informal consultation

All organisations that will be impacted by the proposal have been informed and offered the opportunity to attend meetings to discuss the proposals, and are aware of the proposals. Many contracts were always going to be ending on 31.03.11,

Relevant organisations will continue to be included in the development of new service specifications through formal consultation.

Feedback from meeting with those organisations affected:

Those at the meeting highlighted the following issues:

- Early Years services are experiencing a disproportionate impact nationally
- There are concerns around other potential grant reduction from the Community Sector Unit (CSU) and any additional impact from this.
- Partners understand that they will be able to bid for newly specified work and want to know more about the opportunities in the future
- Partners understand the Council's position in having to find significant savings

7. Assessment of impact and outcomes

This EIA has been conducted to ensure that, in considering the proposals for the allocation of the new Early Intervention Grant, the Council has met its responsibilities under equalities legislation, specifically:

- ❖ The Sex Discrimination Act section 76, and the requirement to have due regard to the need to eliminate unlawful discrimination and harassment and promote equality of opportunity between men and women
- ❖ The Race Relations Act section 71 and the requirement to have due regard to the need to eliminate unlawful racial discrimination and to promote equality of opportunity between persons of different racial groups
- ❖ The Disability Discrimination Act section 49 and the requirement to have due regard to the need to eliminate unlawful discrimination, eliminate harassment of disabled people, promote equality of opportunity, take steps to take account of disabilities even

when that involves treating people more favourably, promote positive attitudes towards disabled people and encourage participation by disabled people in public life

In order to meet these duties, following the scoping of the assessment and identification of potential areas for discrimination, analysis of data and research and specific consultation, the assessment must check whether the delivery of the savings proposal –

- would lead to unlawful discrimination
- would have an adverse impact on one or more equality categories
- would mean that some equality categories are, or may be, excluded from service benefits
- would mean that some equality categories are disadvantaged

If an adverse impact is identified, then options for reducing that must be considered. If it were actually unlawful, then it would need to be changed.

Assessment of the potential impact on equalities groups has been based on analysis of data and feedback through research with staff and partner organisations (including Health).

These proposals should be seen in the context of the Council's duty to set a balanced budget. These savings proposals, alongside others to be considered at Mayor and Cabinet in February 2011 will help meet that legal requirement in 2011/12.

Lewisham Children and Young People's services are committed to ensuring that they promote equality and prevent discrimination across all their areas of responsibility. The proposals have been developed to ensure that key programmes are developed to deliver effective support for vulnerable and underachieving young people.

The overall assessment is that these savings proposals will have some adverse impact upon equalities groups but will not lead to unlawful discrimination. The proposals can also be seen to provide opportunities to positively promote equal opportunities.

- the proposals relate to services for children and young people and so will impact disproportionately on them. However, this needs to be seen in the context of the whole package of savings proposals being considered by the Council where impact will apply across a whole range of groups.

- a large proportion of Lewisham's population of children and young people are from black and ethnic minority communities and speak over 170 different languages. The impact of the proposals will therefore be felt more significantly by these groups.

- the proposals include ending or not renewing contracts with some organisations who provide dedicated support for children and young people from a number of different black and ethnic minority communities in the borough, including Supplementary Schools. However, these organisations will be included in opportunities to bid to provide services in the proposed Early Intervention service. A further EIA will be undertaken as part of the re-commissioning process to measure impact on equalities groups from the re-specifications and new service delivery.

- the proposals include ending or not renewing contracts with some organisations who provide activities for parents and young children. As females are more likely to use these services, they will feel a more significant impact from the proposals.

- the proposals for staff reductions are likely to impact negatively and disproportionately upon female employees as this group is more highly represented in the overall staffing population of inner city local authorities such as Lewisham 82% of employees in CYP are female . The Council has processes in place to minimise impact on staff in terms of redundancies and this includes consideration of alternative suitable employment through the redeployment procedures. The Council is also committed to enabling all directly affected staff to access support and training in order to increase their skills and employability.

8. Action Plan

<u>Issue</u>	<u>Equality category</u>	<u>Recommendation / Action</u>
Early Years are taking a disproportionate effect nationally	Age	One of our 8 areas of proposed Early Intervention activities is a targeted Early Years service. This will be delivered through Children’s Centres focusing on families at a targeted level of need; 2 years old offer; and ‘closing the gap’ improvement work. This is alongside delivery of the statutory offer for 3/4 year olds and services delivered by partner agencies such as the Health Visiting service. We will do everything we can not to close Children’s Centres, including working with our partners and the third sector.
Concerns around other grant from the Community Sector Unit (CSU) and any additional impact from this.		Work with providers alongside CSU to understand the joint impact of all proposals. Development of services under the eight areas of proposed Early Intervention activity include opportunities for PVI providers and local community partner organisations to bid to provide services.
Partners understand that they will be able to bid for newly specified work and want to know more about the opportunities in the future		Further consultation is proposed to take place with providers, partners and service users in the development of new specifications and inform the commissioning process. This allows for any additional issues to be addressed in the design, planning and delivering of new services. A full EIA will be completed for this stage of the process.
Support for children and young people from specific black and ethnic minority communities	Race	A further EIA will be undertaken as part of the re-commissioning process to measure impact on equalities groups from the re-specifications and new service delivery. A strategy will be developed to address any gaps in services.

<u>Issue</u>	<u>Equality category</u>	<u>Recommendation / Action</u>

9. Formal agreement

The completed Equalities Impact Assessment will be signed off by Lewisham’s Mayor and Cabinet during consideration of the budget savings in February 2011.

10. Publication of results

The EIA will be available as part of the reports on the budget savings proposals that are presented to Mayor and Cabinet on 17th February 2011.

11. Monitoring

The achievement of changes, amendments and recommendations arising from the EIA will be monitored through the Service Plan which will be endorsed by the Senior Management Team of the Access and Support division.

MAYOR AND CABINET			
Report Title	NEET REDUCTION SERVICE TO REPLACE CONNEXIONS		
Key Decision	YES		Item No.
Ward	ALL		
Contributors	Executive Director for Children and Young People Executive Director for Resources Head of Law		
Class		Date	17 February 2011

1 Summary

- 1.1 Connexions currently supports schools and colleges in Lewisham through government grant to provide information, advice and guidance for all young people.
- 1.2 In November 2010 the Mayor agreed to cut by 20% the Connexions contract for Information, Advice and Guidance (IAG) currently held by Babcock PLC from April 2011.
- 1.3 In December 2010 the government announced that, from April 2011, the money for Connexions would be included in a new non-ringfenced *Early Intervention Grant*, with an overall grants cut of 20%. The Government has also announced that it will set up an all-age careers service by April 2012 for implementation in September 2012.
- 1.4 In the light of these announcements, it is proposed that, from April 2011, available resources from the Early Intervention Grant should be focused on continuing to reduce the number of young people in the Borough who are NEET (not in employment, education or training), and on support for vulnerable young people, including those with special educational needs and those looked after.
- 1.5 The report therefore asks the Mayor to revoke his earlier decision and to agree that the contract with Babcock is not renewed or re-let.

2 Purpose of the Report

- 2.1 The purpose of the report is to ensure that, whilst, as a statutory duty, schools and colleges continue to provide universal careers advice to all their young people, Lewisham Local authority uses the reduced amount of resource available to it to focus on continuing to diminish the number of young people in the borough who are NEET, ensuring that the needs of the most vulnerable are met.

3 Recommendations

3.1. The Mayor is asked:

3.1.1. To revoke his decision made on 17th November 2010 to reduce by 20% the amount spent by the Borough on Information, Advice and Guidance (IAG) to young people by renegotiating its current contract for Connexions IAG delivery with the Borough's provider, Babcock PLC;

3.1.2 To agree that the contract for IAG with Babcock is not renewed or re-let.

4 Policy Context

4.1 The report is consistent with *Shaping our Future*, the Council's Sustainable Community Strategy 2008-20. The Council's principles include a commitment to reducing inequality – narrowing the gap in outcomes for citizens. Its priorities include inspiring its young people to achieve their full potential by removing the barriers to learning, and encouraging and facilitating access to education, training and employment opportunities for all its citizens.

4.2 It supports the delivery of Lewisham's Children & Young People's Plan (CYPP), which sets out the Council's vision for improving outcomes for all children and young people by improving their achievement and involvement, inspiring and supporting them to fulfil their potential, and in so doing reducing the achievement gap between our most disadvantaged pupils and their peers.

5 Background

5.1 The total budget for Connexions currently provided by government grant is £2,787,305 per annum. The Connexions grant enables supplementary support to be provided to secondary schools and colleges in Lewisham to help them fulfil their responsibilities to provide IAG for all young people aged 12-18 in their institutions. The grant also provides targeted IAG for young people who are NEET or in danger of becoming NEET, and for learners aged 19 or over but under 25 with Learning Difficulties or Disabilities (LLDD).

5.2 Babcock PLC currently deliver IAG services through a 3 year contract with Lewisham which comes to a close at the end of March 2011. The contract is worth £1,579,542 per annum, which is almost 57% of the total budget. The remaining £1.2 million has been used by Lewisham to commission NEET prevention and reduction activities. Some of this budget has already been subject to 2010-11 in-year savings.

5.3 The Babcock contract delivers in three main areas:

5.3.1 **IAG to young people aged 13 – 19** which supplements the universal careers advice schools and colleges provide to all their young people;

5.3.2 **targeted work on NEET reduction and prevention** for young people identified as at risk, support for young people to access learning and work, and re-engagement of those who drop out of education or training. Target groups include post-16 progression for looked-after children and children leaving care, young offenders,

teenage parents and parents to be, young carers and those young people not in school;

- 5.3.3 **support for young people with learning difficulties and disabilities** in post-16 transition.
- 5.4 In order to take forward in good time the anticipated cuts in Council funding over the next 3 year spending review period, Council-wide savings proposals for the period 2011-14 were submitted for consideration by the Mayor at the Mayor and Cabinet meeting held on Wednesday 17th November 2010. This was prior to the new coalition government's announcement of its intentions concerning the future of Connexions and related funding from April 2011, and of any accompanying revision to its policy for Careers advice,
- 5.5 At that meeting the Mayor agreed the proposal from the Children and Young People's Directorate that, to take effect from April 2011, it would reduce by 20% the amount spent on IAG for young people by renegotiating its current contract for Connexions IAG delivery with the Borough's provider, Babcock PLC, so that, as part of a new contract, Babcock would no longer deliver IAG targeted to identified vulnerable groups of young people (cf Paragraphs 5.3.2 and 5.3.3).
- 5.6 It was further agreed that targeted IAG would instead be delivered by LB Lewisham's Integrated Youth Support Service (IYSS), with half of the saving reinvested in IYSS to improve the Borough's capacity to deliver targeted IAG.
- 5.7 The current three year contract with Babcock PLC comes to a close in March 2011. The value of the contract is £1,579,542 per annum. The agreed reduction was to 80% of that figure in any renewed contract from April 2011.
- 5.8 Subsequently, on 15th December 2010, the government announced that, from April 2011, the money for Connexions would be included in a new non-ringfenced *Early Intervention Grant*. This new grant includes other 'old' grants such as Sure Start Children's Centres, grants for children with disabilities, substance misuse, and youth services. The Government has cut the grants overall by 20%. Given the poor financial settlement the Council has received, that puts additional pressure on the Early Intervention Grant's capacity to deliver on the range of functions of its constituent grants.
- 5.9 The Government has also announced that it intends to set up an all-age careers service by April 2012 for a September 2012 start.
- 5.10 In the light of these announcements, it is proposed that, from April 2011, available resources from the Early Intervention Grant should be focused solely on continuing to reduce the number of young people in the Borough who are NEET. Schools and colleges will continue, as now, to provide universal careers advice to all their young people, and will be able to purchase additional services from external providers.
- 5.11 The Mayor is therefore asked to revoke his decision made on 17th November 2010 to reduce by 20% the amount spent by the Borough on IAG for young people by

renegotiating its current contract for Connexions IAG delivery with the Borough's provider, Babcock PLC. Instead the Mayor is asked to agree that the contract with Babcock is not renewed or re-let.

- 5.12 As the government reveals more detail of its plans to implement a national all-age Careers Service from September 2012, Lewisham will reshape its services as necessary to meet requirements.

6 Delivering NEET reduction and support to vulnerable young people from April 2011

- 6.1 From April 2011 Lewisham proposes to implement a strategy which focuses on its priority groups of vulnerable young people for NEET reduction, on early intervention, building on what works best, and a cohesive model of delivery using Integrated Youth Support Service (IYSS) hubs.

NEET reduction and early intervention

- 6.2 Lewisham maintained secondary schools will continue to fulfil their statutory duty to provide programmes of careers education and guidance to all their registered pupils. It is not proposed to supplement this statutory universal offer with further central support, but instead target available resources from the new Early Intervention Grant to help meet the needs of vulnerable young people who are NEET or in danger of becoming NEET.
- 6.3 From April 2011 Lewisham's NEET reduction strategy for young people who are over compulsory school age but under 19 will continue to target the same vulnerable groups as previously with a comparable level of resources, providing them with a key worker to enable them to access education and training provision. These target groups include:
- looked-after children and children leaving care
 - teenage parents and parents to be
 - young offenders
 - young carers
 - those young people not in school
- 6.4 Lewisham will continue to fulfil its statutory duty to provide all its 13-19 year olds and 20-24 year olds who have a learning difficulty or disability with access to a Personal Adviser, especially to support statemented young people at points of transition.
- 6.5 Lewisham will continue to work with Lewisham College and other post-16 providers to maintain access for NEETs to education and training opportunities that start at different times throughout the year.
- 6.6 Lewisham will seek to improve the current provision of apprenticeships on offer within the Borough, and make NEET young people aware of these opportunities as appropriate.
- 6.7 Lewisham will also ensure that it addresses the needs of those young people in Pupil Referral Units and those not in school, and that it maintains regular contact with young people and relevant young adults who are at risk of becoming NEET.

Building on what works best

- 6.8 Lewisham proposes to increase the use of proven strategies, building on what it knows works best as resources allow.
- 6.9 The Local Authority proposes to expand Lewisham's highly successful *Mayor's NEET Trainee Programme* to all NEET. This is an intensive eight week programme which includes volunteering; presentation and interview skills training; an outward bound course; and personal development skills training.
- 6.10 We propose to expand the successful '*Hi 5*' service supporting older young people into employment education and training.
- 6.11 We propose to invest further in the development of social enterprises run by young people.
- 6.12 We propose to continue to invest in the successful strategy of *triage*, the diversion of young offenders committing petty crime away from entering the criminal justice system and supporting them into training and employment.

An integrated model of delivery

- 6.13 Youth support services are currently delivered using a hub and spoke model. It is proposed that this model will be further developed to deliver the new Integrated Youth Support Service (IYSS) within which NEET reduction services will be situated. Within each hub there will be multi-disciplinary teams who will provide:
- Generic and targeted Youth work
 - Support targeted to specific groups of NEET and those vulnerable to becoming NEET, including keyworkers providing 1-1 and small group advice and support
 - Substance misuse support
 - Midwifery support
- 6.14 Each of the IYSS hubs will link to a number of other Youth facilities in 6 localities, and will call on a wide range of services for referral.
- 6.15 Lewisham's new NEET reduction services will have in place robust client management and client tracking systems, with an efficiently maintained data base and associated analysis at their heart.
- 6.16 Lewisham will also spread the application of an *early intervention tool*, developed by the current teenage pregnancy service, to identify those young people most at risk of becoming NEET.

7. Human Resources Issues

- 7.1 Babcock PLC is the employer in relation to its contract with Lewisham, apart from four Personal Adviser posts which are seconded from Lewisham where Lewisham is the employer.
- 7.2 Lewisham does not intend to provide further universal IAG beyond that provided by the existing Careers services through which its schools and colleges deliver their statutory responsibilities.

- 7.3 To meet its statutory responsibilities in relation to targeted work on NEET reduction and prevention, Lewisham will utilise the Personal Advisers it currently employs through the Youth Service to provide one-to-one support in IYSS hubs, supplemented by the four Lewisham employees currently seconded as Personal Advisers to Babcock PLC. No other role equivalent to that of an IAG Personal Adviser will be employed by Lewisham, and therefore it is Lewisham's view that TUPE does not apply to Babcock PLC employees.
- 7.4 To meet its statutory responsibilities in relation to support for young people with learning difficulties and disabilities, Lewisham proposes to negotiate with Babcock PLC the secondment of two Personal Advisers employed by Babcock who are currently fulfilling this role.

8 Financial Implications

- 8.1 The Early Intervention Grant (EIG) includes within its objectives work targeted on young people who are not in employment education or training (NEET) or at risk of becoming so. There is a proposed allocation within the EIG of £1.4m for NEET work, but this may change as a result of development work and consultation. The total proposals for the grant for all activities does not exceed the funding envelope.. Those proposals are set out elsewhere in the budget report.
- 8.2 Secondary schools already have the resources to fulfil their responsibility to provide information, advice and guidance to their students and no further allocation within the Dedicated Schools Grant is required.
- 8.3 The proposal not to re-let a Connexions contract requires the revocation of an earlier decision to let a reduced contract. There was an agreed saving associated with that of £315k in a full financial year. That saving is not now achievable if this proposal is agreed.
- 8.4 There are no capital financial implications arising from this report.

9 Legal Implications

- 9.1 Section 43 of the Education Act 1997 makes provision for a programme of careers education and guidance to all registered pupils at publicly funded schools beginning at the same time as the school year in which the majority of pupils in the class attain the age of 12 and ending with the expiry of the school year in which the majority of pupils in the class attain the age of 16. The duty to secure that such education is provided falls on the governing body or proprietor and the headteacher and in the case of a pupil referral unit the maintaining local authority and teacher in charge.
- 9.2 Section 68 of the Education and Skills Act 2008 places a duty on Local Authorities in England to make available to young people and relevant young adults for whom they are responsible such services as they consider appropriate to encourage, enable or assist them to engage and remain in education or training. A relevant young adult is a person aged 20 to 24 years who has a learning difficulty.

- 9.3 Section 68 provides that a Local Authority can fulfil the duty to make services available either by providing them itself or by making arrangements with others, which could include other local authorities.
- 9.4 Section 15ZA of the Education Act 1996 requires Local Authorities to secure enough suitable, full and part-time education and training opportunities to meet the reasonable needs of the following people in their area:
- young people who are over compulsory school age but under 19 ; and
 - learners aged 19 or over, but under 25, who have (or should have had) a learning difficulty assessment under section 139A or 140 of the Learning and Skills Act 2000; but the duty does not extend to persons subject to a detention order.
- 9.5 Responsibility for all other learners aged 19 or over will fall to the Chief Executive of Skills Funding.
- 9.6 Local Authorities have powers to secure this provision either within or outside their areas to enable them to secure the most appropriate provision for young people. In securing education and training opportunities, local authorities must take account of people's ages, abilities and aptitudes; any learning difficulties they may have; the quality of education or training; and the locations and times at which those opportunities are provided.
- 9.7 Section 15ZC of the Education Act 1996 requires Local Authorities to encourage young people for whom they are responsible to participate in education and training. Section 15ZC of the Education Act 1996 also requires local authorities to encourage employers to participate in the provision and delivery of post-16 education and training.
- 9.8 It is proposed at Paragraph 7.4 of this report that negotiations are entered into with Babcock PLC to second two personal advisers to the Authority to undertake support work for young people with learning difficulties and disabilities. If these negotiations are not progressed and the work currently undertaken by the advisers is to continue then TUPE may apply to any staff employed by Babcock currently who spend the majority of their time undertaking this work.
- 9.10 The current secondment arrangements of the four Council staff to Babcock will terminate upon expiry of the Contract with Babcock .

10 Crime and Disorder Implications

- 10.1 The strategies set out in this report are intended to reduce crime and disorder associated with young people not being in employment, education or training.

11 Equalities Implications

- 11.1 Section 6 of this report describes how the Local Authority proposes to discharge its statutory duties in relation to the provision of information, advice and guidance for its young people, and in so doing, will ensure that there is no adverse or disproportionate

impact upon particular groups, including vulnerable groups of young people. An equalities impact assessment is attached to this report at Appendix 1.

- 11.2 Lewisham has informed Babcock PLC and headteachers and principals of Lewisham schools and colleges of its proposal not to renew or re-let the contract with Babcock PLC for the provision of IAG from April 2011.
- 11.3 If the Mayor agrees the recommendations at Paragraph 3, the Local Authority will undertake a consultation with stakeholders on its proposals for a new NEET reduction service as set out in this report as part of its consultation on the new services delivered through the Early Intervention Grant. The results of the consultation will in due course be the subject of a further report to the Mayor, who will consider and determine any modifications of proposals recommended to him.

12 Environmental Implications

- 12.1 There are no environmental issues associated with this report.

BACKGROUND PAPERS

Appendix 1: Equalities Impact Assessment

Proposals to review the provision of services to young people to reduce the number of those not in Education, Employment or Training (NEET)

Equalities Impact Assessment

February 2011

Contents

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33	Monitoring

1. Introduction

This impact assessment was undertaken using the methodology and approach set out in Lewisham's Equalities Impact Assessment (EIA) toolkit.

Every service undergoing organisational change or review requires the undertaking of such an assessment to ensure that the proposals address equalities and that implementation meets both the aspirations set out in the Council's equalities policies and statutory requirements.

The Equalities Impact Assessment has been necessitated due to a reduction of resources both nationally and locally. Lewisham has responded to the national economic climate by reviewing its services and making efficiencies of around 25% across all services.

The efficiencies will be achieved in Phases which cover financial years 2011-12 (Phase 1) and 2012-14 (Phase 2).

The proposals relate to the re-focusing of resources for Information, Advice and Guidance for young people in the light of Government changes to the allocation of grant funding for Connexions services from April 2011 and its intention to establish an all-age careers service by April 2012 for implementation in September 2012.

The assessment has considered the content of the proposals and analysed whether these are likely to have a positive or negative impact on different groups within the local community. Having made this assessment it sets out the action to be taken to prevent direct and indirect discrimination and positively promote positive and harmonious community relations.

2. Management of the EIA

This assessment was undertaken by Chris Threlfall, Head of Education Development, Children and Young People's services supported by:

Robert Hodges, Policy Officer, Commissioning, Strategy & Performance

The methodology used for this EIA has been to:

- Collate and analyse relevant data in relation to the proposal
- Review relevant consultations undertaken on the proposal that relate to equalities
- Present a draft EIA to the Directorate Management Team of the Children & Young People's directorate for recommendation of changes and approval
- This EIA will also be considered at a Mayor and Cabinet meeting in February 2011 as part of the Council's wider budget savings decision making process.

3. Identification of aims and objectives

This proposal is part of a package of budget savings proposals to be considered by Lewisham Council to enable it to achieve its required savings.

The overall aims of the proposal are to :

(1) Implement a strategy from April 2011 to ensure that resources available to the Local Authority from the Early Intervention Grant for Information, Advice and Guidance and related support for young people are focused solely on continuing to reduce the number of young people who are NEET (not in Education, Employment or Training)

(2) Ensure that the strategy supports the needs of the most vulnerable young people, including the following groups:

- young people with learning difficulties and/or disabilities in post-16 transition
- post-16 progression for looked after children and children leaving care
- young offenders
- teenage parents
- young carers
- young people not in school

(3) Further re-shape Information Advice and Guidance services to young people as required once the Government has provided details of the implementation of a national all-age Careers Service from September 2012.

4.1 Assessment of the proposals

Below is an initial assessment of the proposal that looks at the potential impact and relevance on seven equality strands: gender, race, disability, age, sexual orientation, and religion and belief.

Equalities category	Key equalities legislation	Assessment of POTENTIAL impact High, Medium, Low, Neutral (Positive or Negative)	Reason for this initial assessment
Age	Employment Equality (Age) Regulations 2006 Equality Act 2010	Low	<p>The Regulations make it unlawful to discriminate directly or indirectly on the grounds of a person's age; the regulations have a wide impact on other areas of employment law including unfair dismissal and redundancy provisions. The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including age, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>There will be no change felt by most young people in the provision of universal careers advice, as schools and colleges will continue to deliver their statutory duty to provide this to all young people aged 12 – 18, and will be able to purchase additional services from external providers. In addition, the proposals will enable the LA to review how support is delivered in order that it effectively focuses use of the new Early Intervention Grant from April 2011 on targeted support to help meet the needs of vulnerable young people.</p>

			No local authority staff will be dismissed or made redundant as a result of these proposals.
Disability	Disability Discrimination Act 1995 / 2005 Equality Act 2010	Neutral	<p>The DDA 1995 requires local authorities to have due regard to: eliminating unlawful discrimination against disabled people; eliminating harassment of disabled people; and promoting equality of opportunity. The Disability Equality Duty (part of the DDA 2005) also places a duty on public authorities to promote equal opportunities for disabled people. The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including disability, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>It is not expected that there will be any significant change in the nature or level of service provided to young people with learning difficulties and/or disabilities. The proposals will enable the LA to focus its delivery of careers advice and guidance on targeted support which will include provision of a Personal Adviser for vulnerable groups and including all 13-19 year olds and 20-24 year olds who have a learning difficulty or disability, especially to support stated young people at points of transition.</p>
Gender (inc Gender reassignment, pregnancy and maternity)	Equal Pay Act 1970 Sex Discrimination Act 1975 Equality Act 2010	Neutral	The Sex Discrimination Act requires local authorities to have due regard to the need to eliminate unlawful discrimination and harassment and to promote equality of opportunity between men and women. The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including gender, gender reassignment and pregnancy &

			<p>maternity, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>It is not anticipated that the proposals will have a disproportionate impact upon young people of either gender as the service remains equally available to girls / young women and to boys / young men. The service is also available to any young people who may be affected by gender reassignment and to other vulnerable groups of young people including teenage parents and pregnant teenage girls, for whom a key worker can be made available to enable them to access education and training provision.</p>
Race	<p>Race Relations Act 1976</p> <p>Race Relations (Amendment) Act 2000</p> <p>Equality Act 2010</p>	Neutral	<p>The Race Relations Act 1976 makes it unlawful to treat a person less favourably than other on racial grounds; it also provides protection from race discrimination in employment, education, training, housing and the provision of goods, facilities and services. The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including race, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>The school population of Lewisham is ethnically diverse with more than 73% of the borough's pupils being from black and minority ethnic groups. Any changes to support provided to schools needs to take account of the possibility of differential impact upon these groups of people. However, as has been mentioned in the "Age" section above, there is unlikely to be any significant change felt by most young people in the provision of universal careers advice, as schools and colleges will continue to provide this to all, including the option of purchasing additional support. It is therefore not</p>

			expected that there will be any disproportionate impact felt by young people of any specific ethnic group.
Religion / Belief	Employment Equality (Religion or belief) Regulations 200	Neutral	<p>The Employment Equality Regulations 2003 make it unlawful to discriminate directly or indirectly or to harass an employee on the grounds of their religion or belief. The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including religion or belief, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>It is not anticipated that the proposals will have a disproportionate impact upon young people of any specific religion or belief as the services will remain equally available and accessible to all.</p>
Sexual Orientation	Employment equality (sexual orientation) Regulations 2003 Equality Act 2010	Neutral	<p>The Employment Equality Regulations 2003 make it unlawful to discriminate directly or indirectly or to harass an employee on the grounds of their sexual orientation The Equality Act 2010 includes a public sector equality duty which comes into effect on 6.4.2011 and which requires public bodies to have due regard to (1) eliminating unlawful discrimination, harassment and victimisation on various grounds including sexual orientation, (2) advancing equality of opportunity between different groups and (3) foster good relations between different groups.</p> <p>It is not anticipated that the proposals will have a disproportionate impact upon LGBT young people as the services will remain equally available and accessible to all regardless of sexuality identity.</p>

5. Relevant data and research

5.1. Current provision

A government grant (£2,787,305 in 2010/11) currently funds Connexions services in Lewisham; this grant ceases on 31.3.2011 to be included at a reduced level in future within a new Early Intervention Grant .

The current funding is used to enable supplementary support to be provided to secondary schools and colleges in Lewisham to help them fulfil their statutory responsibilities to provide Information, Advice and Guidance (IAG) on careers and employment for all young people aged 12-18 in their institutions. The grant also provides targeted IAG for young people who are NEET or in danger of becoming NEET, and for learners aged 19 or over but under 25 with Learning Difficulties or Disabilities.

Lewisham has a three year contract (ending on 31.3.2011) worth £1,579,542 for Babcock PLC to deliver IAG in three main contract areas:

- *IAG to young people aged 13 – 19 years*. This supplements the universal careers advice that schools have a duty to provide to all their young people
- *targeted work on NEET reduction and prevention* for young people identified as at risk, support for young people to access learning and work, and re-engagement of those who drop out of education or training. Target groups include post 16 progression for looked after children and children leaving care, young offenders, teenage parents and parents to be, young carers and those young people not in school.
- *support for young people with learning difficulties and disabilities* in post-16 transition.

The remaining £1.2 million from the Connexions grant has been used by Lewisham to commission NEET prevention and reduction activities; some of this budget has already been subject to in-year savings during 2010-11.

5.2. Proposals for future provision

The government has announced that it intends to set up an all-age careers service by April 2012, to be in operation by September 2012. In Lewisham it is therefore proposed that from April 2011, available resources from the Early intervention Grant will focus solely on continuing to reduce the number of young people who are NEET, and that schools and colleges will continue to provide universal careers services.

Lewisham will implement a new NEET Reduction strategy which focuses on priority groups through an integrated model of delivery using Integrated Youth Support Service (IYSS) hubs:

a) young people over compulsory school age and under 19 years who are also vulnerable:

- looked after children and children leaving care
- teenage parents and parents to be
- young offenders
- young carers
- those not in school

These young people will receive a comparable level of support as in previous years with a key worker to enable them to access education and training provision.

b) all 13-19 year olds and 20-24 year olds who have a learning difficulty or disability (and including young people who have special educational needs).

These young people will be able to access a Personal Adviser, especially at points of transition.

5.2.1. Model of delivery

It is being proposed that the “hub and spoke” model that is currently used in delivering Youth support services is further developed to deliver the new Integrated Youth Support Service (IYSS) within which the NEET reduction service will be situated.

Within each hub there will be multi-disciplinary teams who will provide:

- Generic and targeted youth work
- Support targeted to specific groups of NEET and those who are vulnerable to becoming NEET
- Substance misuse support
- Midwifery support

Each of the hubs will link to a number of other youth facilities in six localities, and will call on a range of services for referral.

It is being proposed that the new service will expand upon the use of strategies which have already proven to be effective:

- *Mayor’s NEET Trainee programme.* This is a successful intensive eight week programme which includes volunteering; presentation and interview skills training; an outward bound course; personal development skills training.
- *Hi 5.* This project works with 14-19 years olds and delivers employability and life skills training and support
- *Work with Lewisham College and other post-16 providers:* to enable those not who are NEET to access education and training opportunities that start at different times throughout the year.

- *Apprenticeships*: improve current provision of Apprenticeships on offer, and make NEET young people aware of these as appropriate
- *Triage strategy*: continue to invest in this strategy to divert young offenders committing petty crime away from entering the criminal justice system and supporting them into training and employment.

5.3. Lewisham's pupil population⁹:

5.3.1. Details of the school population in Lewisham is detailed in the tables below; it can be seen that there are slightly more boys than girls:

<u>Pupil population</u>	<u>Number (Spring 2010)</u>
Male	18942
Female	18200
TOTAL	37142

5.3.2. Ethnicity of Lewisham's pupil population:

<u>Ethnic category</u>	<u>Lewisham Pupil population (%)</u>
Black African	13.5
Black Caribbean	17.5
Black Other	6.6
Total Black	37.6
Total Black and Minority Ethnic	74.3
Total White	33.8
White British	25.7
White Irish	0.6
Irish Traveller	0.1
Gypsy Roma Traveller	0.1
White Other	7.4
Asian	5.6.
Mixed Race	12.1
Chinese	1.3
Other	2.2
Unclassified / Unstated	3.4.

5.3.3. Children with Special Educational Needs

Numbers of children with special educational needs and percentages across each school type are indicated below:

⁹ Data supplied by LB Lewisham Children & Young People's Performance Unit

School Type	Non-statemented	Statemented	Non-statemented %	Statemented %
Nursery	22	0	10	0
PRU	9	15	5.7	9.4
Primary	4859	272	22	1.2
Secondary	2841	271	27.3	2.6
Academy	802	84	21.2	2.2
Special	105	494	17.5	82.5

5.3.4. Young People in Lewisham who are not in education, education or training (NEET)

Information from Babcock PLC indicates that over 15,600 interventions were carried out with young people in Lewisham during 2010. Of these interventions, 3,642 (23.2%) of contacts were made with young people not in Education, Employment or Training (NEET).

Table 1 : Interventions January 2010 – December 2010

Main Destination	Client Only Interview	Client & Parent Interview	Letter	Telephone Contact	E-mail contact	Grand Total	%
NEET	2424	158	3	1017	40	3642	23.2%
Post 16 education	4897	228	15	973	63	6176	39.4%
Work & Training	597	21		248	7	873	5.6%
Year 8	58	3				61	0.4%
Year 9	419	89		4		512	3.3%
Year 10	611	49		7	13	680	4.3%
Year 11	3138	349	8	212	27	3734	23.8%
Grand Total	12144	897	26	2461	150	15678	100.0%

Over 82% of the NEET contacts were held with young people aged 15-18 years, but a significant number were also held with young people aged 19+. 52% of NEET interventions were held with males and 48% with females:

Table 2: Interventions Jan – Dec 2010 by age and gender

Age	Male	Female	Grand Total	
15	24	22	46	82.6%
16	313	380	693	
17	767	634	1401	

18	455	415	870	17.4%
19	260	294	554	
20	32	7	39	
21	14	3	17	
22	11	2	13	
23	3	4	7	
24	2		2	
Grand Total	1881	1761	3642	
%	51.6%	48.4%	100.0%	

NEET interventions were carried out across the whole of Lewisham's ethnically diverse community. About 40% of these were undertaken with young people from black communities and 40% from white backgrounds. 10% were with young people from mixed race backgrounds and less than 6% from other communities:

Table 3: Interventions Jan – Dec 2010 by ethnicity and gender

Ethnicity	Male	Female	Grand Total	
Black African	159	137	296	40.6%
Black Caribbean	359	262	621	
Black Other	332	230	562	
White & Black African	21	22	43	10.4%
White & Black Caribbean	101	76	177	
White & Asian	11	26	37	
Mixed Other	46	74	120	
White British	515	655	1170	40.7%
White Irish	38	79	117	
Gypsy/Roma	6	1	7	
White - Other	109	79	188	2.8%
Bangladeshi	9	2	11	
Indian	4	2	6	
Pakistani	11	2	13	
Asian Other	52	20	72	0.3%
Chinese	4	7	11	
Other	40	62	102	2.8%
No Ethnic Info	49	19	68	2.4%
Refused to say	15	6	21	
Grand Total	1881	1761	3642	100.0%

Over 2,800 interventions (28%) were held with young people in vulnerable groups e.g. those leaving care, teenage mothers and young offenders under YOT supervision. Almost 60% of this group (1705) of vulnerable young people were those with learning difficulties and disabilities:

Table 4: Interventions Jan – Dec 2010 with those in vulnerable groups

Vulnerable Groups	Year 8	Year 9	Year 10	Year 11	NEET	Post 16 education	Work & Training	Grand Total	
Care Leaver				7	42	37	14	100	176 Care Leavers
Care Leaver/LDD				1	15	8	6	30	
Care Leaver/Supervised by YOT					4			4	
Care Leaver/Supervised by YOT/LDD					4			4	
LDD	6	171	99	410	264	573	71	1594	1705 LDD
Supervised by YOT		1	2	20	387	57	58	525	591 YOT
Supervised by YOT/LDD					43	5	3	51	
Teenage Mother				6	264	115	44	429	496 Teenage Mothers
Teenage Mother/Care Leaver					18	14	6	38	
Teenage Mother/LDD					18	4		22	
Teenage Mother/Supervised by YOT					3			3	
Teenage Mother/Supervised by YOT/LDD					4			4	
Grand Total	6	172	101	444	1066	813	202	2804	

About 29% of interventions were held with NEET young people in specific vulnerable groups:

Table 5: interventions Jan – Dec 2010 with vulnerable young people who are NEET

Vulnerable Groups	Male	Female	Grand Total	
Care Leaver	21	21	42	83 care leavers
Care Leaver/LDD Care	7	8	15	
Leaver/Supervised by YOT	4		4	
Care Leaver/Supervised by YOT/LDD	4		4	
LDD	209	55	264	348 LDD
Supervised by YOT	306	81	387	445 YOT
Supervised by YOT/LDD	42	1	43	
Teenage Mother		264	264	307 Teenage Mothers
Teenage Mother/Care Leaver		18	18	
Teenage Mother/LDD		18	18	
Teenage Mother/Supervised by YOT		3	3	
Teenage Mother/Supervised by YOT/LDD		4	4	
Grand Total	593	473	1066	

It is noticeable that a significantly higher number of young people with learning difficulties and / or disabilities who are seen by the service are male (66%):

Table 6: Interventions Jan – Dec 2010 with young people with disabilities by gender and ethnicity

Ethnicity	Male	Female	Grand Total	
Black African	104	51	155	42.9%
Black Caribbean	128	52	180	
Black Other	289	107	396	
White & Black African	14	4	18	7.8%
White & Black Caribbean	43	27	70	
White & Asian	5	4	9	
Mixed Other	18	18	36	
White British	418	212	630	39.6%
White Irish	7	3	10	

White - Other	14	21	35	
Bangladeshi	1	4	5	
Indian	4		4	3.5%
Pakistani	1		1	
Asian Other	30	19	49	
Chinese	10	13	23	1.3%
Other	18	17	35	2.1%
No Ethnic Info	31	5	36	2.9%
Refused to say	5	8	13	
Grand Total	1140	565	1705	100.0%

6. Consultation

LB Lewisham wrote to all Lewisham secondary schools and colleges in January 2011 to inform them of the proposals to amend the provision of careers education and guidance from April 2011. The letter advised that the LA will in future focus its resources on the reduction of the number of young people in the borough who are not in education, employment or training (NEET) and that it will no longer supplement the statutory duty of schools to provide general programmes of careers education and guidance.

LB Lewisham also informed schools, colleges and Babcock PLC of its intention not to renew or to re-let the contract with Babcock for the provision of Information, Advice and Guidance services from April 2011.

No responses from schools have been received to date from the letter, and no schools or colleges have indicated that they will be unable to meet their statutory duties in this area.

The local authority is planning to undertake a consultation with stakeholders on the proposals to implement a new NEET reduction strategy and to report to the Mayor on the results.

7. Assessment of impact and outcomes

This EIA has been conducted to ensure that, in considering the proposals, the Council has met its responsibilities under equalities legislation, specifically:

- ❖ The Sex Discrimination Act section 76, and the requirement to have due regard to the need to eliminate unlawful discrimination and harassment and promote equality of opportunity between men and women
- ❖ The Race Relations Act section 71 and the requirement to have due regard to the need to eliminate unlawful racial discrimination and to promote equality of opportunity between persons of different racial groups
- ❖ The Disability Discrimination Act section 49 and the requirement to have due regard to the need to eliminate unlawful discrimination, eliminate harassment of disabled people, promote equality of opportunity, take steps to take account of disabilities even when that

involves treating people more favourably, promote positive attitudes towards disabled people and encourage participation by disabled people in public life

In order to meet these duties, following the scoping of the assessment and identification of potential areas for discrimination, analysis of data and research and specific consultation, the assessment must check whether the delivery of the savings proposal –

- would lead to unlawful discrimination
- would have an adverse impact on one or more equality categories
- would mean that some equality categories are, or may be, excluded from service benefits
- would mean that some equality categories are disadvantaged

If an adverse impact is identified, then options for reducing that must be considered. If it were actually unlawful, then it would need to be changed.

These proposals should be seen in the context of the Council's duty to set a balanced budget. These savings proposals, alongside others to be considered at Mayor and Cabinet in February 2011 will help meet that legal requirement in 2011/12.

Lewisham Children and Young People's services are committed to ensuring that they promote equality and prevent discrimination across all their areas of responsibility. The current proposals have been developed to ensure that key programmes are retained to deliver effective support for vulnerable and underachieving young people.

The overall assessment is that these savings proposals may have some minimal adverse impact upon equalities groups but will not lead to unlawful discrimination; on the other hand, the proposals can be seen to provide some opportunities to positively promote equal opportunities.

- the proposals relate to services for young people and so will impact disproportionately on this age group. However, this needs to be seen in context of the whole package of savings proposals being considered by the Council where impact will apply across a whole range of groups.

- the proposals relate to services to Lewisham's population of young people which is ethnically diverse. 74% of Lewisham's school population are from black and ethnic minority communities and over 170 different languages are spoken by our pupils. Impact of the proposals will therefore be felt by these groups although no specific ethnic minority group will be disproportionately affected.

- it is recognised that a large proportion (60%) of young people in vulnerable groups who access Connexions services have learning difficulties and/or disabilities, and that of these, two thirds are male. Any changes to the service will therefore need to take account of this gender imbalance. The LA is clear

that these young people are included in the priority list of vulnerable groups and will be a focus of the NEET reduction strategy.

8. Action Plan

Full mitigation may not be possible and the proposals may have a negative impact upon some equalities groups. However a number of actions will be taken to reduce impacts where possible and are listed below. Implementation of the Action Plan will be co-ordinated and monitored by the LBL Children & Young People's Education Development division.

<u>Issue</u>	<u>Equality category</u>	<u>Recommendation / Action</u>
Quality assurance of IAG support	Disability / Age	Ensure that best practice techniques, information and systems are retained during the transition from the external service provider to the local authority's Integrated Youth Support Service.
Support for young males who have learning difficulties and/or disabilities	Disability / Gender	Retain focus to ensure sustained support for this group of young people, including those who are NEET or in post-16 transition.
Support for young males who have learning difficulties and/or disabilities	Disability / Gender	Establish effective systems to continue to monitor progress of this group of young people and work with partners to review interventions if required.

9. Formal agreement

The completed Equalities Impact Assessment will be signed off by Lewisham's Mayor and Cabinet during consideration of the budget savings in February 2011.

10. Publication of results

The EIA will be available as part of the reports on the budget savings proposals that are presented to Mayor and Cabinet on 17th February 2011.

11. Monitoring

The achievement of changes, amendments and recommendations arising from the EIA will be monitored through the Service Plan which will be endorsed by the Senior Management Teams of the Education Development and the Access and Support divisions.

MAYOR AND CABINET			
Report Title	Budget Strategy 2011-14 and Savings Options - Libraries		
Key Decision	Yes	Item No.	
Ward	All		
Contributors	Executive Director for Community Services		
Class	Open	Date:	17 February 2011

1 Purpose

On 14 July 2010, Mayor and Cabinet agreed to initiate a public consultation exercise on the proposals for budget reductions. This report sets out the outcome of that consultation and presents a recommended option for delivering financial savings within the Council's Library and Information Service.

2 Recommendations

The Mayor is recommended to:

- Note the budget strategy for the Library and Information Service as detailed in section 6.
- Agree the closure of Blackheath Village Library, Sydenham Library, Crofton Park Library, New Cross Library and Grove Park Library with effect from 28 May 2011.
- Request officers to pursue the potential for asset transfer to deliver community library services in the affected neighbourhoods, as set out in Section 12, and report the outcome in due course to Mayor & Cabinet.
- Return to Mayor and Cabinet with a full report on the process and the financial findings.

3 Policy Context

3.1 *Shaping the Future*, the Council's Sustainable Community Strategy includes the following priority outcomes which relate to the work of the Library and Information Service and reflect the Council's aspirations for the service:

- **Ambitious and Achieving** – where people are inspired and supported to fulfil their potential.

- **Empowered and Responsible** – where people can be actively involved in their local area and contribute to supportive communities.
- **Healthy, Active and Enjoyable** – where people can actively participate in maintaining and improving their health and wellbeing.
- **Dynamic and Prosperous** – where people are part of vibrant localities and town centres, well connected to London and beyond.

3.2 The Library and Information Service also contributes to the following Council Priorities:

- **Community leadership and empowerment** – developing opportunities for the active participation and engagement of people in the life of the community.
- **Strengthening the local economy** – gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
- **Active, healthy citizens** – leisure, sporting, learning and creative activities for everyone.

3.3 The Public Libraries and Museums Act 1964 makes provision for regulating and improving library services and set out the duty of every library authority to provide a “comprehensive and efficient library service for all persons desiring to make use thereof”. In addition to supervision, the relevant Secretary of State has the duty to “promote the improvement of those services generally”.

3.4 The Act also sets out that, in fulfilling its duties, a library authority should have regard to keeping adequate stocks of books, other printed matter, pictures, records, films and other materials in sufficient number, range and quality to meet the public’s requirements and the special needs of adult and children. Library authorities were enjoined to encourage and advise adults and children to maximise the use made of the services. The 1964 Act still governs the extensive public library network in the 21st century.

4 Background

4.1 The Council faces an extremely challenging financial environment, as set out more fully in the main budget report on this agenda. In summary, the reasonable working expectation before the announcement of the Comprehensive Spending Review (CSR) on 20 October 2010 was that net savings of £60m over the period 2011/12 to 2013/14 would be required, or approximately 25% of the Council’s service budgets. As at the date of despatch of this report, there is insufficient detail available on the announcements in the CSR to be completely certain of the precise local impact. However, nothing in the CSR announcements has caused officers to make fundamental

- changes to their financial planning assumptions for the Council over this period.
- 4.2 In this context all service budgets have been closely examined to identify opportunities to reduce net costs. Officers across the Council have approached this task with the assumption that savings on this scale cannot be delivered without significant impact on the services being delivered. However, throughout the process, officers have also sought to find new ways of delivering services that will preserve and, if possible, enhance their core features in order to maximise the overall impact on the total service offer.
 - 4.3 At the meeting of the Mayor and Cabinet on 14 July 2010, the Mayor endorsed the Council's financial survey 2011/14. He further instructed officers to develop and consult on the options for savings in Phase 1 detailed in the report, and to report back with proposals in November 2010. This report complies with the request. It is set out in much fuller detail than some other budget proposals because of the complexity of the issues and the degree of public concern and engagement.
 - 4.4 Following on from the meeting of 14 July 2010, officers set up a series of public meetings about the future of the Library and Information Service. These meetings were very well attended and have contributed significantly to consideration of the proposal and the options set out in this report. Nationally, library services are held very dear by many citizens who have a strong sense of their history as one of the principal achievements of late 19th century municipalism. They have a strong belief that they offer a highly valued service today. The sense of history is important in this context: it has left the Council with buildings which are not necessarily appropriate for the delivery of a modern library service, albeit that some of them are well-respected examples of local architecture in their own right.
 - 4.5 The public library service is very different today from that offered when it was first established, or indeed from that offered in even the latter part of the 20th century. However, the core function of the service, linked to self-improvement and access to services and information, is very much alive. Libraries are still a place where books may be borrowed, although nationally issues are in decline. Modern libraries also offer access to the Internet, a range of other media that may be borrowed or accessed (including eBooks), and they are increasingly used as a community facility, for example for story-telling and other activities for children and families.
 - 4.6 The Library and Information Service budget for 2010/11 is £5,919.3k and currently supports a network of 12 libraries, the Library Resources Centre, the home library service, the Local Studies Centre and the Borough Archive. The Service employs a total of 179 staff, the equivalent of 96.6 FTEs.
 - 4.7 Current opening hours for the Service are set out at Annex 1.

4.8 In the past four years, the Council has put substantial investment into the Service as detailed in 4.9 below. However, capital investment in the CSR has been the subject of some of the most significant cutbacks at national level. Since the Council's own capital programme is fully committed to at least 2012/13, the CSR announcement suggests that future finance to the programme could be placed at risk. It is therefore unlikely that any substantial future capital investment could be secured, although officers will continue to explore options for making use of Section 106 funding.

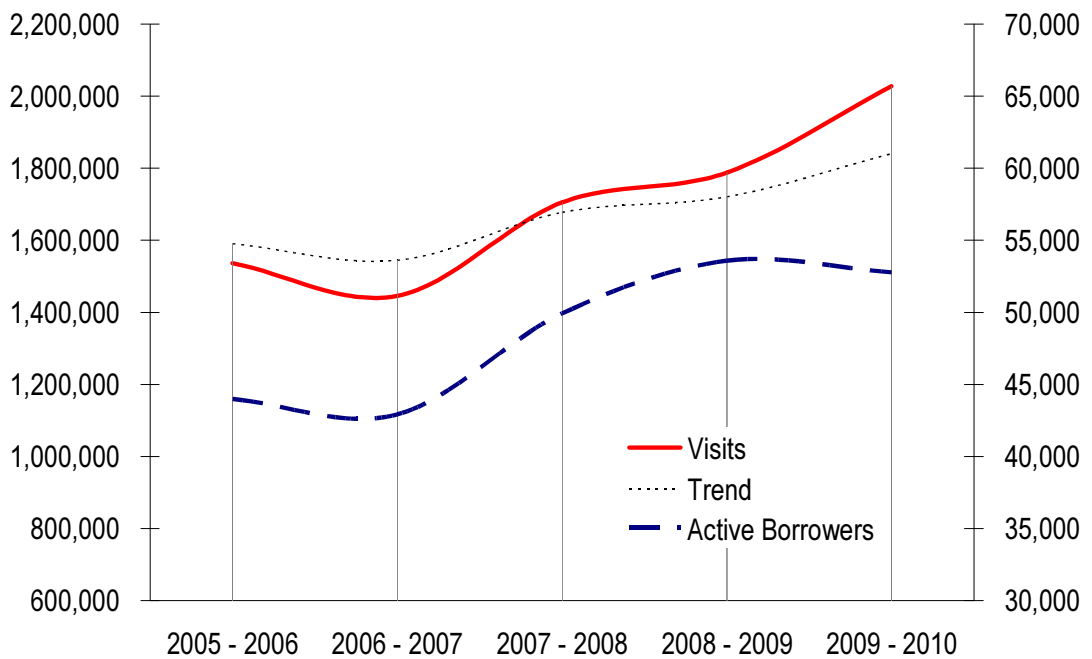
4.9 Library investment matrix

Library	Date	Capital *	Description
Downham	2007	£423k	Downham Health and Leisure Centre – PFI redevelopment including library, leisure centre, community hall, doctor surgeries, café, crèche, outdoor spaces and parking facilities.
Forest Hill	2007	£1m	Refurbishment of the library building and DDA compliance of ground floor spaces.
Manor House	2009	£401k	Refurbishment of the building to include a library, Children's Centre, hireable spaces, remodelled parking and full DDA access.
Catford	2010	£75k	Introduction of self-service facilities.
Lewisham	2010	£150k	Introduction of self-service facilities and redesign of the ground floor.
Torridon Road	2011	£75k	Refurbishment and extension of the building to include a library, Children's Centre, hireable spaces, full compliance with DDA access and self-service facilities.
Deptford	2011	£500k	Redevelopment of the site to include a new Tidemill Primary School, public library, facilities for adult learning, third sector provision, Access Point service, hireable spaces, café and full DDA

			compliance.
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* These amounts relate to the library component with the scheme.

- 4.10 These investments have transformed the Service by improving the book stock, introducing Radio Frequency Identification (RFID) that allows the use of self-service terminals, extending the opening hours, improving the deployment of staff, and creating new spaces and opportunities for residents. These libraries have dedicated areas for young people, flexible spaces for children and families, projection facilities, improved technology and life long learning facilities. The use of RFID in particular has freed up staff time to facilitate the role of library staff who, as trusted and impartial brokers, provide unbiased access to resources, expert advice and support.
- 4.11 This investment has improved the overall performance of the Service. Visits and issues are the standard measures of satisfaction and public engagement. The table below shows the performance of the Service between 2005/06 and 2009/10.



* Figures are recorded as at the end of the financial year.

- 4.12 There is a clear correlation between the previous capital investment and the performance of the libraries. Since it is not possible in the current financial climate to deliver additional capital investment to other library buildings, the Service must consider its options based on the assets in place.

The Library and Information Service Strategy

- 4.13 In May 2008, the Mayor’s Commission on Libraries and Learning was established to identify and respond to the challenges and opportunities

faced by the Borough in developing library and adult learning services across Lewisham. The Commission's recommendations have laid the basis for the Library and Information Service's strategic direction.

4.14 Lewisham's libraries have defied national trends by increasing visitor numbers and loans. The Council therefore aims to continue to maintain library services in the Borough and expand their scope and flexibility. This includes, where resources allow:

- Establishing self-issue as the standard to aim for in all Lewisham libraries, but without compromising opportunities for the public to interact with library staff.
- Establishing a 7 days a week service as the standard to aim for in all Lewisham libraries.
- Future-proofing the design of new buildings to promote flexible spaces capable of supporting a range of uses.
- Enabling service users and local communities to have a greater involvement in the design and delivery of library services and the use of library buildings.
- Extending and enhancing virtual services offered through the website and elsewhere, while recognising that not everyone accesses services in this way.

4.15 The Commission considered the future of the twelve libraries and recognised the difficulty of attracting investments for each library - *"Modernising the entire network of libraries is not achievable within existing spending plans and challenges will therefore remain for a number of the other library buildings. In responding to the challenges faced by older building all options should be considered including relocating to alternative buildings, refurbishing buildings, co-location with other services, selling or redeveloping buildings and reinvesting resources."*

4.16 A further recommendation of the Commission was to develop library services that are not dependent on council buildings for service delivery. In response, the Library and Information Service has been working to develop the following partnerships

- Elfrida School is hosting Books for Bellingham, run by the local community and supported by the Library and Information Service
- Honor Oak Community Centre is proposing to run a community library with support from the Library and Information Service and local volunteers.
- In November 2010, Pepys Resource Centre, run by Eco Computer Systems in partnership with Hyde Housing, will open and run a community library with support from local volunteers and the Library and Information Service.

4.17 The Service supports this network of community based provision by providing up to date stock, delivering professional input on the quality

of the stock and services available, organising activities and book promotions, training partner organisations, offering technical services such as access to online information resources. It is hoped that there will be an opportunity to introduce self service terminals in these neighbourhood facilities.

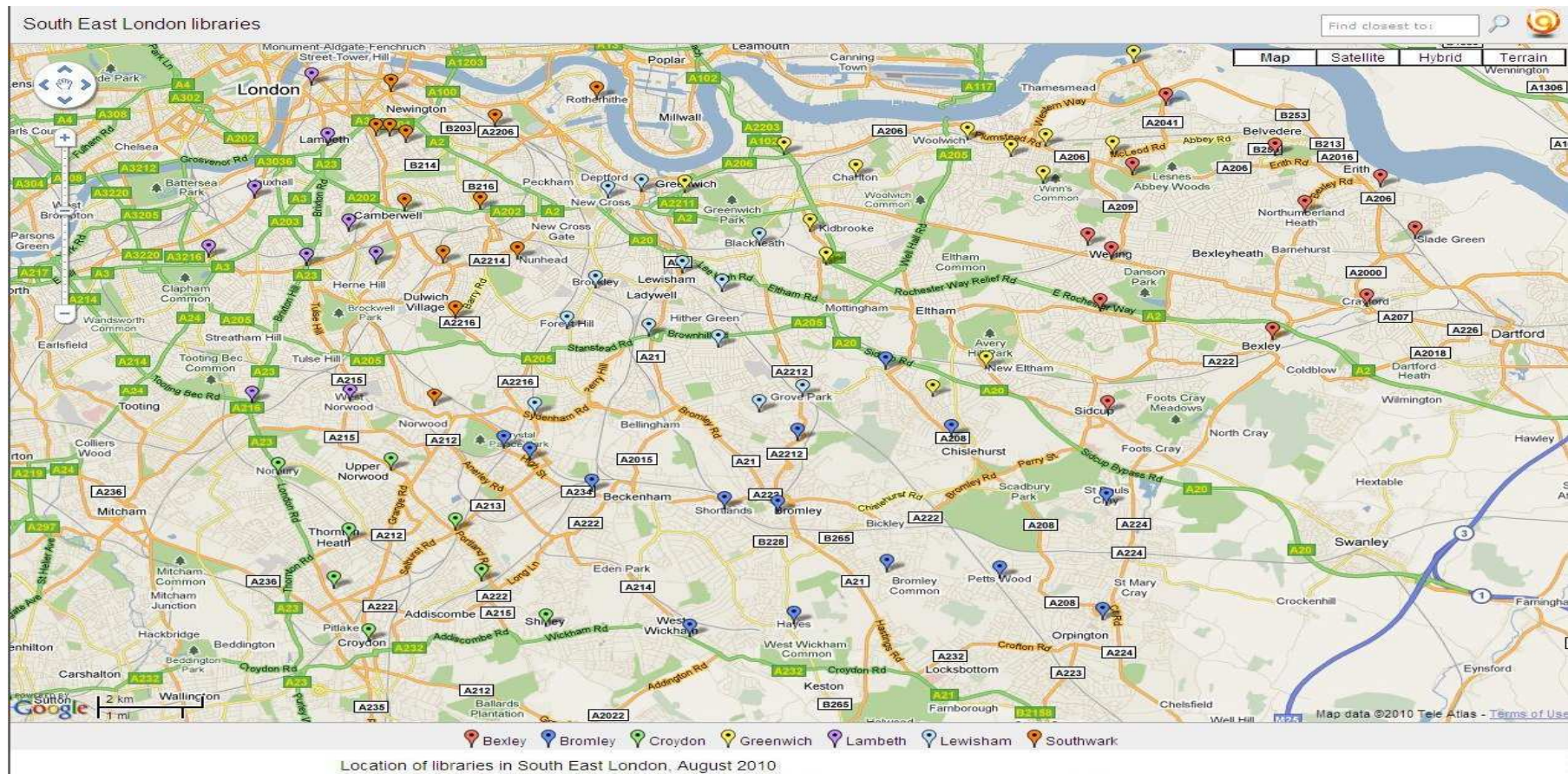
5 Service Remodelling

- 5.1 The Service is working to position itself at the core of Council provision, integrating its services with the new Council website, linking up more closely with Oracle, the financial system and linking the new Library Management System to the Council-wide Customer Relation Management System. This will result in libraries being one of the main points of access into Council services, particularly through the one card approach being adopted by Library, Leisure and Cultural Services.
- 5.2 One of the key recommendations (Recommendation 10) of the Mayor's Commission focuses on the promotion of joined-up work. This is why the Service is working to position Lewisham as the benchmark for library provision in a wider regional context. Lewisham has been working with Bromley and Bexley to develop London Requests, a service that is delivering Inter Library Loan Services across three boroughs. The scheme now includes Croydon and is due to expand to include two more London Authorities by March 2011. The three original boroughs are also implementing a 'joined up' Bibliographic Services Unit that will be based at the Library Resource Centre in Hither Green.
- 5.3 Lewisham has now joined the London Library Consortium (a pan-London grouping of 12 Library Authorities – soon to be 14) who share one Library Management System as a basis for further collaboration in book acquisitions, bibliographic services, Inter Library Loans and performance evaluation.
- 5.4 From April 2011, Lewisham residents will have a library card that will enable them to borrow a book in more than 100 libraries across London, access any library service such as public access computers for free in 12 London boroughs and request books from 16 different London library services. Lewisham is leading on a bid on behalf of seven south east London boroughs to win additional resources from the Department for Culture, Media and Sport (DCMS) for the Future Libraries Programme. Bexley, Bromley, Croydon, Greenwich, Lambeth, Lewisham and Southwark will look at opportunities for closer collaborations that will enable improved services and reduce costs. A report and action plan – due for submission to the DCMS in January 2011 – will offer a model of collaborative solutions for the whole of London.
- 5.5 The work that Lewisham is promoting across south east London dovetails with the initiative sponsored by Capital Ambition through the

London Library Change Programme which is part of the wider London Cultural Improvement Programme.

- 5.6 In line with the recommendations of the Mayor's Commission, the Service is therefore moving to remodel itself into one that will continue to provide an excellent service to residents for the foreseeable future.
- 5.7 However, in order to sustain the improvements while delivering substantial reductions in revenue costs the Service has to consider how current resources are deployed and what services are necessary to sustain quality provision for Lewisham residents.

5.8 Map of Library provision in south east London



This map shows the location of public libraries in the South East London region, including Bexley, Bromley, Croydon, Greenwich, Lambeth, Lewisham and Southwark.

6 Rationale for Savings Proposals

- 6.1 The Library and Information Service net budget for 2010/11 is £5,919.3k. This figure includes a controllable budget of £4,433.3k. This figure excludes the property related costs managed within the Property Services budget held by the Regeneration Directorate. In line with the Council's budget strategy all services have been tasked with identifying savings over the period 2011/12 to 2012/14. A number of factors may influence the way in which the percentage saving is calculated for the individual services, including the savings that a smaller percentage can realise if applied in year 1 and the different cost bases of each budget to which the savings are applied.
- 6.2 The budget for the Library and Information Service is broadly set out below.

Staff costs	£3,780.4k (£3,400.4k current base budget plus a further £380k in respect of Single Status costs)
Book Fund	£483.2k
Other running costs	£448.7k
Property costs (not managed under the Council's financial accountability framework within the Library and Information Service, but clearly relevant)	£537k (This figure includes £81k for building cleaning costs)
Other corporate overheads (support service costs and capital charges) not controllable within the Library and Information Service	£1,486k
Income	£(279k)

Budget figures are based on 2010/11 revised budget at October 2010.

- 6.3 In theory, a wide variety of options within the Library and Information Service could be considered. However, an analysis of costs demonstrates the constraints. The key considerations are set out below.
- a. Charges could be increased. However, income budgets account for only 6% of the total gross controllable budget and could not reasonably make a sufficient contribution materially to affect the overall strategic choices available. If fines for late returns and charges for borrowing those items which are currently chargeable were doubled, the additional income raised would not exceed £279k, even if the number of fines and the level of borrowing activity was unchanged as a result. The Council will separately consider whether such charges should be increased but as the financial impact of this cannot affect the overall strategic analysis it has been excluded from further consideration in this report.

- b. The book fund is, in economic analysis, an entirely variable cost. More or less can be spent without the need to consider, for example, contractual commitments or other matters that might limit the flexibility of the service to deliver savings. However, for the purposes of this analysis the book fund has been excluded. This does not preclude subsequent decisions to make savings in this area. This decision to exclude it from this analysis reflects a conscious management objective to maintain a high quality library service, albeit centred around fewer buildings than is currently the case. Indeed, the suggestion to maintain some library services in areas where closures are proposed is based on the principle of maintaining a book offer in each neighbourhood. Therefore, significant reductions to the book fund would not be considered consistent with this strategic objective. The options in this report could be amended, if it were so decided, by including savings from the book fund.
 - c. Of the remaining costs (including property costs), 78% are attributable to staffing costs. Plainly, any material savings must therefore focus significantly on these staffing costs.
 - d. The other cost element (except those items set out above) include the operational running costs relating to the Service and would not deliver significant savings.
- 6.4 Buildings and staffing are inter-connected in a service such as libraries. Decisions about the number of premises from which to operate will impact on decisions about the staffing needed to deliver the service.
- 6.5 In terms of presenting options, officers considered two options, namely reducing staffing levels and the number of buildings by five (which is the recommended option) or a second option of reducing staffing levels and maintaining the current number of buildings.
- 6.6 In addition, officers have considered different delivery models including joining up with other library authorities or the outsourcing of the service provision to commercial providers. In relation to the first consideration, it was judged that this approach would not deliver the level of savings required in the timescale available and would possibly incur additional costs. In relation to the second, Lewisham has considered the implications and sufficient information on the market is not available at this time. However, officers will continue to explore these models.

Option 1: Reducing the number of current buildings by five and reducing staffing levels

- 6.7 The table below shows that seven libraries will deliver 415 opening hours per week, a reduction of 149 hours on the current 564. To set this in context, the Service offered 417.5 opening hours per week in 2006 – 2007. However, the reduced number of hours excludes the

hours that a developed network of Community Libraries could provide. This could deliver up to 280 additional hours per week, which would make library services available for 695 hours per week, an increase of 23.2% on the current offer.

Library	Current	Proposed
Blackheath Village	31.0	0.0
Catford	54.0	54.0
CroftonPark	36.0	0.0
Deptford	53.0	53.0
Downham	80.0	80.0
Forest Hill	66.0	66.0
Grove Park	26.5	0.0
Lewisham	61.0	61.0
Manor House	65.0	65.0
New Cross	25.5	0.0
Sydenham	30.0	0.0
Torridon Road	36.0	36.0
Total	564.0	415.0
Variance on current (%)		-26.4%
Variance on current (hours)		-149.0

- 6.8 Closing any of the Catford, Downham or Wavelengths facilities does not make strategic sense. These are large buildings that include libraries in which the Council has invested significant resources. Closing the library services here would not significantly alter the running costs of the entire facility and would simply leave the Council with vacant space with no particular use to be applied to it. Similar considerations apply to Manor House where the income figure includes hire of rooms.
- 6.9 The central library in Lewisham has a different cost base to those of other buildings and provides additional services such as the reference collection, the Local Studies Service and the Archive. It therefore does not make strategic sense to close this building as these services are ones that the Council would always want and has a legal duty to provide.
- 6.10 The table below shows the combined 2009/10 premises related costs incurred by both Property Service and the Library and Information Service in relation to each library building. These figures exclude staffing and other operational costs and relate solely to premises related expenditure and income. Figures for Catford and Downham libraries do not appear because these libraries are part of larger multi-use buildings and it is not possible to isolate the specific cost of the library.

Library	2009/10 Premises Costs	2009/10 Premises Income	Net cost	Weekly opening hours	Cost per opening hour	Rank
	a	b	a+b			
Blackheath	£119,826	-£1,952	£117,874	31.0	£73.12	1
Crofton Park	£31,314	0	£31,314	36.0	£16.73	8
Grove Park	£30,377	0	£30,377	26.5	£22.04	4
New Cross	£27,542	0	£27,542	25.5	£20.77	5
Sydenham	£30,979	0	£30,979	30.0	£19.86	7
Forest Hill	£50,157	-£878	£49,279	66.0	£14.36	9
Lewisham	£139,135	-£6,550	£132,585	61.0	£41.80	2
Manor House	£72,681	-£42,855	£29,826	65.0	£8.82	10
Torrison	£43,663	0	£43,663	33.5	£25.06	3
Wavelengths	£63,886	-£7,179	£56,707	53.0	£20.58	6

- 6.11 The choice of buildings therefore is reduced to Blackheath, New Cross, Torrison Road, Sydenham, Grove Park, Crofton Park and Forest Hill. Of these, Forest Hill is clearly the cheapest in running costs and performs well, and so has been excluded from further analysis.
- 6.12 Torrison Road is currently subject to major refurbishment and extension to accommodate a Children's Centre and improve the library facilities. For these reasons closure is not proposed.
- 6.13 Taking into account the above analysis including the investment needs of the buildings, the proposal is to close five library buildings (Blackheath, New Cross, Sydenham, Grove Park and Crofton Park) with effect from 31 March 2011 and to model service delivery on the remaining seven buildings.
- 6.14 This option would deliver a saving of £755k within the direct Library and Information Service budget, which will enable further savings of £240k (based on 2009/10 actual costs including building cleaning contract costs) within the Property Services Budget. The total saving for the Council associated with these proposals is therefore £995k.
- 6.15 This option allows the Service to restructure and operate, with a reduced staffing complement, from fewer buildings.
- 6.16 Of these savings £0.205m would be delivered within the head office function, or 27% of the budget in this area, mostly at the more senior grades. Within the central delivery services the savings are £0.350m, or 38% of the current budget. The balance of £0.5m will come from library staff, or 20% of the current budget. Savings here will principally be achieved at the area manager tier of management and the FTE requirement for library assistants and senior library assistants will be almost unchanged. This is consistent with the strategic objective of delivering an enhanced service from seven key locations and consistent with the Council's overall objective of minimising the impact on the front line of service delivery.

6.17 The proposals for this option are laid out as though the community asset transfers set out in section 13 can be achieved and that continued library provision is achieved at each of the current 12 sites. However, it is important to understand that this option is still capable of practical implementation if some or all of these transfers cannot be achieved. The extent to which successful community asset transfers can, or cannot, be achieved under this option does not significantly impact on the ongoing financial appraisal of each option (although it does affect the transitional costs, as more fully set out in section 15 of this report).

Service Delivery Structure

6.18 It is proposed that libraries will be grouped in three distinct areas as follows:

	Hub Libraries	Community Libraries
Area 1	Wavelengths (Deptford)	Pepys New Cross
Area 2	Manor House Lewisham	Blackheath Honor Oak Crofton Park
Area 3	Catford Downham Torridon Road Forest Hill	Bellingham Grove Park Sydenham

6.19 Area 1

Area 1 will include Forest Hill and Wavelengths. Two Community Libraries will be included in Area 1, based in Evelyn and New Cross.

Area 2

Area 2 will include Manor House and Lewisham. Three Community Libraries, based in Blackheath, Honor Oak and Crofton Park, will be included in Area 2.

Area 3

Area 3 will include Catford, Downham, and Torridon Road. Three Community Libraries, based in Bellingham, Grove Park, and Sydenham, will be included in Area 3.

6.20 It is proposed that the number of library buildings will reduce from 12 to 7. However, the number of library service points in the Borough may increase from 12 to 15. Alternative provision can be developed to

service Blackheath Village, Crofton Park, Grove Park, New Cross and Sydenham.

Library Area

- 6.21 Each Area will have a similar staffing structure. Area Managers will be responsible for the day-to-day management of the libraries and will be supported by the Librarians who, while directly reporting to a Service Development Manager, will contribute to the staff management and supervision on site. In addition each area will have a number of Senior Library and Library assistants.
- 6.22. The proposed staffing structure is sufficiently flexible to support any combination of the five libraries being successfully developed in line with the community model, since any libraries transferred to the community will be staffed by volunteers, or otherwise provided by community groups with no ongoing responsibility for staffing costs resting with the Council. The ongoing financial costs of option 1 are essentially similar regardless of whether some, none or all of the five transfers take place.
- 6.23 The libraries would be identified in different ways according to their strategic function.
- The Hub Libraries would have direct (shared) responsibility for the area.
 - The Community Library, an extension of the hub into the community, would represent a simple library presence that includes a limited amount of stock and reduced opening hours. It is run by an anchor organisation (of volunteers, residents, or a combination of the two) on a self service basis. Library staff visit at regular intervals to run specific activities and support and promote the usage of the library.
 - Further outreach offer would be based on a peripatetic approach and involves library staff, volunteers and partner organisations.

Option 2: Maintaining the current number of buildings with reduced staff

- 6.24 Officers have modelled the delivery of library services from 12 buildings with a reduced staffing complement. This would result in a substantial loss of opening hours in the top seven libraries and the loss of access to much improved facilities and resources.
- 6.25 This option would significantly impact on the quality of services. Officers report the following among the highly likely effects of running 12 libraries on reduced staff:
- Increased unplanned closures
 - Much reduced programmes of activity in all libraries

- Substantial closure of well equipped facilities in favour of dilapidated buildings
- Risk of building failure in premises in poor condition
- Increased Health & Safety risks for staff and public
- No savings realised for other departments, including Property Services, Technology & Transformation.
- Increased number of redundancies
- Increased transport costs
- Reduced cover for leave and sickness across 12 branches

6.26 Furthermore, it can be demonstrated that distributing staff across 12 libraries will decrease the total number of opening hours and will demand further flexibility in staff deployment. A fuller reasoning is offered in Annex 2. If the proposed complement can sustain 415 opening hours in the seven libraries, distributing the staff across 12 branches will result in 361 opening hours, a further loss of 54 hours per week (a total reduction of 36% on the current offer).

Conclusion from Options

- 6.27 In arriving at the recommended option officers have been mindful that
- a. the Council has invested substantially in seven library buildings that offer exceptional services and which are regarded as models of good practice in library provision.
 - b. some of the five library buildings proposed for closure require substantial attention or carry significant running costs, and at present cannot attract investment and modernisation.
- 6.28 It is recognised that Option 2 maintains a library facility in 12 separate localities. It acknowledges the value that the community places on its local library facility, and how each facility provides a valuable local resource. However, given the need for a reduction in staffing levels to deliver the expected savings, retaining all 12 library facilities would result in a significant reduction in opening hours as detailed in Annex 2.
- 6.29 In order to meet the savings target the Service is therefore proposing to redistribute the staffing resource across 7 buildings rather than 12 which would release additional resources in maintenance and running costs estimated at £240k per year. Additional savings are anticipated through a reduced need for IT support services.
- 6.30 By retaining the longer opening hours at the seven key sites, the Council can focus on delivering a high quality library service from the remodelled sites, ensuring maximum value from its capital investment in the service and ensuring that libraries have the capacity to continue to support and develop alternative forms of service delivery throughout the Borough.

7 Property Information regarding the Five Libraries

- 7.1 The following paragraphs set out the key property information for each of the five libraries where closure is being considered.

Blackheath

- 7.2 The premises costs of the building are relatively high as a result of the lease. This is for a period of 15 years, from 28/01/08, with initial rent of £75k pa, and rent reviews in 2013 and 2018. The lease is on a full repairing and insuring basis which will incur additional expenditure during the term and dilapidations at the end of the lease. Should the Mayor agree to close the library it may be possible to assign the lease to a third party and informal discussion with a local agent indicates that this has some potential. The Council will need to act as guarantor on any assignment.

Crofton Park

- 7.3 This library was designed by the same architect as Sydenham library and built in the early part of the 20th century. The first floor is unused and has been for a number of years and there is evidence of extensive rain water penetration due to the state of the roof which is in need of replacement. Repairs are needed to the first floor and the electrical and heating systems and these are estimated to cost circa £200k. These are based on a visual inspection not on a detailed survey or a specification priced by a construction company. Interest has been expressed from a voluntary and community sector in using the building and, should the Mayor agree to close the library, alternative uses could be explored by officers.

Grove Park

- 7.4 The library is a prefabricated building sited on Metropolitan Open Land. The building is in poor condition and requires significant investment. The flat roof needs to be replaced and other condition-related work is required including improving the heating system that, based on a condition survey carried out in 2008, would cost circa £230k. Voluntary and community sector organisations have expressed an interest in using the building and, should the Mayor agree to close the library, this could be explored by officers. However, the planning conditions relating to this site (Metropolitan Open Land) may make it very difficult for community organisations to raise funds.

New Cross

- 7.5 The building is part of the Lewisham Homes estate, and it is accounted for in the Housing Revenue Account, with the ground floor and basement used by the library service. The basement is used as a store for the Borough's local history collections. The building is dilapidated

but structurally sound. Should the Mayor agree to close the library, it should be possible to lease the building as there has always been interest in this area for premises and it should be easily marketable. The only vacant managed shop in the area is currently under offer.

Sydenham

- 7.6 The library was built in the very early years of the 20th century and has been unsympathetically adapted over time. It is in relatively poor condition, the estimated cost of the repair work required to the building is circa £250k based on a visual inspection only. The roof leaks and is in poor condition as the underlying timbers have rotted. In addition, the plaster work has suffered as a result of rain water penetration. The estimated costs are not based on a detailed survey or a specification priced by a construction company.

8 Public Consultation

- 8.1 Engagement activity is a core part of the Council's business. It is a tool through which policy and decision making can better reflect the priorities and aspirations of citizens. It ensures that services are better positioned to meet the variety of needs that exist in a diverse borough such as Lewisham. Through effective engagement, local citizens and communities can play an active role in determining local agendas.
- 8.2 Consultation related to the budget proposal for the Library and Information Service has comprised a number of different activities. Citizens have made their views known through existing avenues of consultation and engagement, for example through council questions and direct correspondence with the Council. In addition, Lewisham has undertaken specific consultation activity with the wider public and with stakeholders and interested parties from each of the neighbourhoods potentially affected by this proposal. The different sources of activity and information which this report draws upon and the key messages arising from this activity are summarised below. A full copy of the consultation report has been attached as Annex 3 and the notes of each of the public meetings are accessible on the Council's website.
- 8.3 **Public meetings:** The Council conducted two public meetings for each of the libraries proposed for closure as a result of the restructure. The first round of public meetings consisted of a presentation from the Executive Director for Community Services, which set out the financial context, the consultation process, the particular reasons why each library had been put forward as part of the restructure and the timescales and political process by which the decision would ultimately be made. At each second round meeting, the rationale for the restructure of the Library and Information Service was repeated for the benefit of those people who had not attended the first meeting. Question and Answer sessions were conducted and then presentations were invited from organisations or citizens who had expressed ideas as

to what might happen to the facilities if the decision was taken to remove the library services. At each of the second round meetings, attendees were also presented with information on the demographics of that library's users and encouraged to consider the potential equalities impact of the removal of the service.

- 8.4 Key messages, concerns and queries raised at each of the public meetings comprised:
- a) Unanimous support for retaining all 12 library services
 - b) Disagreement with the rationale for selecting library facilities for closure
 - c) The wider impact of closing the library facility on the community needed to be considered
 - d) The Council ought to oppose the cuts in their totality
 - e) Consideration needed to be given to the impact on schools and young people
 - f) Questions as to why the library facilities had not been sufficiently well maintained
 - g) Questions and scepticism around proposals for alternative provision
 - h) Questions regarding the validity of the consultation
 - i) Questions as to whether facilities could be kept open if opening hours across the service were to be cut
 - j) Questions on the impact of the proposal on Library and Information service staff
 - k) Questions with regard to the potential for income generation within the Library and Information Service
 - l) Questions as to whether savings could be found from other services
 - m) Comments that the savings ought to be found by cutting waste, reducing senior management pay and no longer employing consultants.
- 8.5 **Our Lewisham, Our Say:** Overall, more than 2,000 citizens took part in 'Our Lewisham, Our Say', 996 of whom completed the survey. The key messages emerging from 'Our Lewisham, Our Say' were that the Council should protect spending on services to the most vulnerable, that it was OK for the Council to reduce funding in some areas, but only those where the Council spends relatively small sums, that people were prepared to pay more for services, and that businesses could do more and the Council could help people to do more.
- 8.6 The response to the specific question on the Library and Information service showed that:
- 28.99% of respondents felt that the borough does not need as many libraries as it currently has and that a reduction in service was OK
 - 25.78% of respondents would pay more for some of the service provided in libraries in order to maintain the current level of service
 - 21.53% of respondents felt that the Council should continue to provide the current level of service and look for cuts elsewhere

- 10.77% of respondents indicated that they would be prepared to help out in their local library in order to keep it open
- 8.7 **Petitions:** Five public petitions have been received from Grove Park (1076 signatures), Crofton Park (5161 signatures), Blackheath (4467 signatures), Sydenham (3700 signatures) and New Cross (1700 signatures), a total of 16,104 signatures. At the time of writing, 1737 people had responded to electronic petitions. Officers understand that further petitions will be presented on 17 November.
- 8.8 **Council questions:** At the Council meeting on 23 September 2010, 20 questions were made in regard to the restructure of the Library and Information Service. Five of these were made by Councillors and the other 15 by members of the public.
- 8.9 **Letters and e-mails:** As of 28 October 2010, 217 pieces of correspondence had been received by the Council in relation to the library proposal. There were documented replies to all letters and e-mails.
- 8.10 Almost all the correspondence made clear the correspondents' strength of feeling in protesting against the proposed closure of the libraries. The predominant reasons for opposing the closures were concern for the community as a whole, for schools and young people, and for the elderly. Most letters referred to the role that books play in supporting literacy and leisure. Library staff, events for families and IT services were all regularly referenced as areas of good practice. In relation to Sydenham library, a number of pieces of correspondence made reference to the impact the closure of the facility might have on the safety of both the residents and property. In New Cross, themes raised included social inclusion and provision for impoverished residents. A recurrent theme in Sydenham and Crofton Park was the heritage of the building. Many correspondents, especially in Blackheath and Grove Park, mentioned lack of transport to other libraries as a serious concern.
- 8.11 Response to key issues raised in the consultation.

Unanimous support for retaining all 12 library services

The strength of feeling expressed by the local community in support of their local libraries is acknowledged. Having considered different operating models and means of achieving a 25% saving, officers still consider that the closure of the five library facilities is the only way to make the saving while still maintaining an effective and good-quality library service, able to meet the diverse needs of Lewisham's citizens.

Disagreement with the rationale for selecting library facilities for closure

The libraries proposed for closure are those that have not been modernised and now there is not the funding to do so. There has been a programme over the last 5 years of modernising the buildings and modernising the service within the buildings, such as installing self-service, extending opening hours and improving the stock. The programme is three-quarters complete. Torridon Road and Deptford still to follow.

The wider impact of closing the library facility on the community needed to be considered

The closure of library facilities will have an impact upon local communities. The Equalities Impact Assessment (attached as Annex 4) conducted on this saving proposal has identified the possible negative outcomes, as has public consultation activity. Action to mitigate these impacts includes the work underway to develop alternative provision and community libraries.

The Council ought to oppose the cuts in their totality

The Council has a responsibility under law to ensure that it balances its books. Just 10 per cent of the Council's funding comes from Council tax and the rest comes from the Government. The Council needs to plan for possible changes to that funding.

Consideration needed to be given to the impact on schools and young people

The Equalities Impact Assessment conducted on this proposal identifies that the closure of these library facilities may have an adverse impact on young people. The action to develop alternative provision will mitigate this impact to some extent. Schools have been directly involved throughout the consultation process and in the discussions around alternative provision. Specific feedback from discussions with schools is outlined in section 11 of this report.

Questions as to why the library facilities had not been sufficiently well maintained

Funding for building maintenance and repair has to be prioritised, given the number of properties to be maintained and the need to ensure Health and Safety. There is no additional funding available to bring all buildings up to the same high standard. Where library buildings have been modernised, this has been delivered through the Council's capital programme, central government funding, PFI and regeneration development funding.

Questions and scepticism around proposals for alternative provision

The concerns and scepticism expressed around alternative provision, particularly in light of the strong campaign to ensure that all 12 library services remain open, have been recorded. The majority of attendees at the public meetings questioned the role that volunteers would play in any alternative provision and, in general, they felt that the presence of a full time library staff member was essential to the delivery of adequate services.

Questions regarding the validity of the consultation

Officers have conducted a wide-ranging consultation exercise, including two rounds of public meetings, conversations with residents and local assemblies through the 'Our Lewisham, Our Say' exercise and feedback from petitions, letters and e-mail correspondence. All correspondence with the Council has received a response. The results of this consultation activity have been summarised in the separate consultation report, to inform the decision by the Mayor. This consultation report is attached as Annex 3.

Questions as to whether facilities could be kept open if opening hours across the service were to be cut

With regard to reducing opening hours across the Service, alternative options have been considered and the conclusion drawn that such an approach would not be able to deliver an effective service for the borough and its citizens and would fail to take advantage or maximise the benefits of the facilities available in the seven library facilities not proposed for closure. The model of all buildings having less than 30 opening hours a week will not allow the Council to realise maximum value from its capital investment in the service.

Questions on the impact of the proposal on Library and Information Service staff

There could be up to 19 staff facing redundancy. In line with the Council's HR procedures, staff are being consulted on the reorganisation. Where possible, compulsory redundancy will be avoided and redeployment opportunities will be sought.

Questions with regard to the potential for income generation within the Library and Information Service

As previously noted in paragraph 6.3, charges could be increased. However, income budgets account for only 6% of the total gross controllable budget and could not reasonably make a sufficient contribution materially to affect the overall strategic choices available.

Questions as to whether savings could be found from other services

As highlighted in section 4.2, all Service budgets have been closely examined to identify opportunities to reduce net costs. The scale of the savings expected from the Council is such that no service can realistically be exempt.

Comments that the savings ought to be found by cutting waste, reducing senior management pay and no longer employing consultants

The Council has made efficiency savings in the last three years of £26 million and will continue to focus on eliminating waste and delivering services more effectively. However, given that the savings expected are more than double this amount in the next three years, efficiency savings will not be enough. All areas, including spend on management, consultancy and agency staff, have been examined for savings.

9 Service Restructuring

9.1 The Service needs to restructure for four reasons:

1. To address the current inconsistencies and historical anomalies in the structure that hamper performance and adversely affect operational practice.
2. To improve strategic capacity at a time of rapid change.
3. To increase and improve front line service capacity.
4. To reduce costs and ensure maximum value from the staffing budget.

9.2 It is expected that the re-engineered Service and the improved structure will deliver a sustainable Library and Information Service for the residents of Lewisham.

9.3 The reorganisation of the Service will improve strategic capacity and front line capacity through two distinct business functions (Development and Delivery). The fundamental principle underpinning the new structure is to build in flexibility and a one service approach.

Improving Front Line Capacity

9.4 Most of the challenges faced by the Service in the day-to-day running of its operations stem from the inadequate allocation of staff. Currently, staff move from library to library to cover absence. Often the void left needs backfilling which can result in an inefficient use of higher graded

personnel. This in turn creates a void at a more strategic level. This has a negative impact across the whole organisation.

- 9.5 It is essential that each area has the capacity to deliver an effective front line service and it is therefore proposed to refocus resources on the front line by increasing the number of Library Assistants (Sc 2) and Senior Library Assistants (Sc 5) and reducing the number of senior roles within the structure.

Improving Strategic Capacity

- 9.6 It is proposed that a Business Development Unit is created to improve the quality and range of products and services available through libraries and better support the diverse audiences that can benefit from the modernised service.
- 9.7 An example of this approach is given by the recent award of government funding (Future Libraries Programme). Lewisham has led a group of seven South East London library authorities to bid for a project to investigate collaborative ways in which libraries can work across the region to increase quality and reduce costs. This is one of ten pilot projects that will inform Government thinking in the area of library services in England.
- 9.8 Lewisham will increasingly develop initiatives that benefit residents and are delivered in partnership with other agencies. The London Requests and eBooks projects are examples of this approach. Working in this way will realise efficiencies that improve the quality of the Service and make the most of Council resources.

10 Staff Consultation and Management Response

- 10.1 The proposed structure builds on work that has been ongoing over the past two years to modernise the Service, and the proposals are intended to ensure that there is strategic and developmental capacity within the structure whilst protecting the front line. The model being proposed is one that has already been introduced in some libraries where refurbishment has taken place. UNISON are not in favour of the model. However, management and many staff in the libraries operating the model have found it to be very effective and management are confident in proposing it as an effective model for the whole service.
- 10.2 UNISON have raised the following issues in their response to the consultation document:
1. They maintain that the banks are to blame for the current budget situation and that the Council should not therefore be making budget savings.
 2. In consequence no libraries should be closed.

3. UNISON object to the proposed structure and to changes in the way that library services are delivered.
 4. UNISON are opposed to the deletion of posts from the current structure.
 5. They believe that the proposed structure makes provision for additional senior management posts at the expense of the front line.
 6. They do not believe that the community libraries can work and that they represent a Health and Safety risk.
 7. They are unhappy about the proposals relating to the remodelling of the Reference Library, the Local History Centre and the Borough Archive Service.
- 10.3 Management discussions are on going and the majority of the outstanding queries have been addressed as part of that process.
- 10.4 UNISON have yet to make any suggestions or recommend alternatives to any part of the structure or its delivery and seem to be opposed to any change. This is not a feasible stance, given the level of savings that have to be made and the expectation that the Council will continue to run an effective and modernised service that meets customer needs.

11 Discussions with schools

- 11.1 The Council has had conversations with the primary schools whose pupils could be affected by the closure of the libraries. Some have voiced their concern at the impact that the proposed closures may have on pupils and their families. Those schools who regularly send classes to their local library feel that the school and its catchment will be directly disadvantaged.
- 11.2 The feedback received from the schools has been carefully considered and a number of measures will be developed that may benefit from the Community Library solution and the development of closer collaborative work with the schools.
- 11.3 None of the schools has space on-site from which to deliver a public library function; however some of them have begun to consider alternative ways in which they could have access to books and information. These include using other nearby public libraries and developing the book collections in the school.
- 11.4 Out of the 21 primary schools in the areas affected, 13 of them have their own school libraries and “book & reading” areas.

Blackheath Village Library

- There are two primary schools in the area, John Ball and All Saints. There are also three private schools nearby and a primary school

based over the border in Greenwich. Three of the schools use Blackheath Village Library - John Ball, All Saints and Heath House.

- All Saints does not have the capacity to consider providing space for any public library services and has its own small school library. John Ball has a space that could be used for some library services although there are issues with DDA and security. The school is continuing to work with the Library and Information Service, including support to improve their book provision and reading areas.

Crofton Park Library

- There are eight primary schools in the area and one special school. Two primary schools use the library regularly – Brockley School and St Mary Magdalen. All the schools were contacted to ascertain the potential for collaboration following the library closures. It was felt that the community library offer that is currently being developed in Honor Oak may provide some opportunities should the library close. Five of the primary schools, namely John Stainer, St Mary Magdalen, Stillness Infants, Stillness Juniors and Turnham, have their own school libraries.
- The Library and Information Service supported Stillness Juniors following the recent fire and opportunities for further collaboration with this school in particular are being discussed.

Grove Park Library

- There are two primary schools in the area - Coopers Lane School and Marvels Lane School. Both visit the library regularly. The Literacy Co-ordinator from Marvels Lane School currently uses the library to borrow books to support classroom teaching and reading. Classes visit the library for special projects such as their school Book Week. Both schools are concerned about the loss of the support that the library provides.
- In meetings with Marvels Lane School, it was clear that any relocation of library services to the school is not viable; however measures to reduce the impact of library closure are under discussion including classes from Marvels Lane School using Downham Library when they visit the Centre for swimming.
- Further discussions about collaboration are ongoing with the Headteacher at Coopers Lane School which has its own school library and the Library and Information Service will support the school in its further development.

New Cross Library

- There are six primary schools in the New Cross area, three of them – Childeric School, St James Hatcham School and Myatt Garden School – visit New Cross Library regularly. There is substantial concern about the loss of the public library by the schools, children, and their families. The option to relocate part of the provision to a school is not viable. St James Hatcham School has its own school library.
- Conversations with the Headteacher at Childeric School indicate that schools will consider using Wavelengths Library if New Cross closes. Other areas for discussion include library staff running book groups after school and supporting the schools to improve their school book stock.

Sydenham Library

- There are four primary schools and a special school in the Sydenham area. Adamsrill School, Our Lady and St Philip Neri and St Michael's visit Sydenham Library regularly. All have school libraries.
- The Council has explored co-location with the schools without success. They are particularly concerned about the loss of the public library in an area of particular need. The development of the community library at Bellingham will offer some additional support to schools and services for children are planned to be part of any future community library offer at Sydenham.

12 Options for Future Service Delivery

- 12.1 The remodelling of the service includes a commitment to maintaining and developing some library services in the areas affected by the proposed closure of the five buildings.
- 12.2 The Library and Information Service has worked with partners to develop a community offer in Pepys and in Bellingham and, based on that experience, has looked at ways of developing the Community Library model and extending it to cover Blackheath, Crofton Park, Grove Park, New Cross and Sydenham.
- 12.3 The Service has been working with potential partners to develop some community based library services that are sustainable and provide a real alternative to current provision. It is the intention to develop up to eight community libraries using different delivery and partnership models, working on developing strategic and functional links with community organisations and local social enterprise.

- 12.4 As part of the consultation programme, the public were asked to consider how the Council might work with the individual local communities to develop a sustainable means of delivering some library services in the area, should their library close. Many of those present at the public consultation meetings were not prepared to consider any options relating to alternative future provision and remain committed to supporting the campaign to keep the libraries open.
- 12.5 Officers held meetings with representatives of local organisations who had expressed an interest in using the buildings for alternative community purposes including access to a library service. Further meetings were also held with local stakeholders, including schools, to explore the possibility of future partnership. At the second public meeting held for each of the affected library neighbourhoods, these proposals were raised for discussion and comment.

13 Expressions of Interest

- 13.1 On 17 November 2010 the Mayor decided to defer consideration of the savings proposal for the libraries service in order to provide an opportunity to test the level of community interest in library buildings.
- 13.2 Officers have now undertaken an informal exercise to determine the level of potential interest in the 5 library buildings scheduled for closure. The exercise involved an advert inviting interest, approaches to individuals and organisations who had previously expressed an interest and the provision of relevant information.
- 13.3 The expression of interest indicated that the Council's likely terms of agreement would include:
- to allow the Council to install electronic library self issue technology
 - to allow library staff reasonable access to the building
 - the Council would grant a long term full repairing lease (rent to reflect building condition) with a commitment to community use or transfer of the freehold (if available) providing this did not remove all barriers to continued community use.
- 13.4 The process was run as follows:

26 November	Invite interest from organisations
10 December 2010	Information pack available
10 January 2011	Deadline for booking face to face meeting with key Council officers
13 January 2011	Responses to questions sent out by the Council
	Deadline for questions to be sent to the Council.
14 January 2011	Meetings between interested parties and key Council officers

20 January 2011	Deadline for expression of interest form to be sent to the Council (5pm)
17 February 2011	Mayor & Cabinet consider position

- 13.5 The information made available to interested parties included the Council's community library expectations, full condition studies of all of the buildings and financial information on their running costs. In addition, there was information on the Council's policy on community asset transfer and links to other key sources of information.
- 13.6 There were 62 requests for information and 13 completed expressions of interest received. The content of these expression of interest have been analysed and the following summarises this work.

Family Services UK: Interest in New Cross Library

- 13.6.1 A social enterprise that delivers services aimed at improving the mental health and family wellbeing of vulnerable and disadvantaged people in the local community. They currently work with a range of local organisations in Deptford and New Cross.
- 13.6.2 Family Services UK propose to offer a walk-in family mediation service, mental health services, mentoring service, free advice and guidance scheme, family support, and care and training for the long term unemployed or those on benefits. They want to incorporate the services that they currently offer into the educational, learning, recreational and social provision offered by libraries. The library service would be run by local people, mainly volunteers. They would range from people looking to move on to paid work to those looking to be active community participants.

Christ Family Assembly Outreach: Interest in New Cross Library

- 13.6.3 A charitable organisation which would use the building for a variety of activity, including a youth centre, games, sports, education and training. It will also be used to provide advice, guidance, mentoring and counselling as well as a place for worship. They will involve the local community in a number of ways and will encourage volunteering and job placements, as well as providing employment locally. They plan to maintain a library service as part of their offer.

The Tree House: Interest in New Cross Library

- 13.6.4 The Tree House would provide a socially engaged library, highlighting environmental-impact awareness. This would include a recycled book loan service, the hosting of a series of community participation activities, children's art workshops and exhibitions, seminars and talks about sustainable living. It would also house a cafe run by professional chefs who would source the food locally, as well as providing space for community groups to meet.

- 13.6.5 The library coordinator would continue to deliver a library service, with particular emphasis being placed on encouraging a more interactive and participatory approach. This project is at a very early stage in its development.

Exam Success Education Centre Limited: Interest in Blackheath Village Library, New Cross and Sydenham

- 13.6.6 This company provides tutorial support to children who need help with their school and homework. They would use the library building to host pre- school and after school clubs for children and would employ local residents with the relevant skills and training to work at the centre. A library service would remain within the building sitting alongside the learning environment.

Eco Computer Systems : Interest in New Cross, Grove Park, Sydenham and Crofton Park Libraries

- 13.6.7 A social enterprise company which offers IT recycling and refurbishment services, and reinvests profits into the business or uses them to fund other community projects. ECS currently support and run the new community library at Pepys Resource Centre.
- 13.6.8 ECS will ensure continuing library services in all 4 libraries, but will also offer a community café, office space, meeting rooms, IT training and local history centres. The library service will be professionally staffed and additional educational/cultural activities will be offered alongside it. They will work closely in partnership with other local groups and library users to ensure that the facilities are fully utilised and sustainably funded. They are already in contact with a number of local organisations with a view to developing local working partnerships, including Sydenham Community Radio, Healthy Brockley, 170 Club and Grove Park Community Group.

170 Community Project: Interest in New Cross Library

- 13.6.9 The 170 Community Project has been working in New Cross for the last 40 years. They work in disadvantaged and impoverished communities and they prioritise anti-poverty work, targeting excluded individuals and groups by providing welfare and legal advice, training & employment advice, volunteering opportunities and regular support groups. 170 work in partnership with several other organisations and would continue to do this and develop additional networks in order to maximise the local impact of the proposed community hub. They would continue providing library facilities and would aim to enhance the service through the development of additional community initiatives such as health related groups, ESOL classes, IT accredited courses and help with access to employment. 170 are working closely with Eco Computer Systems who fully support their involvement.

The Peckham Settlement: Interest in New Cross and Crofton Park Libraries

- 13.6.10 The Peckham Settlement is a community anchor organisation working in South London. They provide a range of programmes and activities with the aim of helping local people to develop their own potential, enrich their own lives, and solve their own problems.
- 13.6.11 They are currently supporting small community organisations and groups, running the largest timebank in Southwark and Lewisham, delivering a UK Online Centre and a wide range of adult education courses and programmes and various activities for families, children, young people and older people. In addition they deliver employability and volunteering programmes, youth entrepreneurship courses and intergenerational activities.
- 13.6.12 They propose to develop the building(s) as community resource and learning centres which will continue to include provision of a library service, while providing access to other services provided by themselves and partner organisations co-located within the building. The library service would be managed by a paid centre manager and run by a team of volunteers.
- 13.6.13 They have confirmed partnerships with Hour Bank / My Time Your Time Timebank, Age Concern Lewisham and Southwark, Lewisham Plus Credit Union, Starlight Music Academy and UK Online Centres.

John Laing Integrated Services Ltd: Interest in Grove Park, Sydenham, Crofton Park and New Cross Libraries

- 13.6.14 John Laing Integrated Services is a leading support services and facilities management business providing a full suite of operational services to public sector clients, spanning Libraries, local authority, education, rail, police, housing, health, waste and parks.
- 13.6.15 They currently manage and deliver public libraries on behalf of a local authority, together with their leisure and culture portfolio in the London Borough of Hounslow. They want to discuss different building uses provided they benefit the community and attract sufficient revenue through grants or service fees.

SociaCapita Solutions: Interest in Sydenham, New Cross, Grove Park and Crofton Park Libraries

- 13.6.16 SociaCapita Solutions is a Community Interest Company which has been set up to carry out a cluster of activities, including bidding for public sector contracts on behalf of private sector and third sector delivery organisations, acquiring and developing residential and commercial properties and unwanted public assets into a

sustainable hub of community, social, cultural and enterprising activities delivering a range of social and community benefits.

- 13.6.17 They propose to develop the buildings into an integrated Community Heritage and Enterprise Development Hub supported by a local community web-based portal and a local digital community radio or television channel. Each building will encompass various functions including cultural resources linked to black and ethnic heritage, construction related training, residential units and a range of enterprise and organisation support activities.
- 13.6.18 They will work with the Library and Information Service to offer access to cultural material in both print and electronic form.

Lewisham Music Service: Interest in New Cross, Sydenham, Crofton Park, Blackheath and Grove Park Libraries

- 13.6.19 LMS is a Council service which provides music tuition and participation programmes both in school and out of school for children and young people in Lewisham. They work with over 4,000 children a week and deliver music lessons, run ensembles and choirs and organise a wide variety of special projects and live events. The intention is to use the library buildings to continue with and expand the provision of this work.. They do not see themselves as an anchor organisation but as a potential partner and strand of community based activity.

Sydenham Community Radio: Interest in Sydenham Library

- 13.6.20 Sydenham Community Radio station is run by volunteers and as well as providing a voice for the local community, they provide training in radio and communication skills to local people. They are looking to rent a training room from the anchor organisation on an exclusive basis. They will not be responsible for supporting library services and are happy to work with whoever is managing the Sydenham Library building.

The Chinbrook Surgery: Interest in Grove Park Library

- 13.6.21 The Chinbrook Surgery provides primary care medical (GP) services in the Grove Park Area. They are looking to move to new premises and would like to provide medical services from the library building. They currently have no plans to support the delivery of library services from the building.
- 13.6.22 This short process has shown that there are a number of organisations, with varying degrees of capacity, that could take forward community-led initiatives in the library buildings.
- 13.6.23 There remain concerns about the capacity of organisations to financially manage these buildings and to deal with the property-

related risks. Given the significant condition backlog on some of the buildings the levels of expenditure required may prove very difficult for smaller organisations to fund.

Blackheath Library Service Proposal

- 13.6.24 The Chair of the Trustees has approached the Council with a view to relocating the village library function to the Reminiscence Centre thereby creating a sustainable and attractive community centre in the heart of Blackheath, guaranteeing a continuing library service and securing the future of the Reminiscence Centre. The centre would be professionally managed by Age Exchange and staffed by trained volunteers. The remaining facilities would be extended and upgraded to include a family centre and upgraded café facilities. Age Exchange have commissioned a feasibility study and drawn up plans for how the building could be developed, and have also undertaken extensive consultation with Blackheath residents and Library supporters from whom there is now firm support for the proposal.
- 13.6.25 Age Exchange have already secured a considerable capital towards the cost of the project and are looking for a contribution from LB Lewisham to support the centre's development.

14 Next Steps

- 14.1 Those organisations that have submitted an expression of interest in becoming the anchor organisation for one or more of the library buildings and taking on full responsibility for the management and maintenance of the buildings will be invited to submit a full business case. An open advert to allow any further interest to be captured will also be undertaken. Each business case will be assessed using the Council's Community Asset Transfer framework that was agreed by Mayor & Cabinet in July 2008. Connections will be brokered between the potential anchor organisations and those organisations that have expressed an interest in renting space within one of the buildings. Subject to agreement of Council to these budget proposals on 1 March, it is proposed to immediately invite firm proposals including a detailed business case (including how proposals meet the Council's Community Assets Transfer framework) for these libraries. These will be evaluated by officers and the outcome reported to Mayor & Cabinet as soon as possible.
- 14.2 The Community Asset Transfer Framework specifies a series of mandatory benefits that an organisation seeking an asset transfer needs to demonstrate. These are empowering local communities and representing value for money. In addition organisations will be asked to meet two of the wider benefits described in the framework:
- Improve and safeguard a service that would otherwise be lost

AND one of the following:

- provide area wide benefits
- promote a sustainable third sector
- encourage economic development and social enterprise

14.3 Organisations will also need to respond to a range of risks listed in the framework and give details of how they would mitigate against them. These include:

- Potential for a negative impact on community cohesion
- Capacity of recipient organisation to manage the asset
- Capacity of recipient to deliver promised services / outcomes
- Risk of the capture of the asset by unrepresentative / extremist minority
- Potential for ongoing Council liability

14.4 It is therefore recommended that, should the Mayor agree to close these 5 libraries, officers be instructed to immediately seek formal expressions from interested organisations and to agree terms with them before 28 May 2011.

15 Financial Implications

15.1 Subject to decisions in respect of the council's overall budget, which are proposed in the main budget report, savings of £755k in the ongoing expenditure on the libraries service are planned over the period 2011/12 to 2012/13. Given the overall financial constraints facing the council it is essential that these savings are delivered in order to comply with the council's fiduciary duties. In addition, savings of £1m are planned to be delivered from the council's property revenue budgets over the period 2012/13 to 2013/14, of which £0.24m are anticipated to be found from within the costs of maintaining library buildings. Therefore this financial appraisal starts from the assumption that these savings will need to be delivered.

15.2 The financial appraisal for option 2 is relatively straightforward. A reorganisation of the staffing structure could, subject to proper consultation processes, be put in place that would deliver the total savings of £755k and still provide staffing for the libraries in a way that would be consistent with this option. This reorganisation could be delivered by 28 May 2011 which would mean that any redundancies incurred as a result would take place on or about 18 April 2011. As a result the ongoing savings of £755k would be delivered, of which £629k would be achieved in 2011/12 and the balance in 2012/13. However, under option 2 the savings in the property budget of £240k could not be delivered, since no libraries would be closed or transferred to other community providers.

- 15.3 The financial appraisal for option 1 is more complex, since it needs to take account of the possibility that some or all, or none, of the hoped for community asset transfers will take place. In terms of staffing costs, the proposal is to close the five libraries cited (possibly transferring them to community ownership) with effect from 28 May 2011. Accordingly, gross savings of £629k, calculated as ten twelfths of the total saving of £755k could be delivered in 2011/12 with the balance to be delivered in 2012/13. However, account needs to be taken of the proposals in respect of the other five library buildings. In the event that no community transfers can be achieved and that closure turns out to be the only realistic option then the savings associated with this proposal will be as set out above except that property savings of £240k would be delivered, which would not be the case in option 2 .
- 15.4 If community asset transfers can be achieved under option 1 then the staffing savings will be as set out above, but more complex financial consequences follow. For each of the five libraries in question a package of one-off investment may be needed to ensure that the building can be handed over in a wind and weather tight condition and, where appropriate, that library equipment such as RFID (self-issue) technology can be installed to facilitate the community asset transfer. The anticipated costs shown in para 4.10 above for these items are £60k per library. Provision in the budget estimates has therefore been made for 1-off costs of £300k in option 1 although a smaller figure may be required if fewer than 5 community libraries can be achieved.
- 15.5 Provision in the budget estimates has therefore been made for 1-off costs of £300k in option 1 in 2011/12, although a smaller figure may be required if fewer than 5 community libraries can be achieved in 2011/12. The savings in 2011/12 are therefore £629k less £300k, i.e. a minimum of £329k – broadly consistent with the figure included in the main budget report; any minor difference can be dealt with in-year. A full year saving of £755k would be achieved in 2012/13.

The summarised savings from options 1 and 2 are as follows:

	Yr1 £000	Yr2 (and ongoing) £000
Option 1		
Staffing saving	629	755
Property saving	200	240
One-off costs	-300	0
Net saving to Council	<u>529</u>	<u>995</u>
 Option 2		
Staffing saving	629	755
Property saving	0	0
One-off costs	0	0 (1)
	<u>629</u>	<u>755</u>

(1) assuming no capital works to 5 libraries, no installation of RFID etc

15.6 Although option 1 gives a smaller saving in 2011/12, it gives a larger saving in 2012/13 and subsequent years. This is true whether all, some or none of the transfers can be achieved. Despite pressures to balance the budget in 2011/12, the decision on which option to pursue must be based on the longer term impact.

15.8 In addition, depending on which specific proposals for community asset transfer are selected there may some additional costs. These cannot be reasonably estimated at this time but will need to be considered in the further report requested in para 2.1.

16 Legal Implications

16.1 The statutory framework for the provision of libraries is set out in the body of the report.

16.2 In making a decision in relation to the proposals, the Mayor is referred to the legal implications set out in the main body of the budget report, all of which are pertinent in this context.

16.3 Having consulted on proposals to close libraries, the Mayor is required to consider the outcome of that consultation carefully before making any decision. He is also reminded of the Council's best value duty

under Section 3 Local Government Act 1999 to secure continuous improvement having regard to a combination of economy, efficiency and effectiveness.

- 16.4 The Mayor is reminded that though there are indications of a proposed staffing structure set out in the report, decisions about any new staffing structure will be taken in accordance with the Council's reorganisation procedures. Consultation with staff and unions has been ongoing. Contingent on the Mayor's decision in relation to the proposed closures, any amended staffing structure will be decided upon by officers in accordance with the Council's normal procedures, taking full account of the outcome of that consultation.

17 Crime and Disorder Implications

- 17.1 There are no crime and disorder implications arising directly from this report. However, should the recommendation be agreed there will be the potential for the empty buildings to be vulnerable to anti-social behaviour.

18 Equality Implications

- 18.1 An Equalities Impact Assessment of this budget proposal has been undertaken with due regard to legal requirements. Service users, residents and stakeholders have had the opportunity to directly contribute to the Equality Impact Assessment at each of the second round public meetings by identifying the potential impact of closing a library facility in the local area. A copy of the Equalities Impact Assessment has been included in this report as Annex 4.
- 18.2 The EIA details the legislation, policy, quantitative and qualitative information that have informed the assessment. It presents information on library activity and usage across the borough. It proceeds to assess the specific impact of closing each of the library facilities put forward in the savings proposal.
- 18.3 The EIA recognises the key role that the Library and Information Service can play in promoting equalities and enhancing community cohesion. Lewisham's Library and Information Service undertakes a wide range of activity to encourage participation from under-represented groups, to stock appropriate materials and to publicise equalities events and activities, including Black History Month, Lesbian, Gay, Bisexual and Transgender History Month and a variety of religious festivals.
- 18.4 The assessments contained in the EIA are based upon both qualitative and quantitative information as to how the service is used in Lewisham. By drawing upon a range of statistical and consultation information, the Council is well-placed to assess how the budget savings proposal might affect specific groups in the community. The sources of

information that inform this EIA include data on active borrowers, results of the PLUS survey (2009) and information on the number of visits made to each library facility.

- 18.5 Statistical data on library usage has been complemented by information from previous consultations on library services as well as the current consultation being conducted around the specific restructuring proposals. Consultation relating to the budget proposal for the Library and Information Service has comprised a number of different activities. Two rounds of public meetings were held in each of the areas affected by the proposal. Second round meetings presented attendees with demographic information on the ward and a profile of library usage to allow them to consider the potential equalities impact of closing the library facility. These considerations and observations have been taken into account when assessing the equalities impact. In addition, the borough-wide 'Our Lewisham, Our Say' consultation programme contained a specific question related to libraries.
- 18.6 The overall assessment of the EIA is that the saving proposal will have an adverse impact across equality groups but will not lead to unlawful discrimination. The EIA recognises that the closure of a library facility may make it more difficult for current users to access library services locally. As such the overall impact of the proposed closure has been assessed as having a negative impact across all categories. However, the proposal to close these library facilities does not lead to unlawful discrimination since the closure will not actively discriminate against or have a disproportionate impact on any single equality category.
- 18.7 The EIA acknowledges that full mitigation of the negative impact will not be possible. However, in the event of a decision being taken to close the library facilities, a number of actions will be taken to reduce impacts where possible. Mitigating actions could include:
- Information for current library users as to alternative provision and how to access it.
 - Increased number of outreach library facilities, including small collections and book drops.
 - Increased outreach visits bringing storytelling and other activities to schools and community centres.
- 18.8 It is not possible to conclude the workforce profile EIA until after the decision has been taken, and if agreed, implemented. However, given the specific nature of the proposal and concerns raised by staff, it is important to recognise at this stage what the likely impact will be. It is to be expected that a reduction would potentially produce a different staffing profile.

19 Environmental implications

There are no environmental implications arising from this report.

20 Conclusion

- 20.1 In order to meet the Council's agreed savings target the Library and Information Service is proposing a saving of approx £995k. Staffing costs represent 78% of the library budget, so in order to make the saving the Service is proposing a restructuring of the service which will yield a saving of approx £755k. If the Council is to maintain an effective and modernised service and retain extended opening hours, the Service will have to operate from fewer sites. The recommendation is therefore to close five library buildings and to concentrate on running a high quality service from the remaining seven, all of which have been the subject of substantial investment. This will yield an additional £240k saving in the Property Services budget.
- 20.2 In line with the recommendations of the Mayor's Commission, the Library and Information Service is planning to develop community based services in the affected neighbourhoods, working in partnership with local communities and organisations to deliver some library services either from the existing library building or in partnership with another agency.

Background Documents

Mayor's Commission on Libraries and Learning – accessible online at www.lewisham.gov.uk

If there are any queries on this report please contact Hilary Renwick, Head of Cultural Services on 020 8314 6359.

Annex 1

Library Opening Hours

Blackheath Village ** 3-4 Blackheath Grove, SE3 0DD			Lewisham 199-201 Lewisham High St, SE13 6LG			Catford Laurence House, Catford Road, SE6 4RU		
Day	Opening Times	Hours Open	Day	Opening Times	Hours Open	Day	Opening Times	Hours Open
Monday	Closed	0	Monday	10am – 8pm	10	Monday	9am – 5pm	8
Tuesday	9am – 8pm	10	Tuesday	9am – 8pm	11	Tuesday	9am – 8pm	11
Wednesday	Closed	0	Wednesday	9am – 6pm	9	Wednesday	9am – 5pm	8
Thursday	9am – 8pm	10	Thursday	9am – 8pm	11	Thursday	9am – 8pm	11
Friday	9am – 1pm	4	Friday	9am – 6pm	9	Friday	9am – 5pm	8
Saturday	9am – 5pm	7	Saturday	9am – 5pm	8	Saturday	9am – 5pm	8
Sunday	Closed	0	Sunday	1pm – 4pm	3	Sunday	Closed	0
Total Hours		31	Total Hours		61	Total Hours		54

Manor House Old Road, Lee, SE13 5SY			Crofton Park * Brockley Road, SE4 2AF			New Cross * 283-285 New Cross Road, SE14 6AS		
Day	Opening Times	Hours Open	Day	Opening Times	Hours Open	Day	Opening Times	Hours Open
Monday	9am – 7pm	10	Monday	9am – 5pm	7	Monday	Closed	0
Tuesday	9am – 7pm	10	Tuesday	9am – 7pm	9	Tuesday	9.30am – 8pm	9.5
Wednesday	9am – 7pm	10	Wednesday	Closed	0	Wednesday	Closed	0
Thursday	9am – 7pm	10	Thursday	9am – 7pm	9	Thursday	9.30am – 8pm	9.5
Friday	9am – 7pm	10	Friday	9am – 1pm	4	Friday	Closed	0
Saturday	9am – 6pm	9	Saturday	9am – 5pm	7	Saturday	9.30am – 5pm	6.5
Sunday	10am – 4pm	6	Sunday	Closed	0	Sunday	Closed	0

	Total Hours	65		Total Hours	36		Total Hours	25.5
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Please note: * indicates closed for lunch between 1pm – 2pm ** indicates closed for lunch between 12.30 – 1.30pm except Friday

Annex 1

Library Opening Hours

Downham 7-9 Moorside Road, BR1 5EP			Sydenham * Sydenham Road, SE26 5SE			Forest Hill Dartmouth Road, SE23 3HZ		
Day	Opening Times	Hours Open	Day	Opening Times	Hours Open	Day	Opening Times	Hours Open
Monday	9am – 10pm	13	Monday	9.30am – 5pm	6.5	Monday	9am – 7pm	10
Tuesday	9am – 10pm	13	Tuesday	9.30am – 7pm	8.5	Tuesday	9am – 8pm	11
Wednesday	9am – 10pm	13	Wednesday	Closed	0	Wednesday	9am – 7pm	10
Thursday	9am – 10pm	13	Thursday	9.30am – 7pm	8.5	Thursday	9am – 8pm	11
Friday	9am – 10pm	13	Friday	Closed	0	Friday	9am – 7pm	10
Saturday	9am – 6pm	9	Saturday	9.30am – 5pm	6.5	Saturday	9am – 5pm	8
Sunday	10am – 4pm	6	Sunday	Closed	0	Sunday	10am – 4pm	6
	Total Hours	80		Total Hours	30		Total Hours	66

Torricon Road * Torricon Road, Catford, SE6 1RQ			Grove Park * Somertrees Avenue, SE12 0BX			Wavelengths Giffin Street, Deptford, SE8 4RJ		
Day	Opening Times	Hours Open	Day	Opening Times	Hours Open	Day	Opening Times	Hours Open
Monday	9.30am – 5pm	6.5	Monday	9am – 1pm	4	Monday	10am – 5pm	7

Tuesday	9.30am – 7pm	8.5	Tuesday	2.30pm – 8pm	5.5	Tuesday	9am – 8pm	11
Wednesday	Closed	0	Wednesday	Closed	0	Wednesday	9am – 5pm	8
Thursday	9.30am – 7pm	8.5	Thursday	9am – 8pm	10	Thursday	9am – 8pm	11
Friday	9.30am – 1pm	3.5	Friday	Closed	0	Friday	9am – 5pm	8
Saturday	9.30am – 5pm	6.5	Saturday	9am – 5pm	7	Saturday	9am – 5pm	8
Sunday	Closed	0	Sunday	Closed	0	Sunday	Closed	0
	Total Hours	33.5		Total Hours	26.5		Total Hours	53

Please note: * indicates closed for lunch between 1pm – 2pm ** indicates closed for lunch between 12.30 – 1.30pm except Friday

Options appraisal

Staffing 12 libraries

Objectives

1. To reduce the Library & Information Service's revenue costs by £755k
2. To deliver the reduction through a reduction in staffing costs.

Constraints

3. It is recognised that such substantial reduction in revenue expenditure (ca. 20% of the Service's Gross Expenditure) should be achieved mainly through staffing reductions.
4. It is clear that the Service will be challenged to run 12 buildings with its proposed complement.
5. It is known to the Service that the substantial investment to sustain the running costs and, in some instances, the necessary repair to the buildings is not identified.
6. It is unlikely that the Service will be able to attract funding to develop the libraries that in recent years had no specific investment. Nor will it be able to reduce particularly expensive running costs.

Option 1

7. Therefore, the Service is proposing to close five library buildings (Blackheath, Crofton Park, Grove Park, New Cross, and Sydenham) and redistribute the staff, following a reorganisation that will downsize the staffing, across the remaining seven libraries.
8. The table below shows that seven libraries will deliver 415 opening hours per week, a reduction of 149 hours on the current 564. To set this in context, it may be useful to remember that the service offered 417.5 opening hours per week in 2006 – 2007. However, the reduced number of hours excludes the hours that a developed network of Community Libraries could provide. This may deliver up to 280 additional hours per week, which would make library services available for 695 hours per week, an increase by 23.2% on the current offer.

Option 2

9. While it is clear that the reduced staff levels can be distributed across a number of libraries, possibly all 12, the effect this would have on the quality of the service to residents would be noticeable. Officers report the following among the highly likely effects of running 12 libraries on reduced staff:
 - Reduced cover for leave and sickness across 12 branches
 - Increased unplanned closures
 - Much reduced programmes of activity in all libraries
 - Substantial closure of well equipped facilities in favour of dilapidated buildings
 - Risk of building failure in premises in poor condition
 - Increased Health & Safety risks for staff and public
 - No savings realised for other departments, including Property Services, Technology & Transformation.
 - Increased number of redundancies
 - Increased transport costs

Budget Summary		Annual Budget	
Expenditure			
Employees	£3,560,630	79.4%	
Premises	£19,390	0.4%	
Transport	£32,070	0.7%	
Supplies & Services	£874,360	19.5%	
Gross Expenditure	£4,486,450		
Ex. non controllable			
Gross Income			
			-£279,040
Net Expenditure			
			£4,207,410

Source: CIPFA Statistics Actuals 2009-2010

10. Furthermore, it can be demonstrated that distributing staff across 12 libraries will decrease the total number of opening hours and will demand further flexibility in staff deployment.
11. Therefore, if the proposed complement can sustain 415 opening hours in the seven libraries, distributing the staff across 12 branches will result in 361 opening hours, a further loss of 54 hours per week (a total reduction of 36% on the current offer).
12. This is due to the fact that the management element for the five libraries has been deleted in the proposed structure. An element of this (highlighted in the Option 2 Structure Chart) will have to be reinstated to support 5 buildings and the staff working in them. 54 opening hours per week is equivalent to the opening hours of a library such as Wavelengths. So the distribution of staff across 12 buildings would have the net result of closing the equivalent of six libraries rather than five.

Appraisal

Description	Current	Option 1	Option 2	Comment
Count of libraries	12	7	12	
Opening hours	31	0	14	Blackheath
	54	54	38	Catford
	36	0	14	Crofton Park
	80	80	80	Downham
	66	66	29	Forest Hill
	26.5	0	14	Grove Park
	61	61	61	Lewisham
	65	65	39	Manor House
	25.5	0	14	New Cross
	30	0	12	Sydenham
	36	36	16	Torridon
	53	53	30	Wavelengths
Total opening hours	564	415	361	
		-26%	-36%	

The libraries highlighted in **green** have had (or are about to have) substantial investment in the buildings and / or infrastructure in the last few years. The cells highlighted in **red** show reductions in opening hours at service points that have additional services. The cells highlighted in **yellow** show the beneficiaries of the reduction in opening hours.

Please note that this is an estimate and hours could be allocated in different ways.

maximum three libraries. This offers flexibility within each "area". Increasing the number of libraries will result in staff having to adapt to patterns that may stretch across a larger number of buildings, reducing the efficiency.

14. In order to meet the savings target the Service is therefore proposing to redistribute the staffing resource across 7 buildings rather than 12 which would release additional resources in maintenance and running costs estimated at £240k per year. Additional savings are anticipated through the running of IT services as a result of the new Library Management System which will significantly enhance the business and procurement systems currently delivered by staff and realising total revenue savings in the regions of £1.1m.

13. Furthermore, the proposal has attempted to distribute staff efficiently across a reduced number of buildings. Indeed, the restructuring of the Service proposes to group these in small units allowing staff, particularly the front line, to work from two or

15. By retaining the longer opening hours at the seven key sites, the Council can focus on delivering a high quality library service from the remodelled sites, ensuring maximum value from its capital investment in the service and ensuring that libraries have the capacity to continue to support and develop alternative forms of service delivery throughout the Borough.

The Outreach factor

16. The Library & Information Service has been working with potential partners to develop a Community Library provision that is sustainable. This may provide a real, sustainable alternative to the current library provision.
17. It is estimated that between 3 and 8 Community Libraries can be developed using different delivery and partnership models. These could increase the library offer from 415 to more than the current 564.
18. For example, the Community Library in Pepys is planning to open ca. 36 hours per week. Honor Oak is expected to deliver a similar number of hours. These two service points alone will increase the opening hours to 487 h/w, reducing the difference between the current and proposed opening hours by 13%. A Community Library in Sydenham and Crofton (30 h/w each), Could further reduce the gap to 3%.

Sustainability

19. Sustainability one of the main issues that will need to inform the selection process. Option 1 strengthens the Service and maintains a quality provision to residents at a time of great economic uncertainty.

1. Summary

This document is the Equalities Impact Assessment of the proposal to restructure the Library and Information Service. It considers how the closure of the five library buildings might affect different groups in society differently and assesses whether these effects are positive or negative. It also outlines the activity that the Council will take to ensure that equal opportunities are promoted and that no group is disproportionately discriminated against.

This document is separated into two sections. The first section outlines the legislation, policy, qualitative and quantitative information that the Council has used to inform the assessments contained within this EIA. It presents information on library activity and usage across the borough. The second section considers the specific equalities impact of closing each of the facilities put forward in the savings proposals.

The overall assessment of this EIA is that the saving proposal will have an adverse impact across equality groups but will not lead to unlawful discrimination. The EIA recognises that the closure of a library facility may make it more difficult for current users to access library services locally. As such the overall impact of the proposed closure has been assessed as having a negative impact across all categories. However, the proposal to close these library facilities does not lead to unlawful discrimination and no negative - high impact has been identified, since the closure will not actively discriminate against or have a disproportionate impact on any single equality category.

2. Introduction

The Government is committed to reducing the national deficit, whilst protecting certain services such as health, schools and international development. This means that remaining public services, including local government, are likely to face budget cuts of around 25%.

Over the next three years, Lewisham Council will have to reduce its spending by around £60 million. The Council therefore faces a considerable challenge in reducing expenditure whilst continuing to provide services to meet local needs.

In July 2010, the Mayor considered a number of proposals to save money and reduce public sector spending. Included in the proposals presented to the Mayor was one to restructure the Library and Information Service. A new structure has been proposed that will continue to deliver the Council's Library and Information services following the closure of five library buildings: Blackheath; Crofton Park; Grove Park; New Cross; and Sydenham. The Mayor instructed officers to develop options and to undertake the necessary consultation in relation to this proposal.

3. Library services in Lewisham

The Library and Information Service delivers Lewisham's statutory obligation to provide a public library service under the Public Library and Museums Act (1964). It currently operates from 12 buildings and through an online collection of digital resources. The Library and Information Service offer includes the loan of books, the hire of CDs and DVDs and free access to newspapers,

periodicals and reference material. The service also provides free use of computers and access to the internet, facilitating the use of extensive online information resources.

The service undertakes a wide range of developmental and participatory work with citizens and local communities, often in partnership with other organisations. For example, specific activity takes place in conjunction with Children's Centres to engage with children and young people. Library facilities are also used to host other services and activities. Some local Councillors run their surgeries in libraries and other activities and events, from family learning sessions to Black History Month take place in the facilities. All libraries provide IT facilities with access to the internet and to online catalogues and shared resources with other libraries.

4. What is an Equalities Impact Assessment (EIA)

An Equalities Impact Assessment (EIA) is the process of systematically analysing a proposed or existing policy, strategy or service to identify what effect, or likely effect, will follow from its implementation for different groups in the community. Assessments should consider the effect of a service on Race, Gender, Disability, Age, Sexual Orientation and Religion/Belief. In addition, EIAs consider whether proposals might contravene human rights. By conducting an EIA, organisations can consider what good practice could be shared or what measures might need to be taken to address any adverse impact.

Lewisham's diversity is one of its strengths and the Council is committed to supporting an inclusive and cohesive local community. EIAs support this intention, by identifying how the Council's services can actively promote equal opportunities and avoid direct and indirect discrimination.

Scope and structure of the EIA

This document considers how libraries are used in Lewisham and who uses them. It draws upon a range of consultation and statistical information to assess what effect the proposal to restructure the Library and Information Service will have on the borough and its citizens.

The EIA provides the answers to the following questions:

1. Could the proposed changes to this service and the way it is delivered affect some groups in society differently?
2. Will the proposed changes disproportionately affect some groups more than others?
3. Will the proposed revisions to the service and the way it is delivered promote equal opportunities?

This document is separated into two sections. The first section outlines the legislation, policy, qualitative and quantitative information that the Council has used to inform the assessments contained within this EIA. It presents information on library activity and usage across the borough. The second section considers the specific equalities impact of closing each of the facilities put forward in the savings proposals.

5. EIA team

A team of officers developed this EIA and considered these implications. These officers included:

Antonio Rizzo	Library and Information Service Manager, Community Services Directorate
Julie Hall	Information & Heritage Manager, Community Services Directorate
Alan Morrison	Service Development Librarian, Community Services Directorate
Cathy Myers	Project Officer, Community Services Directorate
Joanne Moulton	Children and Young Person's Librarian, Community Services Directorate
Joan Redding	Service Development Librarian, Community Services Directorate
Ed Knowles	Service Manager - Strategy, Community Services Directorate
Paul Creech	Policy Officer, Community Services Directorate
Alan Shade	Performance Officer, Community Services Directorate

6. Equalities Context

National context

The Equality Act 2010 is on the statute book but the majority of its provisions have not yet come into effect. However Council practice and this EIA has anticipated the provisions contained in the Act and as such has assessed the potential equalities impact across the six equality strands and associated protected characteristics. This EIA has been undertaken in line with the Council's legal duties in relation to equality.

The Human Rights Act came into effect in the UK in October 2000. It means that people in the UK can take cases about their human rights as defined in the European convention on Human Rights to a UK court. At least 11 Articles of the European Convention on Human Rights have implications for the provision of public services and functions. This EIA assesses whether the proposed changes are in line with duties established by this Act.

Local context

Lewisham's commitment to promoting equalities is held in partnership and at the highest level. *Shaping our future – Lewisham's Sustainable Community Strategy* establishes an overarching principle for all activity in the borough of '*Reducing inequality – narrowing the gap in outcomes for citizens.*'

This commitment is reiterated in the Council's corporate priority to ensure that all of its services are delivered in an efficient, effective and equitable manner to meet the needs of the community.

The Comprehensive Equalities Scheme (CES) is Lewisham Council's equality policy. It sets out the Council's commitment to equality and diversity and incorporates the Council's specific equality schemes covering the six strands of Race, Age, Gender, Disability, Religion/belief and Sexual orientation

7. Policy Context

National Policy Context

The Public Libraries and Museums Act (1964) established the duty for local authorities to provide a comprehensive and efficient library service *'for all persons desiring to make use thereof, and for that purpose to employ such officers, to provide and maintain such buildings and equipment, and such books and other materials, and to do such other things, as may be requisite.'*¹⁰

Nationally, the strategic direction and development of library services is established in the Museums, Libraries and Archives Council's (MLA) action plan, *Framework for the Future*.¹¹ This sets out the Government's vision for public libraries, where *'individuals and communities are entitled to excellent public libraries and are integrated with other local services and responsive to local needs; offering books, information and learning resources on the high street and online for everyone at all times.'*

Framework for the Future recognises the key role that libraries can play in contributing to a range of central and local priorities including improvements in individuals' quality of life, raising standards in schools and helping to create safer and stronger communities. It also identifies the need for library services to be cost-effective with more flexible working practices and delivery, as the range of library and learning services increases. One of the key challenges highlighted by the MLA is the need to promote innovation within libraries, with a particular emphasis placed upon sustainable investment, integrated approaches and new models of service delivery. This could include rationalisation and relocation as well as longer and more convenient opening times, where supported by demand.

Audit Commission - Building Better Library Services

The Audit Commission report published in 2002 looked at the library services provided by councils in England and Wales. It drew on the findings of the first 36 inspections of library services, as well as a range of other research, including nationally collected statistics and findings from consultation with users and non-users of library services.

The report found a growing recognition of the contribution that library services can play in promoting local and national priorities, including social inclusion; education, literacy and lifelong; e-government; community regeneration and local cultural strategies. The report also noted that demographic changes meant that many libraries were now serving very different communities in terms of age, ethnicity and interests than they were even a few years ago¹².

The report identified four main characteristics that both users and non-users wanted from library services: providing the books and services people want at times that suit them; in convenient locations; with more welcoming and pleasant environments; and with improved marketing of the range of services that libraries have to offer.

¹⁰ http://www.opsi.gov.uk/RevisedStatutes/Acts/ukpga/1964/cukpga_19640075_en_1

¹¹ http://www.mla.gov.uk/what/strategies/~media/Files/pdf/2008/library_action_plan

¹² P8 Building Better Library Services, Audit Commission, 2002

Over one-half of inspection reports analysed to inform the Audit Commission's work made negative comments about library opening times. Most often these concerns link to the impact of cuts in opening hours on the accessibility of services. One-third of the inspection reports analysed, commented on the poor internal environment, layout, atmosphere or condition of library buildings. This viewpoint was confirmed by users and non-users who observed that many services were falling short in this area and creating barriers to participations by the community.

The report recommended that library services needed to be designed with the user at the centre – built around a realisation that people use their services out of choice – and a clear understanding of the services and experience people want.

DCMS Modernisation Review of Public Libraries

In March 2010, the Department for Culture, Media and Sport (DCMS) published a policy statement on the Modernisation Review of Public Libraries. This document proposes a 'core offer' of services for all libraries and a 'local offer' to meet specific local needs. The core offer should include membership from birth, free access to a wide range of books and online resources, access to national collections and the internet, links to other public services, flexible and 24 hour opening, supported reading, community spaces and outreach services. The local offer reiterates some community aspects of the core offer and supplements it with book variety, activities and support for young people, learning and partnerships with local schools and children centres, events and family activities, crèche facilities and CD and DVD borrowing.

The Modernisation Review also considers how library services can respond to the challenges presented by limited resources and economic pressures. Suggestions include improved models of delivery, joint-working at regional level and the possibility of commissioning library services and exploring commercial partnerships.

DCMS Support and the Future Libraries Programme

In July 2010, the DCMS announced a new support programme for libraries. Led by the MLA and the Local Government Association, the support programme will assist councils as they adapt to the current economic challenge and help them to deliver key services by reducing costs. Options that may need to be considered include: shared services; merging functions; staffing across authorities; support from volunteers and the use of other community buildings.

In August 2010, Ed Vaizey, the Minister for Culture, announced the first ten areas to participate in the Future Libraries Programme. The Programme, formed from a partnership between national and local government, and driven by councils themselves, aims to help the library service during the current challenging financial situation. The programme promises to spread learning between library authorities regarding how best to achieve cost savings, to develop new partnerships and governance models and to take advantage of digital opportunities. Central to the programme is the vision for library services to have greater connection with other local services and an ambition for services to be designed around the needs of the public, rather than based on organisational boundaries.

London Library Change Programme

At a regional level, the London Library Change Programme is seeking to transform the quality, effectiveness and efficiency of London's library services. It has been signed up to by the London Borough Chief Executives, Chief Leisure Officers and all London's Library services. It forms part of the wider Cultural Improvement Programme for London. London's Improvement and Efficiency

Partnership (RIEP), Capital Ambition, is funding the Library Change Programme, together with contributions from MLA London and London Libraries.

Phase one of the programme has looked at the costs, structures and deployment of the Library workforce in each of the 33 London boroughs and provided options for efficiency savings and improvements as well as a detailed examination of the Inter Library Loans Process. The Phase two report, to be published in December 2010, will outline a number of options for efficiencies and improvements across each of these areas, which can be implemented by individual authorities in the immediate or short-term or by consortia or on a pan-London basis in the mid to longer-term.

Local Policy Context

The Library and Information Service in Lewisham provides all citizens with access to knowledge, skills and information and carries out the Council's statutory duties, under the Public Library and Museums Act (1964), to provide an effective, efficient and modern library service to local residents. It aims to do this by delivering inclusive services for people of all ages, backgrounds and cultures. The services are delivered through library buildings, outreach activity and increasingly through electronic and on-line resources.

The Library and Information Service plays an important role in allowing the Council to realise its vision that *'Together, we will make Lewisham the best place in London to live work and learn.'* *Shaping our Future – Lewisham's Sustainable Community Strategy*¹³ establishes the six priority areas for activity to deliver this vision.

- Ambitious and achieving - where people are inspired and supported to fulfil their potential
- Safer - where people feel safe and live free from crime, anti-social behaviour and abuse
- Empowered and responsible - where people are actively involved in their local area and contribute to supportive communities
- Clean, green and liveable - where people live in high quality housing and can care for and enjoy their environment
- Healthy, active and enjoyable - where people can actively participate in maintaining and improving their health and wellbeing
- Dynamic and prosperous - where people are part of vibrant communities and town centres, well connected to London and beyond

The Library and Information Service in Lewisham, working closely with local partners and stakeholders, contributes towards the realisation of each of these outcomes.

The Council's ten corporate priorities establish its contribution towards the delivery of the *Shaping our Future*. Within these priorities, the Library and Information Service supports the commitment to *'Active, healthy citizens: Leisure, sporting, learning and creative activities for everyone.'*

Within the Council, the Library and Information Service sits within the Community Service Directorate under the Head of Cultural Services. The Council's Cultural Strategy establishes how the Library and Information Service, alongside Sports and Leisure and the Arts Service can deliver its vision on *'adding quality of life and enhancing wellbeing'*. The strategy is based around the contribution that each service can make to five key themes: place-making, prosperity, learning, community and health.

Mayor's Commission on Libraries and Learning

In 2009, Sir Steve Bullock, Mayor of Lewisham established a Mayoral Commission on Libraries and Learning. The Commission's brief was to identify and respond to the challenges in developing the library and adult learning services in Lewisham and to provide strategic recommendations for its future.

The Commission acknowledged the wider role that library services play around a broad range of issues, such as health, education, attainment, adult learning and information and skills

¹³ <http://www.lewishamstrategicpartnership.org.uk/docs/SCS.pdf>

development. It also highlighted that the expectations people have for public services are often very different from those of previous generations.

The Commission noted that where services are based in buildings designed in a different era, this can create challenges for service users and managers alike. It highlighted the benefits of new facilities but also that an alternative to new buildings is the ability to co-locate in other community spaces. Particular attention was given to the opportunities presented by local schools, especially those in new buildings, and the activity of the Home Library Service – a community based service which visits 670 adults (and some children) in their homes delivering books and assisting with other information needs for those people unable to get to static libraries. The HLS has recently developed a partnership with Adult Visual Impaired Team integrating the Royal National Institute for the Blind (RNIB) talking book service into the mainstream service.

The Commission noted that the global and national economic situation may well exacerbate financial pressures while simultaneously reinforcing the need for, and value of, libraries and adult education. In light of this, the Commission noted that not all library closures were bad but that any proposals would need to take into consideration local and borough needs balanced by equalities considerations. Proposals would also need to be based upon evidence of library use. It noted that consideration could also be given to alternative provision such as community libraries and other types of local partnerships.

A full copy of the Commission's report is available online at:

<http://www.lewisham.gov.uk/CouncilAndDemocracy/StrategiesPlans/StrategyDocuments/CommissionLibrariesLearning.htm>

8. Current activity within the Library and Information Service

The Library and Information Service sits within the Council's Community Services Directorate. The directorate provides a complementary set of services, including Adult Education and Community & Neighbourhood Development which support cohesive communities and allows individuals to maintain their independence.

Lewisham's Library and Information Service is at the forefront of activity to encourage greater use of library resources. The service is leading on the Future Libraries programme which includes South East London boroughs: Bexley, Bromley, Greenwich, Croydon, Lambeth and Southwark. The Service has recently joined the London Libraries Consortium, and from March 2011, Lewisham residents, students and workers will have access to over 5 million items across more than 100 London libraries. Established in 2004, the consortium uses joint working to improve innovation and back office efficiencies and to negotiate reduced supplier rates through joint procurement. Membership in the LLC will involve the implementation of a new library management system, which will allow much better customer service, including automated book orders, electronic notices and integration with Lewisham Council services.

Lewisham also recognises the important role that libraries play in introducing people to the internet and providing free access to online resources. It also recognises the role that internet access can play in promoting social inclusion. Lewisham is one of the UK Online Centres and has received over £50k in grant money to improve digital literacy through programmes in four of its libraries: Lewisham Central Library, Catford Library, Wavelengths Library and most recently Downham Library. The programme consists of registering new users on the UK Online MyGuide programme which provides a range of practical, online and self-guided courses aimed at complete beginners. The users are then provided with an email address and step-by-step instructions on using online shopping, downloading digital images and other internet applications.

One of the recommendations made by the Mayor's Commission was that the Council should seek to develop services outside the network of borough buildings, following the community-based models developed in Bellingham, Evelyn and Honor Oak. These models give local people access to books and lending services in ways that do not depend on visiting a library building.

The following community activity is currently in the early stages of partnership development:

- Elfrida School has a Community Centre which is hosting "Books for Bellingham." It will be run by the local community and supported by the Library Service.
- Pepys Resource Centre opened in September 2010, run by EcoComputer Systems in Partnership with Hyde Housing. It hosts a community library with support from Lewisham Library and Information Service and local volunteers.
- Honor Oak Community Centre in Turnham Road will be running a community library from late 2010 with support from Lewisham Library Service and local volunteers.

9. What information does this EIA call upon?

The assessments contained in this EIA are based upon both qualitative and quantitative information as to how the Library and Information service is used in Lewisham. By drawing upon a range of statistical and consultation information, the Council is well-placed to assess how the budget savings proposal might affect specific groups in the community.

The sources of information that inform this EIA include:

Active borrowers

An active borrower is a customer who has borrowed at least one item from any library in the last 12 months. This information can be disaggregated by library and user demographics including age, gender and ethnicity.

Public Library Users Survey (PLUS)

PLUS collects data on users' perceptions of various aspects of the library service including staff, stock and the building. There are two versions of PLUS – adults (aged 16 and over) and children. These surveys take place on alternate years (usually on a 3 year cycle with one year off in between). PLUS collects monitoring information including employment status, religion and sexual identity.

Library visits, books issued and ICT use

The Library Service routinely collects statistics on numbers of physical visits, virtual visits, enquiries, items issued to customers and use of computers. These can all be disaggregated by library. Data is also collected on the use of online resources; hits to the relevant sections of the council's web site, library wikis and blogs; email enquiries; and downloads of e-books.

Children & Young People

Data is collected on take up of the Bookstart programme and Summer Reading Challenge. Bookstart offers free books to all children at three key ages before they start school. The Summer Reading Challenge is aimed at children aged 4-11 years, inspiring them to read in the long summer break when their reading skills can decline without the regular reading activity at school. Numbers attending events aimed at children, young people and families are recorded.

Home Library Service (HLS)

The Home Library Service provides books and other media to over 600 homebound residents. Data is collected on take up of the service and user satisfaction. A survey in 2009/10 revealed exceptionally good satisfaction with the Service: 98% of the respondents said they were 'satisfied' or 'very satisfied' with the service. The staff delivering the service were rated 'knowledgeable', 'helpful' and 'friendly' in 99% of the answers.

Lewisham Residents' Survey

The Lewisham Residents' Survey has been carried out since 1992 to measure the concerns of local residents, their feelings towards the borough and their ratings of services provided by the council and other local partners. The last survey was carried out in 2007.

Active People Survey

The Active People Survey was commissioned by Sport England in 2005 to measure participation in sport and active recreation in every local authority in England. It collects data via telephone interviews. In April 2008, the scope of the survey was extended to collect data for the purposes of three National Indicators for culture. NI 9 measures the percentage of respondents that used a public library in the last 12 months. 2010/11 will be the last year of collection for this particular indicator.

Census

The census is a count of all people and households in the country. It provides population statistics from a national to neighbourhood level for government, local authorities, business and communities. The last census for England and Wales was on 29 April 2001. It is the only survey which provides a detailed picture of the entire population, and is unique because it covers everyone at the same time and asks the same core questions everywhere. This makes it easy to compare different parts of the country. The next census will take place on 27 March 2011

Service user profiling

Monitoring data is collected when someone first joins a library – this includes address, gender, age, ethnicity and disability details. New users are linked to the branch where they first joined and active borrower data can be used to explore the make up of active library users. PLUS also collects monitoring data from survey respondents.

The assessment of impact upon different equalities groups rests to a large extent on usage data provided by active borrowers and the PLUS survey. The Council recognises that usage figures alone cannot capture all the activities that take place in a local facility such as a library. However, they do provide a measure that allows for analysis and comparison across the different libraries in the borough and is able to be disaggregated by equalities categories. To ensure as full a picture as possible this information is complemented by consultation and direct feedback from participants at public meetings.

10. Consultation information

Statistical data on library usage is complemented by information from both previous consultations on library services as well as the current consultation being conducted around the specific restructuring proposals.

Consultation conducted as part of the Mayor's Commission on Libraries and Learning consisted of a series of focus groups with library users. This highlighted the value that users placed on the stock of lending and reference material. Members of the focus groups prioritised the quality of the service over the buildings in which the service is offered and supported the idea of co-locating libraries with other services.

The PLUS survey carried out in 2009 showed that:

- 87% of respondents said opening hours for the library service were good or very good.
- 89% said that customer care was good or very good.
- 89% thought that libraries were a safe place to visit.
- 98% thought libraries in Lewisham were easy places to get to.
- 46% of visitors came to the library on the day of the survey intending to borrow a book and 77% of those people actually did.

- 33% of visitors came to the library to use a computer and 86% of those people did.
- 64% of users think the computer facilities in libraries are good or very good.
- Taking everything into account, 85% of people thought libraries were good or very good.

Public consultations have taken place with members of the community whose libraries have been highlighted for potential closure. The consultation has taken a number of forms in order to reach as many members of the community and library users as possible. Meetings have been organised for each of the libraries, online discussion forums have been established and library services are also one of the topics considered as part of the 'Our Lewisham, Our Say' consultation on council expenditure.

The first round of public meetings took place throughout July and August. The second round of public meetings took place in October. Information on these meetings including notes on the discussions held and details on the time and venue are available on the Lewisham website – www.lewisham.gov.uk. At each second round meeting, participants were provided with equalities information on library usage, with demographic information for each of the six equality categories and information related to socio-economic outcomes.

A full report on all the consultation activity has been produced to accompany the report to the Mayor and will be available online.

In addition to the public meetings the Council has an online forum where the public can discuss the library issue further.

<http://oursay.proboards.com/index.cgi?board=general&action=display&thread=14>

11. Profile of Library users in Lewisham

Lewisham Borough Profile

- Lewisham has a total population of 264,500 people. 20% are children aged 0-15, 71% are people of working age (16-64) and 9% are older people aged 65 and over.¹⁴
- 50% of residents are male and 50% are female.¹⁵
- 55% of Lewisham residents are in the White British ethnic group, 2% are in the White Irish group and a further 8% are from Other White backgrounds. 35% of Lewisham residents have a non-White background.¹⁶
- 35% of Lewisham residents have a non-White background - this includes 22% Black or Black British, 6% Asian or Asian British, 4% Mixed and 3% Chinese or Other Ethnic Groups.
- 14.2% of working age people in Lewisham are categorised as disabled.¹⁷
- 61% of Lewisham residents state that they are Christian, 5% Muslim and 4% other religions. 20% of Lewisham residents state they have no religion and a further 10% would rather not say.⁴
- There is not currently a recognised measure of sexual identity in Lewisham. A recent survey showed in London 92.3% of respondents identified as heterosexual/straight, 2.2% as gay/lesbian/bisexual, 0.6% as other, 4.2% said they did not know or refused to answer and 0.6% did not respond at all.¹⁸
- In the overall Index of Multiple Deprivation, Lewisham's average score was 31.04, making it the 39th most deprived of all Local Authorities (1 being the most deprived, 354 the least). This means that as a local authority, Lewisham is within the 20% most deprived Local Authorities in the country.¹⁹
- 42.8% of Lewisham households do not have a car.²⁰

Lewisham Library Users Profile

Monitoring information is collected when a service user first joins a library and when they take part in PLUS. This information shows:

¹⁴ ONS mid-year population estimates (2009)

¹⁵ Population estimates by ethnic group (2007)

¹⁶ Annual Population Survey (2007)

¹⁷ Census (2001)

¹⁸ ONS Measuring Sexual Identity: An Evaluation Report (September 2010)

¹⁹ Indices of Multiple Deprivation (2007)

²⁰ Census (2001)

- 62% of active borrowers are female and 38% are male. This imbalance is consistent across all libraries. (Fig. 1)
- 45% of active borrowers describe themselves as White British and 55% from BME communities. Latest ONS figures (2007) suggest that 55% of people in Lewisham are White British and 45% are from BME communities.
- In comparison, Blackheath Village has a low BME figure at 26% while at Wavelengths and New Cross this figure is high at 65% and 70% respectively. (Fig. 2)
- 38% of active borrowers are aged under 18, 55% are 18-64 and 7% are 65 and over. Downham has the highest proportion aged under 18 at 56%, while Blackheath Village has the highest proportion of 65 and over at 13%. (Fig. 3)
- 51% of PLUS respondents state they are either in employment or government supported training, 13% are unemployed but available for work and 13% are wholly retired from work. (Fig. 4)
- 17% of PLUS respondents consider themselves to have a disability. (Fig. 5)
- 71% of PLUS respondents state they have a religion, including 59% Christian, 5% Muslim and 3% Hindu. 29% say they have no religion at all. (Fig. 6)
- 95% of PLUS respondents consider themselves to be heterosexual/straight, 3% gay/lesbian, 1% bisexual and 2% other. The lesbian/gay/bisexual population is largest at Lewisham Central and New Cross (5%). (Fig. 7)
- 12% of active borrowers live outside of Lewisham. 6% come from Greenwich, 2% from Bromley, 2% from Southwark and 2% come from other areas.
- Telegraph Hill Ward has the lowest proportion of active borrowers at 4%, while Lewisham Central has the highest at 7.5%. (Fig. 8)

Fig. 1: Gender (Source: Active borrowers - September 2010)

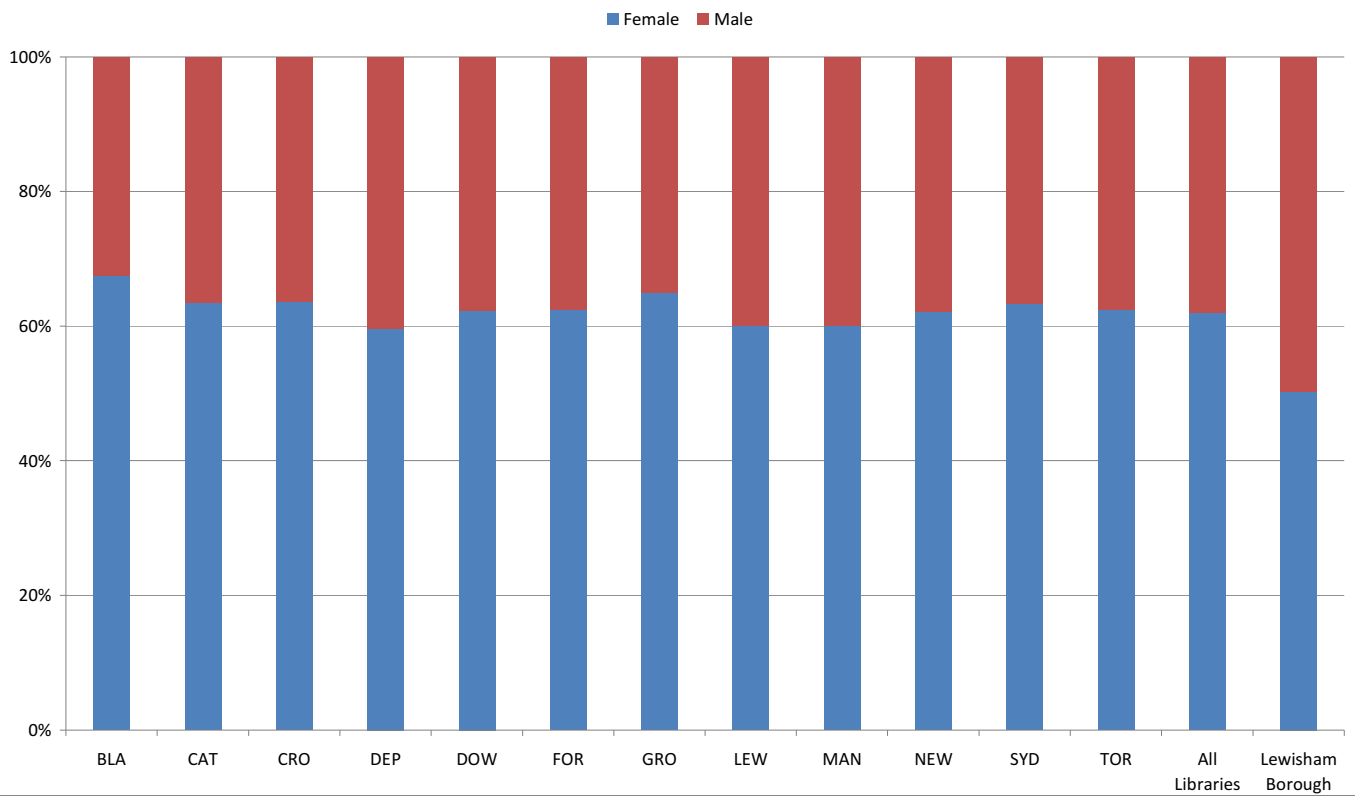


Fig. 2: Ethnicity (Source: Active borrowers - September 2010)

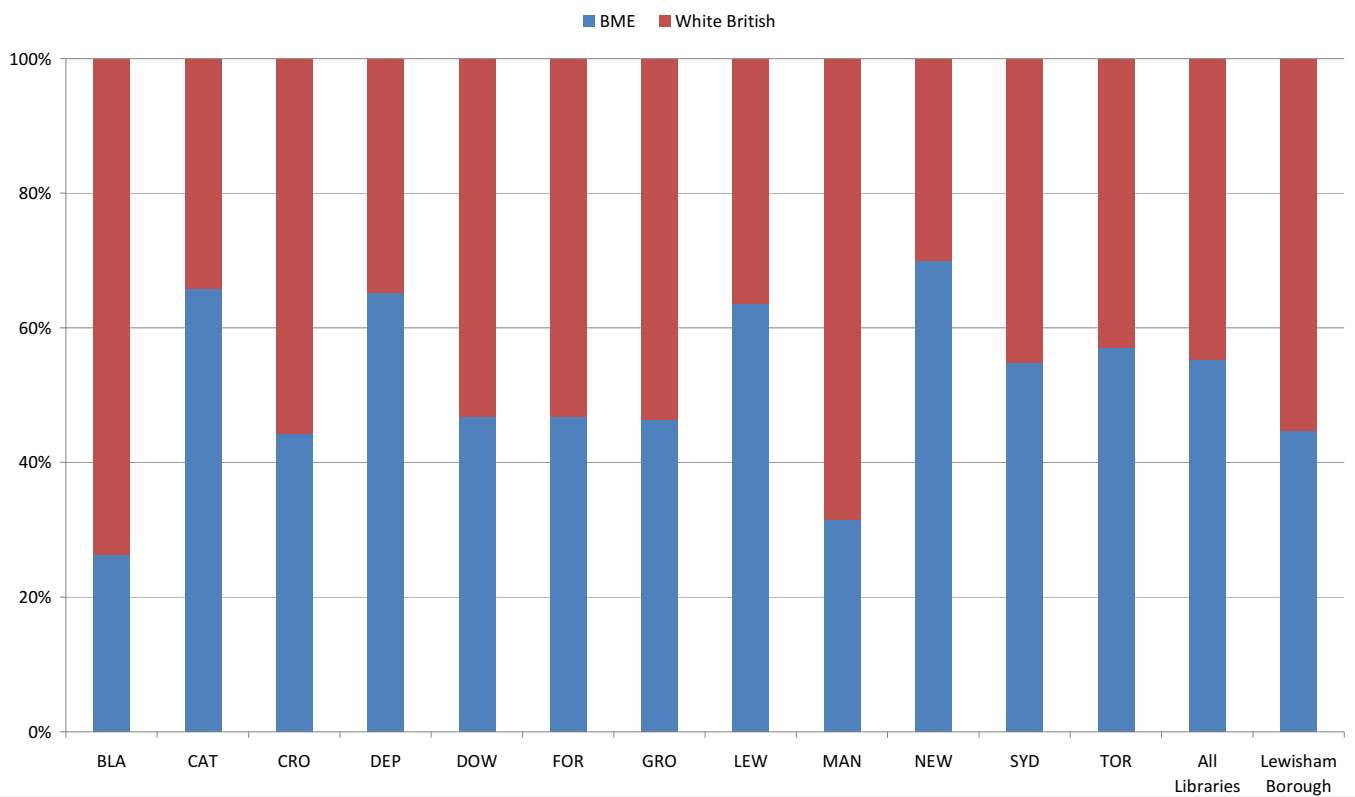


Fig. 3: Age band (Source: Active borrowers - September 2010)

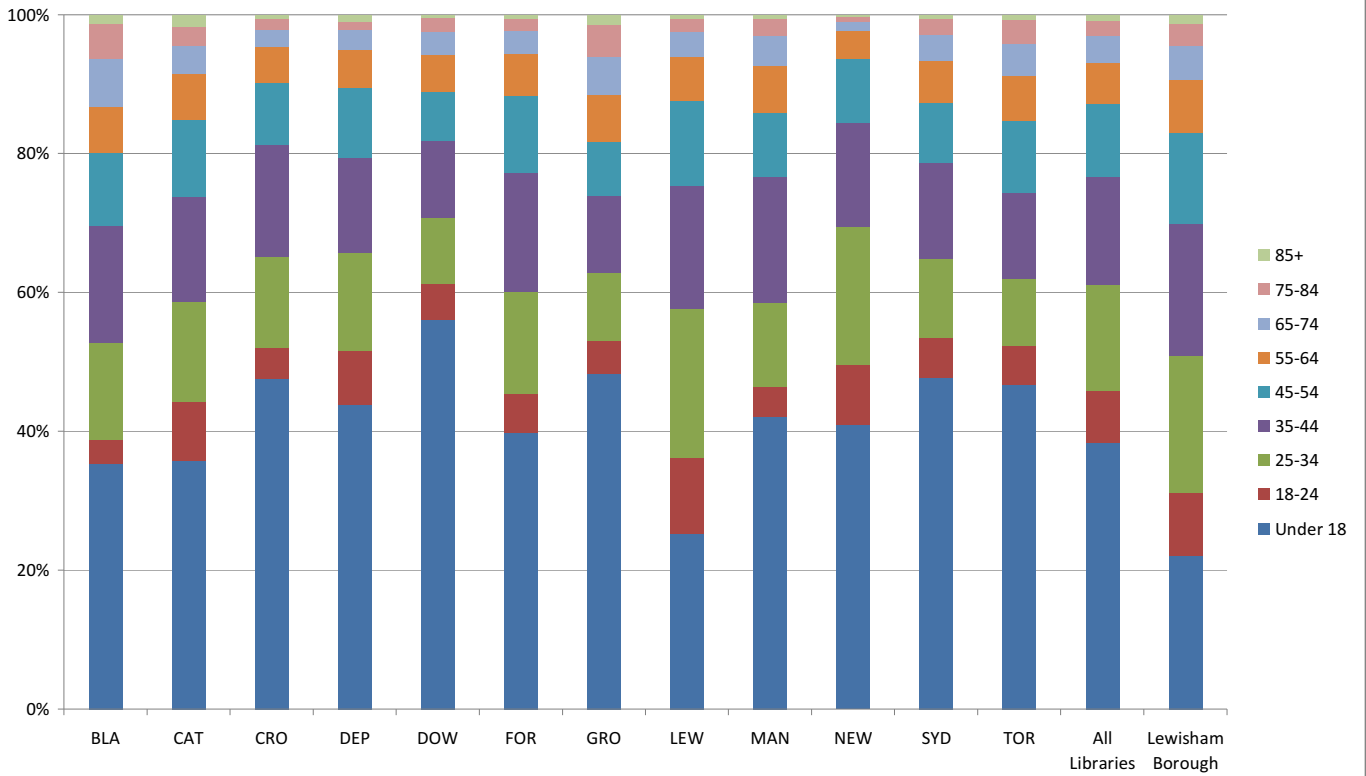


Fig. 4: Employment (Source: Public Library Users Survey, 2009)

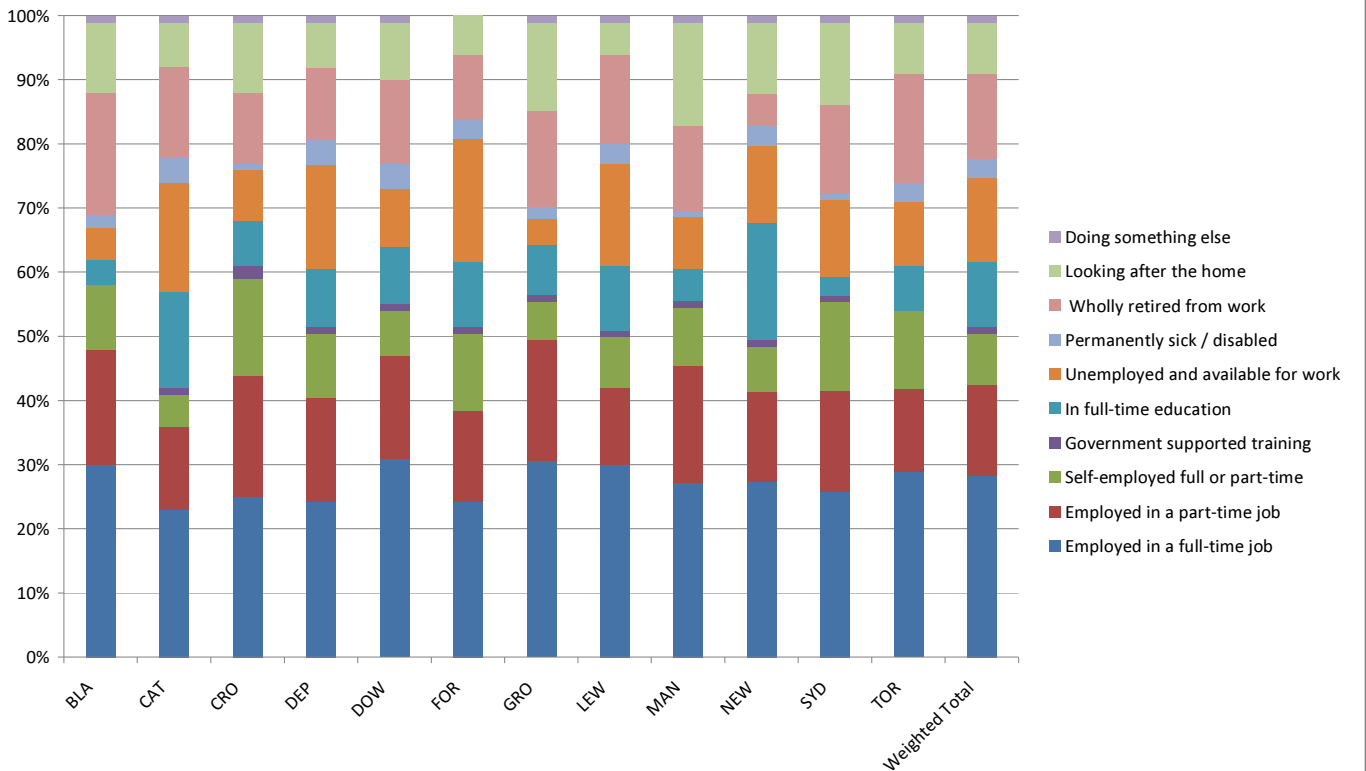


Fig. 5: Disability (Source: Public Library Users Survey, 2009)

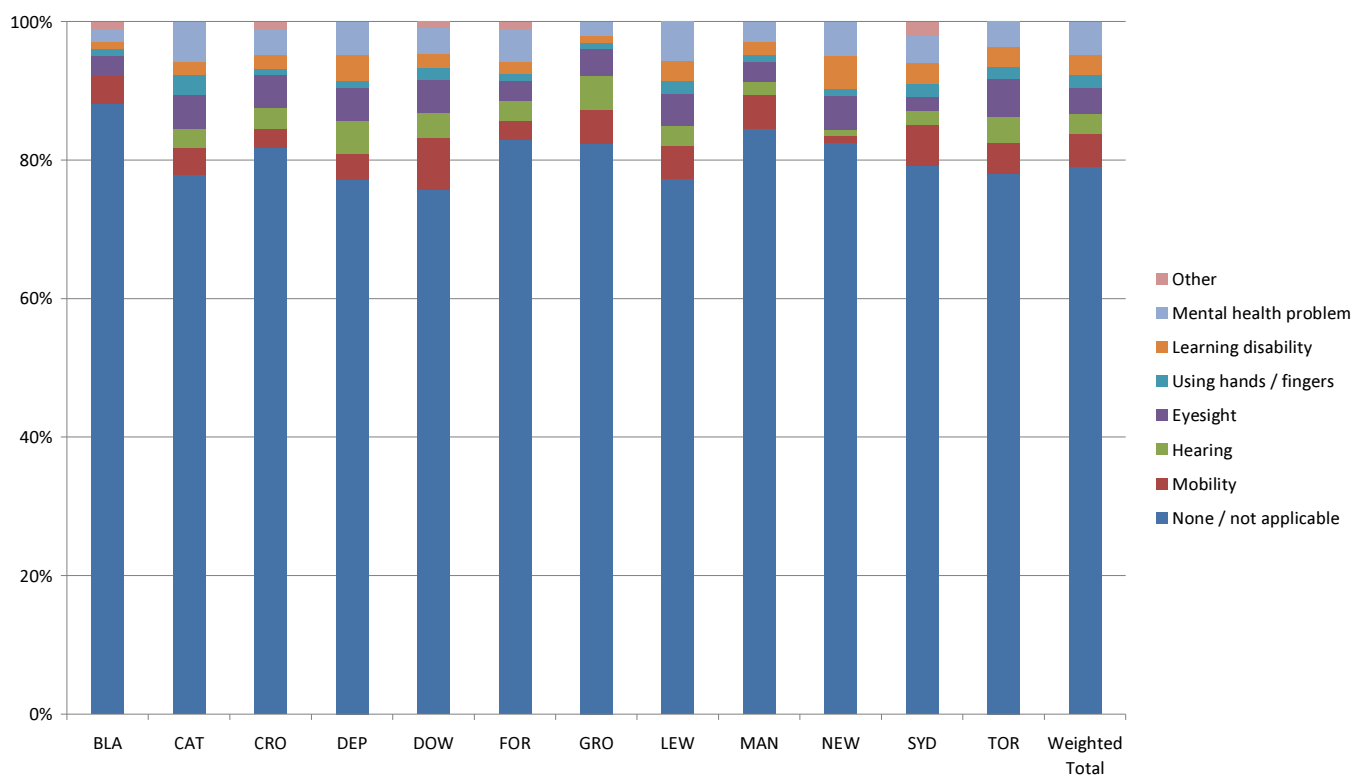
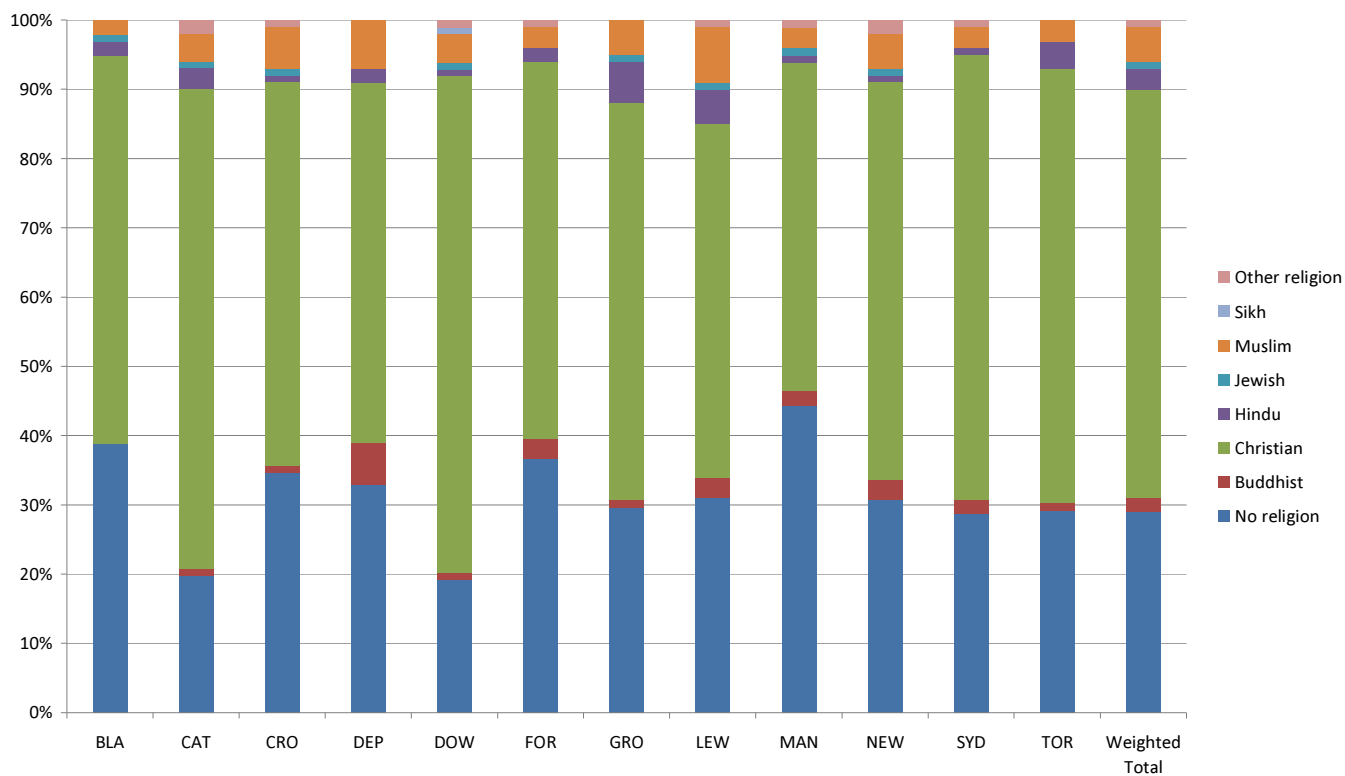
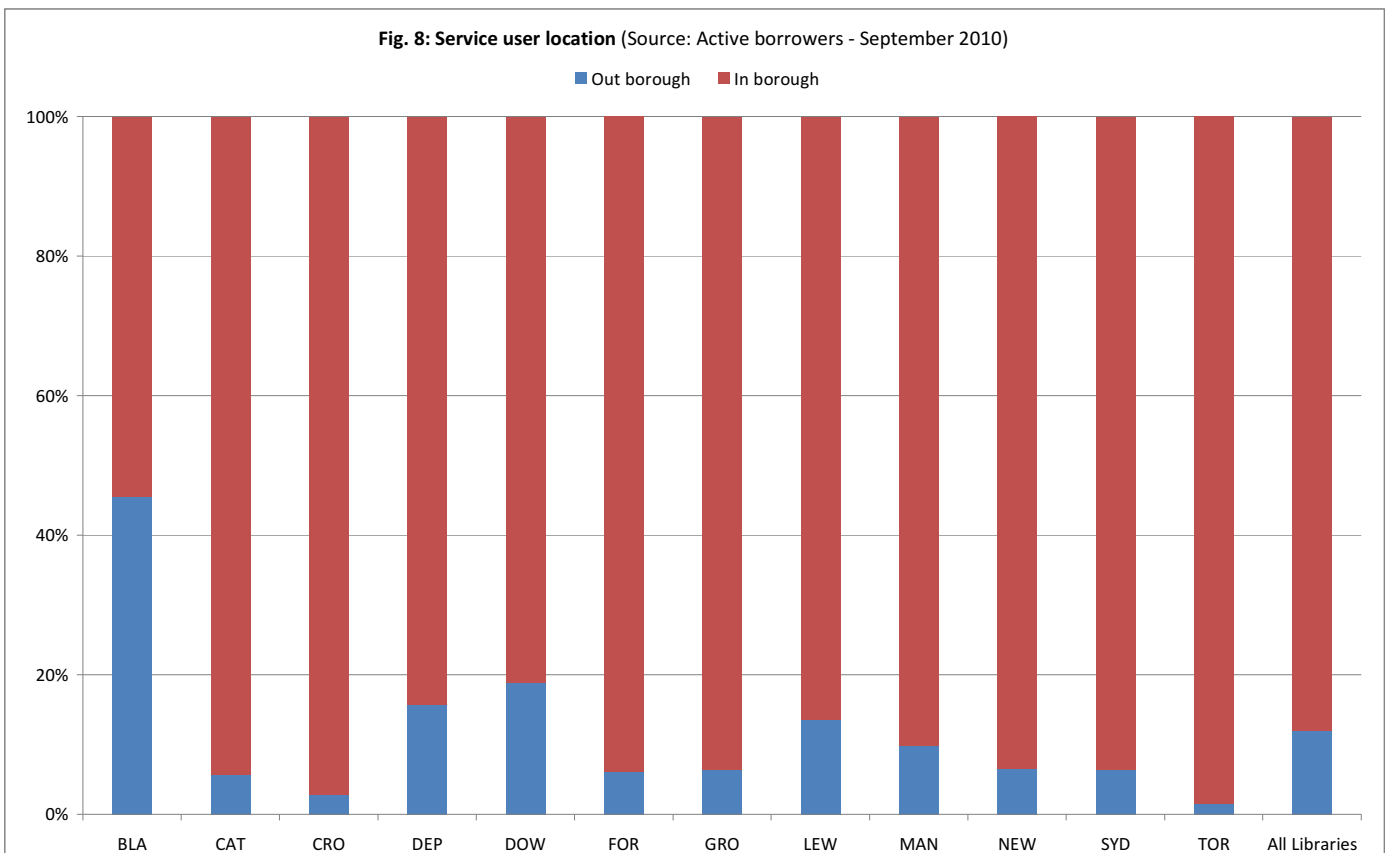
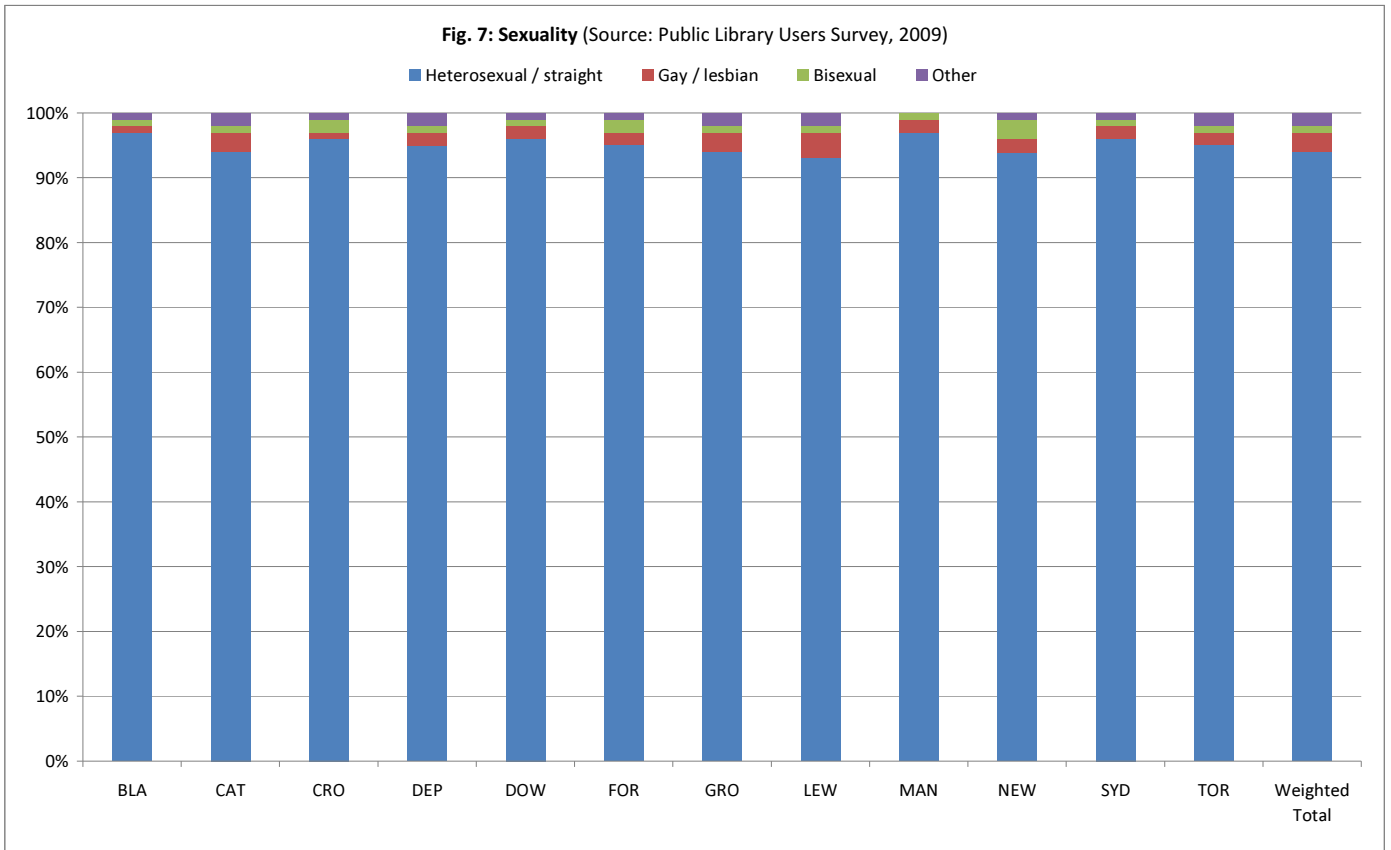


Fig. 6: Religion (Source: Public Library Users Survey, 2009)





12. Equalities Aspects of the Library and Information Service

Libraries are a universal service, open to the entire community. They represent a non-political, non-denominational public facility and play host to a number of different groups and activities. The service actively promotes equal access and equal opportunities and undertakes specific activity so that some of the most vulnerable in society are able to benefit from the service.

A comparison of the borough profile and the library users profile shows how the Library and Information Service is accessed and used by Lewisham's communities. In general the demographic of users broadly matches the borough profile. For Gender a higher proportion of women use the service than men. This is consistent with national user profile. In terms of ethnicity, the service has a higher proportion of BME users than the borough profile. This may indicate the effective action taken by the Library and Information Service to ensure that its stock and range of activities is relevant and accessible. In terms of Sexual Orientation, Religion/Belief, Age and Disability the user profile closely matches the borough profile, indicating that the service provides no barriers that would make access more difficult for any specific community, group or individual.

In addition to delivering its core functions effectively, the Library and Information Service works to foster community cohesion. The service promotes People's Day, supports reminiscence workshops and publicises cultural events across libraries. The service actively celebrates diversity by mounting displays to mark key events including Black History Month, Diwali, Holocaust Memorial Day, and Lesbian, Gay, Bisexual and Transgender History month. There has been a strong focus on co-operation with other partners to promote positive images for social cohesion, working with the community to plan more effective service provision.

Previous Equalities Impact Assessments of the Library and Information Service have highlighted the ways in which the service has developed ways to involve Lewisham's different communities. Specific equalities activity undertaken by the Library and Information Service in regard to each of the equalities categories is highlighted below:

Age

The Library and Information Service's overall aim with regard to age is to ensure that its facilities, services and library stock reflect the needs and are appropriate for the full age range of library users in Lewisham. The development and design of Downham library actively involved young people to ensure a space and facility that they felt happy to use.

The Library and Information Service works closely with Lewisham's schools to support raising aspiration and achievement with under-achieving students. This is achieved through school visits and providing materials to support school curriculums. Library staff also make outreach visits to local schools and organise for schools to make use of the library facilities. Another aspect of this work has been to work alongside the Youth Offending Team to target activity with offenders, providing books and information on drugs, alcohol and other relevant issues. Catford Library ran the Teenage Pregnancy SIX Project aimed at increasing access for Young People to information around sexual health.

Links between the Library and Information Service and the Borough's four Children's Centre Areas are strong. Library staff have worked with colleagues from Children's Centres to develop services to parents and families including book collections at Children's Centre locations, song and story sessions at numerous venues including a shelter for homeless young women, benefits advice in

libraries and “Walk and Talk” expeditions from Children’s Centres to libraries to encourage children’s speech and language development.

The stock offer within the service is representative of all age ranges. A review of stock drew upon feedback from consultations with LGBT Young People, Supplementary Schools, BME groups, dual language and visually impaired users so that their needs and specific requirements could be better understood.

For older people the library there are weekly Over 55 events in the larger libraries, including “Tea @ 2” in Lewisham Central Library. These feature talks, advice sessions, social activities, armchair pilates, storytelling, “knit & knitter” and reminiscence. Other activities include Creative Writing and Reading Groups, and regular IT training “Silver Surfer” courses designed for seniors. The IT Suite Earlier this year the Home Library Service with Entelechy Arts brought 50 homebound users to a lunch and tea dance event at the Albany. The Mayor’s Commission on Libraries and Learning identified that many of the existing library buildings were costly to maintain and featured inflexible spaces which could present a challenge to elderly people or disabled people

Gender

Previous work around equalities has shown that young boys are less likely to participate in reading than young girls. The Library and Information Service has initiated the Book Ahead Project and The Boys into Books, both focussing on encouraging boys to read more widely and to read for pleasure. The service has been working with the Pupil Referral Unit to encourage reading and to provide books for every primary school in Lewisham, targeted at boys aged 5-11. White, working class boys were targeted as one of the National Year of Reading targets and the links developed with schools on this have continued.

The Summer Reading Challenge (SRC) continues to be popular with themes aimed at improving participation in the library by young boys. The uptake for the SRC increased by 7% on last year. The number of boys participating has increased by 9% on last year, due to the theme linking into space exploration, the activities run in libraries over the summer and the introduction of Munglers Trumps, which particularly appealed to boys.

Data shows that a higher proportion of women access the Library and Information service than men. To encourage more male usage, the service has worked closely with the Fathers Information Group (FIG) and has had a stall encouraging male carers to read with their children at the FIG Annual Fun Day for the past two years. In response to demand, Catford Library will pilot an Under 5s session on Saturdays, this is particularly marketed at male carers who are often unable to attend the existing weekday sessions.

Ethnicity

The Library and Information Service’s approach to improving representation of BME library users focuses on four key areas: greater understanding of BME communities leading to better access to specialist stock; support for English for Speakers of Other Languages (ESOL) courses; improved stock relating to citizenship for new communities and improved opportunities to foster social cohesion.

To address a knowledge gap in the information about the languages spoken in the borough, the service used community profiles to identify the range of languages spoken across the borough and ensure that local libraries have the right languages for their communities. This work has resulted in promotion of BME fiction, poetry and narrative non-fiction within local libraries. Activities have

included evening events and book group discussion sessions have taken place. These have worked with both widely known published authors like Bernardine Evaristo and Jacqueline Walker; and niche publishers Centerprise and Flipped Eye.

The Library and Information Service has supported local BME communities by providing a showcase for BME talent and achievement in the local area. Audience development and cultural capacity building has taken place with local writing and publishing initiatives working with adult groups from a range of audiences with strong BME representation. Productions continue throughout the year including events leading up to Black History Month (BHM).

Another aspect of support for BME communities has been improved access to the heritage archives and the development of a touring exhibition programme for branch libraries and community centres.

Ongoing consultations with BME groups have resulted in the ESOL reading groups set up at Brockley Rise and Kirkdale CEL centres and the Bellingham ESOL group taking part in the Six Book Challenge. With regards to specialist reading groups, the Afghani Community Group are shadowing the Albany storytelling group, the Indo-Chinese Little Rainbow Nursery have started a storytelling group and joined the Book Crawl; and the Vietnamese Supplementary School have ongoing visits for story telling at the library with new members discussing their views on the library services. Use of the Library and Information Service by community groups includes use by the Somali and Somaliland Lewisham Community Ltd visit the library and the Federation Of Refugees From Vietnam (FORVIL).

The Library and Information Service actively participates in the Lewisham Refugee Network and has developed services for residents applying for UK citizenship.

Sexual Orientation

The Library and Information Service previously identified a lack of stock and information for Lesbian, Gay, Bisexual and Transgender (LGBT) people within the current library offering. The response was to explore other services with developed strategies for engaging LGBT groups. Gay and Lesbian Youth (GALLY) was consulted along with other young people on the selection of suitable stock and the type of information available in libraries. In addition the Central Librarian was tasked to attend meetings with other Council officers and community groups on LGBT and other diversity issues affecting the Lewisham community, allowing the service to work with the community in planning more effective service provision. The Library and Information Service actively publicises LGBT History month and regularly has displays of LGBT authors.

Disability

The service has undertaken a number of consultations in partnership with social care teams and disability organisations to deliver a programme of consultation and engagement with disabled and sensory impaired people, their families and carers to improve facilities and services in libraries.

Engagement has included an open evening at Catford Library attended by the Deaf and hard of hearing, and their families, meetings three times a month with signing community outreach worker and visits to Brent Knoll, Meadowgate and Watergate Special Schools.

The service understood that there was an issue around disability awareness amongst library staff. Consequently, a Disability Champion has been designated at the Central Library to carry out a disability audit and increase staff awareness of disability issues as well as acquire new and relevant materials on disability awareness.

Partnership work to facilitate reading groups engaging with people with a range of special needs has been set up, as have reading groups for Home Library Service customers. The overall proportion of resources allocated to large print and talking books has increased, as has the access to reference material suitable for people with disabilities. All libraries have adaptive technology, big keys keyboards and ergonomic mice to enable people with physical disabilities to access IT. Many Library and Information Service staff are trained in the use of British Sign Language and Catford Library holds a BSL collection which enables BSL users to perfect their reading and writing as well as being useful to BSL students.

A previous EIA identified that stock needed to be more representative of children and young people with disabilities, with a focus on the resources for those with a visual impairment. As a result more large print and talking books have been bought for all branches and this stock is clearly displayed and promoted to children and families. Materials for visually impaired children have been ordered for the Summer Reading Challenges. Work has also started using Bag Books, multi-sensory resources for children and young people with complex needs. A supply has been bought for the borough and staff have received training on using them.

Additionally the Library and Information Service deliver Booktouch and Bookshine packs as part of the Lewisham Bookstart programme. The packs are provided to blind, Deaf or partially sighted children up to and including the age of four. The packs contain two specially chosen touch and feel books and Bookstart have increased the range of Booktouch and Bookshine packs to include two age appropriate packs for each. Information is available through staff at branches along with appropriate sign-posting information. Work has also started with families who have a child under five with a Statement of Educational Needs and those with multiple or complex needs.

Religion/Belief

The Library and Information Service provides a range of books covering various religions, faiths and belief systems as well as secular material on life and living, which are available at all libraries. There are annual displays, activities and craft events for children in celebration of the major religious and ethnic festivals, including Diwali, EID, Christmas, Easter, Chinese New Year.

Equalities considerations raised at the public meetings

At each second round public meeting, citizens and stakeholders were invited to contribute to the Equalities Impact Assessment process. To facilitate discussion and consideration of equalities issues, library user information was provided. Participants at the meeting had the opportunity to consider this information, ask questions of officers and contribute their thoughts as to the potential equalities impact on flipchart paper.

The specific equalities issues noted through this exercise and through the general discussions and views expressed throughout both public meetings have been included in the relevant library section. However, some of the key issues raised across the five meetings comprised:

- Recognition of the parking and accessibility issues at some libraries.
- Recognition of the use of libraries for extra study by young people with learning and literacy issues
- Recognition of the investment into adapting the service for all users, like the sensory gardens.

- Consideration of the impact of closing the libraries on the wider community and businesses.
- Recognition that schools use the current library service extensively and there are few alternatives
- Recognition that elderly people use the library as a means of staying in touch with each other and with the wider community.
- Consideration of the role of libraries as places where all different sections of the community come together and that to close library facilities might have an effect on community cohesion.
- Consideration of the geographical effect of closing local libraries and the reduced likelihood of users with disabilities or young families travelling to alternatives.
- Recognition that some of the libraries are located in areas of high deprivation and that closure of the library facilities could only exacerbate this situation.
- Consideration of the impact closing libraries will have on facilities available for young people in reducing provisions for them.
- Concern was expressed regarding the geographical spread of the Library and Information Service, if the five libraries were to close.

13. Blackheath

Blackheath Village Library is located in the heart of Blackheath Village, close to the border with Greenwich. 52% of users live in Lewisham Borough and 48% of users live in Greenwich Borough. Of the Lewisham residents, 41% live in Blackheath ward and 6% in Lee Green ward. The building comprises two floors, the downstairs houses the library stock and the upper meeting/exhibition space. The ground floor is fully accessible but stairs restrict access to the first floor.

There are four free public terminals, managed via a computerised booking system, providing access to the internet. Microsoft Office software is installed on all computers and the library offers access to a wide range of electronic information resources. The library also runs monthly ICT support sessions.

Within its 31 hours of opening, regular activities include class visits, currently taken up by All Saints CE, John Ball and Heath House. The library hosts a well-attended weekly Under 5s session and monthly Chatterbooks for older children. The library also runs craft activities for children to support specific events like Black History Month and the Summer Reading Challenge. This year, 164 children aged 5-11 took part in the Summer Reading Challenge at Blackheath. The Library also has a well-established adult reading group and hosts literary events like book launches and readings.

The exhibition space hosts regular exhibitions of work by local artists and is also used as a social/meeting space for a number of groups such as the University of the Third Age.

Libraries Data and Reader Profile

For the period April to March 2009/10, Blackheath recorded 91,797 visitors. The figure for the period April/September 2010 stands at 47,432 visitors.

Active borrowers profile shows 41% of users are from Blackheath ward, 6% from Lee Green ward and 48% from London Borough of Greenwich.

43% of active library users in Blackheath ward use Blackheath Village Library, while 38% use Lewisham Library and 11% use Manor House. 5% of active library users in Lee Green ward use Blackheath Library, while 56% use Manor House Library and 31% use Lewisham Library.

Gender: Blackheath has a slightly higher proportion of female users – 68% compared with a service average of 62%.

Race: 73% of Blackheath library users are White: British, compared with a service average of 45%. The largest BME populations are Black African – 12% and Black Caribbean – 11%

Disability: 88% of Blackheath respondents to the PLUS survey stated having no disability, compared to a service average of 83%. 4% have mobility issues, 3% eyesight problems, 2% mental health and 1% have learning difficulties, coordination problems or other issues.

Age: There is an older profile among library users compared with the service average. 35% of users are under 18 compared with 39% for Lewisham as a whole. There are also fewer 18-24 year olds,

3% compared with a service average of 7%. There are more users in the 65-74 and 75-84 age groups – 7% and 5% compared with 4% and 2% respectively.

Consultation activity

In July and August 2010, Lewisham Council held public meetings to discuss the possible closure of five libraries in the borough, with a second round being held in October. Information about these was posted in the libraries, on the Libraries section of the Council website and publicised in the local press. Users were encouraged to participate in the ‘Our Lewisham, Our Say’ process and post their comments on the forum. E-mails were received via the Libraries@lewisham.gov.uk email address and petitions were handed in from local interested parties. Steps were taken to monitor activity and comments on the web to ensure awareness of the main areas of concern. A full report on the messages arising from the consultation has been produced.

- Library stakeholder meetings on 20th July and 12th August 2010
- First public meeting on 28th July 2010 (98 attended)
- Second public meeting on 13th October (163 attended)

Blackheath Scoping Grid

The key questions considered in scoping the assessment were:

- Could the proposed changes to this service and the way it is delivered affect some groups in society differently?
- Will the proposed changes disproportionately affect some groups more than others?
- Will the proposed revisions to the service and the way it is delivered promote equal opportunities?

Equalities category	Assessment of potential impact – (positive/negative - High, Medium, Low, Nil)	Reason for this assessment
Gender	Negative - Medium	68% of active library users (as at September 2010) are female compared with a service average of 62%.
Race	Negative - Low	Active library user stats from September 2010 show that 73% of users are White British compared to 45% average in the service. The figure is broadly reflective of the demographics for this area with 70% White population compared to 23.2% BME.
Disability	Negative - Low	12% of respondents to the PLUS Survey identified that they had some form of disability, compared to the service average of 22%; and the ward figures which indicate that 3.6% residents are sick or disabled and 14.3% have a limiting long term illness.
Age	Negative - Medium	There is an older profile for this library compared with the service average – 13% aged 65 and over compared with 7% for the service average and 9% for the borough. Overall the percentage of older

Equalities category	Assessment of potential impact – (positive/negative - High, Medium, Low, Nil)	Reason for this assessment
		service user is comparable to the elderly population of Blackheath (60+) which is 15.5%, the eighth highest in Lewisham. Under 18s account for 35% of users, the lowest of all libraries and just under the service average of 38%.
Sexual orientation	Negative - Low	According to 2009 PLUS, 4% of respondents identified as LGBT and the remaining 96% as heterosexual. This is consistent with the overall service average of 95% heterosexual and slightly lower than the borough profile of 6% identifying as LGBT.
Religion and belief	Negative - Low	<p>Blackheath respondents to the 2009 PLUS survey show that 55% were Christian, 2% Muslim and Hindu and 1% Jewish. 38% reported themselves as having 'no religion'. This is broadly similar in breakdown to the overall service average of 59% Christian, 29% no religion, 5% Muslim, 3% Hindu and 1% Jewish.</p> <p>Compared to the ward profile in which 59.6% are identified as Christian, 25% no religion and 3% Muslim, the figures are again roughly comparable.</p>

Assessment of Equalities Impacts

Gender: Negative - Medium

Female users account for 68% of active users, more than the 62% service average. As such closure may therefore have a higher impact upon women.

Race: Negative - Low

Although there is a higher number of White British active users compared to the overall Library and Information Service average, the figure is roughly proportionate to the ward profile. Users from the BME community are very low and development of alternative forms of delivery may provide an opportunity to focus on this group to improve participation.

Disability: Negative - Low

The PLUS survey indicates that the library has less participation from residents with a disability. Currently wheelchair users and people with mobility issues have some difficulty in using the building and in gaining access to the regular exhibitions and activities upstairs on the first floor. Consultation with users and residents identified concerns about parking issues at the current site as well as accessibility for any alternative provision if the library was to close.

Age: Negative - Medium

The older age profile of active users is higher than the service average. As such the closure of the library may have an impact on these residents. In regard to age, All Saints CE and John Ball and Heath House schools all send classes to visit the library. The library also holds 'Silver Surfer' IT

sessions for older people which are well attended. The close proximity to the Age Exchange in Blackheath Village benefits library use by older clients.

In terms of specific impact upon different age categories, areas of concern raised through consultation included the accessibility of alternative provision by older residents and by local schools if it were to be located outside of the village.

Sexual Orientation: Negative Low

It is very difficult to know how many people in Lewisham are LGBT, however according to the Speak Out survey, the Treasury estimates that 6% of the total population are gay or lesbian. In the Library and Information Service PLUS survey 4% of people responded as being LGBT. There is no evidence that the proposal to close the library will have a disproportionate impact on this protected characteristic.

Religion and Belief: Negative Low

There are over 200 different religions in Lewisham. The two most common religions practiced by Lewisham residents are Christianity with 61% and Islam with 4.6%. The Ward profile follows a similar trend with 59.6% Christian, 3.2% Muslim and 24.5% stated having no religion. An average of 1% are stated to be Buddhist, Hindu, Sikh and Jewish.

The service average is broadly similar to this with 59% of users identified as Christian, 29% having no religion, 5% Muslim, 3% Hindu, 2% Buddhist, 1% Jewish and less than 1% Sikh.

Comparatively, 38% of responders to the PLUS Survey from Blackheath stated that they do not follow a religion, 55% were Christian, 2% Muslim, 3% Hindu. These figures are proportionally similar to both ward and service averages; and there is no evidence that the proposal has a disproportionate impact on this protected characteristic. The Library and Information Service provides a range of books and covering various religions, faiths and belief systems as well as secular material on life and living, which are available at all libraries.

Statement in regard to Human Rights

The implications of this proposal on Human Rights has been assessed using the flow chart in 'Human rights: human lives: A handbook for public authorities' Department for Constitutional Affairs. This proposal does not interfere with human rights.

Socio-Economic conditions specific to Blackheath Library catchment

According to the 2007 Indices of Multiple Deprivation Lewisham is the 39th most deprived borough in the country. Deprivation in Lewisham is centralised in areas in the north, centre and south of the borough.

In Blackheath, there is a higher percentage of residents earning above average annual earnings than for the borough as a whole, and higher numbers of economically active residents. The percentage of people with level 4 or higher qualifications is 48% compared with 29.4% for the borough as a whole. There is a slightly higher percentage of over 65s than for the borough as a whole and a lower percentage of under 19s – 18.5% compared to 24.3%

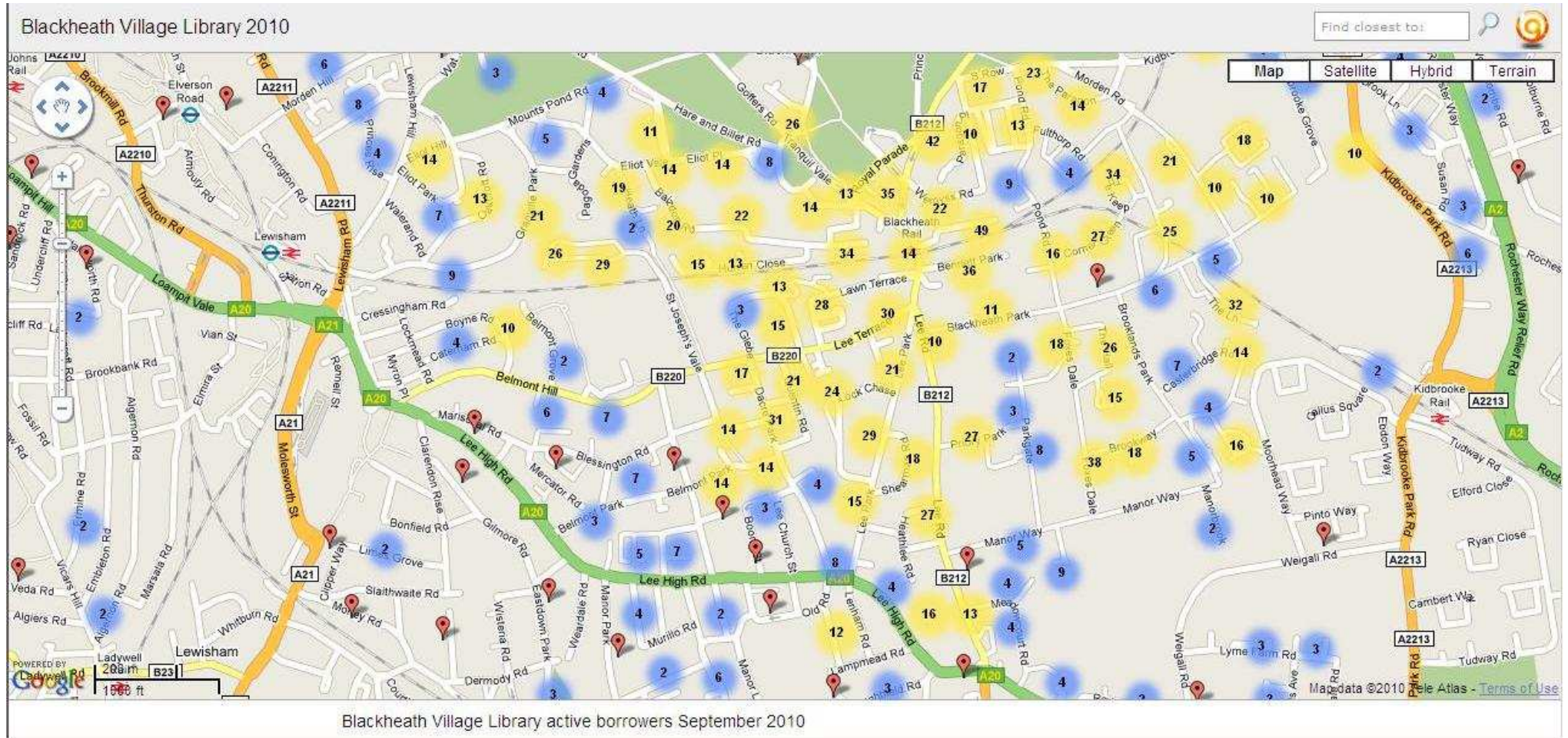
Blackheath has 3.7% of the working age population claiming jobseekers allowance (2007) compared with a borough average of 5.4%, and 53.4 incapacity benefits claimants per 1,000

working age population, the 17th highest in the borough. Blackheath also has 91% of Key Stage Two: Pupils Achieving Level Four + in English compared with a borough average of 71%, and ranks 2nd in Lewisham. Projected population growth for Blackheath (2001-2026 GLA projections) is 2.3%. Transport links are good with direct rail links to central London. House prices are almost double the borough average.

According to Census (2001) data, 41.9% of Blackheath households do not own a car, compared to the borough profile of 42.8% of households. The closest alternative Lewisham libraries are Manor House (0.6 miles) and Lewisham (1.2 miles) and are both accessible by public transport.

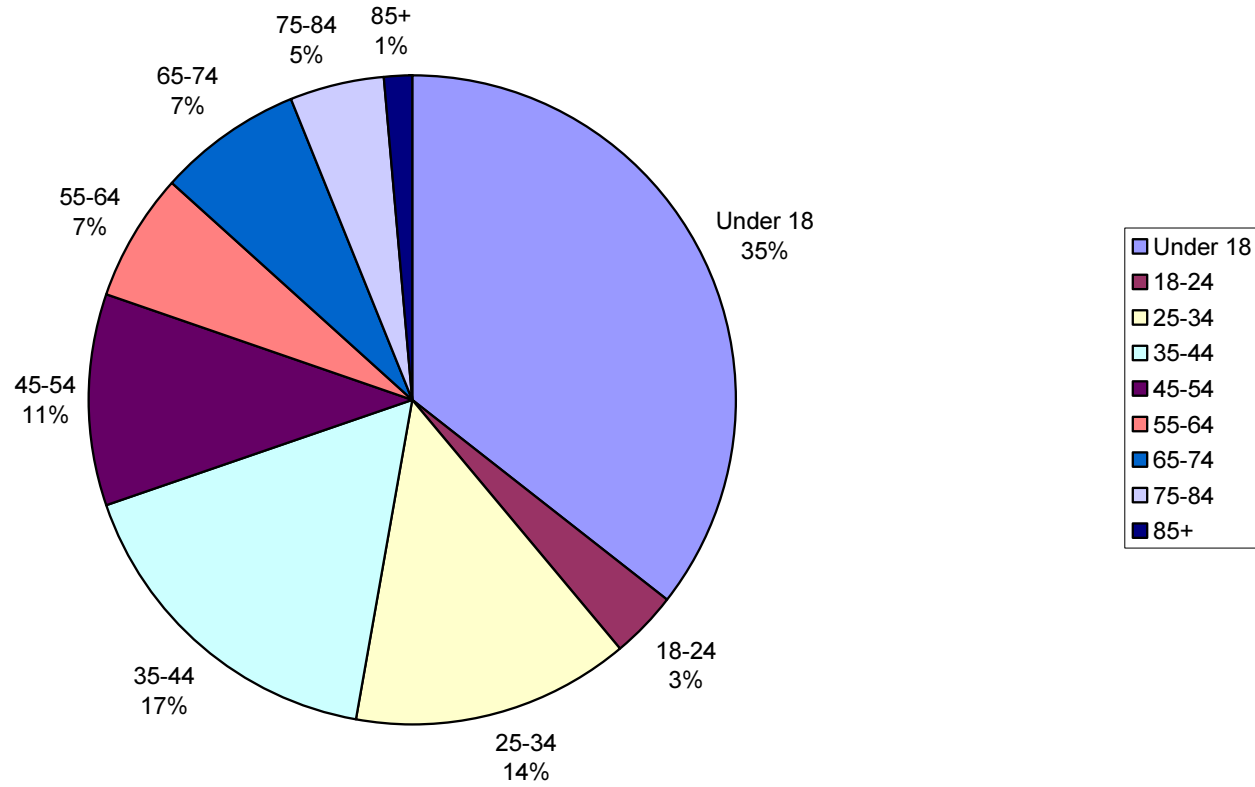
Blackheath Library Catchment Area

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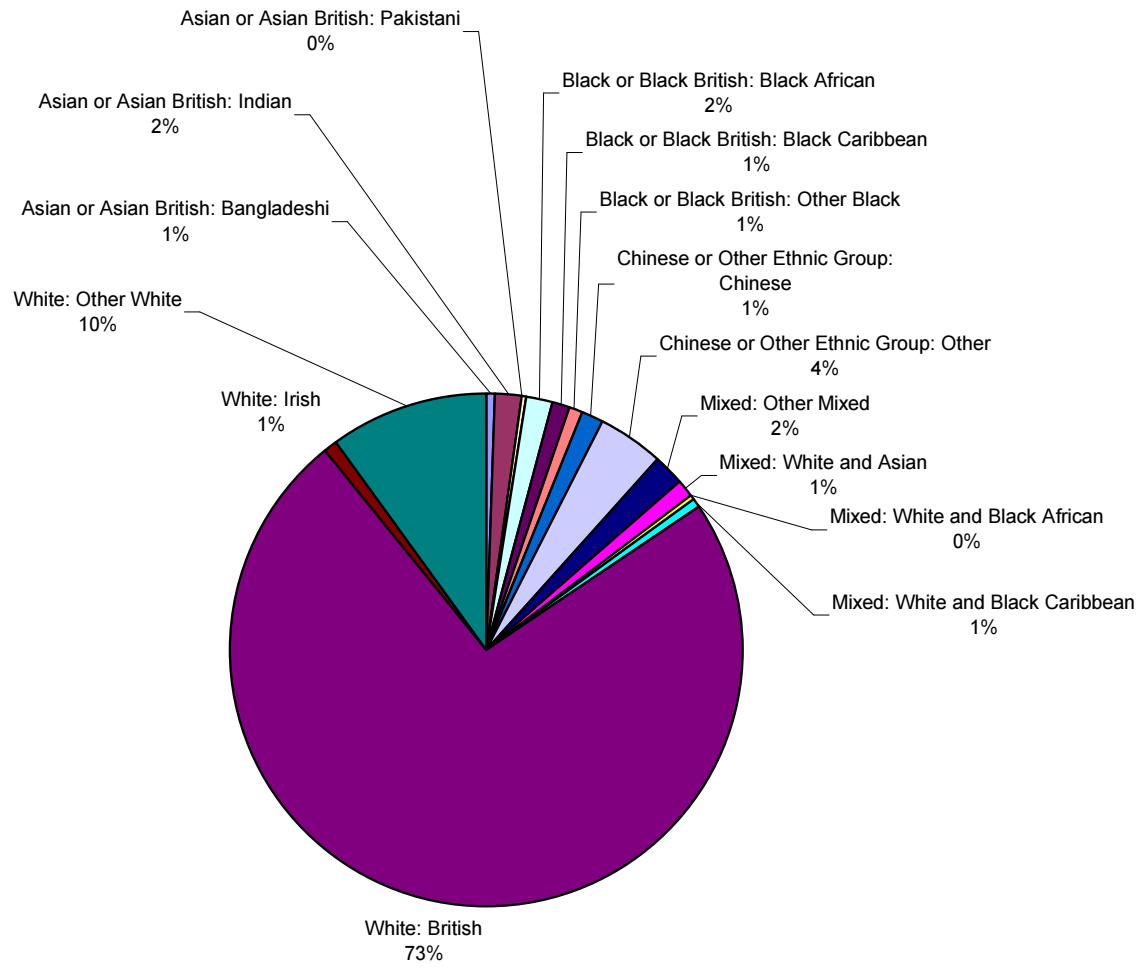
Blackheath Library User Age Range

Blackheath Library
Age breakdown of users



Source: Active User Statistics as at September 2010

Blackheath Library User Ethnicity



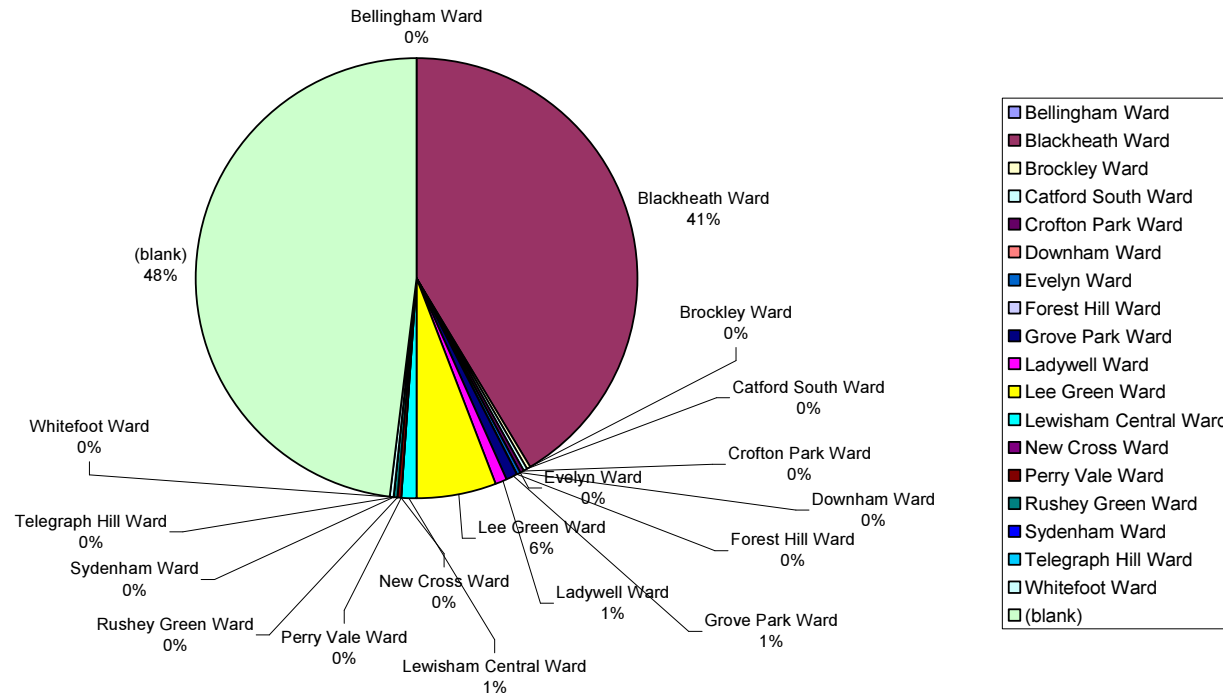
Blackheath Library
Ethnicity breakdown of users



Source: Active User Statistics as at September 2010

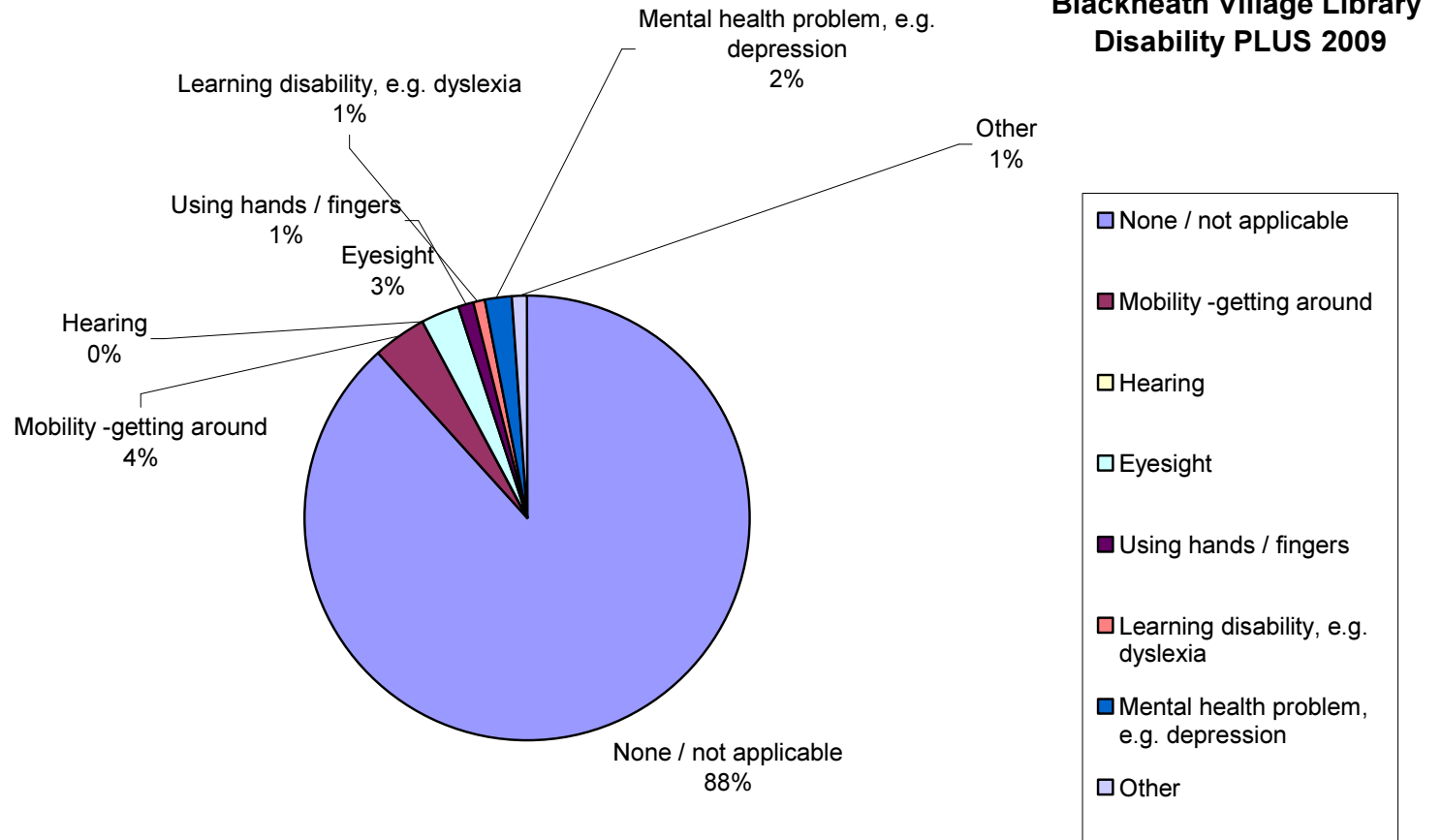
Blackheath Library Users Origin

Blackheath Library
Where users come from



Source: Active User Statistics as at September 2010

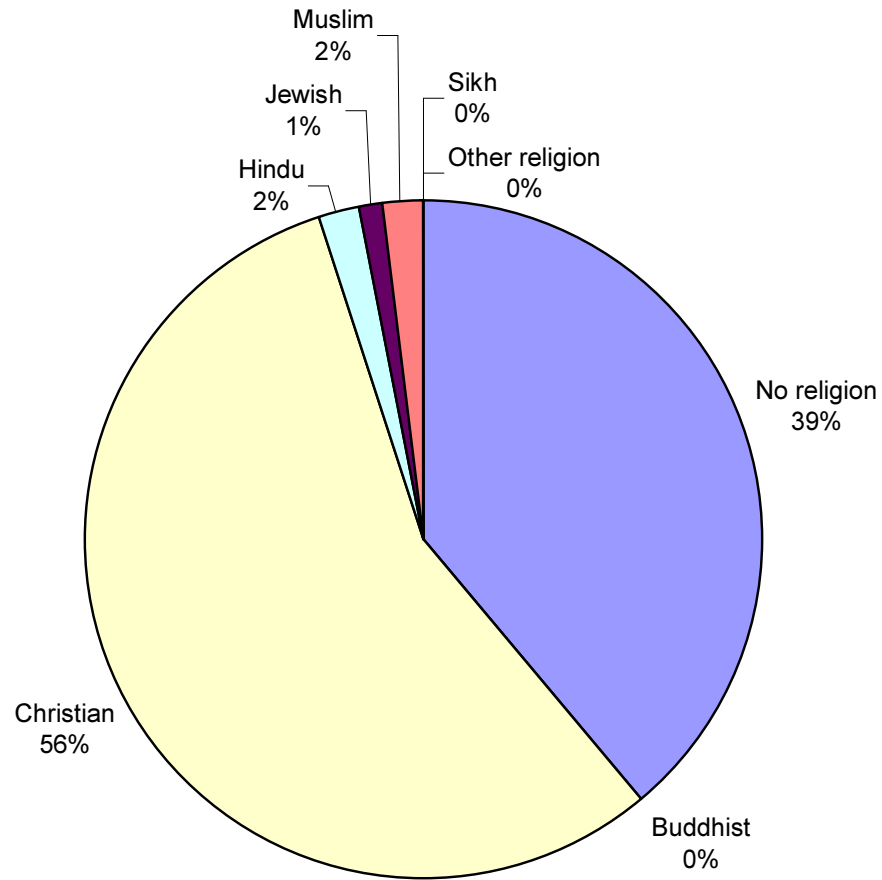
Blackheath Library User Disability



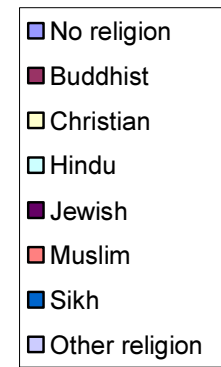
Page 572

Source: Public Library Users Survey (PLUS)2009

Blackheath Library User Religion



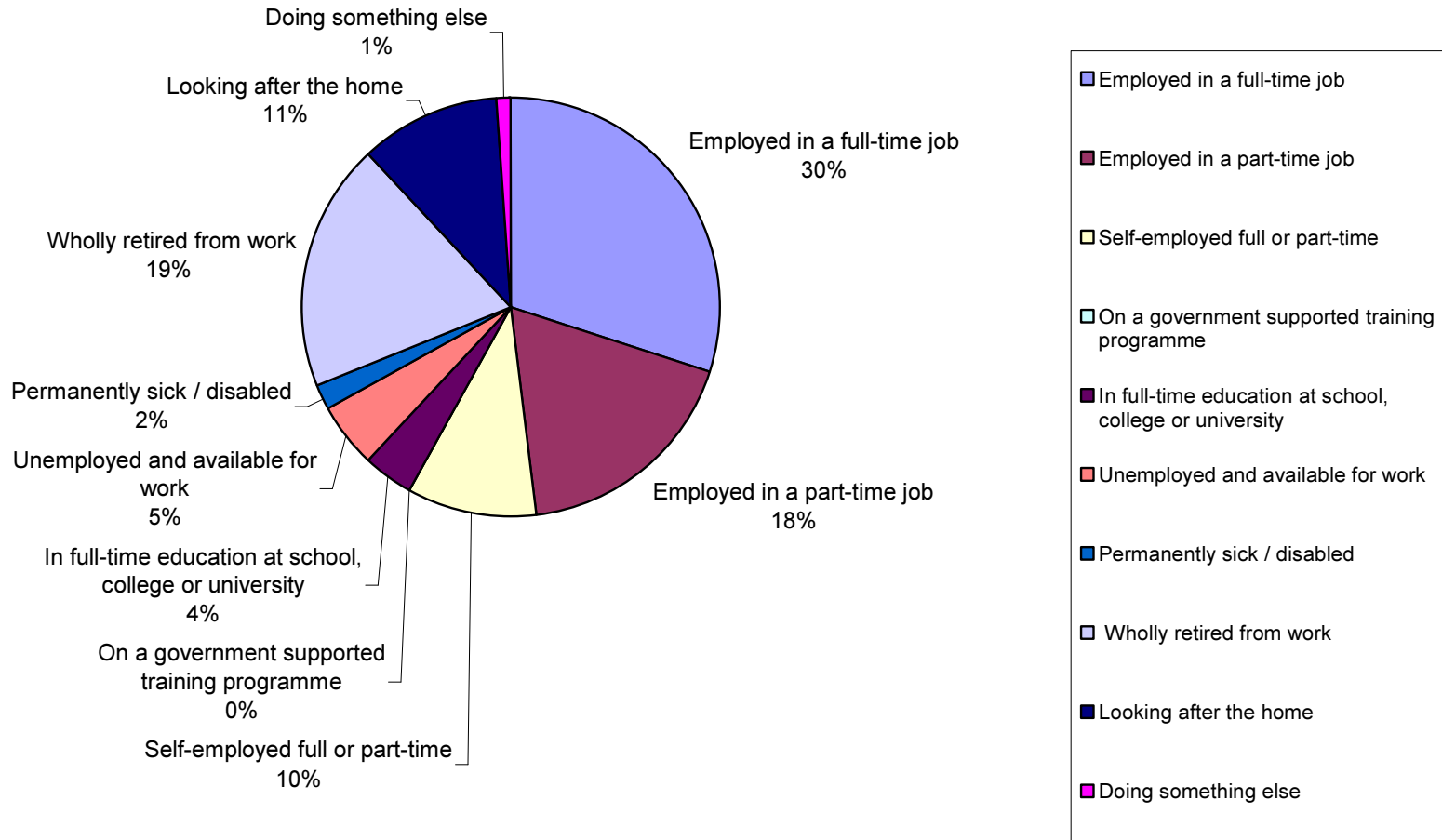
Blackheath Village Library Religion PLUS 2009



Source: Public Library Users Survey (PLUS) 2009

Blackheath Library User Employment

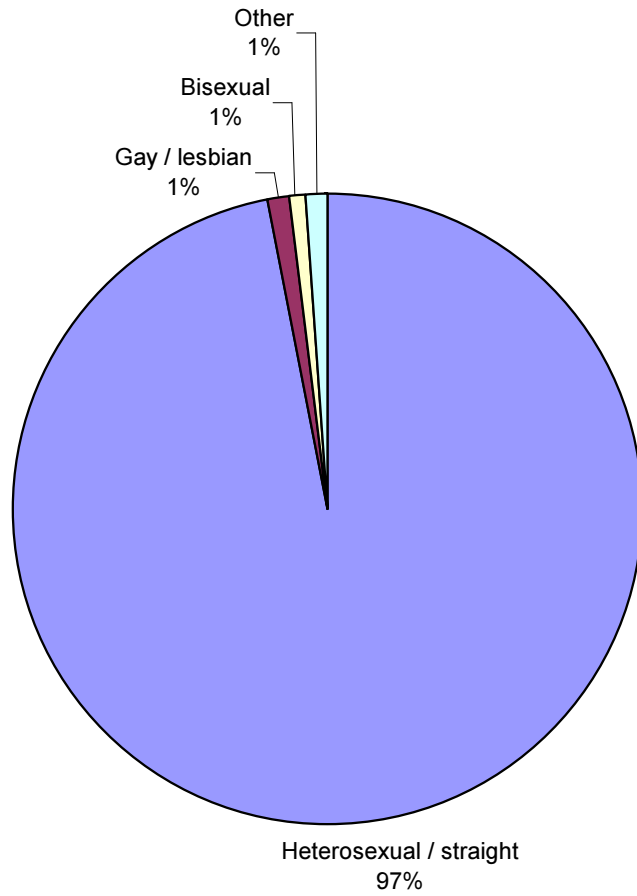
Blackheath Village Library Employment PLUS 2009



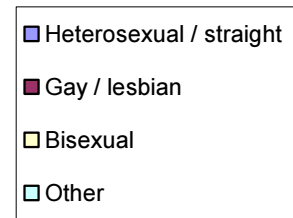
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Source: Public Library Users Survey (PLUS) 2009

Blackheath Library User Sexual Orientation



Blackheath Village Library LGBT PLUS 2009



Source: Public Library Users Survey (PLUS) 2009

14. Crofton Park

Crofton Park is a 100 year old Carnegie Library on the edge of Ladywell and Crofton Park wards. 45% of users come from Crofton Park, 16% from Ladywell and 11% from Telegraph Hill wards. The library has full disabled access, but there is no lift access within the building to the upper floors.

There are eight free public terminals, managed via a computerised booking system providing access to the internet. Microsoft Office software is installed on all computers and the library offers access to a wide range of electronic information resources, notably Credo Reference. The library also runs monthly ICT support sessions.

Within its 36 hours of opening, regular activities include class visits currently taken up by Brockley and St Mary Magdalen's RC School. The library hosts a well-attended weekly Under 5s sessions and Baby Bounce, plus a monthly Chatterbooks for older children. This year, 223 children aged 5-11 took part in the Summer Reading Challenge at the library.

Councillors' surgeries take place at Crofton Park Library. The Library has good links with SureStart Honor Oak, now part of Children's Centre Area 1 - and has been the destination for many "Walk and Talk" expeditions. It also hosts a course for families where children have speech and language delay, run jointly with the Speech and Language Therapy Service.

The library has successfully engaged with community partners and led a Nelson Mandela portrait project supported by his UK foundation. It has hosted events like SE4's Got Talent, and SE4 Literary Roots. Prominent authors like Malorie Blackman and Lindsey Davis have done readings. The library is unique amongst Lewisham's libraries in having a sensory garden.

Libraries Data and Reader Profile

For the period April to March 2009/10, Crofton Park recorded 82,528 visitors. The figure for the period April/September 2010 stands at 41,929 visitors.

Active borrowers profile shows 45% of users are from Crofton Park ward, 16% from Ladywell ward and 11% from Telegraph Hill ward.

50% of active Library users in Crofton Park ward currently use Crofton Park Library, while 17% use Lewisham Library and another 17% use Catford Library. 18% of active library users in Ladywell ward use Crofton Park Library while 66% use Lewisham Library.

Gender: Crofton Park Library has 64% female users and 36% male, compared with a service average of 62% female.

Race: 56% of library users are White: British compared with a service average of 45%. The largest BME populations are Black Caribbean – 11% and Black or Black African – 8%.

Disability: 85% of respondents to the PLUS survey cited they had no disability compared to the service average of 83%. Those with eyesight problems accounted for 4%, mental health for 4%, hearing 3%, learning disabilities 2% and other problems 1%.

Age band – there is a higher proportion of under 18s than is the service average – 47% compared with 39%, although 18-24s are a smaller proportion of users – 5% compared with 7%.

Consultation activity

In July and August 2010, Lewisham Council held public meetings to discuss the possible closure of five libraries in the borough, with a second round being held in October. Information about these was posted in the libraries, on the Libraries section of the Council website and publicised in the local press. Users were encouraged to participate in the 'Our Lewisham, Our Say' process and post their comments on the forum. E-mails were received via the Libraries@lewisham.gov.uk e-mail address and petitions were handed in from local interested parties. Steps were taken to monitor activity and comments on the web to ensure awareness of the main areas of concern

- First public meeting on 23rd August 2010 (111 attended)
- Second public meeting on 19th October (74 attended)

Crofton Park Scoping Grid

The key questions considered in scoping the assessment were:

- Could the proposed changes to this service and the way it is delivered affect some groups in society differently?
- Will the proposed changes disproportionately affect some groups more than others?
- Will the proposed revisions to the service and the way it is delivered promote equal opportunities?

Equalities category	Assessment of potential impact – (positive/negative - High, Medium, Low, Nil)	Reason for this assessment
Gender	Negative - Low	64% of active library users for Crofton Park are female, and 36% male. This is slightly lower than the service average of 38%. The number of female users is slightly higher than the service average of 62%. Compared to the ward profile of Male 48% and Female 52%, the figures show a higher proportion of female users.
Race	Negative - Low	Active user statistics show that 56% of Crofton Park users are White British which compares with 45% of service users and 56% of ward population. 23% of users are Black British and 21% from other BME and Asian groups, showing that library usage of the local area is below the service average of 55% BME users but broadly representative of the local area which has 40% BME population.
Disability	Negative - Low	19% of active users who responded to the PLUS Survey stated that they have a disability. This roughly compares with the service average of 22% and is higher than the local figure for those stating they have a long term illness of 14%.

Equalities category	Assessment of potential impact – (positive/negative - High, Medium, Low, Nil)	Reason for this assessment
Age	Negative - Medium	There is a higher proportion of under 18s among library users at 47% compared with the service average of 39% and a ward population of 19%. Older people are under represented with only 10% compared to 13% for the service and 14% for the ward.
Sexual orientation	Negative - Low	According to the 2009 PLUS, 4% of respondents identified as LGBT. This is just below the overall service average of 5% and slightly lower than the borough estimate of 6%.
Religion and beliefs	Negative - Low	35% of respondents to 2009 PLUS list identified themselves as having 'no religion' higher than the service average of 29% and the ward figure of 22.1%. Christian service users accounted for 56% which is less than the service average of 59% and the ward figure of 60.3%. Islam accounted for 6% which is comparable to the service average of 5% and the ward average of 5.2%.

Assessment of Equalities Impacts

Gender: Negative - Low

The figures for gender are close to those for the service as whole, coming in at 64% to 36% Female to Male active users. The closure will therefore not have a disproportionate impact on gender.

Race: Negative - Low

Demographically, the area is reasonably representative of the borough and service users as a whole. Use by BME groups is below the service average at 44% compared to 55%. Closure of this facility would not specifically impact on any specific BME community.

Public concern centred on the impact closing the library would have on community, specifically on social cohesion and the work the library has done in this regard. It was recognised that community activities are carried out in the library and proposed asset transfers may jeopardise these.

Disability: Negative - Low

The PLUS survey indicates that the proportion of library users with disabilities is in line with the service average. As such the closure of the library would not have a disproportionate impact on this equalities category.

In discussing the potential equalities impact, participants in the public consultation raised issues about the suitability of travelling to other libraries for the disabled users in terms of travelling and accessibility.

Age: Negative - Medium

The higher proportion of under 18s service users at this library indicates that closure may have a particular effect on this group. The under-representation of older adults indicates that this group is less likely to be affected.

Areas of concern raised through the consultation process were the ability and suitability of using schools as alternative venues due to the restrictions placed on access to schools. Other issues were raised about the potential impact on literacy and the suitability of travelling to other libraries for young people. Additionally it was pointed out that some local schools do not have libraries and will not have access to books should the library close.

Sexual Orientation: Negative - Low

It is difficult to know how many people in Lewisham are LGBT, however according to the Speak Out survey, the Treasury estimates that 6% of the total population are gay or lesbian. In the Library and Information Service PLUS survey 4% of people responded as being LGBT. There is no evidence that the proposal would have a disproportionate impact on this protected characteristic.

Religion and Belief: Negative - Low

There are over 200 different religions in Lewisham. The two most common religions practiced by Lewisham residents are Christianity with 61% and Islam with 4.6%.

35% of responders to the PLUS Survey stated that they do not follow a religion which is higher than the service average of 29% and the ward figure of 22.1%. Christianity made up 56% compared 59% and 60.3% for the service and ward figures respectively. Islam accounted for 6% of respondents which compares well to the service average of 5% and the ward profile of 5.2%.

Overall participation in culture by religious groups does not identify a disproportionate impact on this protected characteristic. The Library and Information Service provides a range of books which cover various religions, faiths and belief systems as well as secular material on life and living, which are available at all libraries.

Statement in regard to Human Rights

The implications of this proposal on Human Rights has been assessed using the flow chart in 'Human rights: human lives: A handbook for public authorities' Department for Constitutional Affairs. This proposal does not interfere with human rights.

Socio-Economic conditions specific to Crofton Park Library catchment

According to the 2007 Indices of Multiple Deprivation Lewisham is the 39th most deprived borough in the country. Deprivation in Lewisham is highest in areas in the north, centre and south of the borough.

Average annual earnings in Crofton Park ward are slightly above the borough average and 72.3% are economically active compared with 68.9% for the borough. The percentage of people with no qualifications is lower than the borough average and the percentage of people with level 4 or higher is above the Lewisham average. In Ladywell ward, this percentage is 37.6% compared with 29.4%.

Crofton Park has 4.6% of the working age population claiming jobseekers allowance (2007) compared with a borough average of 5.4%, and 55.7 incapacity benefit claimants per 1,000

working age population, the 15th highest number in the borough. Crofton Park also has 83% of Key Stage Two: Pupils Achieving Level Four + in English compared with a borough average of 71%, and ranks 8th in Lewisham. Projected population growth for Crofton Park (2001-2026 GLA projections) is 3.4%.

Ladywell has 4.4% of the working age population claiming jobseekers allowance (2007) compared with a borough average of 5.4%, and 54.5 incapacity benefits claimants per 1,000 working age population, the 16th highest in the borough. Ladywell also has 77% of Key Stage Two: Pupils Achieving Level Four + in English compared with a borough average of 71%, and ranks 10th in Lewisham. Projected population growth for Ladywell (2001-2026 GLA projections) is 5.2%.

According to Census (2001) data, 35.5% of Crofton Park households do not own a car, compared to the borough profile of 42.8% of households. The closest alternative Lewisham libraries are Lewisham (1.2 miles) and Catford (1.3 miles) and are both accessible by public transport.

Crofton Park Library Catchment Area

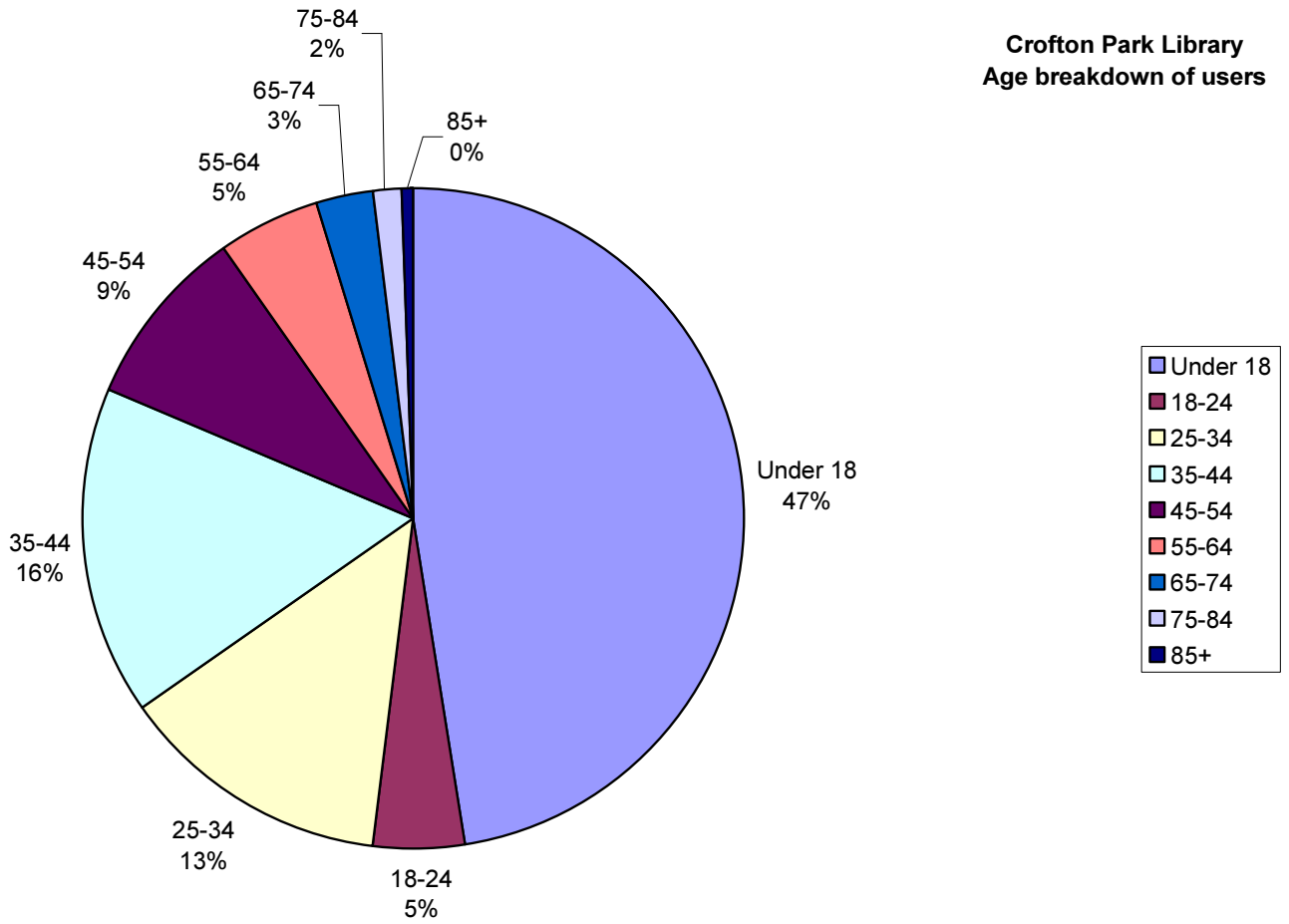


Crofton Park Library active borrowers September 2010

Each number represents the number of users by postcode. (Yellow >10, Blue <10)

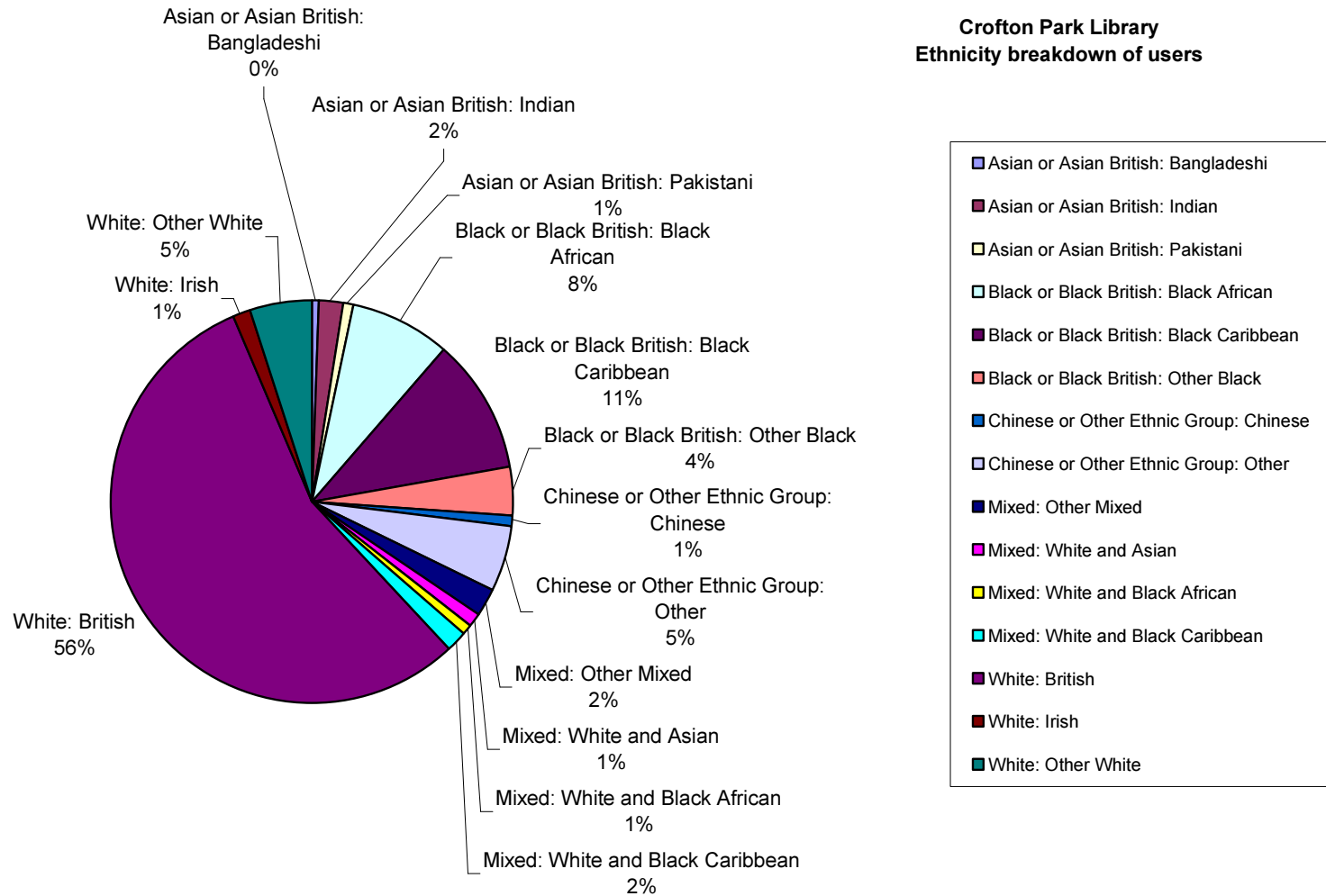
Source: Active User Statistics as at September 2010

Crofton Park Library User Age Range



Source: Active User Statistics as at September 2010

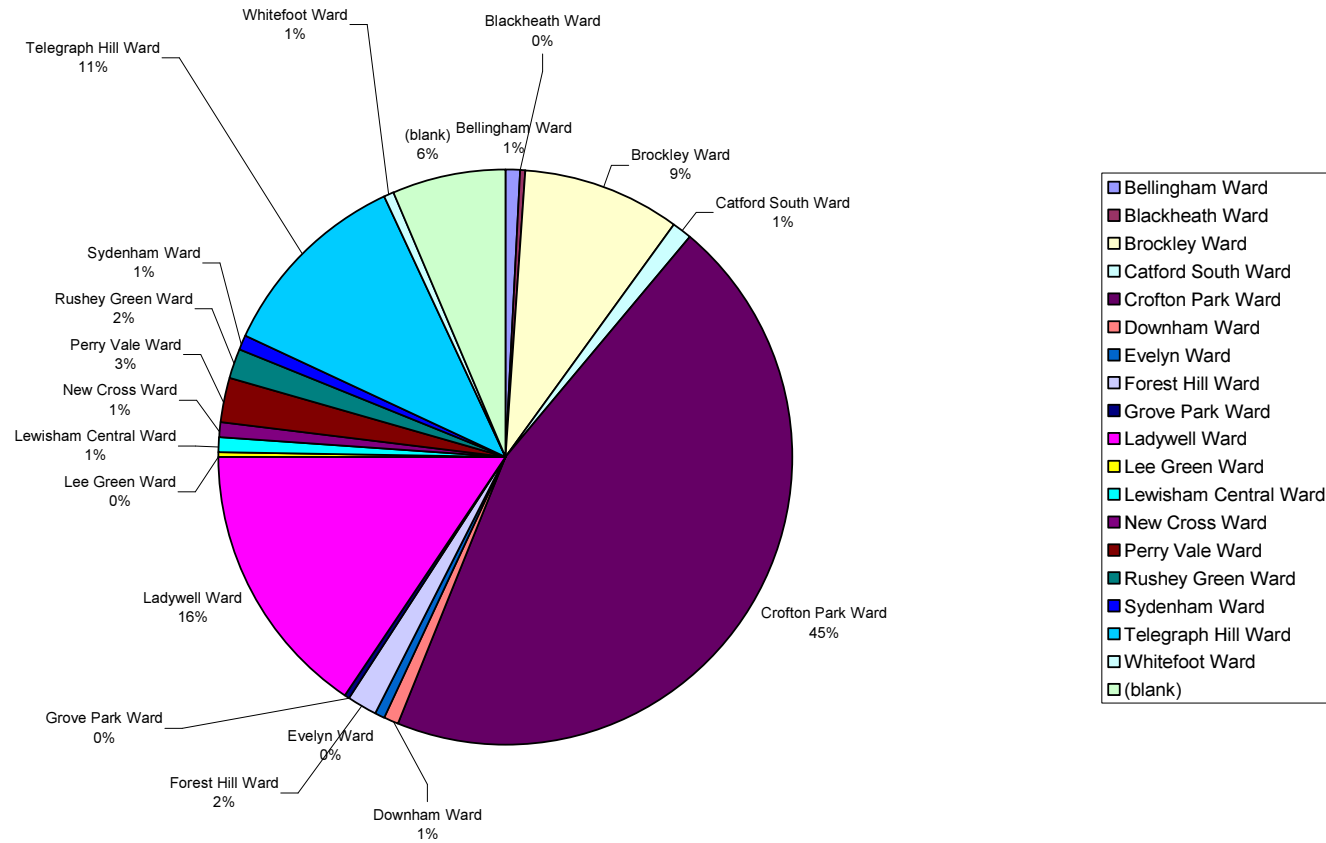
Crofton Park Library User Ethnicity



Source: Active User Statistics as at September 2010

Crofton Park Library User Wards Origin

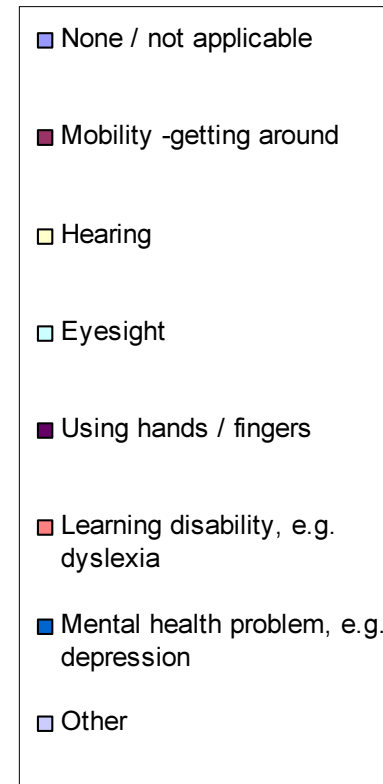
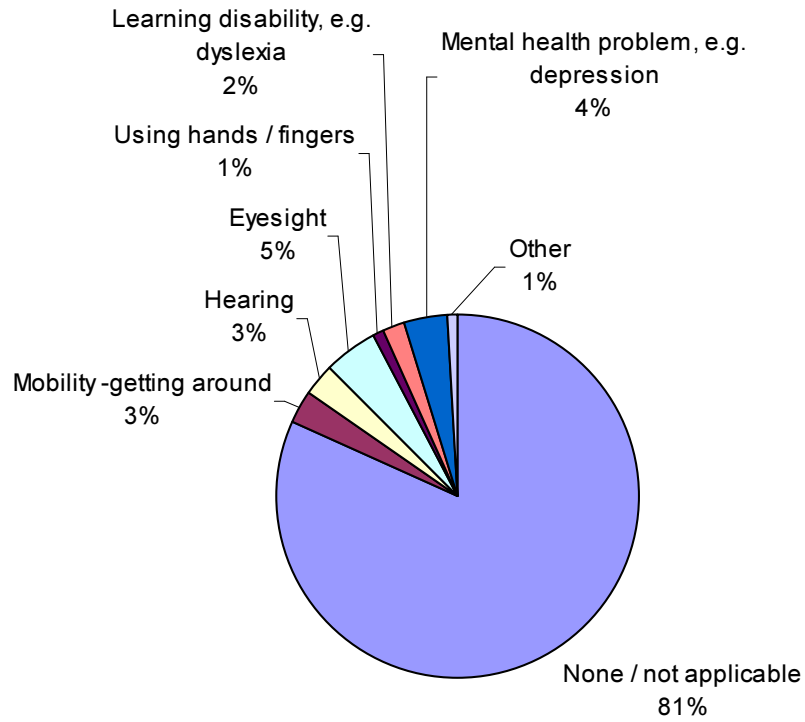
Crofton Park Library
Where users come from



Source: Active User Statistics as at September 2010

Crofton Park Library User Disability

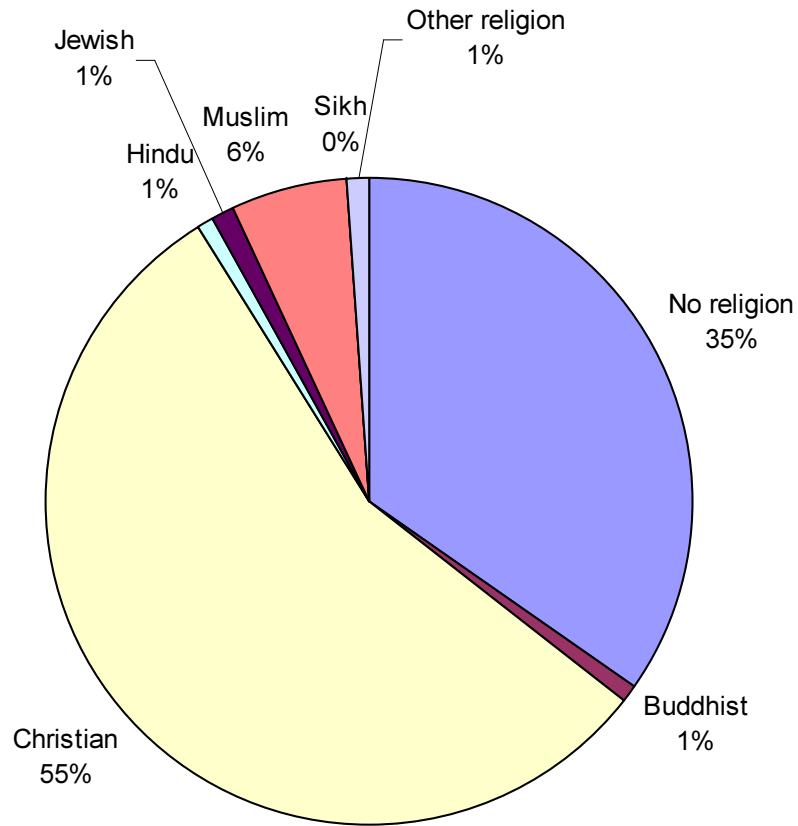
Crofton Park Library Disability PLUS 2009



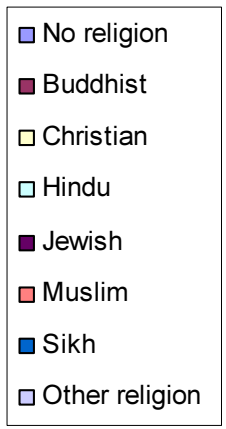
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Source: Public Library Users Survey (PLUS) 2009

Crofton Park Library User Religion



Crofton Park Library Religion PLUS 2009

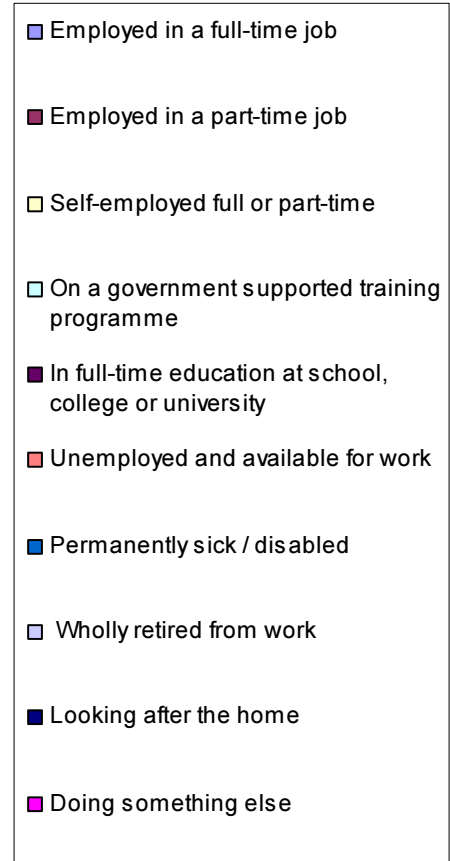
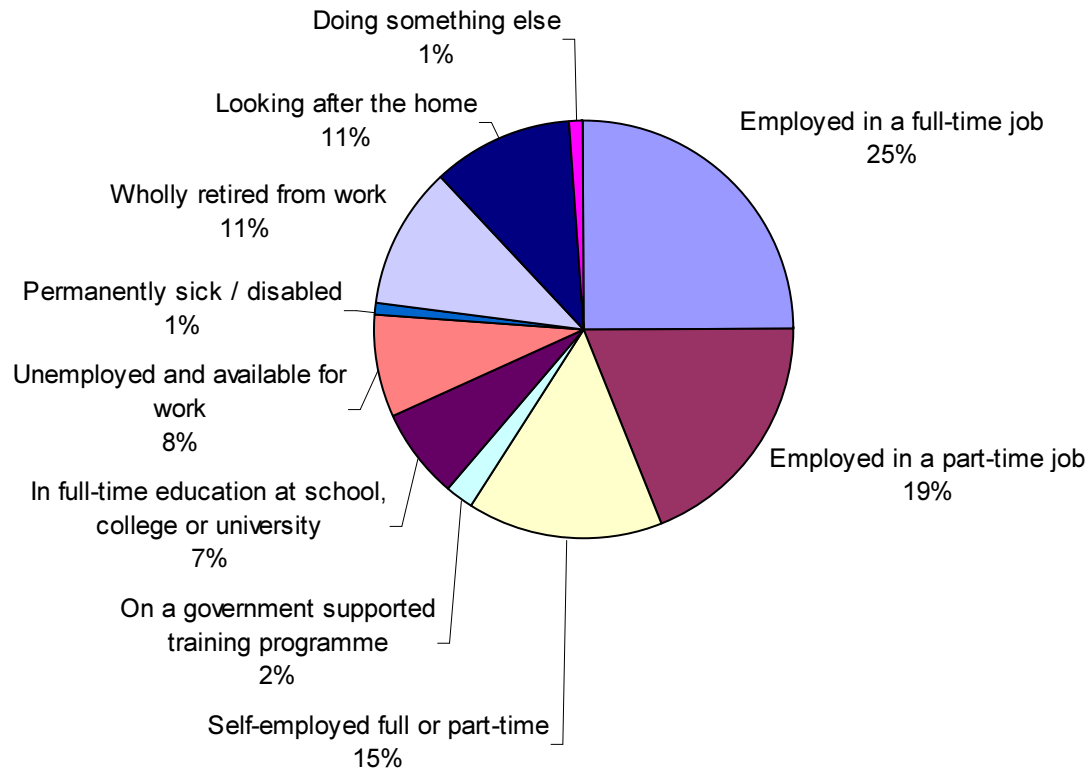


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Source: Public Library Users Survey (PLUS) 2009

Crofton Park Library User Employment

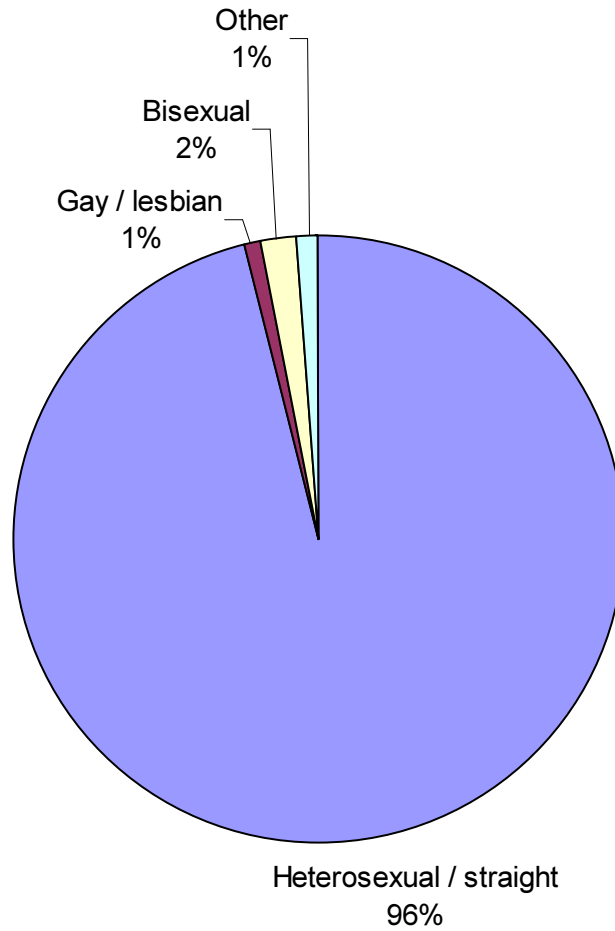
Crofton Park Library Employment PLUS 2009



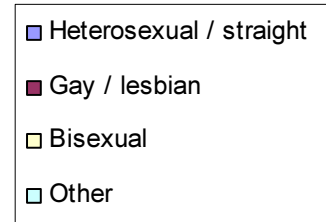
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Source: Public Library Users Survey (PLUS) 2009

Crofton Park Library User Sexual Orientation



Crofton Park Library
LGBT PLUS 2009



Source: Public Library Users Survey (PLUS) 2009

15. Grove Park

Grove Park library is located in open space on public land next to the Grove Park Under 5s Centre (previously known as Grove Park Generations Playclub). Some 75% of library users come from Grove Park ward. The library was designed as a temporary building 55 years ago, but continues to provide a service for the local community.

The library provides four free public terminals, managed via a computerised booking system, providing access to the internet and subscriptions to several electronic information resources. The library offers monthly staff run ICT support sessions with some specifically aimed at the over 55s.

Within its 31.5 hours of opening, regular activities include class visits currently taken up by both local primary schools, Coopers Lane and Marvels Lane. The library hosts a well-attended weekly Under 5s session and monthly Chatterbooks for older children. This year 76 children aged 5-11 took part in the Summer Reading Challenge at Grove Park Library.

Grove Park Library hosts - and attracts funding for - events that have a whole family audience in mind. The most prominent of these is the now annual, and well-attended Garden Party, which has received locality funding and brings various agencies and local organisations together to run an outdoor celebration using the park at the rear of the library. Grove Park library has also hosted CEL family learning courses, which have been popular. Traditionally the library also has strong links with older residents and particularly with the Homebound Library Service (HLS). Transport is provided for HLS users to attend events at the library, particularly the Garden Party, but also social events.

Libraries Data and Reader Profile

For the period April/March 2009/10 Grove Park recorded 42,088 visitors. The figure for the period April/September 2010 stands at 22,029 visitors.

Active borrowers profile shows that 75% of users are from Grove Park ward.

42% of active library users in Grove Park ward use Grove Park Library, while 18% use Downham, 15% use Lewisham and 13% use Catford Library.

Gender: Grove Park Library has 65% female and 35% male users, compared with a service average of 62% female.

Race: 53% of library users are White: British compared with a service average of 45%. The largest BME populations are Black or Black British: Black African – 12%, Chinese or other ethnic Group: Other – 7% and Black or Black British: Black Caribbean – 6%. There is a higher proportion of Asian or Asian British: Indian - 5% compared with a service average of 2%

Disability: 84% of respondents to the PLUS survey stated they had no disability compared to the service average of 83%, which is broadly comparable. For those with disabilities, mobility and hearing both responded 5%, eyesight had 4% with the remainder polling at 1%.

Age: Grove Park has a high proportion of under 18s – 48% compared with a service average of 39%. There is also a slightly higher proportion of older users – 5% 65-74 year olds, compared with a service average of 4% and 5% 75-84 year olds compared with 2%.

Consultation activity

In July and August 2010, Lewisham Council held public meetings to discuss the possible closure of five libraries in the borough, with a second round being held in October. Information about these was posted in the libraries, on the Libraries section of the Council website and publicised in the local press. Users were encouraged to participate in the 'Our Lewisham, Our Say' process and post their comments on the forum. E-mails were received via the Libraries@lewisham.gov.uk e-mail address and petitions were handed in from local interested parties. Steps were taken to monitor activity and comments on the web to ensure awareness of the main areas of concern

- Library stakeholder meetings on 4th August and 30th September 2010
- First public meeting on 25th August 2010 (83 attended)
- Second public meeting on 27th October (41 attended)

Grove Park Scoping Grid

The key questions considered in scoping the assessment were:

- Could the proposed changes to this service and the way it is delivered affect some groups in society differently?
- Will the proposed changes disproportionately affect some groups more than others?
- Will the proposed revisions to the service and the way it is delivered promote equal opportunities?

Equalities category	Assessment of potential impact – (positive/negative - High, Medium, Low, Nil)	Reason for this assessment
Gender	Negative - Medium	<p>Second highest percentage of women using the library at 65% female and 35% male from the September 2010 active users stats. This compares with the service average of 62% and 38% Female/Male split respectively.</p> <p>Compared to ward figures of 53% and 47% Female/Male residents there is a greater uptake of female users in the ward.</p>
Race	Negative - Low	<p>53% of library users are White British compared with a service average of 45% and a ward profile of 75%.</p> <p>BME representation is 43% compared to the service average of 55% and the ward population of 25%.</p> <p>There is a higher proportion of Asian or British Indian at 5% compared with a service average of 2% but this is comparable to the ward population.</p>
Disability	Negative - Low	<p>16% of respondents to 2009 PLUS describe themselves as having a disability compared to 22% of users from the active borrower figures</p>

Equalities category	Assessment of potential impact – (positive/negative - High, Medium, Low, Nil)	Reason for this assessment
		and 16.2% of the ward population who state they have a long term limiting illness.
Age	Negative - Medium	Grove Park ward has higher numbers of retired residents compared to the Lewisham average with 11.2% compared to 8.7% for the borough. There are also higher numbers of those caring for family 7.1% compared to 6.5% for the borough. This translates into user stats showing a slightly higher proportion of over 65s than the service average – 10% compared with 6%. There is also a higher number of under 18s – 48% compared with 39%.
Sexual orientation	Negative - Low	6% of respondents to 2009 PLUS identified as LGBT/other which compares exactly to the service average of 6% and the borough estimate of 6%
Religion and beliefs	Negative - Low	30% of 2009 PLUS respondents list themselves as having no religion compared to the service average of 29% and ward average of 17.9%. Christian respondents represented 58% of the survey compared to 59% for the service average and 64.6% for the ward profile. Other religions were roughly similar with Islam accounting for 5% of the respondents which is the same as the service average and slightly higher than the ward profile of 3.6%.

Assessment of Equalities Impacts

Gender: Negative - Low

Female users account for 65% of active users, more than the 62% service average. As such closure may therefore have a higher impact upon women.

Race: Negative - Low

Latest user stats (September 2010) indicate more ethnically diverse customers than the ward profile from the last census or the service average user numbers. BME users are slightly lower than the service average, at 43% compared to 55% but are higher than the local population average of 25%. White British users are also larger than the service average at 53% compared to 45%.

Disability: Negative - Low

The PLUS survey indicates that library users with disabilities is below the service average but in line with the ward population. As such the closure of the library is not identified as having a disproportionate impact on this equalities category.

At public consultation meetings a concern was raised that children, families and older residents will be affected more than other users as the nearest library is Downham.

Age: Negative - Medium

Classes from local schools visit the library and staff support is provided to Marvels Lane. The library has well attended family orientated activities, such as its annual Garden Party.

The potential impact on the oldest and youngest residents was judged to be negative / medium because 2007 DWP statistics show that there is a higher percentage of residents of pensionable age than for the Borough as a whole and user profiles show a large number of families with young children regularly visiting the library. Transport to alternative library facilities may be a particular issue for older residents and residents with young children in pushchairs.

A question was raised during the public consultation over the impact closing the library would have on school children and other educational groups who use the library. Concern was also raised that removing the current service would reduce the availability of constructive activities for young people. It was recognised that both Coopers Lane, Marvels Lane and sometimes Pendragon schools use the library. It supplements after school homework and some people do not have IT at home. Closing the library would mean that children and adults would lose that resource.

Sexual Orientation: Negative - Low

It is very difficult to know how many people in Lewisham are LGBT, however according to the Speak Out survey the Treasury estimates that 6% of the total population are gay or lesbian. In the Library and Information Service PLUS survey 6% of people responded as being LGBT. There is no evidence that the proposal has a disproportionate impact on this protected characteristic.

Religion and Belief: Negative - Low

There are over 200 different religions in Lewisham. The two most common religions practiced by Lewisham residents are Christianity with 61% and Islam with 4.6%. The ward profile is similar with 64.6% identified as Christian, 3.6% as Muslim and 17.9% not religious. Those identified as Hindu are 2% of population and the others are less than 1%.

Comparatively, 35% of responders to the PLUS Survey stated that they do not follow a religion, 58% stated they were Christian and 5% as Muslim. These figures are roughly similar to those for the service average which is 59% Christian, 5% Muslim and 29% no religion. Hindu users were 6% which is one of the highest usages for this group in the Library service and is proportional to the higher number found in the ward profile, which at 2% is above the borough average.

Despite the higher figures for some groups the overall participation in culture by religious groups does not identify a disproportionate impact on this protected characteristic. Figures are roughly similar to either the service averages or comparable for the area. In addition, the Library and Information Service provides a range of books and covering various religions, faiths and belief systems as well as secular material on life and living, which are available at all libraries.

Statement in regard to Human Rights

The implications of this proposal on Human Rights has been assessed using the flow chart in 'Human rights: human lives: A handbook for public authorities' Department for Constitutional Affairs. This proposal does not interfere with human rights.

Socio-Economic conditions specific to Grove Park Library catchment

According to the 2007 Indices of Multiple Deprivation Lewisham is the 39th most deprived borough in the country. Deprivation in Lewisham is highest in areas in the north, centre and south of the borough.

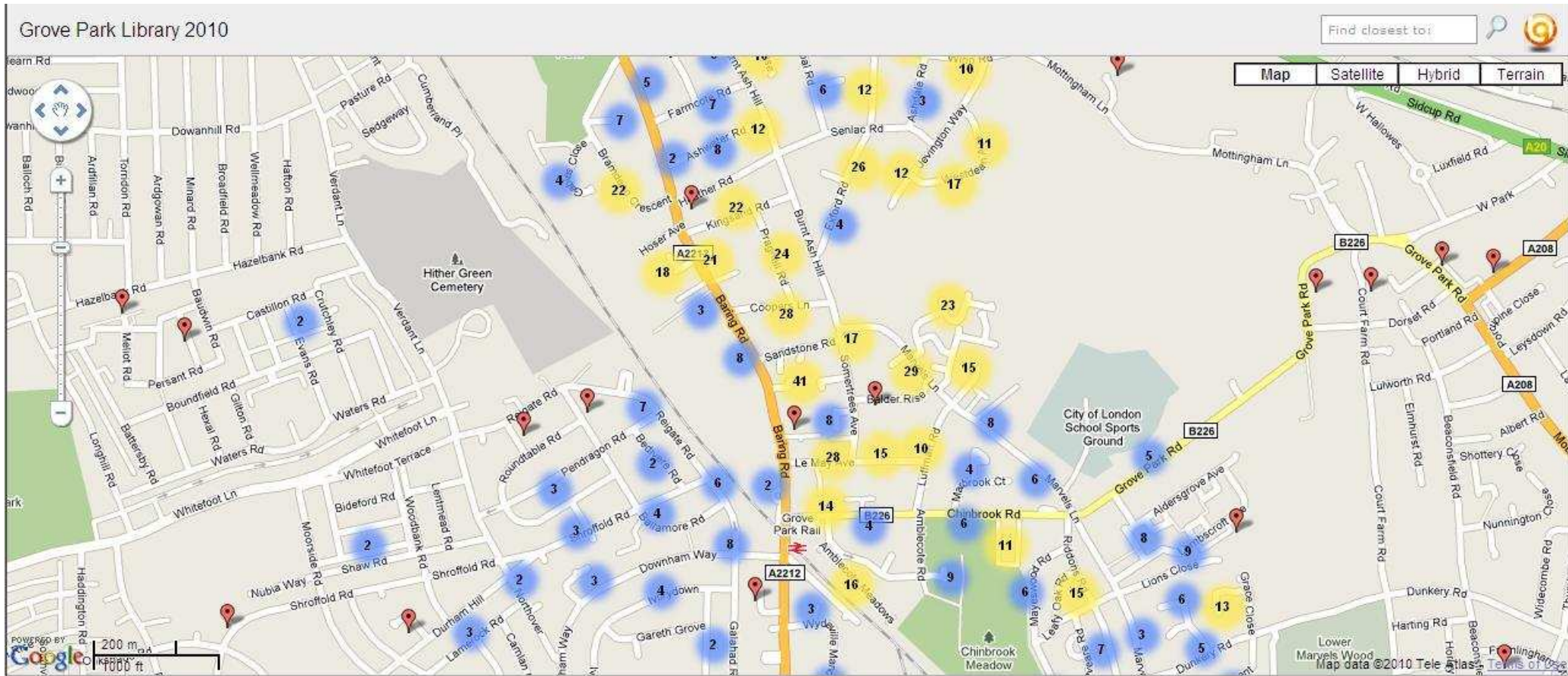
Grove Park has a higher percentage of residents of pensionable age than for the borough as a whole, but numbers of economically inactive residents, including carers and people with disabilities, exactly reflect the borough average. There is a higher proportion of white residents compared with the borough as a whole (80.9% compared to borough average of 65.9% 2001 census data).

In Grove Park ward, the percentage of people without qualifications is higher than the average (27.9% compared to borough average of 24.2%). Grove Park has 4.3% of the working age population claiming jobseekers allowance (2007) compared with a borough average of 5.4%, and 65.8 incapacity benefits claimants per 1,000 working age population, the 10th highest in the borough. Grove Park also has 60% of Key Stage Two: Pupils Achieving Level Four + in English compared with a borough average of 71%, and ranks 17th in Lewisham. Projected population growth for Grove Park (2001-2026 GLA projections) is 1.7%. The ward has higher levels of those with no qualifications (27.9% compared to 24.2% for Lewisham).

At public consultations concerns were raised that libraries and access to books were vital for education, both in young people and adults, and that removing this resource from an already 'poor' area would only make the situation worse. Some users who had used the library stated it was an important source of support in the search for jobs.

According to Census (2001) data, 32.8% of Grove Park households do not own a car, compared to the borough profile of 42.8% of households. The closest alternative Lewisham libraries are Downham (1.3 miles) and when re-opened Torridon Road (1.6 miles) and are both accessible by public transport

Grove Park Library Catchment Area



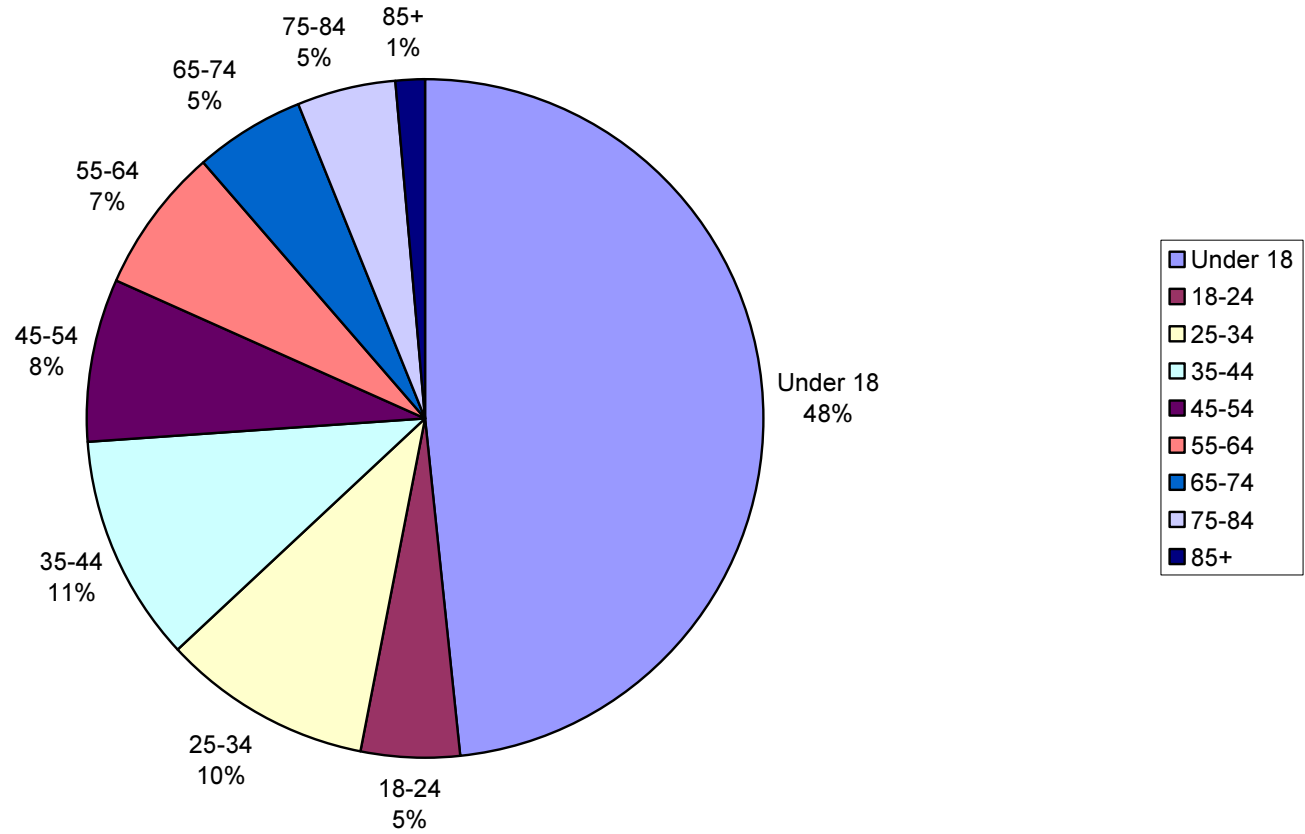
Grove Park Library active borrowers September 2010

Each number represents the number of users by postcode. (Yellow >10, Blue <10)

Source: Active User Statistics as at September 2010

Grove Park User Age Range

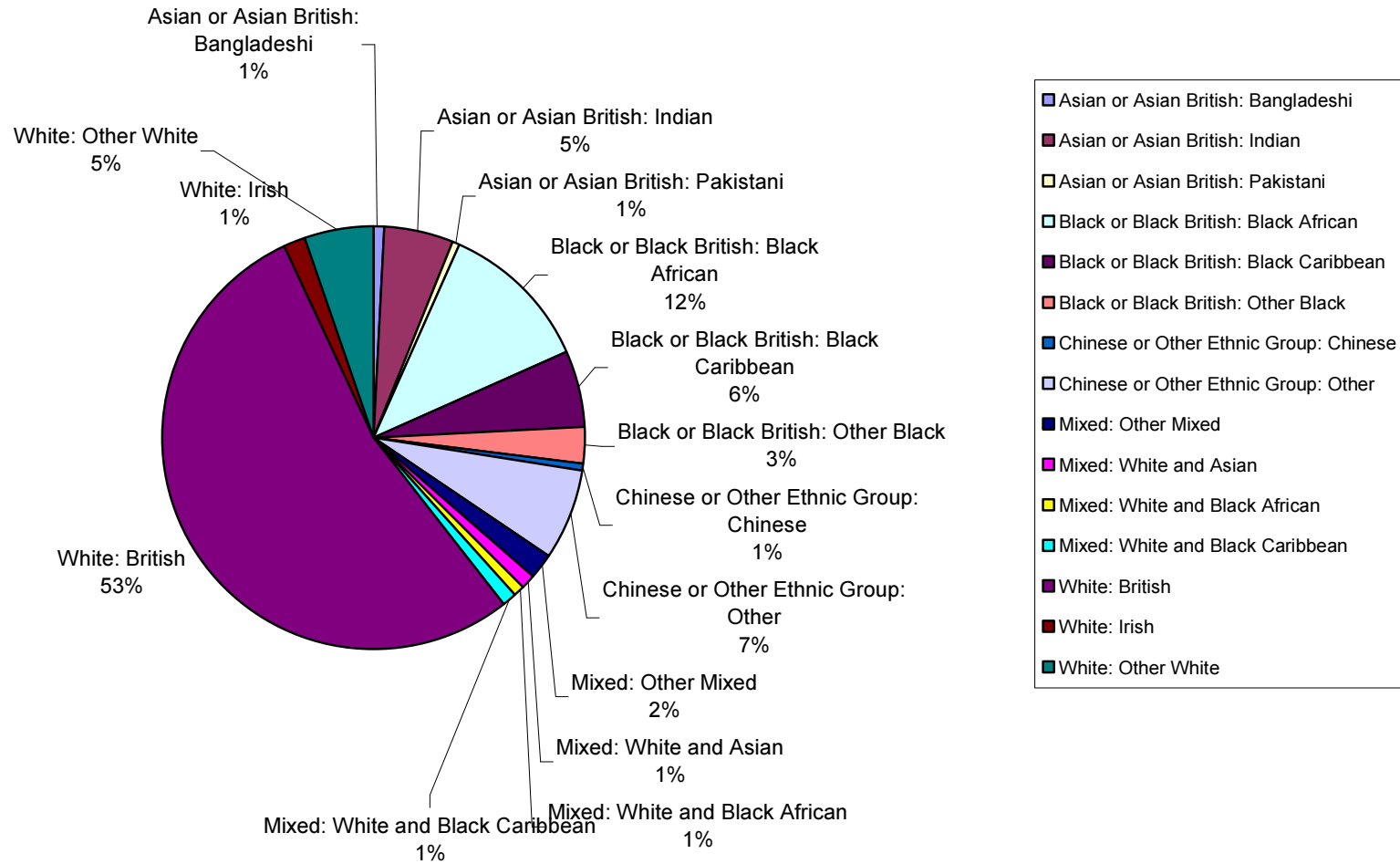
Grove Park Library Age breakdown of users



Source: Active User Statistics as at September 2010

Grove Park User Ethnicity

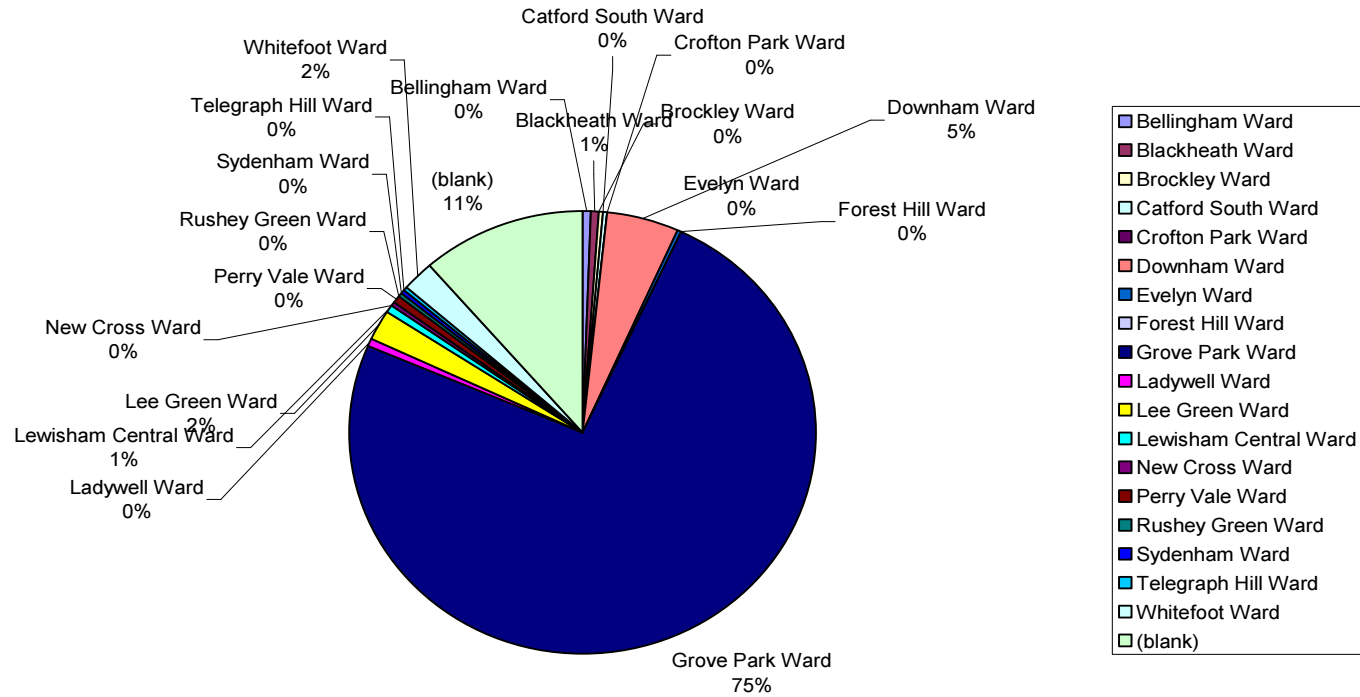
Grove Park Library Ethnicity breakdown of users



Source: Active User Statistics as at September 2010

Grove Park Users Origin

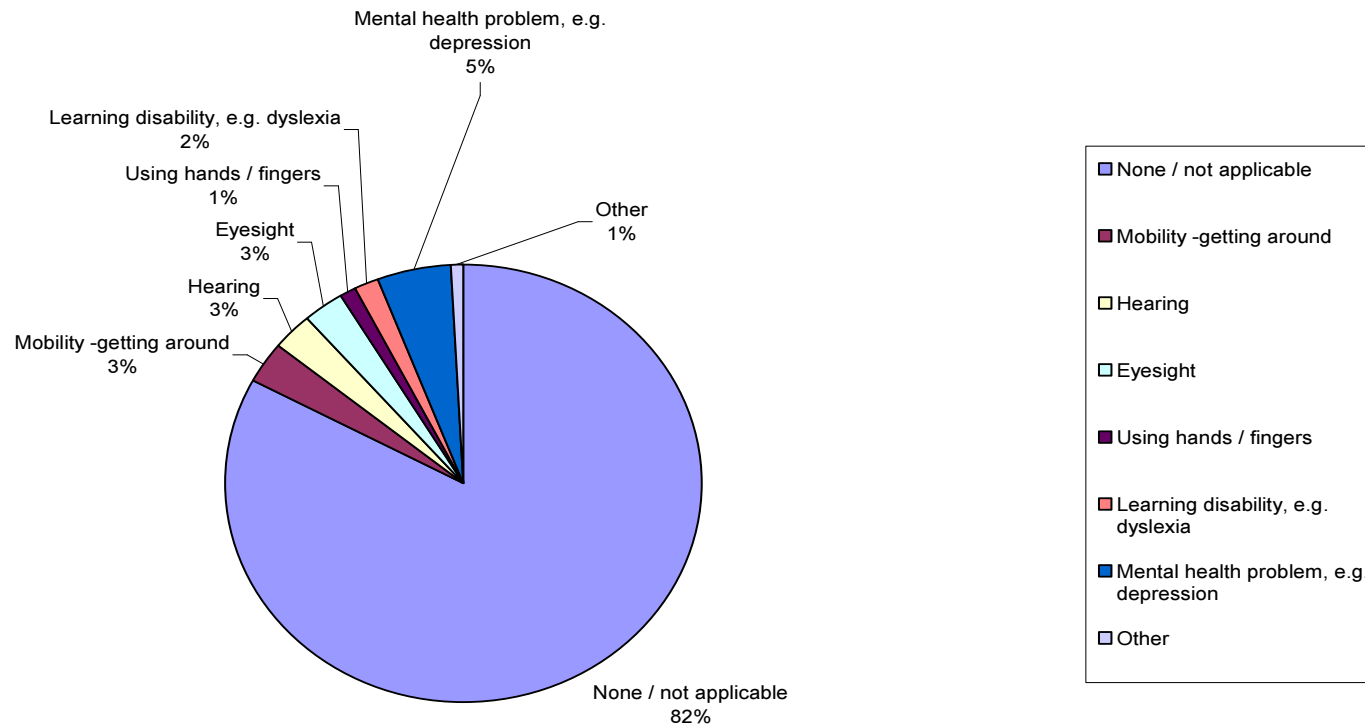
Grove Park Library
Where users come from



Source: Active User Statistics as at September 2010

Gove Park User Disability

Grove Park Library Disability PLUS 2009

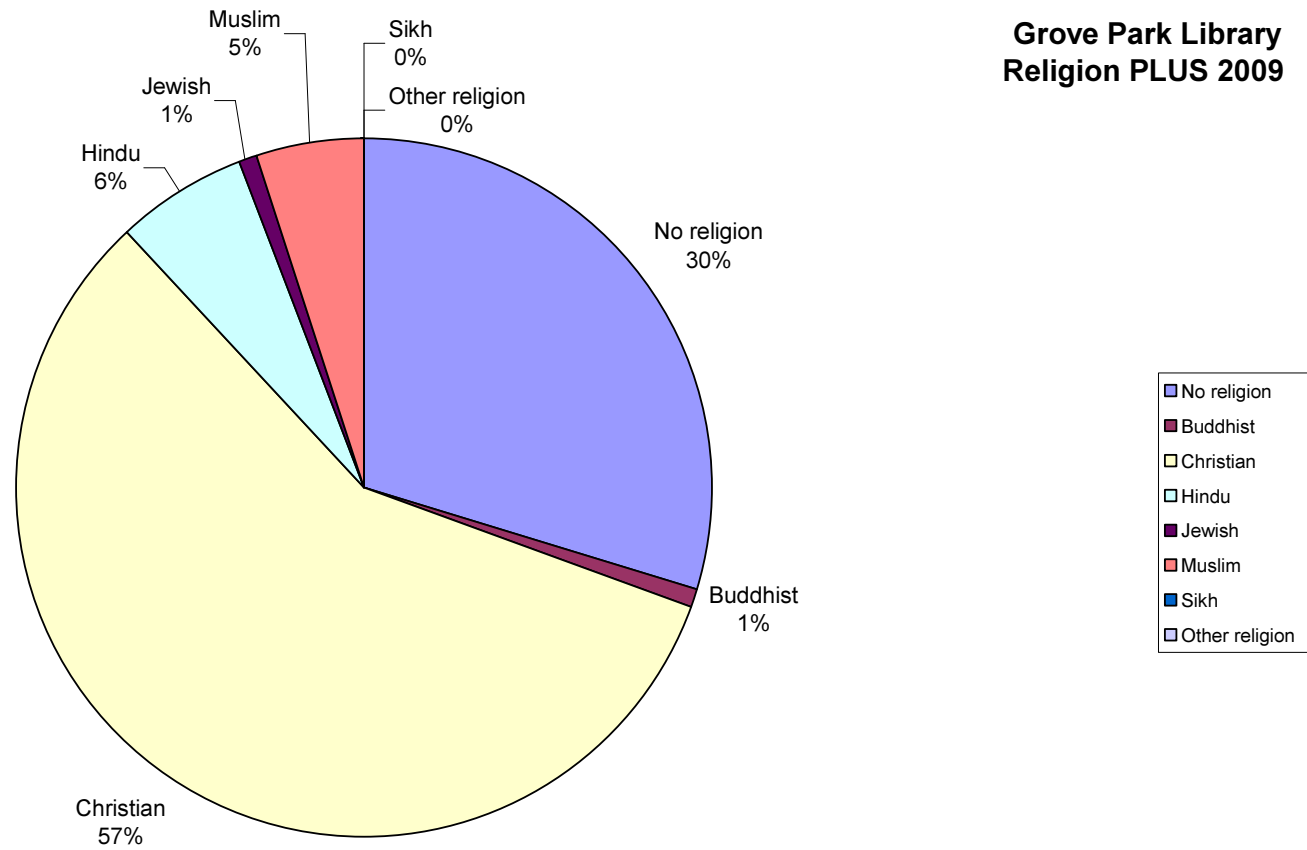


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Source: Public Library Users Survey (PLUS)2009

Grove Park User Religion

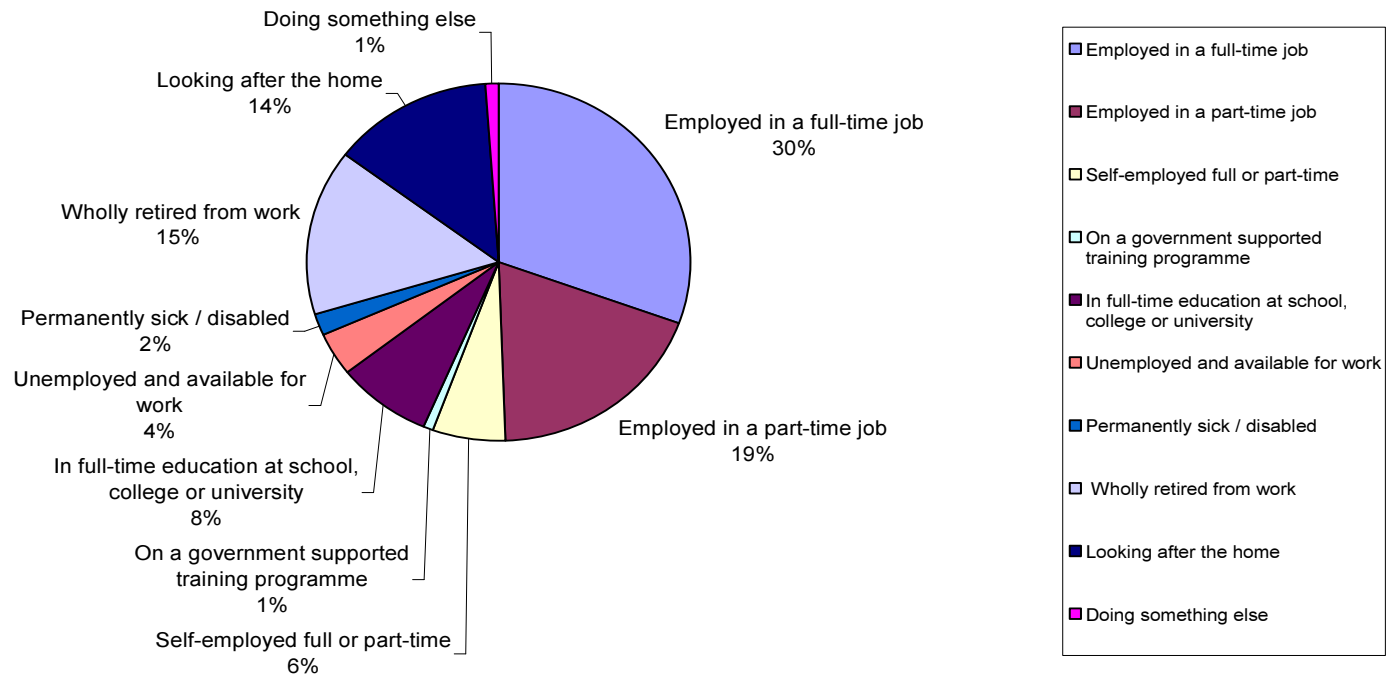
Grove Park Library Religion PLUS 2009



Source: Public Library Users Survey (PLUS) 2009

Grove Park User Employment

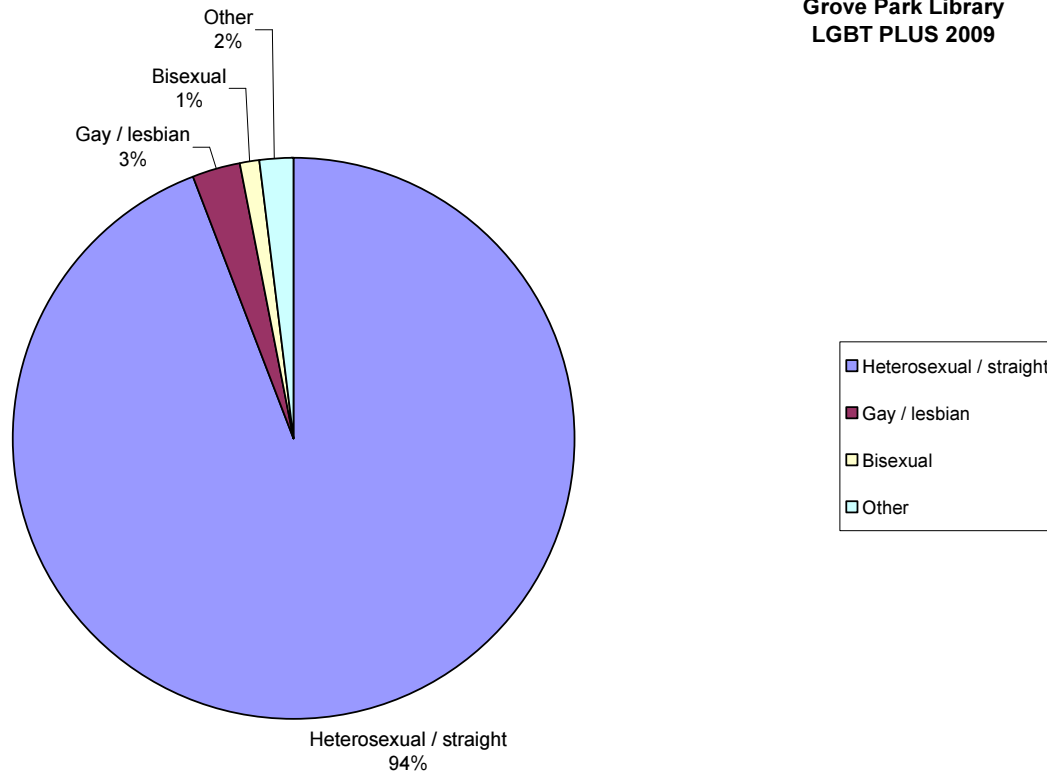
Grove Park Library Employment PLUS 2009



Page 600

Source: Public Library Users Survey (PLUS) 2009

Grove Park User Sexual Orientation



Source: Public Library Users Survey (PLUS) 2009

16. New Cross

New Cross Library is housed in a small shop front building close to Goldsmiths College between New Cross and New Cross Gate stations. It is also home to the Local History Society and various Local History and Archives collections. It attracts users from New Cross ward – 38%, Telegraph Hill ward – 23% and Brockley ward – 15%. There is full disabled access to the library, but not to the basement store.

The library has four free public terminals, managed via computerised booking system, with access to the internet. Microsoft Office software is installed on these terminals along with subscriptions to several electronic information resources. The library offers monthly staff-run ICT support sessions.

Within its 24.5 hours of opening, regular activities include class visits currently taken up by Childeric, who bring four classes every week, Myatt Garden and St James Hatcham. The library hosts a weekly Under 5s session and a thriving adult reading group. This year, 165 children aged 5-11 joined the Summer Reading Challenge at New Cross Library.

The ten-year long New Deal for Communities (NDC) project in the New Cross area, which ends in March 2011, collaborated with the Library and Information Service to run many popular events in the library - including those that brought local schools into contact with authors, the Summer Reading Challenge launch for several years and "A Rich and Colourful Stew" - a storytelling and food festival, which resulted in a recipe - and story - book of the same name being produced. Strong links exist between the library and Goldsmiths College.

Libraries Data and Reader Profile

For the period April to March 2009/10, New Cross recorded 55,144 visitors. The figure for the period April/September 2010 stands at 27,823 visitors.

Active borrowers profile – 38% from New Cross, 23% from Telegraph Hill and 15% from Brockley wards.

32% of active library users in New Cross ward use New Cross Library, while 47% use Deptford. 25% of active library users in Telegraph Hill ward use New Cross Library, 29% use Lewisham Library and 18% use Crofton Park and 17% use Deptford Libraries.

Gender: 62% of library users are female which exactly matches the service average.

Race: 30% of users are White: British compared with a service average of 45%. This is the lowest proportion in the borough. The largest BME populations are Black African – 18% compared with a service average of 12%, Black Caribbean 12% White other – 11% and Chinese or other ethnic group – 9%.

Disability: 85% of user responded as having no disability, 5% have eyesight, learning and mental health issues; and 1% mobility, hearing or handling problems. This compares with 83% of users having no disability for the service average.

Age: 42% of users are under 18 compared with a service average of 39%. There is a higher proportion of 25-34 year olds – 20% compared with 15%, and a smaller proportion in the 45 and over age groups.

Consultation activity

In July and August 2010, Lewisham Council held public meetings to discuss the possible closure of five libraries in the borough, with a second round being held in October. Information about these was posted in the libraries, on the Libraries section of the Council website and publicised in the local press. Users were encouraged to participate in the 'Our Lewisham, Our Say' process and post their comments on the forum. E-mails were received via the Libraries@lewisham.gov.uk e-mail address and petitions were handed in from local interested parties. Steps were taken to monitor activity and comments on the web to ensure awareness of the main areas of concern

- Library stakeholder meeting on 2nd August 2010
- First public meeting on 18th August 2010 (36 attended)
- Second public meeting on 25th October (73 attended)

New Cross Scoping Grid

The key questions considered in scoping the assessment were:

- Could the proposed changes to this service and the way it is delivered affect some groups in society differently?
- Will the proposed changes disproportionately affect some groups more than others?
- Will the proposed revisions to the service and the way it is delivered promote equal opportunities?

Equalities category	Assessment of potential impact – (positive/negative - High, Medium, Low, Nil)	Reason for this assessment
Gender	Negative - Low	62% of active library users (September 2010) are female, which exactly reflects the service average.
Race	Negative - Medium	30% of users are White British compared with a service average of 45% and the ward profile of 37.6%. BME users account for 70% of active library users which compares to a 45% service average and to 63% of the ward population. This is higher than the service average but broadly comparable to the local population.
Disability	Negative – Low	15% of users identify themselves as having a disability (PLUS 2009) compared with a service average of 17%. This figure matches the ward profile where 15% of the population have a limiting long term illness, 12% of whom are of working age.
Age	Negative - Medium	42% of active library users as of September 2010 are under 18 compared with a service average of 39%. Students account for 14% of the population, with Goldsmiths College, and two Lewisham College sites nearby. The library has lower attendance from under 5s than other libraries.

Equalities category	Assessment of potential impact – (positive/negative - High, Medium, Low, Nil)	Reason for this assessment
		The area has a notably younger population than the rest of Lewisham, with 27.8% aged 0-19 to 24.3% in Lewisham; and 36.6% aged 20-34 compared to 27% in Lewisham.
Sexual orientation	Negative - Medium	According to the 2009 PLUS 7% of respondents to the survey for New Cross library described themselves as LGBT, higher than findings for the borough as a whole and the service average at 6%.
Religion and beliefs	Negative - Low	31% of respondents to 2009 PLUS identify themselves as having no religion, 58% were Christian, 5% Muslim and 3% Buddhist. This compares with a service average of 59% for Christian, 29% for no religion, 5% Muslim and 2% Buddhist. These figures are proportional to the ward profile.

Assessment of Equalities Impacts

Gender: Negative - Low

The proposed closure would have a negative low impact on gender since the usage of the library broadly matches the overall service usage.

Race: Negative - Medium

This part of the borough has high levels of diversity, with those from Black/ Black British ethnic groups greater than for the borough with 36% population compared to 27%. The Chinese or other ethnic groups account for 11% of the local population, again greater than the borough average. This assessment considers that due to the greater proportion of BME users for New Cross Library the impact will be negative medium since the closure may impact more on BME individuals than it might in other areas.

Disability: Negative - Low

The proposed closure would have a negative low impact on disability since the usage of the library broadly matches the overall service usage. The lending library accommodation is fully accessible with toilet facilities appropriate for customers with disabilities.

Age: Negative - Medium

The higher proportion of under 18s service users at this library indicates that closure may have a particular effect on this group. The under-representation of older adults indicates that this group is less likely to be affected.

At the public consultation issues were raised about the proposed outreach service whether it would provide IT access and children's services. Another concern was raised about closing a library facility in one of the more deprived areas of the borough with low literacy rates and few other community facilities. Additionally the area services students from Goldsmith's college who will not have access to the facilities.

Sexual Orientation: Negative Medium

It is very difficult to know how many people in Lewisham are LGBT, however according to the Speak Out survey the Treasury estimates that 6% of the total population are gay or lesbian. In the Library and Information PLUS survey 7% of people responded as being LGBT. Since this is higher than the service average the closure of the library could impact on a higher number of LGBT people than it might in other areas.

Religion and Belief: Negative Low

There are over 200 different religions in Lewisham. The two most common religions practiced by Lewisham residents are Christianity with 61% and Islam with 4.6%.

31% of responders to the PLUS Survey stated that they do not follow a religion, 58% are Christian, 5% are Muslim, Buddhist account for 3% and Hindu and Judaism 1% each. Compared to the service averages of 29% for no religion, 59% for Christians, 5% for Muslims, 2% for Buddhists, 3% and 1% respectively for Hinduism and Judaism the service is broadly similar in proportion. This includes taking into consideration the ward profile figures which show the population citing Christianity as their religion at 5%, Islam at 7% no religion at 20%, Buddhism at 3.2% and the others at less than 1%.

Overall participation in culture by religious groups does not identify a disproportionate impact on this protected characteristic. The Library and Information Service provides a range of books and covering various religions, faiths and belief systems as well as secular material on life and living, which are available at all libraries.

Statement in regard to Human Rights

The implications of this proposal on Human Rights has been assessed using the flow chart in 'Human rights: human lives: A handbook for public authorities' Department for Constitutional Affairs. This proposal does not interfere with human rights.

Socio-Economic conditions specific to New Cross Library catchment

According to the 2007 Indices of Multiple Deprivation Lewisham is the 39th most deprived borough in the country. Deprivation in Lewisham is highest in areas of the north, centre and south of the borough.

There is a higher percentage of residents 18 and under than for the borough as a whole for both New Cross and Telegraph Hill wards. 27.8% for New Cross and 26.3% for Telegraph Hill compared with the borough average of 24.3%. There are also higher numbers of economically inactive residents in New Cross ward, including carers and people with disabilities, 33.3% compared with 31.1% for the borough.

Telegraph Hill has a lower number of people without qualifications than the borough average (22.8% compared to borough average of 24.2%).

New Cross has 6.7% of the working age population claiming jobseekers allowance (2007) compared with a borough average of 5.4%, and 70.3 incapacity benefits claimants per 1,000 working age population, the 8th highest in the borough. New Cross also has 73% of Key Stage Two: Pupils Achieving Level Four + in English compared with a borough average of 71%, and ranks 14th in Lewisham. Projected population growth for New Cross (2001-2026 GLA projections) is 18.2%.

Telegraph Hill has 5.9% of the working age population claiming jobseekers allowance (2007) compared with a borough average of 5.4%, 67.3 incapacity benefit claimants per 1,000 working age population, the 9th highest number in the borough. Telegraph Hill also has 89% of Key Stage Two: Pupils Achieving Level Four + in English compared with a borough average of 71%, and ranks 3rd in Lewisham. Projected population growth for Telegraph Hill (2001-2026 GLA projections) is 7.0%. Transport links are good with rail and tube connections.

Areas of concern raised through the consultation process included the high unemployment in the area and the effect the closure would have on access to further learning and the internet for those seeking work. Another impact included the effect that closing the library would have on the poorest members of the community.

Census figures indicate that New Cross ward contains the highest proportion of households without a car, at 55.8%. The closest alternative Lewisham libraries are Wavelengths (0.7 miles) and Lewisham (1.8 miles) and are both accessible by public transport

New Cross benefits from good public transport links, although parking close to the library is problematic. The Deptford Lounge will be fully accessible to all users. At the public consultations issues were raised about travelling to another library for people who need the library and its resources. The concern was that travelling to another library would be too much for them or too expensive.

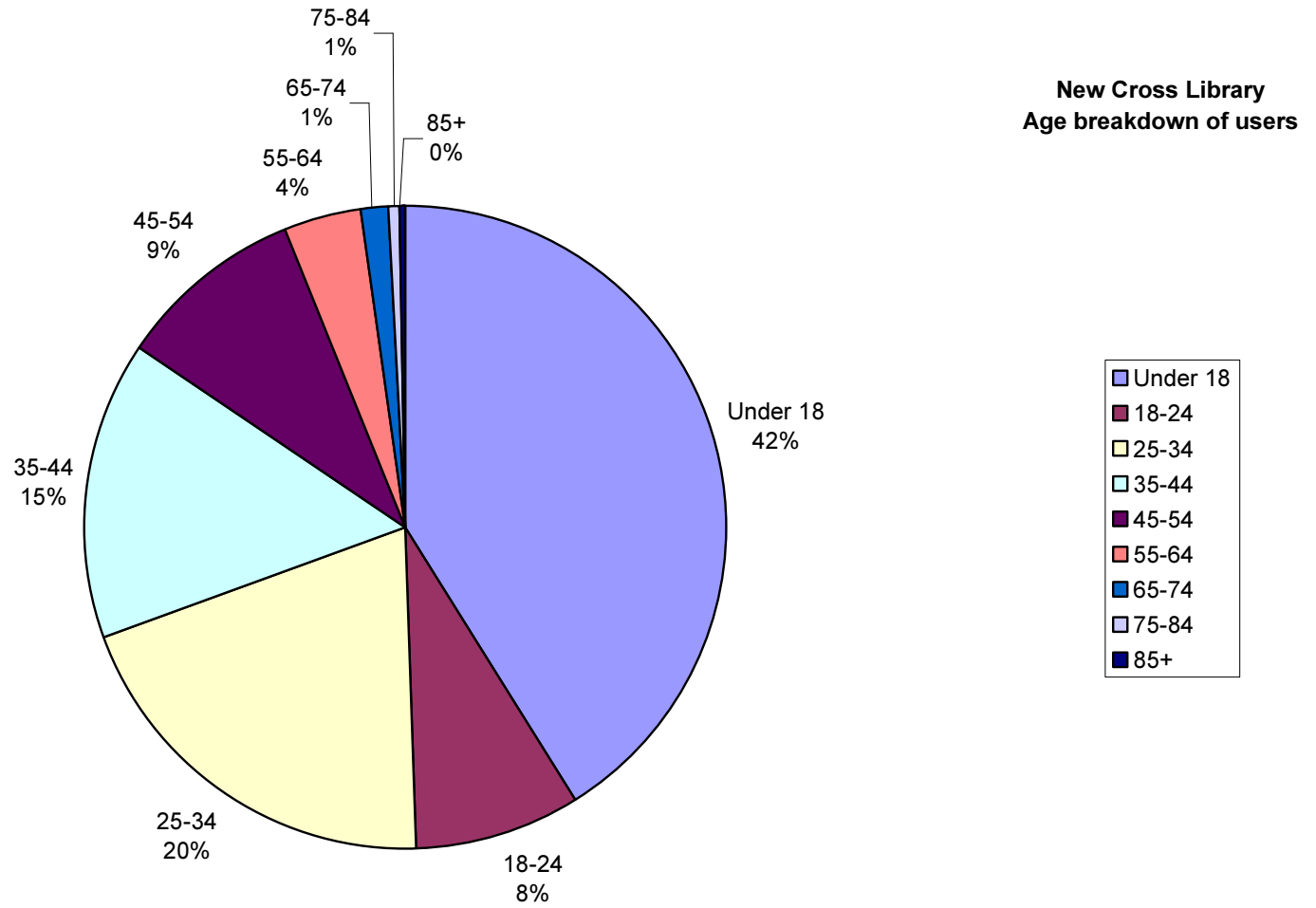
New Cross Library Catchment Area



Each number represents the number of users by postcode. (Yellow >10, Blue <10)

Source: Active User Statistics as at September 2010

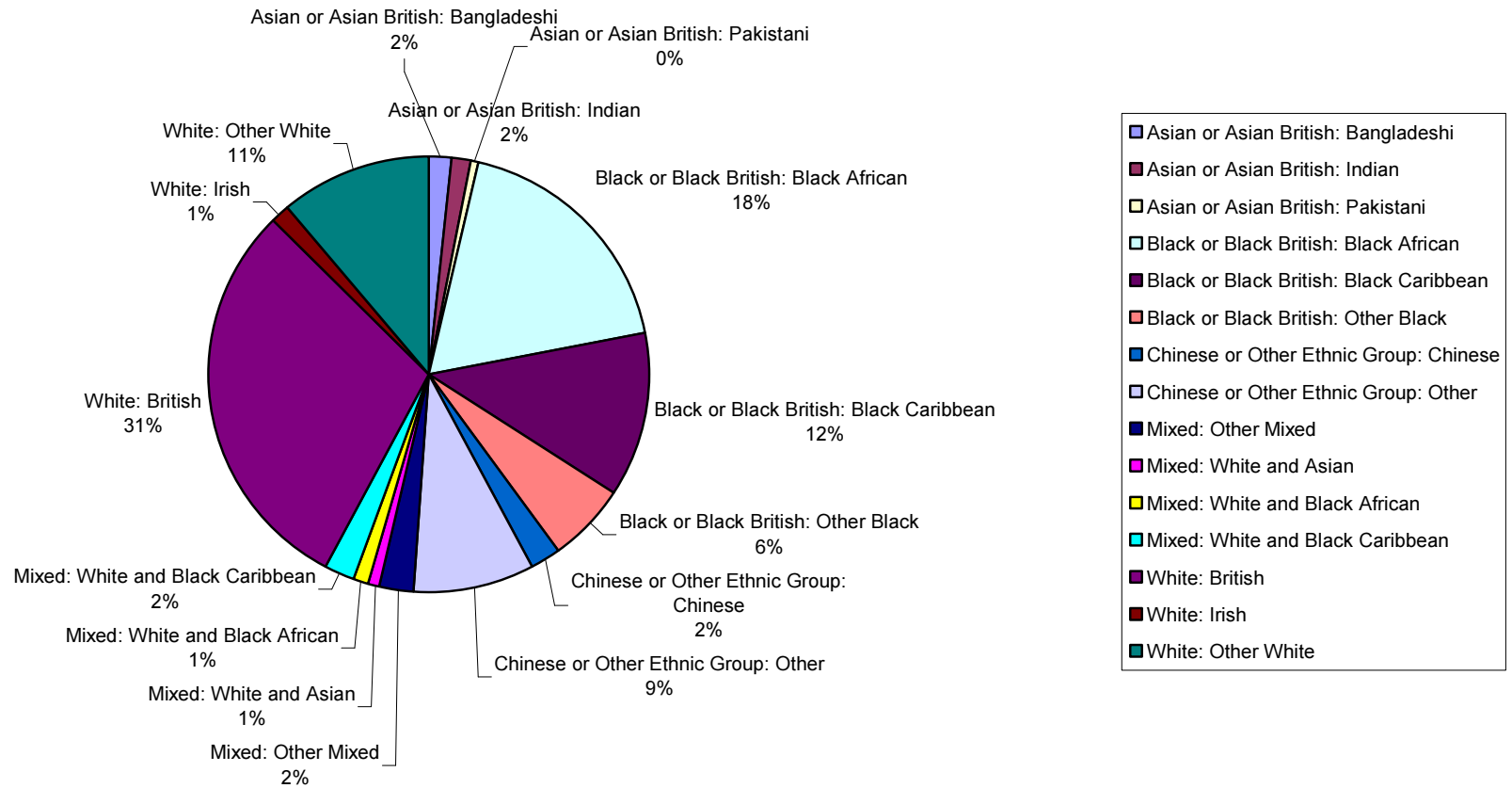
New Cross User Age Range



Source: Active User Statistics as at September 2010

New Cross User Ethnicity

New Cross Library Ethnicity breakdown of users

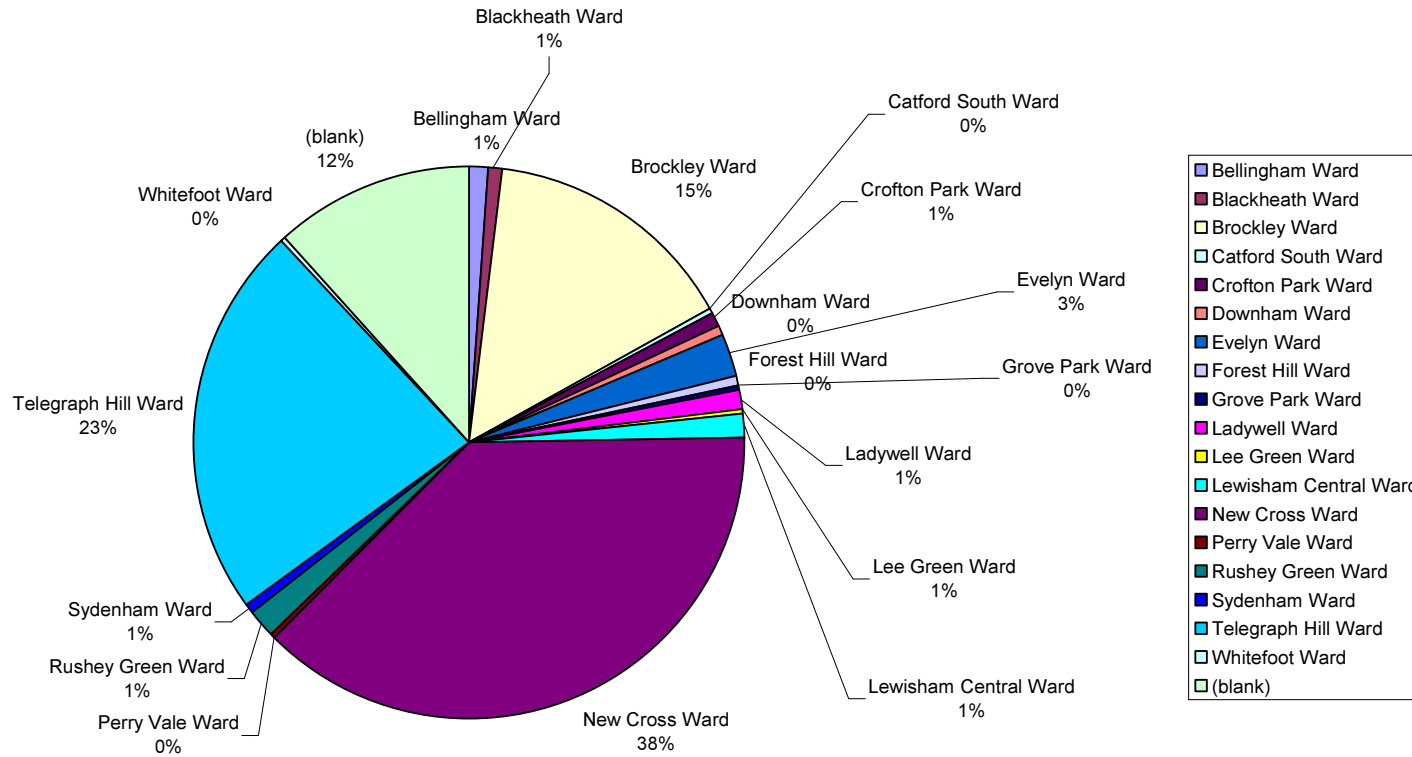


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Source: Active User Statistics as at September 2010

New Cross Users Origin

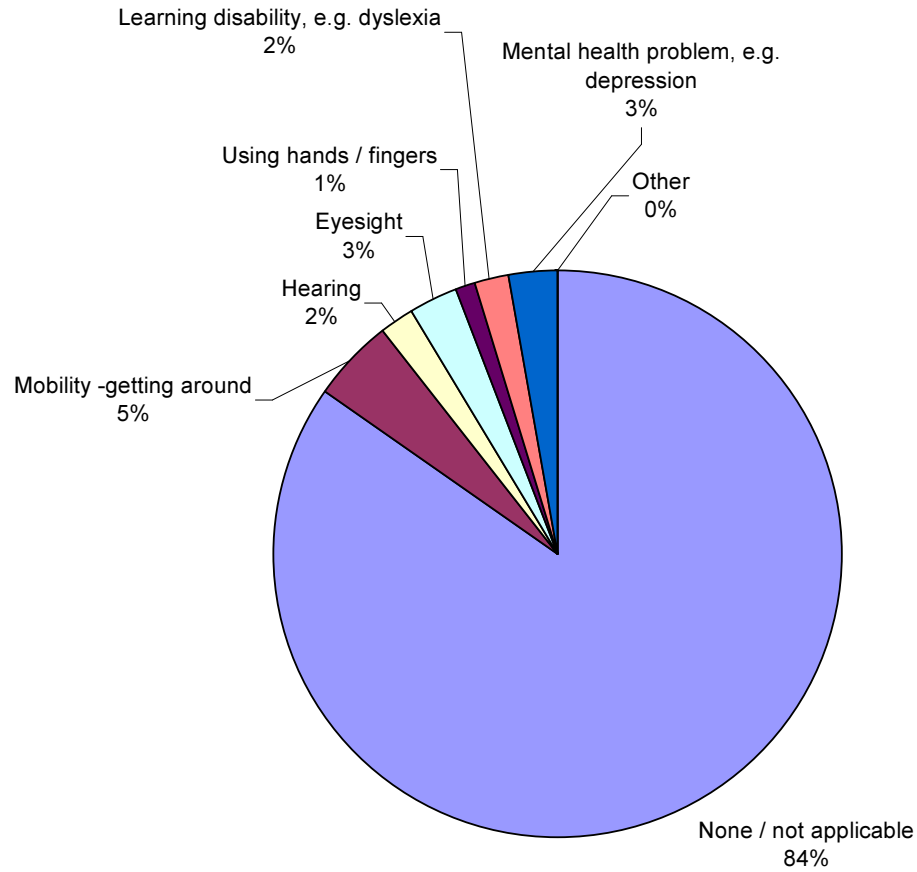
New Cross Library
Where users come from



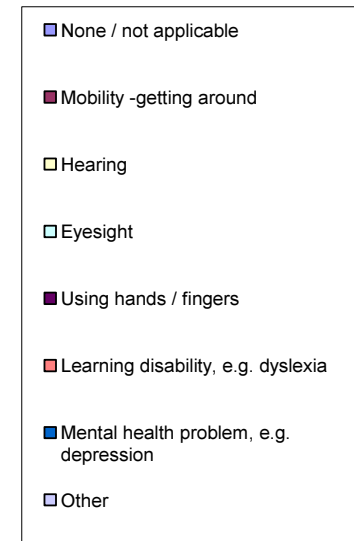
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Source: Active User Statistics as at September 2010

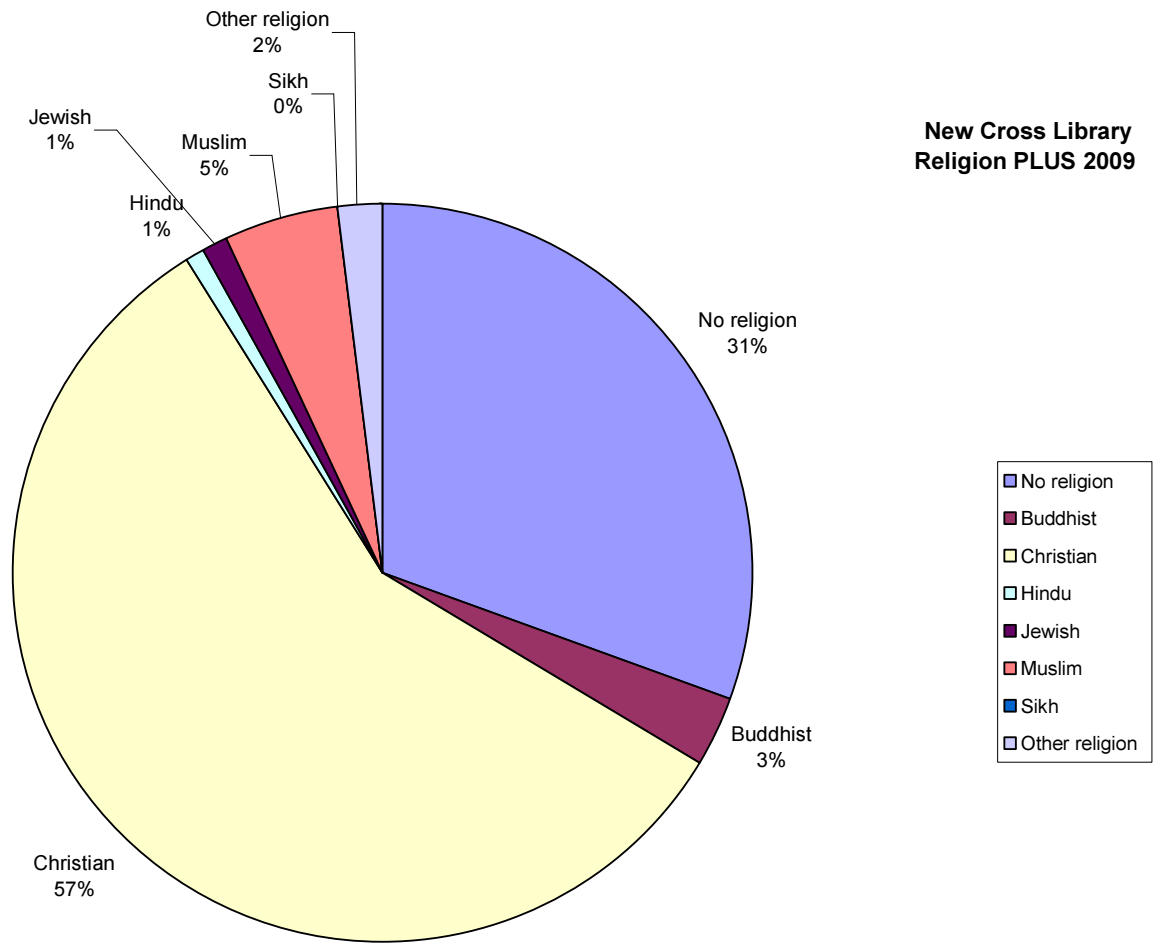
New Cross User Disability



New Cross Library Disability PLUS 2009

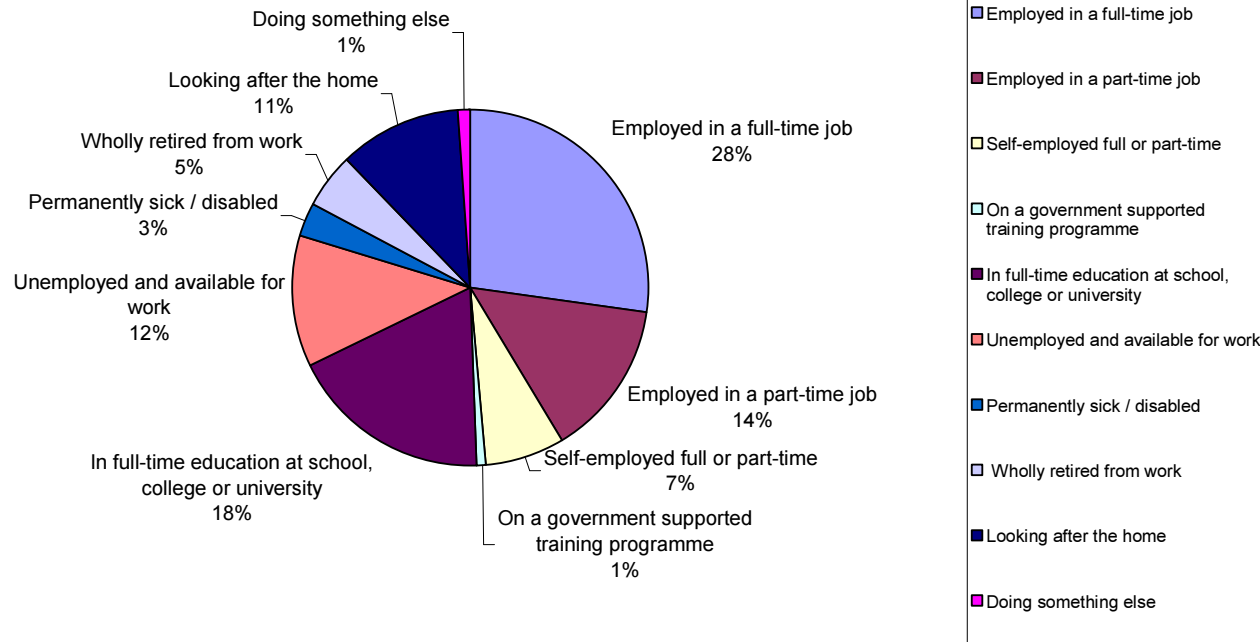


New Cross User Religion



New Cross User Employment

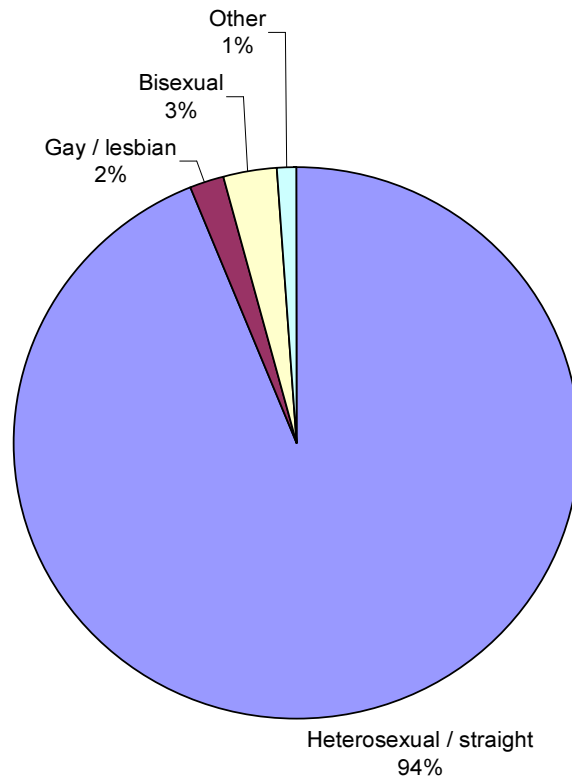
New Cross Library Employment PLUS 2009



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Source: Public Library Users Survey (PLUS) 2009

New Cross User Sexual Orientation



New Cross Library LGBT PLUS 2009



Source: Public Library Users Survey (PLUS) 2009

17. Sydenham Library

Sydenham Library is a Carnegie building bordering on to Home Park. Its position at the Bell Green end of Sydenham Road places it in Sydenham ward. However, much of its catchment includes Bellingham and Perry Vale wards, whose residents comprise 21% and 13% respectively of the active customer base, while 44% come from Sydenham ward.

Within its 30 hours of opening, regular activities include class visits currently taken up by Adamsrill, Our Lady and St Philip Neri and St Michael's CE schools.

In addition to the public access computer catalogue, the library has eight free public terminals with access to the internet. Microsoft Office software is installed on these computers along with and subscriptions to several electronic information resources.

The library hosts a well-attended weekly Under 5s session and monthly Chatterbooks for older children. This summer 193 children aged 5-11 registered to take part in the Summer Reading Challenge at Sydenham Library. It has a well-established monthly Over 55s advice and activity session and an adult reading group with a notably diverse membership.

Branch staff currently service two English as a Second Language (ESOL) Reading Groups and Books for Bellingham initiatives. The library liaises with and supports local cultural festivals (Sydenham Arts Festival, Sydenham Music Festival) as a venue and liaises with a range of local nurseries and community groups, including the Friends of Home Park. The library is presently co-located with Opening Doors advice and training services for job seekers, the closure of which is the subject of a separate budget proposal.

Libraries Data and Reader Profile

For the period April/March 2009/10 Sydenham recorded 66,182 visitors. The figure for April/September 2010 stands at 32,742 visitors.

Active borrowers profile – 44% from Sydenham ward, 21% from Bellingham and 13% from Perry Vale.

43% of active library users in Sydenham ward use Sydenham Library, while 46% use Forest Hill Library. 23% of active library users in Bellingham ward use Sydenham Library, while 49% use Catford Library. 11% of active library users in Perry Vale ward use Sydenham Library, while 44% use Forest Hill and 27% use Catford Libraries.

Gender: 63% of library users are female compared with a service average of 62%.

Race: 46% of library users are White: British compared with a service average of 45%. The largest BME populations are Black or Black British: Black African – 12%, Black or Black British: Black Caribbean – 11% and Chinese or other ethnic group: Other – 8%.

Disability: 80% of library users state they have no disability with 6% having mobility issues, 4% mental health issues, 3% learning difficulties and 2% each for hearing, eyesight and dexterity problems. This is less than the service average of 83%.

Age band: 47% of users are under 18 compared with a service average of 39%. There is a smaller proportion of users in the 18-24, 25-34 and 35-44 age groups. The over 55s exactly match the service average.

Consultation activity

In July and August 2010, Lewisham Council held public meetings to discuss the possible closure of five libraries in the borough, with a second round being held in October. Information about these was posted in the libraries, on the Libraries section of the Council website and publicised in the local press. Users were encouraged to participate in the 'Our Lewisham, Our Say' process and post their comments on the forum. E-mails were received via the Libraries@lewisham.gov.uk e-mail address and petitions were handed in from local interested parties. Steps were taken to monitor activity and comments on the web to ensure awareness of the main areas of concern

- Library stakeholder meetings on 29th July and 17th September 2010
- First public meeting on 19th August 2010 (87 attended)
- Second public meeting on 11 October (58 attended)

Sydenham Scoping Grid

The key questions considered in scoping the assessment were:

- Could the proposed changes to this service and the way it is delivered affect some groups in society differently?
- Will the proposed changes disproportionately affect some groups more than others?
- Will the proposed revisions to the service and the way it is delivered promote equal opportunities?

Equalities category	Assessment of potential impact – (positive/negative - High, Medium, Low, Nil)	Reason for this assessment
Gender	Negative - Low	<p>According to the active user statistics as of September 2010, 63% of library users are female, compared to 37% male. This is broadly in line with the service average of 62% and 38% respectively.</p> <p>In general across the LIS there is a greater take up of services by women compared to the ward profile of 53.1% and 46.9% for men.</p>
Race	Negative - Medium	<p>Current users statistics from September 2010 show that 45% of library users are White: British compared with a service average of 45% and a ward population of 61%. Another 8% are from Other White background, 28% are Black or Black British and 9% Chinese or other ethnic group.</p> <p>Overall 55% of users are from a BME group which compares to 45% for the service average and 38% for the ward population.</p>
Disability	Negative - Low	<p>20% of users identify themselves as having a disability compared with a service average of 22%. Users with mobility issues were the highest with 6% followed by mental health issues at 4% and</p>

		learning difficulties at 3%.
Age	Negative - Medium	47% of users are under 18 compared with a service average of 39% (September 2010). The over 55s match the service average of 12%.
Sexual orientation	Negative - Low	2009 PLUS data shows majority of respondents (95%) reporting as heterosexual and 5% as LGBT, marginally lower than findings for the borough as a whole and the service average at 6%.
Religion and beliefs	Negative / Low	29% of respondents to the 2009 PLUS identify themselves as having no religion, the same as the service average. 65% stated being Christian, 3% Muslim, 4% Hindu and 1% Buddhist. Compared to the service average of 59% Christian, 5% Muslim, 3% Hindu and 2% Buddhist. These figures are roughly proportional to the service average and close to the ward profile of 62% Christian, 3.9% Muslim, 2% Hindu and 1% Buddhist.

Assessment of Equalities Impacts

Gender: Negative - Low

The proposed closure would have a negative low impact on gender since the usage of the library broadly matches the overall service usage.

The use of Sydenham library by women and young families was reiterated during consultation with service users and stakeholders such as the Friends of Home Park.

Race: Negative - Medium

The higher proportion of BME service users at this library compared with the service average indicates that closing the facility may impact more on this community than it might in other parts of the borough. This library services Sydenham, Perry Vale and Bellingham wards, which appear less diverse compared to the rest of the borough in terms of population figures.

During the consultation, feedback was received highlighting the use of the library as a 'safe space' and one which celebrates diversity through its stock, promotions and activities. Those consulted highlighted a particular need for positive activities in the area immediately around the library and park. A point was raised about the library's support with acculturation as well as education across ethnic groups. The library reflects the cultural diversity of the area and provides a quiet study space which otherwise might not be available in Sydenham.

Disability: Negative - Low

Concern was raised at the public consultation about the ability of those with mobility issues travelling to another library in the borough. This would relate to the 6% of users who cited they have mobility issues, compared to the service average of 5%. Sydenham has good transport links, especially with the extension of the East London line to Sydenham.

Overall the proposed closure would have a negative low impact on disability since the usage of the library broadly matches the overall service usage and would not disproportionately affect one group.

Age: Negative - Medium

The higher proportion of younger service users at this library compared with the service average indicates that closing the facility may impact more on this category than it might in other parts of the borough.

In addition the Community profile data indicates higher percentage of residents of pensionable age than the borough average with 16.2% to 14.5% respectively. By comparison library usage figures for this age range are similar to the service average with 6.7% and 6.8% respectively.

At the public consultation on these proposals concern was raised that the library represented an important network for parents and an equally important resource for school children, with the brunt of the impact being on deprived families who may face difficulties getting to other libraries. It was felt there would be a severe impact on child literacy in the area.

Sexual Orientation: Negative - Low

It is very difficult to know how many people in Lewisham are LGBT, however according to the Speak Out survey the Treasury estimates that 6% of the total population are gay or lesbian. In the PLUS survey 5% of people responded as being LGBT. There is no evidence that the proposal has a disproportionate impact on this protected characteristic.

Religion and Belief: Negative - Low

There are over 200 different religions in Lewisham. The two most common religions practiced by Lewisham residents are Christianity with 61% and Islam with 4.6%.

29% of respondents to the 2009 PLUS identify themselves as having no religion which is the same as the service average. 65% stated being Christian, 3% Muslim, 4% Hindu and 1% Buddhist. These compare to the service averages of 59% Christian, 5% Muslim, 3% Hindu and 2% Buddhist. These figures are roughly proportional to the service average and close to the ward profile of 62% Christian, 4% Muslim, 2% Hindu and 1% Buddhist.

Overall participation in libraries by religious groups does not identify a disproportionate impact on this protected characteristic. The Library and Information Service provides a range of books and covering various religions, faiths and belief systems as well as secular material on life and living, which are available at all libraries.

Statement in regard to Human Rights

The implications of this proposal on Human Rights has been assessed using the flow chart in 'Human rights: human lives: A handbook for public authorities' Department for Constitutional Affairs. This proposal does not interfere with human rights.

Socio-Economic conditions specific to Sydenham Library catchment

According to the 2007 Indices of Multiple Deprivation Lewisham is the 39th most deprived borough in the country. Deprivation in Lewisham is highest in areas of the north, centre and south of the borough. Concerns around the proposals were raised at the public consultations. The main issue was that Sydenham and the surrounding area in Bellingham had high deprivation levels and would these be taken into account when considering closing the library.

Sydenham has 5.2% of the working age population claiming jobseekers allowance (2007) compared with a borough average of 5.4%, 72.0 incapacity benefit claimants per 1,000 working age population, the 7th highest number in the borough. Sydenham also has 93% of Key Stage Two: Pupils Achieving Level Four + in English compared with a borough average of 71%, and

ranks 1st Lewisham. Projected population growth for Bellingham (2001-2026 GLA projections) is 6.8%.

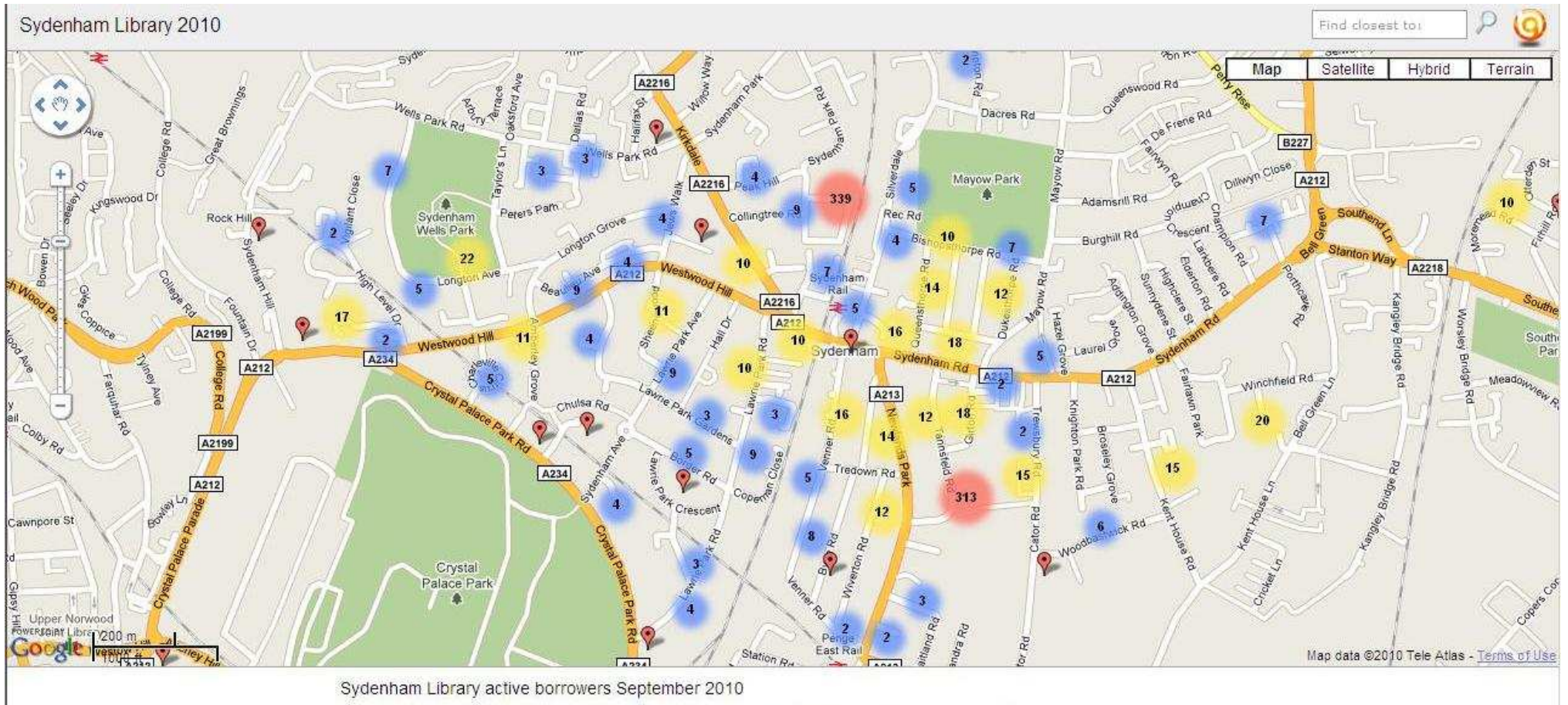
There is a higher percentage of residents of pensionable age than for the borough as a whole, and higher numbers economically inactive residents, including carers and people with disabilities, notably in the Bellingham area. In Bellingham ward, the percentage of people without qualifications is conspicuously high (32.2% compared to borough average of 24.2%). Bellingham has 7.0% of the working age population claiming jobseekers allowance (2007) compared with a borough average of 5.4%, 89.5 incapacity benefit claimants per 1,000 working age population, the highest number in the borough. Bellingham also has 64% of Key Stage Two: Pupils Achieving Level Four + in English compared with a borough average of 71%, and ranks 16th in Lewisham. Projected population growth for Bellingham (2001-2026 GLA projections) is 11.3%.

At public consultations concern was raised that deprived families cannot move around Lewisham seeking relevant information for adults and their children. Removing local libraries would impact on their ability to use the services available elsewhere. Adult learners benefit enormously from the free internet access in the local area opening up opportunities for information training and learning. This access will be affected.

Census figures indicate that 42.2% of households in Sydenham ward do not have a car. The closest alternative Lewisham libraries are Forest Hill (1.4 miles) and Catford (1.9 miles) and are both accessible by public transport

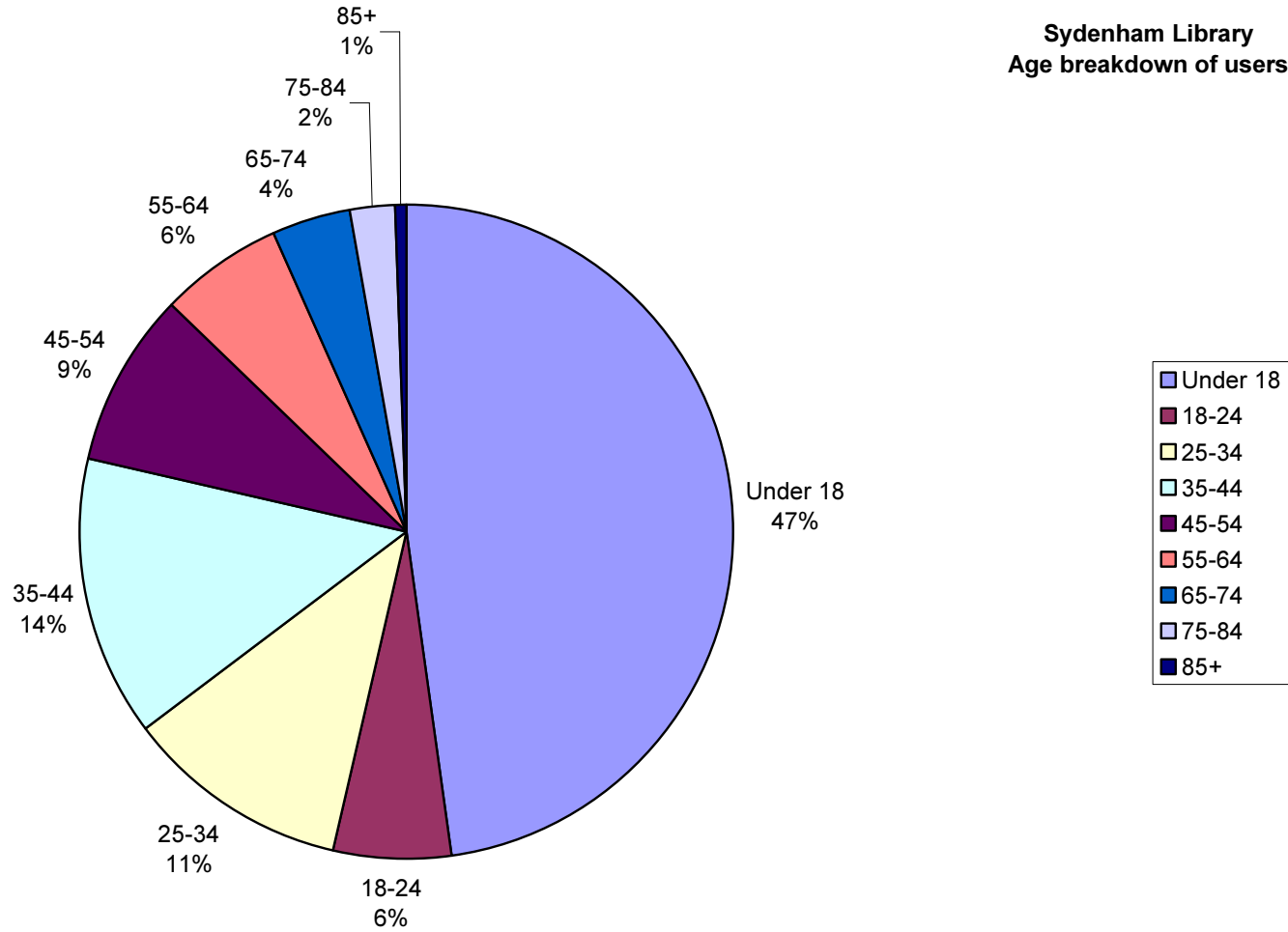
Sydenham Library Catchment Area

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Sydenham User Age Range

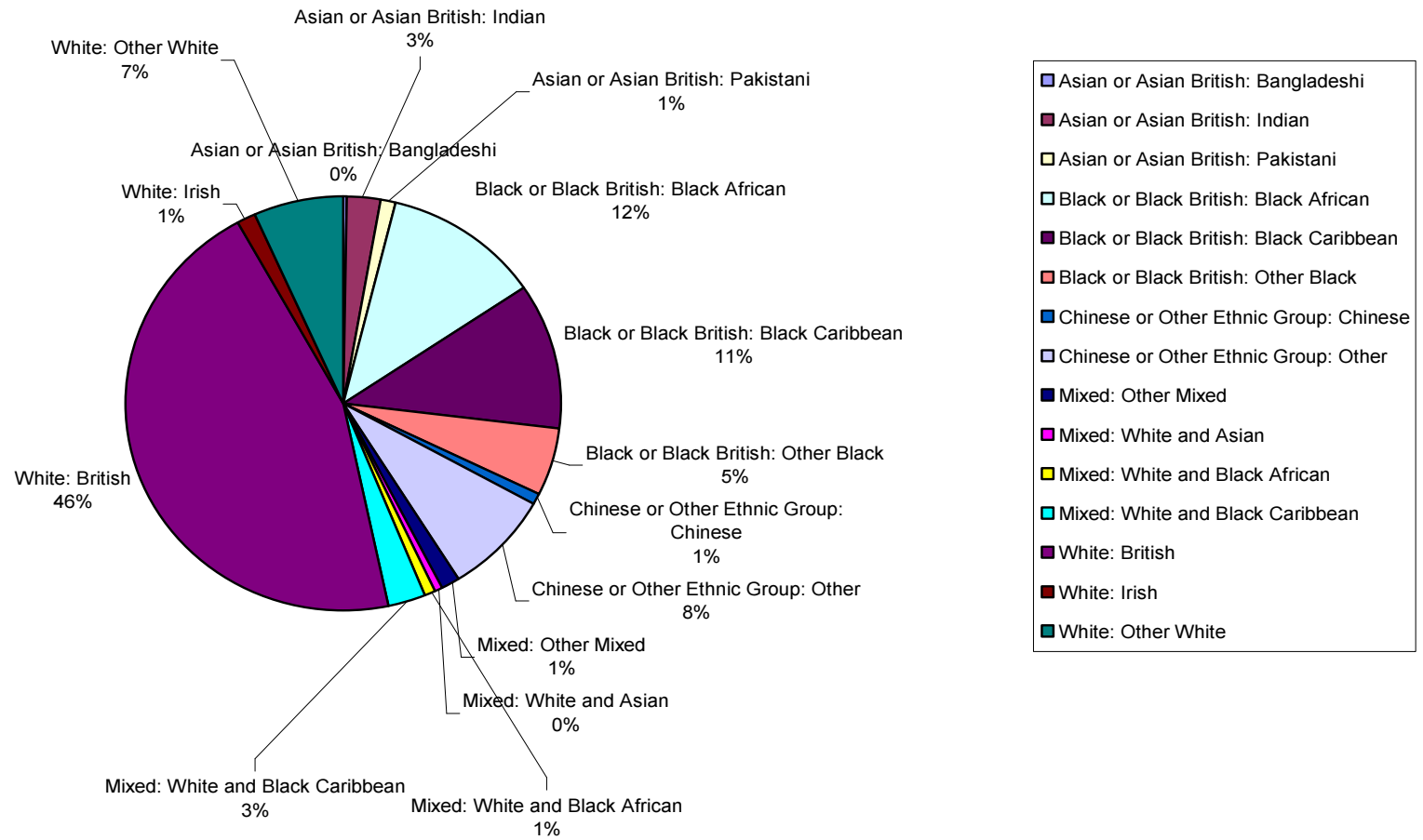
Sydenham Library
Age breakdown of users



Source: Active User Statistics as at September 2010

Sydenham User Ethnicity

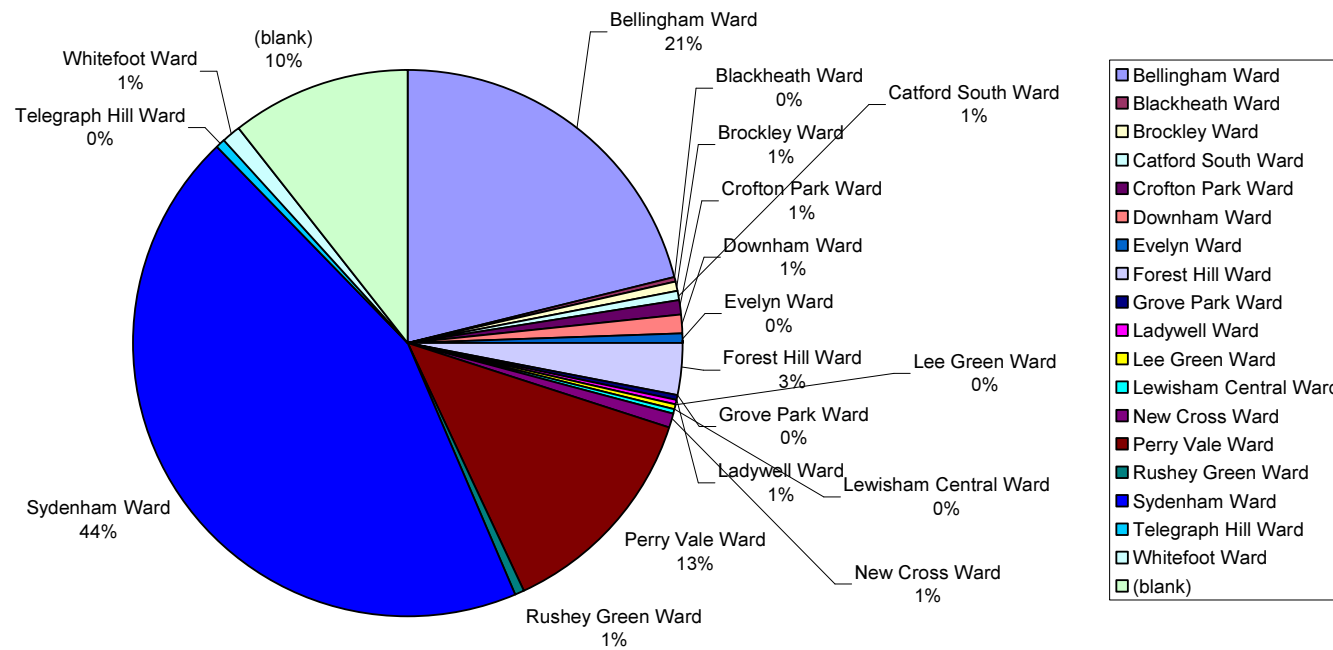
Sydenham Library Ethnicity breakdown of users



Source: Active User Statistics as at September 2010

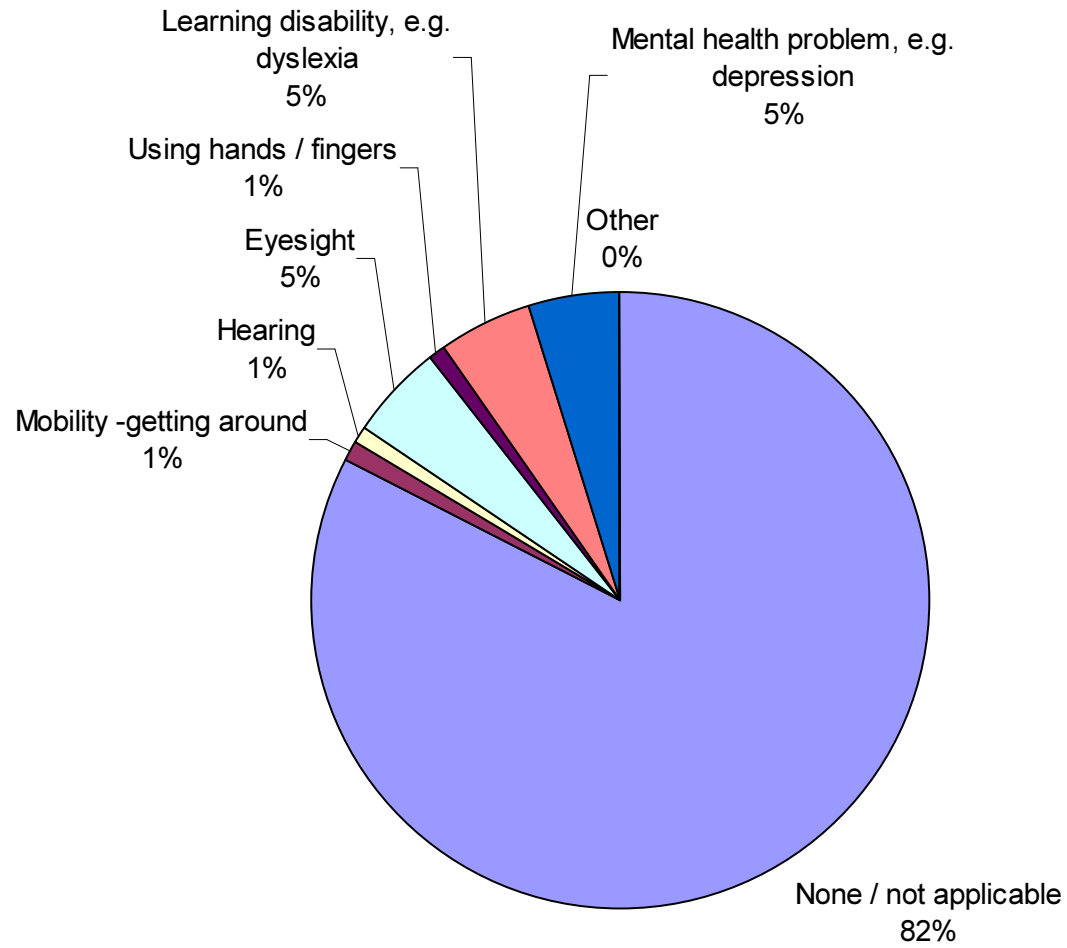
Sydenham User Origin

Sydenham Library
Where users come from

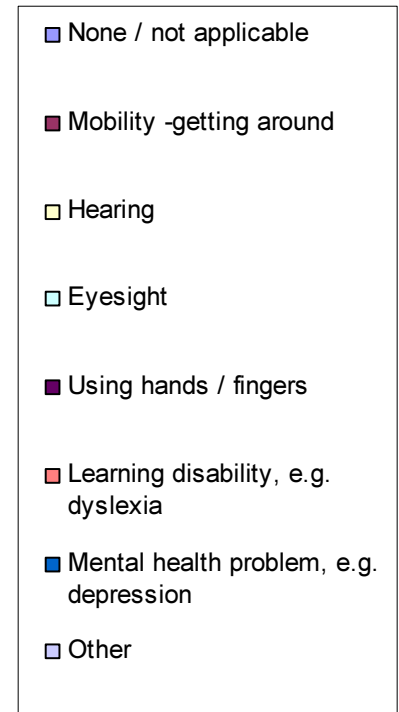


Source: Active User Statistics as at September 2010

Sydenham User Disability

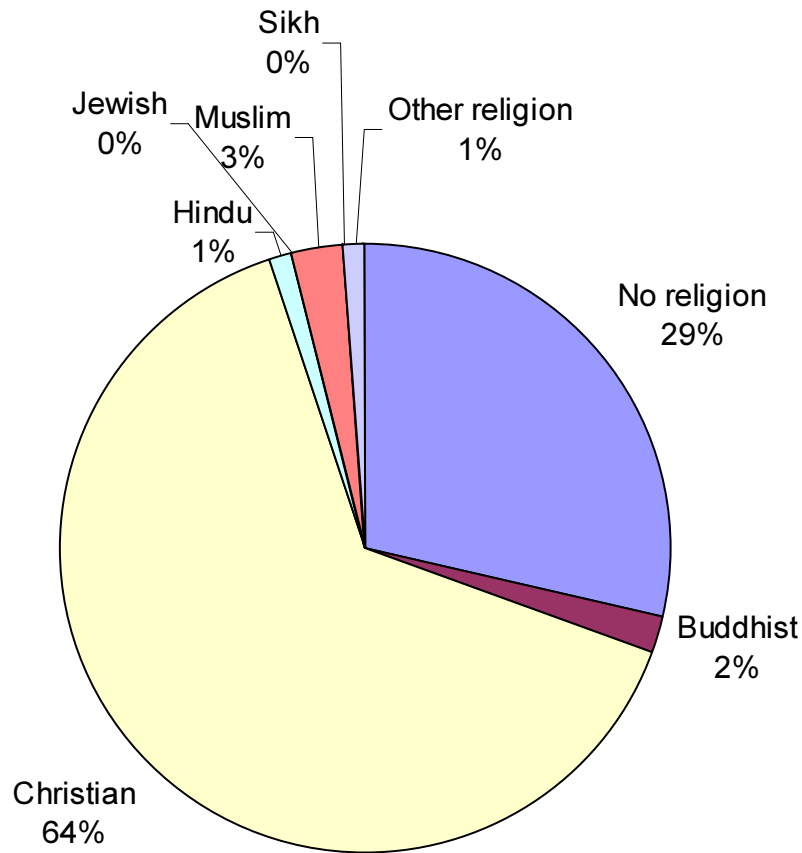


Sydenham Library Disability PLUS 2009

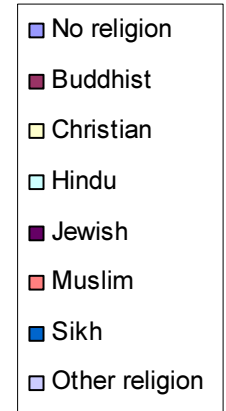


Source: Public Library Users Survey (PLUS) 2009

Sydenham User Religion



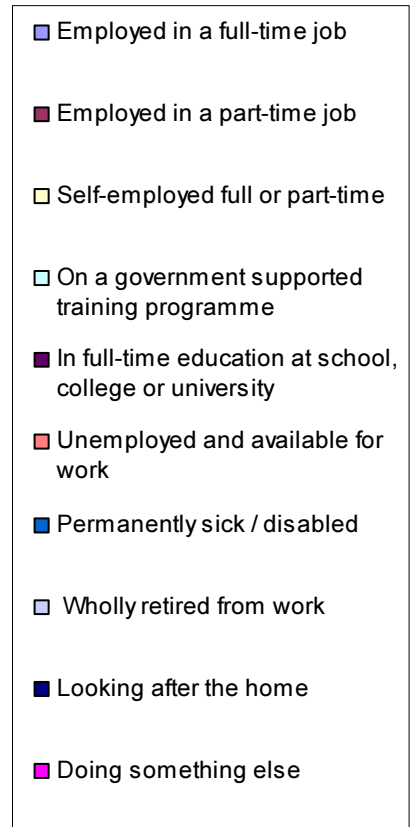
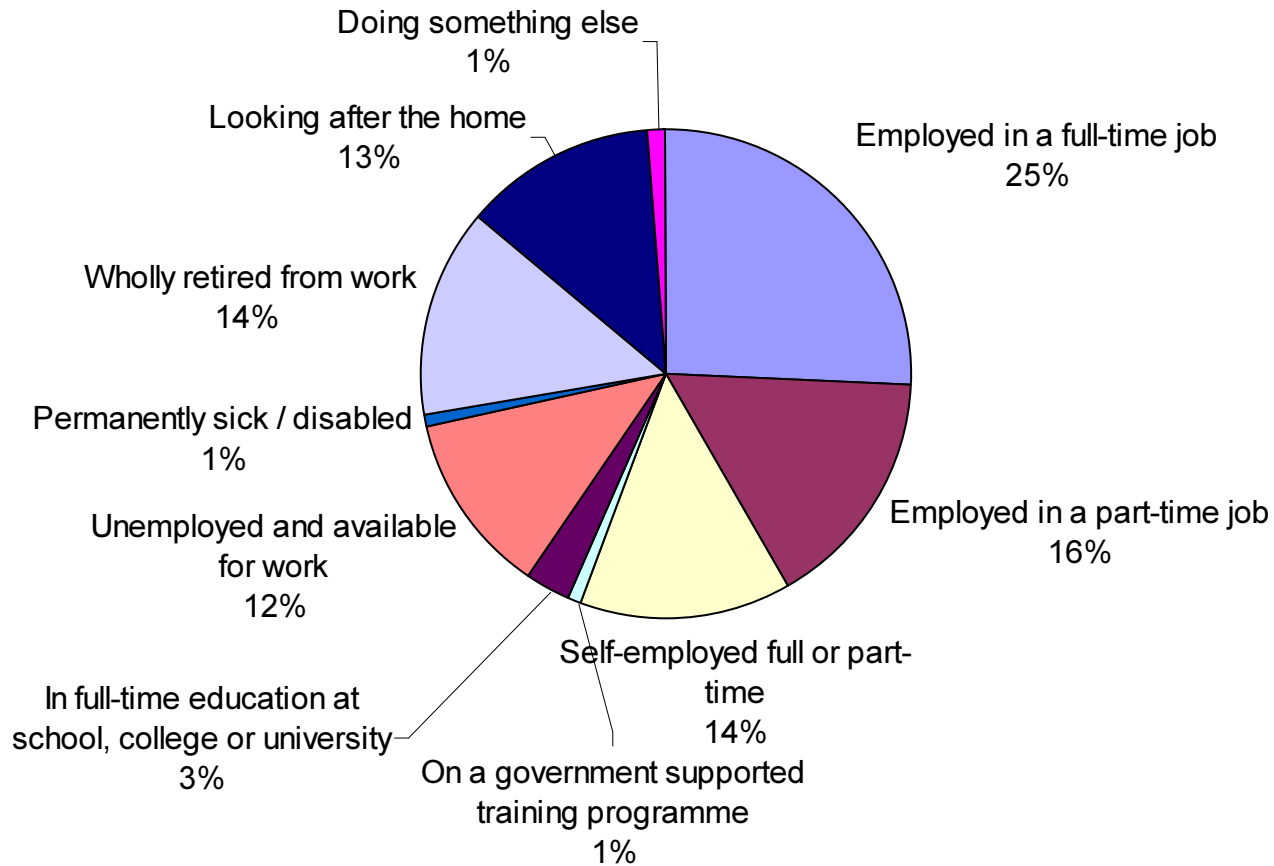
Sydenham Library Religion PLUS 2009



Source: Public Library Users Survey (PLUS) 2009

Sydenham User Employment

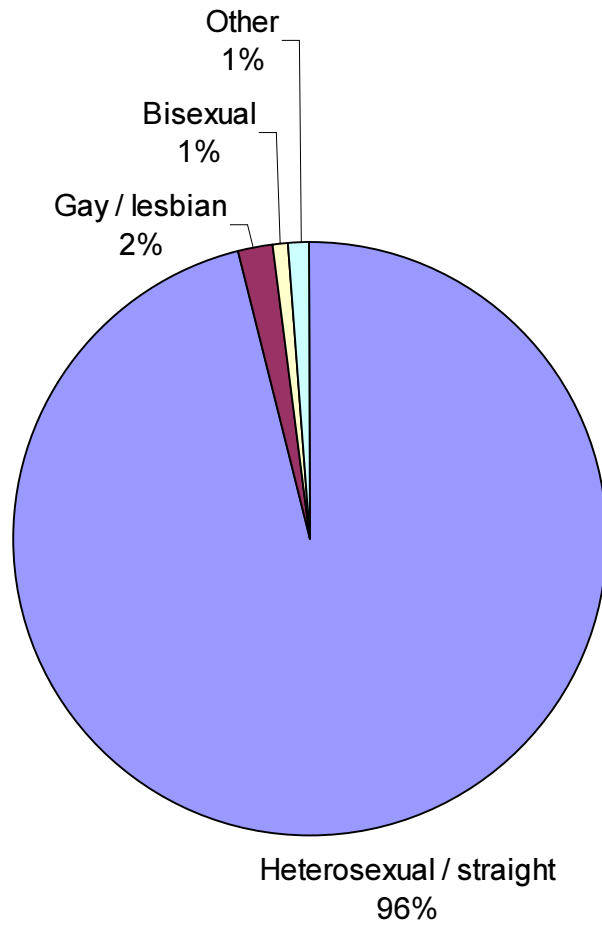
Sydenham Library Employment PLUS 2009



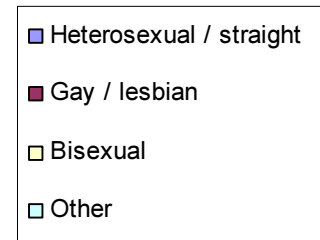
Page 626

Source: Public Library Users Survey (PLUS) 2009

Sydenham User Sexual Orientation



Sydenham Library
LGBT PLUS 2009



Source: Public Library Users Survey (PLUS) 2009

17. Overall assessment and mitigation

The overall assessment of this EIA is that the saving proposal will have an adverse impact across equality groups but will not lead to unlawful discrimination. A full and robust EIA has been conducted which has had due regard to legal requirements and has involved local residents and service users in considering the potential impact on the local area.

The EIA recognises that the closure of a library facility may make it more difficult for current users to access library services locally. As such the overall impact of the proposed closure has been assessed as having a negative impact across all categories. However, the proposal to close these library facilities does not lead to unlawful discrimination and no 'negative – high' impact has been identified, since the closure will not actively discriminate against or have a disproportionate impact on any single equality category.

Mitigation

Full mitigation will not be possible and the proposals will have a negative impact across the borough. However, in the event of a decision being taken to close the library facilities, a number of actions will be taken to reduce impacts where possible. These include:

- Information for current library users as to alternative provision and how to access it
- Increased number of outreach library facilities, including small collections and book drops
- Increased outreach visits bringing storytelling and other activities to schools and community centres

By retaining the longer opening hours at the seven other libraries, the Council will continue to provide a comprehensive, effective and high quality service, well-placed to continue to its good work in promoting equalities and community cohesion. Activity is underway to improve residents' access to library services across the capital. From April 2011, Lewisham residents will have a library card that enables them to borrow a book in over 100 libraries across London, access any library service, such as public access computers, for free in 13 London Boroughs and request books from 16 different London library services.

The remodelling of the service includes a commitment to maintaining and developing some library services in the areas affected by the closure of the five buildings. The Library and Information Service has been working with potential partners to develop some community-based provision that will be sustainable. It is the Council's intention to develop up to eight community libraries using different delivery and partnership models and working closely with community organisations and local social enterprises.

The service will support the network of community based provision by providing up-to-date stock, delivering professional input on the quality of the stock, organising activities and book promotions. It is intended that many elements of the library's successful outreach and equality activity, can be maintained.

Where staff capacity allows, an extension of Home Library Service provision to include more vulnerable users will be considered. Under the current and proposed staff structure, the Home Library Service is operating at capacity. Therefore, taking on additional service users may generate a waiting list.

ADULT SOCIAL CARE : PHASE 2 BUDGET SAVINGS PROPOSALS

1 Summary

This paper provides further details on the following Phase 2 Budget Savings Proposals : COM 16, COM 17, COM 19 and COM 22. The paper is in two parts:

Part 1 provides details on the savings proposals to restructuring the care management and assessment teams (COM 19) and the associated administrative and business support (COM 16)

Part 2 provides details on the savings proposals to restructure and reduce the in house home care service so that it provides a re-ablement service (COM 17 and COM 22).

2 Policy Context

- 2.1 In considering where savings can be made in adult social care, officers have been mindful of the Government's vision for transforming social care, more commonly referred to as the personalisation agenda. Previously set out in *Putting People First (PPF)* and more recently by the Coalition Government in "*A vision for Adult Social Care: Capable Communities and Active Citizens*".
- 2.2 The aim is to give individuals more choice and control in relation to how their needs are met. As well as providing services to those with highest need, there is a strong focus on prevention and early intervention, with the intention of keeping people active and independent, and delaying their need for ongoing health and social care services.
- 2.3 Lewisham's Sustainable Community Strategy also supports the transformation of adult social care. Lewisham's Strategic Partnership has set six priorities for action including building 'Healthy, active and enjoyable' communities, where people can actively participate in maintaining and improving their health and well-being. Progress towards this goal is measured by 'an increase in the number of older people, disabled people and vulnerable people achieving independence and having choice over the services they receive', and 'an overall improvement in the experience of care users'.
- 2.4 These policy aims require health and social care partners to work together to review current service provision and make arrangements to refocus investment and operational practice towards providing care closer to home within an effective and efficient care pathway.

3 Implementation of the Personalisation Agenda in Lewisham

- 3.1 The personalisation agenda has been a catalyst for change in Lewisham. This is transforming the way in which the Council delivers services. Since 2008/9, adult social care has been working on this agenda with a particular focus on giving users more choice and control over the services they receive. This work has delivered improved benefits to

both customer/service users and the council and has included work in the following areas:

- Admission avoidance
- Intermediate care
- Re-ablement
- Personalised care and support planning
- Safeguarding as the business of everyone
- Improved access to universal services
- Prevention to improve health and wellbeing
- Vibrant variety within the health and social care market place, driving quality and value for money
- Access to more specialist support where required.

4 Next steps

Officers now need to build on this work, continuing to improve customer experience, performance and to generate efficiencies and savings throughout the system. To achieve this, the service proposes to remodel the social care pathway and associated staff structures to remove duplication and provide a more streamlined process for clients as and when required.

The proposals to achieve this are set out in Part 1 and 2 of this paper. A glossary of terms is also attached – see Addendum 1.

PART 1 – RESTRUCTURING THE CARE MANAGEMENT AND ASSESSMENT TEAMS AND ASSOCIATED ADMINISTRATIVE AND BUSINESS SUPPORT (COM 19 & COM 16)

1 Savings proposals

- 1.1 Officers propose that the savings outlined in the budget paper be achieved by:
- Restructuring the care management and assessment teams) and their administrative business support (COM 16) to deliver and support a more efficient and effective care management process. This proposal is expected to achieve savings of £350k in 11/12 and £500k in 12/13 by reducing staffing related costs.

2 Current staffing structure

2.1 The current structure for adult social care has been in place since 2005. It reflects a traditional approach to care management based on team configurations that have a specific client focus e.g. Older adults, Younger adults. Within these team structures, individuals that meet the council’s eligibility criteria for services are provided with an assessment of need and a care plan that identifies ways of meeting those needs through services that are either commissioned by the council from external providers on behalf of an individual or provided in house. Currently, the activity required to assess, review and record the care provided is replicated across each client group team. This is shown in the diagram below.

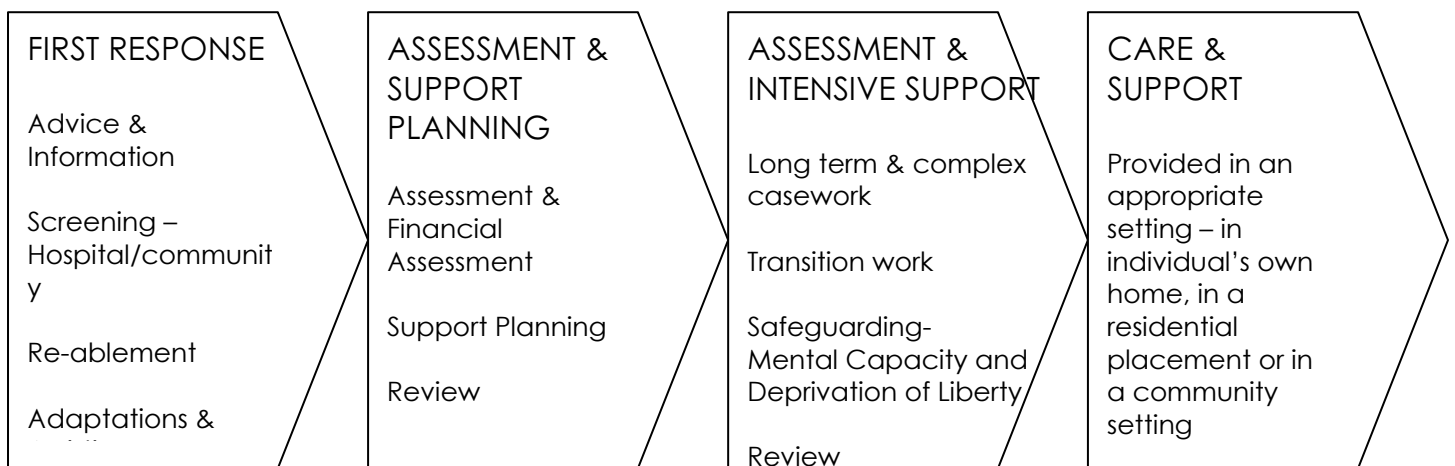
Younger Adults	Older Adults	Adults with Learning disabilities	Independence , Therapy & Rehabilitation	Mental Health Older Adults	HAST	Specialist Hearing & Visual Impairment Teams
Duty	New Business				Assessment	
New Business	Re-assessment	New Business	Re-ablement	Assessment	Re-assessment	
Re-assessment	Case Management	Re-assessment	Assessment	Re-assessment	LINC	Assessment
Case Management	Planned Review & Adult Protection	Case Management	Case Management	Case Management	Assessment	Rehabilitation
Planned Review & Adult Protection		Planned Review	Housing		Case Management	Reablement
						Case Management

2.2 The proposal is to move away from each client team undertaking similar activity and, by aligning these processes, aim to achieve efficiency and avoid duplication. More importantly it will provide service users with a prompt and clear response that better meets their needs.

3 Proposed pathway and associated restructure

- 3.1 Officers have been developing a more efficient pathway for service users which will minimise the process and reduce waste. It will ensure that the right service response is in the right place at the right time. The intention is that individual routes through the pathway will vary according to needs, preferences and choice.

The pathway diagram below highlights the proposed reconfigured functions that provide the key elements of the personalised service user journey.



- 3.2 It is now essential that structural changes are implemented to ensure that staff roles and responsibilities match the new pathway and revised processes. The new process will improve the customer experience, by reducing duplication and waiting times. It will also provide early information and advice to customers enabling them to have more choice and control over the services they receive.
- 3.3 In addition, it places re-ablement and access to equipment and adaptations at the beginning of the pathway; this will help users to regain skills, confidence and independence and reduce dependency on long term services. The process also identifies and accommodates those service users who require ongoing support or more specialist intervention.

4 Staff Engagement and Consultation

- 4.1 The proposed model builds on work that has been ongoing over the past two years on the personalisation agenda. Similar models have been successfully introduced in other Councils. Management and staff have been involved in developing the model proposed for Lewisham. Two

engagement events have taken place with staff in October and December with more planned for throughout the year.

- 4.2 Detailed proposals will be subject to formal consultation with staff and unions in accordance with the Council's Management of Change procedures. A draft timetable is shown below.

5 Timescale

Date	Action
March 2011	Consultation starts - 3 weeks for the consultation period
April	Consultation ends
May	Management response to issues raised in consultation
May	JCC meeting
May	Invite staff to apply for new roles
May/June	Shortlisting
June	Interviews for Service Managers
June/July	Interviews for all other posts
July	Staff advised of outcomes (offers are subject to appeal)
July	Redundancy notice letters issued together with appeal rights for displaced staff
July/August	Appeals considered
August	Outcome of appeals
August	Offers to successful staff notified
November	Implementation date (12 weeks after issuing redundancy notice letters as this is the maximum period of notice some staff may have)

6 Public Feedback

- 6.1 To date residents have made their views of their experience of the current process known when reviews of their care packages have taken place, as well as through direct correspondence. Representatives from voluntary sector organisations have been involved in the various forums that have been established to assist the Council with the transformation and modernisation of adult social care services.
- 6.2 Additional feedback on aspects of the current care pathway and customer needs have been given in the consultation that has taken place on proposals to increase the charges for non-residential services and Meals on Wheels.
- 6.3 Further engagement events will be arranged following the agreement to implement the new pathway.

PART 2 – RESTRUCTURING IN HOUSE HOME CARE SERVICE (Domiciliary Care) TO PROVIDE A RE-ABLEMENT SERVICE (COM 17 & COM 22)

1 Savings proposals

- 1.1 Officers propose that the savings outlined in the budget paper be achieved by:
- Restructuring and reducing the in house home care service to establish a re-ablement service (COM 17 and COM 22). This proposal is expected to achieve £620k in 11/12 and £600k in 12/13.

2 Definition of re-ablement

- 2.1 Re-ablement is an essential component within the new adult social care pathway. It is the provision of support, training and practice to restore a person's independence so that they can undertake those essential aspects of daily living such as washing, dressing and mobility. Re-ablement relies on trained care workers to provide intensive support at the beginning of the programme, tapering off as the person gains more independence and confidence. Support is specifically tailored to meet the needs of the individual focusing on strengths and abilities. The emphasis is for the individual to undertake the task for themselves and for the re-abler to provide them with the support and training to do so.

3 Case for re-ablement

- 3.1 There is a growing body of evidence from across the UK demonstrating that home based re-ablement services have a positive impact upon the ongoing health and wellbeing of vulnerable adults allowing them to remain at home for longer and without the need for ongoing packages of care. Further evidence for re-ablement is demonstrated through Care services Efficiency Delivery's (CSED) research. A summary of these findings suggest :

- Nearly two thirds of people (62%) require no ongoing service, or a reduced service upon completion of re-ablement.
- 36% to 48% continued to require no homecare package after two years following re-ablement.

This equates to a 45% reduction overall homecare hours for everyone referred.

4 Current provision

- 4.1 Currently the Council's in-house homecare service provides approximately 8,500 hours of domiciliary care and reablement per month. This service is predominantly provided to older people who meet the Council's Fair Access to Care eligibility criteria and equates to approximately 8% of the home care that is currently commissioned by the Council to ensure that people are able to live within their home setting for as long as possible.

- 4.2 The Council commissions domiciliary care from a range of external provider agencies at an average cost of £16 per hour. This compares to an hourly rate of the in-house service of £32 per hour.

Despite this significant difference in rates, in previous years it was considered necessary to retain an in-house homecare service to accommodate specialist domiciliary needs, such as end-of-life care, dementia, mental health. In some cases it had been difficult to find and sustain services from external providers for these clients. However, the market is now firmly established and broad enough to be able to meet the needs of all client groups.

In December 2009, in response to guidance from the Department of Health, the in-house homecare service established a pilot to provide a re-ablement service. The aim was to help people regain their independence as much as possible before a longer-term package of care was provided. So far, 224 people have received a re-ablement service. In addition, the service has continued to provide a domiciliary care service to 177 existing clients.

All homecare workers have been offered training so they can develop the skills required to provide a re-ablement service. The hours allocated to re-ablement work has varied depending on the individual worker's contractual arrangements and their availability to accommodate a referral request. Some workers are on contracted hours that do not have the flexibility to meet some of our clients' needs (eg evenings and weekends).

In addition, for over a year, there have been fewer mainstream domiciliary cases referred to the in-house service approximately as these have been commissioned from the external providers who are on the commissioning framework. These external providers are contracted to provide a more flexible service that can meet the needs of clients, by providing early morning, evening and weekend care within the home.

As a result of the current staffing and employment arrangements, the in-house service cannot meet the increasing requirements of service users. This has resulted in the need to pay additional hours to some staff to meet re-ablement, and weekend and evening domiciliary care demands. Over a 3-month period, the average number of additional hours paid to existing employees to provide re-ablement and some homecare has amounted to 496 hours per week (costing £6,900 per week).

In addition, over the same period the average amount of hours "under contract or unused" was 344 per week (£4,800 per week). This is because the hours available from existing staff have not matched clients' needs.

5 Current Staffing

- 5.1 There are 127 home care workers within the current staffing structure some of whom are on various part-time arrangements and 17

management and administrative staff at an approximate cost of 3.2 million pounds. The majority of staff are women.

5.2 The age profile of the Home care workers is as follows:

	North	South	Total
60+	7	17	24
55-59	12	11	23
50- 54	19	18	37
45- 49	11	12	23
29 - 44	10	10	20
	59	68	127

6 Options that have been considered

6.1 In considering possible savings for this area, officers have considered several options including:

Option 1 – To commission from external sector agencies all domiciliary care and reablement services

This option would achieve savings of £1.3m. In terms of domiciliary care, this option would support the external homecare market and meet service user requirements. In terms of re-ablement, although this has been purchased successfully in some areas, there is a lack of long term data available to confirm that a fully externalised re-ablement model would achieve the same level of savings to ongoing care packages that have been achieved from Lewisham’s re-ablement pilot.

Although due consideration will be given to the implications of TUPE, it is likely that there will be redundancies.

Option 2 - To reduce and reshape the existing in house home care service so that it provides approximately 70% of the re-ablement service required, and to commission approximately 30% of reablement from the external market. To commission all domiciliary care from external providers.

This option would enable the Council to compare both internal and external providers of re-ablement. It would allow further analysis to be made on the benefits to service users and comparisons to be made on the outcomes and costs between the internal and external provision. Under this option all domiciliary care services would be commissioned from external providers. This option would achieve savings as the cost of

domiciliary care from the external market can be provided more cost effectively. In addition a number of staff in whom training and development has been invested would be retained in house to provide a re-ablement service.

Although due consideration will be given to the implications of TUPE, it is likely that there will be redundancies.

The net saving from this option is £820k, after investment of £600k in re-ablement.

Option 3 - To retain and reduce the in-house home care to provide only specialist domiciliary care (e.g. end-of-life care, dementia, mental health). All re-ablement services would be commissioned externally.

This option is unlikely to achieve the savings necessary in the time period as the current employment contractual arrangement do not fully meet the needs of these clients and the Council would still need to purchase from the external market. Unless employment terms and conditions were renegotiated, the situation of paying for additional hours and being unable to fill unused hours would increase, thus putting further pressure on the budget. The issue of cost comparisons would also have to be considered as the in house service is currently more expensive than the external provision, and costs of in house provision may further increase as staff contracts are re-negotiated.

Although due consideration will be given to the implications of TUPE, it is likely that there will be redundancies.

Option 3a - As above but also providing a re-ablement service

This option is unlikely to achieve the savings necessary in the time period required for the same reasons as given in Option 3.

Option 4 - To retain the current service as it is

This option would achieve no savings and in the longer term is unaffordable as the current in house service is more expensive than the external provision. In addition, the current staff employment terms and conditions do not meet service users needs.

7 Recommended Option

- 7.1 Having considered the above options officers have concluded that Option 2 will better meet the demands of clients, provide increased value for money and achieve the savings required. It also provides employment, albeit at a reduced level, for some existing Lewisham employees who have been offered training in re-ablement.

8 Modelling Assumptions

8.1 In planning the delivery outlined in Option 2, officers have modelled the likely staffing requirements. This has been based on information from the current Lewisham pilot and the Department of Health's Whole Systems modelling framework. This work was developed using the following assumptions:

- 70% contact time
- Average four weeks of re-ablement
- Average 12 hours of re-ablement per week (more hours in week 1, reducing over time)
- 25% not completing re-ablement
- Ongoing levels of care based on CSED21 evaluations
- It would take 12 months to be fully operational.

Based on these assumptions, in a Lewisham context, the following has been concluded:

- There would be a caseload of approximately 90 clients at any one time from hospital discharge or new community referrals
- Around 1,500 hours of reablement service would be needed per week which equates to 40 FTE re-ablement staff.
- 110-115 referrals would be anticipated per month
- Around 820 fewer people per year would be in receipt of ongoing home care
- Around 400 people would be in receipt of lower levels of support such as equipment and assistive technology

The assumption above have been borne out by the outcomes achieved during the re-ablement pilot. Between July and December, 224 service users referred for re-ablement achieved the following results:

<u>Total number of re-ablement cases assessed</u>	224	% of 224	% of those reabled
Outcome 1: Resolved with equipment / adaptations / assistive technology	97	44	
<u>For the clients receiving 6 weeks hands-on re-ablement</u>	127		56
Outcome 2: Received short term re-ablement			
Outcome 3: No care package required	69	74	54
Outcome 4: Cases reviewed after 3 months, continue to require no care package	42	62	57
Outcome 5: Post re-ablement requiring care package of 7	31	13	24

²¹ Care Systems Efficiency Delivery (Dept of Health)

hours per week or less			
Outcome 6: Post re-ablement requiring care package of more than 7 hours	24	9	19

9 Rationale for proposing Option 2 and financial implications

- 9.1 The formal establishment of a re-ablement service within the Council is an integral element of the redesigned structure for adult social care. Benchmarking across other the London Boroughs shows that, in the majority of boroughs, re-ablement provision has been developed by refocusing the in-house domiciliary care service. This approach has enabled boroughs to explore the capacity of the local provider market whilst at the same time reduce the expenditure of ongoing domiciliary care through the retention of a skilled re-ablement workforce.
- 9.2 The development of re-ablement and the externalisation of mainstream domiciliary care realises savings in a number of areas.
- Refocus and reduce current in-house service to form re-ablement service (£520k in 11/12 and £300k in 12/13).
 - Transfer of current client receiving services from in-house to external providers. At the moment the in-house service delivers 1,763 hours of mainstream domiciliary care per week to 199 people. The estimate is that the in-house service costs £32 per hour, with the average private domiciliary care agency cost at £16 per hour. Annually the estimated cost saving if the cases were to be transferred is £1.48m. From the analysis of the pilot, the service estimates that it has already achieved a saving of over £120k by reducing the number of clients needing an ongoing package of care.
- 9.3 It should be noted however that although savings can be achieved in the longer term through a reduction of on-going care costs, there is an initial 'spend to save' period as re-ablement is being introduced. This represents the period where clients are taken on by the re-ablement service, at a relatively high hourly cost compared to standard home care.
- 9.4 In the longer term, the flow of clients into standard home care is reduced through re-ablement, and overall savings are realised. Based on these assumptions, the projected level of potential savings achievable is £1-£2.5m within 3- 5 years if a full re-ablement service is implemented within 12 months.

10 Staff Implications

- 10.1 Developing the current workforce to become re-ablement offers an opportunity to promote a clearly defined role for the service. The benefit to the council is that the relationship between assessment and provision is direct, and this reduces the cost of the service overall as there is no requirement for brokerage. In the longer term, this is a discreet service that could become a local social enterprise.

- 10.2 However, the number of staff required to provide a re-ablement service is significantly lower than the current staffing complement. Subject to detailed reorganisation papers being drafted and staffing structures being finalised, officers anticipate, based on a 70/30 split, a likely staffing complement of approx 34 FTE including management and admin staff. The exact details of the staffing structure will be developed in line with the Council's Management of Change procedures.
- 10.3 Re-provision of the rest of the in house service will be done through the existing commissioning framework. Although due consideration will be given to the implications of TUPE, it is likely that there will be redundancies.

Addendum 1 - Adult Social Care – Glossary of Terms

Admission avoidance

The prevention of unnecessary A&E attendances and avoidable hospital admissions through integrated social care and health support.

Adult Social Care Services

These are services that are commissioned or provided by the Council that are available to help and support vulnerable adults. Some examples of adult social care services are residential care, day care, home (domiciliary) care, meals on wheels and respite care.

Assessment of Need

An assessment is the series of questions that helps determine someone's social care needs. Carers can ask for their own separate assessment. This assessment will decide what kind of support a person or their carer needs.

Care Plan

A Care Plan specifies what care or equipment is needed; who is responsible for providing the care, service or equipment; who is responsible for making sure the care plan is carried out; the names of key people involved and how to contact them; and when services will begin.

Care Package

A care package is the package of support and services that are provided to meet an individual's assessed needs, as set out in the care plan. It may consist of one or more services, which may be residential and/or community based.

Care Pathway

A Care Pathway defines the activities and tasks within the social care process which ensure that a client receives the information, support and care they need at the appropriate time and to the same standard to achieve agreed outcomes.

Direct Payment

A Direct Payment is where the Council gives a service user money directly to pay for their own care, rather than the traditional route of providing care for them.

Eligibility Criteria

Eligibility criteria are the standards used to decide who the Council can provide services for, and what those services will be. The eligibility criteria are used to assess the level of risk to a person's independence if help were not available to support them. These cover important aspects of a person's life, including:

- all aspects of health, both mental and physical, plus any concerns about behaviour which would threaten the safety of the individual or those caring for them
- the ability an individual has to control their situation and how far they can make choices about their life
- the ability to manage their personal care needs, domestic activities and look after their own dependants
- the possibility of involvement in leisure and social activities, paid and unpaid work, learning and volunteering.

People are assessed as being in one of four levels of need within the eligibility criteria. Each of the four levels of need describe the risk to a person if they do not receive support. The four levels are:

- Critical
- Substantial
- Moderate
- Low

Since 2005, Lewisham Council's policy has been to make sure that it provides services to people with the greatest need. At present this means helping those in the top two levels of need:

- Critical
- Substantial

Financial Assessment

A financial assessment is when a Council officer looks at a person's finances and works out what they should be charged or what contribution they should make to the services they receive.

Intermediate Care – see re-ablement and intermediate care below.

Personalisation

Personalisation is the term used to describe the policy framework which aims to give people choice and control over their lives and the services they receive. It moves them from being passive recipients of services, to being involved in selecting and shaping the support they require to achieve their self-identified outcomes.

Personal Budgets

In future, if a person is eligible for social care support following an assessment of need, they will be told the amount of money the Council thinks is required to meet your needs. This is called a Personal Budget. They may decide to use this money to arrange or manage their own services.

Re-ablement and Intermediate Care

Re-ablement is the provision of support, training and practice to restore a person's independence so that they can undertake those essential aspects of daily living such as washing, dressing and mobility. Re-ablement does not require the same level of professional or medical input as Intermediate Care (see below) but relies on trained care workers to provide intensive support at the beginning of the programme, tapering off as the person gains more independence and confidence.

Intermediate care is the short-term treatment or rehabilitative service that is designed to promote independence, to reduce the length of time a person might be in hospital unnecessarily, or to help to avoid unnecessary admissions to hospital. Intermediate care can be provided in hospital, a special unit or in a person's own home. Although seeking the same aim as re-ablement, it differs from re-ablement in that it includes an element of therapy (such as physiotherapy) and generally more than one professionally qualified practitioner. It usually follows a significant medical event such as a stroke.

Review Process

This is part of the care management process which requires a review of a client's care plan to ensure that the services and support receive still meet their assessed needs.

Support Plan

A support plan outlines how someone's personal budget will be used to make the changes they want to in their life, and meet their needs.

Safeguarding

The activity which enables a vulnerable adult to retain independence, well-being and choice and be able to live a life that is free from abuse and neglect.

Self directed support

Self-directed support is where people are able to design the support or care arrangements that best suit their specific needs. LAC (DH) (2008) 1 *Transforming social care* states that "In the future, all individuals eligible for publicly-funded adult social care will have a personal budget (other than in circumstances where people require emergency access to provision); a clear, upfront allocation of funding to enable them to make informed choices about how best to meet their needs, including their broader health and well-being. A person will be able to take all or part of their personal budget as a direct payment.

Universal services

Universal services are the services that are accessible to all citizens in the borough and where a person does not need to come to adult social care services to use them. These would include, for example, services such as transport, housing and education

Adult Social Care - Fairer Charging Policy

1 Summary

- 1.1 This report gives detailed feedback on the responses to the statutory consultation undertaken from the 1st September 2010 to the 30th November 2010 on proposed changes to adult social care charging policies and recommends changes to these policies.

2 Purpose of the Report

- 2.1 The report gives the results of the statutory consultation undertaken from the 1st September 2010 to the 30th November 2010 and the Equalities Impact Assessment of the consultation proposals to allow consideration as part of the budget setting process for 2011/12.

3 Recommendations

- 3.1 Having considered the outcomes of the consultation on Adult Social Care Charging process undertaken from the 1st September 2010 to the 30th November 2010 approval is sought to :-
- 3.1.1 Increase the charge for meals from £3.00 to £3.50 from 1st April 2011
- 3.1.2 Increase the percentage of net disposable income considered in Fairer Charging and Fairer Contributions assessments to 90% in April 2011 and 100% in April 2012.
- 3.1.3 Increase the maximum weekly charge for services from £290 to £395 in April 2011 and to £500 in April 2012.
- 3.1.4 Agree that a minimum level of Disability Related Expenditure (DRE) should be taken into account without the requirement to provide receipts, this rate to be £5 p.w. from 1/4/2011 and reviewed in April 2012.
- 3.1.5 Agree that Disability Related Expenditure should always be taken into account for clients receiving or applying for a disability related benefit and that where clients do not apply for a disability related benefit consideration of DRE will be on a case by case basis..
- 3.1.6 Agree that the Council's Fairer Contributions Policy will be based on 100% of service cost and that existing subsidies should be removed from in-house services over 3 years.
- 3.1.7 Agree that the Income Support Buffer should remain at 35% in April 2011 but be reviewed in April 2012.

- 3.1.8 Confirm that carers services provided at home and reablement services to eligible clients will continue to be free for users
- 3.1.9 Ask officers to develop options for charging for transport
- 3.1.10 Ask officers to develop options for variable charges for meals prepared at day centres.
- 3.1.11 Note that an assessment of the impact of the proposals on clients will be completed after 6 months of implementation.

4 Background

4.1 Financial background to Consultation

- 4.1.1 The following paragraphs from the overall budget report set out the need to make savings.
- 4.1.2 Following the global financial crisis and the requirement to rebalance the public finances, the Government has set out challenging financial parameters to eliminate the public sector deficit within the next four years. Previous Governments have shared the balance of planned reductions in the fiscal deficit more evenly between tax increases and spending cuts. The current plan is for three-quarters of the deficit to be eliminated by the use of public sector spending cuts.
- 4.1.3 Anticipating the impact of the financial crisis, Lewisham Council in the Spring of 2010, proposed a savings target of £60m over three years in the General Fund. Indications for schools and health spending were that they would largely be protected. The expectations were that there would be severe restrictions in capital funding in the region of 45% and a significant overhaul was promised for housing and welfare.
- 4.1.4 In an unprecedented move in recent years, the Government in June 2010 made in-year savings of £6.3bn. This impacted immediately on Lewisham requiring £3.295m of in-year savings.
- 4.1.5 On 20 October 2010, the Spending Review outlined departmental savings to Local Government of 26% over a four year period. This also indicated a heavy front-loading of revenue savings. The resultant provisional Local Government Settlement was received on 13 December 2010. This set out a two year Settlement and indicated the retention of a 26% cut to local Government over a four year period.
- 4.1.6 Modelling this level of cut over two years gives Lewisham a General Fund revenue budget savings target of £33.4m in 2011/12 and £23.2m in 2012/13. Extrapolating this over the four years, gives Lewisham an overall savings target of £88m. This confirmed the front-loading of 10.6% in the first year. An added complexity has been the rolling into mainstream funding of some previously designated special and specific grants which for Lewisham totals £28.377m.

4.2 Policy Context

- 4.2.1 The Council provides a range of services to adults with social care needs. In providing these services, the Council must comply with current legislation and guidance issued by the Department of Health and other relevant bodies, including “Fairer Charging Policies for Home Care and other non-residential Social Services – Guidance for Councils with Social Services Responsibilities”.
- 4.2.2 In allocating resources to adult social care services, the Council seeks to ensure that those with greatest need receive the community care services they need to maximise their independence and to enable them to live in their own homes in their local communities wherever possible. Eligibility for adult social care is judged against the statutory national framework set out in Fair Access to Care Services (FACS). The framework applies across all user groups who may be in need of community services and must be applied equitably.
- 4.2.3 Once clients are deemed eligible for statutory social care services under FACS, a package of care is agreed and, in accordance with the Council’s published policy on charging, a further assessment is carried out to determine whether or not the client has the financial means to contribute to the cost of their care.
- 4.2.4 The charging regime for traditional services (home care, day care etc) is Fairer Charging and is covered by government guidance. More recent guidance “Fairer Contributions” addresses the personalisation agenda and covers contributions made by clients towards their personal budgets (PBs)
- 4.2.5 Where councils indicate that they intend to amend their policy on charging, they are required to carry out consultation in accordance with statutory guidance.

5 Current policy

- 5.1 Clients are charged the lowest of three figures :

A 75% of net disposable income (total eligible income less income support buffer+35% less disability related expenditure (DRE) less housing related costs

B Cost of service (actual cost of service for services purchased from the independent sector, historic costs for in-house services)

C A maximum weekly cost of £290 p.w.

- 5.2 Appendix 4 shows the worked examples included in the consultation document, amended to show the income retained by the clients after charging.

5.3 The policy is more generous than that of many authorities (see appendix 3) and allows clients to retain more income than is required by government guidance. In particular :

- In Lewisham, only 75% of net disposable income is assessed; guidance allows us to assess 100%
- There is a maximum charge of £290 pw. Most authorities have either a higher maximum or no maximum
- Government guidance ensures that clients are left, as a minimum, with a 25% “buffer” after charging. Lewisham is unusual in allowing a higher buffer (35%). For an average client this allows the client to retain £10 more p.w. than most councils.

5.4 The policy, like the guidance on which it is based, is complex and is in some respects progressive although regressive in others. Protection is given for those on lowest incomes through adoption of a higher buffer than required by government guidance. This takes some clients of charging altogether and reduces the weekly charge for those with next lowest incomes.

5.5 Whilst the buffer protects people on the lowest incomes, the maximum charge protects people with the **highest** levels of income or capital. Currently, nobody pays more than £290 p.w. so a client with capital of over £23k p.a. will only have to pay for a part of their service cost if the service costs more than £290 p.w.

5.6 Current assessments may be summarised as follows :

	Charge p.w. (£)	Number	Average charge p.w. (£)	% of client numbers
Zero charge	0	944		47.29%
Assessed (below max)	44953.73	1022	43.99	51.20%
Maximum charge	8700	30	290	1.50%
	<u>53653.73</u>	<u>1996</u>	<u>26.88</u>	

5.7 Appendices 4 and 5 show the guidance used by Lewisham for housing costs and DRE.

6 Consultation Proposals

6.1 A range of changes were consulted on :

- Increase charges in line with inflation
- Consider 100% of net disposable income, currently 75%
- Remove or increase limit of £290 charged for non-residential care packages
- Standard DRE for clients
- Consider introducing charges for some services currently provided free

- Increase protection for people on low incomes
- Remove the subsidy for services currently charges at a discounted rate
- Increase the charge for a meal from £3 to £3.50
- Consider variable charges for meals cooked at day centres

7 Summary of Consultation results – responses and options

- 7.1 The full report on the consultation undertaken between the 1st September 2010 to the 30th November 2010 is attached as Appendix 1. A summary of the feedback is given in the body of this report
- 7.2 To effectively consult on the proposed changes to adult social care the Council used a mixed methods approach including development of postal and online questionnaires, focus groups, home visits, outreach consultation events and meetings with voluntary sector partners and providers. In addition to these key meetings and events, the consultation was discussed at various partnership boards and Council staff also attended the Health and Social Care Forum.
- 7.3 A comprehensive programme of outreach was carried out over the entire course of the consultation. This ensured that those who might have difficulty in participating in the consultation had an opportunity to contribute their thoughts. This included visits to day centres for adults with a learning disability, supported by skilled trained staff. Home visits gave the opportunity for face to face interviews with house bound older adults or visually impaired clients. Events were hosted by Lewisham Speaking Up and Lewisham Mencap to hear and record the voices of adults with learning disabilities.
- 7.4 Support for the consultation process was provided through a dedicated telephone help line, which operated from 9.00am – 5.00pm Monday to Friday. The helpline also gave people the opportunity to complete a questionnaire over the telephone.
- 7.5 A number of key messages were evident in the feedback received from those consulted. These are summarized below.
- 7.6 The range of options consulted on would potentially give a larger saving than the indicative £200k identified in the main budget report. The Community Services budget will be reduced in line with the package of changes agreed..
- 7.7 The options recommended for approval are all consistent with government guidance and in line with the policies operated by other Councils. Appendix 3 summarises charging policies of other London Councils where information is available.
- 7.8 Charging more for services
- 7.8.1 An overall feeling about the proposed changes to charging policies is that charging should be carried out fairly. Service users and their

families talk about the fact that they are living on tight budgets and if they have to pay more, it can mean the difference between eating or heating their home. It was also noted that disabled people already have higher costs of living and pay more to meet their needs.

7.9 Inflationary increases

7.9.1 For those commenting on the proposed charging options within the questionnaire, 64% supported and only 30% opposed inflationary increases.

7.9.2 Officers recommend that charges should continue to increase in line with changes to service costs and benefit rates. It may be that with efficient contracting, the actual cost of some services may decrease. Where this is achieved, the reduction in cost will be passed on to service users.

7.10 Assessing 100% of net disposable income

7.10.1 35% of people supported this and 45% opposed increasing in the percentage of net disposable income assessed to 100%..

7.10.2 Guidance allows Councils to assess the full value of a client's net disposable income and officers recommend an increase from the current local level of 75%. However, given the current level of inflation officers recommend that this increase is phased with an increase to 90% from April 2011 and a further increase to 100% in 2012.

7.10.3 Number of clients affected : 539.

7.10.4 Impact on individual clients :

- With an increase to 90%, the average increase would be £4.51 per week. Only 1 client would have an increase of more than £25 p.w.
- With an increase to 100%, the average increase would be £7.94 p.w. 523 clients would have an increase of less than £25 per week. 1 client would have an increase of over £50 per week.

7.10.5 Estimated increase in income : £139k p.a. at 90%, £233k p.a. at 100%

7.11 Increasing the maximum charge from £290 p.w.

7.11.1 Two options were consulted on – an increase in the maximum charge to £395 or a removal of the upper limit. Only 23% of respondents supported the increase to £395 and 22% a removal of the upper limit, whereas these options were opposed by 53% and 58% respectively.

7.11.2 Officers consider that it is likely that this question was misinterpreted. In focus group meetings there was generally opposition to both options initially until it was explained that these changes would only apply to

clients with high savings (over £23k) or high income. Once this point was clarified, however, support for the proposals increased.

7.11.3 However, members may feel that given the particularly high opposition to removal of the upper limit the change should be limited to an increase to £395 with a further increase to £500 next year.

7.11.4 Number of clients affected : 30

7.11.5 Estimated increase in income :

- 2011/12 - £118k pa.(increase to £395 p.w, assuming 10% reduction as clients reach capital threshold faster),
- 2012/13 – further £61k p.a. (£500 p.w, assuming 20% reduction as clients reach capital threshold faster).
- Average increase in charge for these 30 clients would be £91 p.w. at £395 and £155 p.w. at £500

7.12 Standard DRE for clients

7.12.1 There are two parts to this proposal. First, that there should be a minimum level of DRE which will be allowed for all clients without the need to produce receipts. Second, that DRE should always be granted to clients receiving or applying for a disability related benefit (e.g. AA or DLA) and that cases where a client does not apply for a disability related benefit be considered on a case by case basis.

7.12.2 These changes were supported by 51% and only opposed by 22%.

7.12.3 Officers recommend that these changes be made to mitigate the impact of increases proposed in other aspects of the policy. The cost of the change will depend on the level at which the minimum is set. Any client in receipt of a disability-related benefit and already receiving DRE will continue to be allowed it (as we must allow all reasonable evidenced claims) and the benefit will be to clients who did not previously “claim” DRE.

7.12.4 It is recommended that a minimum DRE rate of £5 p.w. be set for 2011/12, to be increased to £10 in April 2012.

7.12.5 Number of clients affected : 128

7.12.6 Estimated reduction in income : £29k pa.

7.12.7 Increasing the minimum DRE to £10 would benefit a further 38 clients and would cost a further £55k p.a.

7.13 Consider introducing charges for some services currently provided free

7.13.1 57% of respondents opposed the introduction of charges for transport, 53% opposed the introduction of charges for carers services and 47% opposed the introduction of charges for reablement services.

- 7.13.2 The government has recently issued guidance that reablement services should be provided free to clients.
- 7.13.3 Most Councils do not charge for carers services, in recognition of the value of support provided by carers.
- 7.13.4 Officers therefore recommend that non-residential carers services and reablement services should continue to be provided free
- 7.13.5 There is less of a rationale for the current exclusion of transport from charging but a full review of transport is needed to remove inconsistencies in provision and officers recommend that further work be done on options for charging for transport as part of this review.
- 7.14 Increase protection for people on low incomes
- 7.14.1 88% of respondents supported an increase in protection for clients on low incomes if charges increase.
- 7.14.2 Lewisham is unusual in setting the IS buffer at 35% rather than the 25% minimum required by government guidance. This allows clients to retain more income.
- 7.14.3 Were the Council to revert to a 25% buffer, income would increase by an estimated £90k p.a. 200 clients would face an increase in charges through this change of whom 112 would have an increase in weekly charge of an average £11 p.w and 88 would go from no charge to an average charge of £5.50 p.w..
- 7.14.4 The introduction of a minimum level of DRE will increase the disposable income of 128 clients on low incomes. However, as the changes recommended for 2011/12 are lower than the maximum consulted on, officers do not recommend a further increase in the Income Support buffer in April 2011. However, if there further increases are agreed in 11/12, some additional protection for clients on lower incomes may be granted at that stage. Increasing the buffer to 40% would reduce total charges by an estimated £101k. Members should note that the 47% of clients on lowest incomes are currently assessed to make no contribution to the cost of their services
- 7.14.5 Changes proposed by central government around housing costs and benefits will increase the housing costs incurred by some recipients of adult social care services. However, as these costs are taken into account in Fairer Charging and Fairer Contributions assessments, charges for non-residential social care services will be reduced accordingly.
- 7.15 Remove the subsidy for services currently charged at a discounted rate
- 7.15.1 Currently, clients with sufficient income are charged the full cost of services purchased from the independent sector but services provided

in-house are effectively subsidised, with clients being charged between 40% and 90% of the true cost.

7.15.2 It is recommended that these subsidies are withdrawn and that the Council moves towards charging users of in-house services the full cost of these services. This change is required by the move towards personal budgets in that it would increase transparency and would make the market more equal. It is likely, however, that a sudden increase in the price of services would destabilise in-house services by reducing demand. It is recommended that subsidies are withdrawn over a longer period.

7.15.3 This change will be made in conjunction with other changes including a review of the in-house home care service and the move to personal budgets.

7.15.4 At Ladywell Day Centre, 15 clients would be affected by this specific proposal (others would be affected by the increased percentage of income assessed). The average weekly increase from this proposal in 2011/12 would be £7.72 with a highest increase of £31.77 (one client who attends the centre 4 days per week).

7.16 Increase the charge for a meal from £3 to £3.50

7.16.1 The unit cost to the Council of meals on wheels (and meals delivered to day centres) is £5.50 (£5.63 for hot meals, £2.90 for frozen meals) but the charge to clients is £3.00. There is no strong justification for maintaining such a high level of subsidy. Officers therefore recommend that the price be increased to £3.50, reducing the subsidy per meal from £2.50 to £2.00, with a further increase to £3.80 in 2012.. Although 40% of respondents opposed the proposed increase, 30% supported it.

7.16.2 Officers recommend an increase in the charge for meals from £3.00 to £3.50.

7.16.3 Number of service users affected (367 hot meals, 43 frozen meals)

7.16.4 Additional income : £50k p.a.

7.17 Consider variable charges for meals cooked at day centres

7.17.1 There was strong support for the option of charging variable prices for meals at day centres where meals are prepared on the premises. Further work is required to develop detailed proposals; these will be brought back to members at a later date.

7.18 Modelling : Service users affected by changes to charging

7.18.1 Current numbers of assessments in each charging category are as follows :

Weekly
Number assessed Category

% by number

	charge		
931	0	Band 1 (No Charge Band)	47%
650	17262.72	Band 2 (Variable Charge Band)	33%
93	11113.85	Band 3 (Full Charge Band)	5%
309	25277.16	Band 11 (Manual Full Charge Band)	15%
8	0	Band 14 (Manual No Charge Band)	0%
4	0	Band 117 (Section 117 clients)	0%
1995	53653.73		

7.18.2 The service users affected would be those people in receipt of non residential care packages and who currently contribute to the cost of their care. The number of service users affected would be 609 across all client groups. Of these, 510 would face an increase in weekly charge but 99 would have a reduced charge. .

7.18.3 The estimated numbers of clients affected by the changes proposed for April 2011 are as follows :.

Category	Number of clients affected
Reduction in charge	99
No change	1414
Increase of under £10 p.w.	429
Increase of £10 to £25 p.w.	51
Increase of £25 to £50 p.w.	0
Increase of £50 to £75 p.w.	5
Increase of £75 to £100 p.w.	2
Increase of over £100 p.w.	23

7.18.4 These service users would need a new financial assessment prior to the 1st April 2011 if the full year effect of increased income collection. A further assessment would be required in April 2012 if charges were further increased then.

8 EIA : Overall assessment and mitigation

8.1 A full Equalities Impact Assessment (EIA) has been undertaken on the proposals within the consultation. The complete assessment is attached as Appendix 2. A summary of the conclusion is given in the body of this report.

8.2 This EIA has been conducted with due regard to legal requirements and has involved local residents and service users in considering the potential impact on current and potential service users. The overall assessment of this EIA is that the saving proposals will have an adverse impact across the following equality groups: age; gender and disability.

8.3 The EIA concludes that the proposals to increase the charges for non-residential care and to increase the charge for meals on wheels will

have a high negative impact on women, those over the age of 75 and those with a disability.

- 8.4 In developing its savings proposals, the Council has been mindful of the financial landscape and the need to achieve a reduction in the Council's net revenue budget of £87m over the next 4 years. It has therefore been necessary to consider where expenditure can be reduced in all areas of Council provision, including adult social care. Consequently proposals to increase charges for non-residential care and meals on wheels were produced.
- 8.5 The proposed changes to the Council's charging policy have been drawn up in accordance with the Department of Health's guidance. This guidance requires the Council to implement a reasonable and fair charging policy for the services it provides. This is known as "Fairer Charging" and, in the case of personal budgets, is known as "Fairer Contributions".
- 8.6 Full mitigation will not be possible and, if adopted, the proposals will have a negative impact on some service users. However a number of measures have been proposed to minimise the impact. These include:
- Maintaining the Income Support buffer at 35% rather than the 25% minimum required by government guidance. This allows clients to retain an extra 10% of their income.
 - Setting a minimum Disability Related Expenditure rate of £5 for April 2011 and reviewing that rate to in April 2012.
 - Adopting a phased approach to the implementation of some changes. This would follow the full implementation of personal budgets thus enabling users to purchase services directly from providers.
- 8.7 The Council has an appeals procedure which allows clients to dispute their assessment. Appeals deal with circumstances where the correct information and calculation have been applied, but users (or interested parties acting on their behalf) wish to appeal against the charge arising from a fairer charging assessment on the grounds that they believe that they have insufficient means or other circumstances that make it unreasonable for them to pay the charge as assessed.

9 Financial Implications

- 9.1 The Council's revenue budget strategy includes target savings in 2011/12 of £50k p.a. for meals on wheels and £200k p.a. for non-residential adult social care services.
- 9.2 This report presents options for increasing income from users on non-residential services by up to £288k p.a. plus £50K p.a. for meals.

Summary – additional income to Council

	2011/12	2012/13
	£000	(additional) £000
Increasing maximum charge	118	61
Increasing % of net disposable income assessed	139	94
Minimum level of DRE	-29	-55
Impact of HB changes (estimated)	-20	-20
	<u>208</u>	<u>80</u>

10 Legal implications

10.1 Statutory framework

S17 of the health and Social Services and Social Security Adjudications Act 1983 provides a power to Local Authorities to make reasonable charges for all services provided under the “umbrella “ of Community Care legislation, and specifically,

- (a) section 29 of the National Assistance Act 1948 (welfare arrangements for blind, deaf, dumb and crippled persons etc.);
- (b) section 45(1) of the Health Services and Public Health Act 1968 (welfare of old people);
- (c) Schedule 8 to the National Health Service Act 1977 (care of mothers and young children, prevention of illness and care and after-care and home help and laundry facilities);
- (d) section 8 of the Residential Homes Act 1980 (meals and recreation for old people); and
- (e) paragraph 1 of Part II of Schedule 9 to this Act [other than the provision of services for which payment may be required under section 22 or 26 of the National Assistance Act 1948].

- 10.2 The Guidance, Fairer Charging Policies for Home Care and other non-residential Social Services is issued pursuant to s7 Local Authority and Social Services Act 1070, and is therefore binding on all Councils.

10.3 Appeals procedure

HASSASSA also provides that a Local Authority must provide an appeals procedure, ie the means for any service user to demonstrate that his means are insufficient for it to be reasonably practicable for him to pay for the service the amount which he would otherwise be obliged to pay for it. In these cases, the authority shall not require him to pay more for it than it appears to them that it is reasonably practicable for him to pay.

10.4 Recovering unpaid charges

The statute and guidance make it clear that in the event of any non-payment, services continue to be provided and the debt recovered as a civil debt through the Courts.

- 10.5 **Services which may not be charged for**
After-care services provided under section 117 of the Mental Health Act 1983 , Intermediate care packages and reablement packages may not be charged for under section 17 of the HASSASSA Act 1983. Councils may not charge for providing advice about the availability of services or for assessment, including assessment of community care needs.
- 10.6 **Services which may be charged for**
- i. *Meals at home, or in day care* – this may be a low flat-rate charge to all users, without applying a means test. This can be justified, as such charges substitute for ordinary living costs.
 - ii. *Day care*
 - iii. *Domestic help*
 - iv. *Personal home care*
 - v. *Other support from social services*, eg, transport, equipment and housing adaptations not provided through Disabled Facilities Grants
- 10.7 Charging practices in respect of day care, domestic help, personal homecare, and equipment and adaptations currently vary between councils. Ability to pay should not be assessed and charges should not be levied for any one service in isolation. The impact of charges for one of these services on the user's income should be taken into account in assessing whether charges should be levied for another service. The same charge assessment should normally be applied in assessing charges for these services.
- 10.8 The Guidance provides that particular care needs to be taken to avoid an adverse impact on the user's income where flat-rate charges are applied, if a user is receiving more than one service. Councils should ensure that such charges do not put any users' incomes below basic Income Support levels or the Guarantee Credit of Pension Credit, and the Guidance sets a buffer of 25%.
- 10.9 **Charging more for services and introducing charges**
As set out above, the Council has the power to make reasonable charges for services falling within the specified areas. It should be noted however that the issue of affordability of their entire package for any service user should be considered carefully, particularly where flat rate charges are included. All service users are entitled to make representations to the Council in relation to the charges they are being asked to pay. Personal budgets will also mean that individuals have choice in how to spend their personal budgets which will in itself impact upon wider issues of affordability. It remains to be assessed how this issue will impact upon individuals service packages.
- 10.10 As some services, eg those provided through as117 Mental Health Act, Intermediate care Services, remain free to all service users, particular care must be taken in distinguishing between those services which are free and similar services which may be charged for.
- 10.11 **Inflationary and cost Increases/decreases**

As the Council is able to make reasonable charges, such considerations are reasonable in setting the level of charge.

10.12 Assessing 100% of net disposable income

The Fairer Charging Guidance allows the Council to assess the full value of a clients net disposable income.

10.13 Increasing the maximum charge from £290

The recommendation is that the increase in the maximum charge is phased in over two years. Members should note that the current round of consultation relates to this years budget process only. Any further proposed increases can only be accepted in principal for future years, and must be subject to consultation and fresh appraisal as part of the budget process in the appropriate year(s) to come.

10.14 Standard DRE

Clients must have an entitlement to AA or DLA for at least six months prior to application for the benefit. Therefore during that period they may well have an entitlement to DRE. The scheme should ensure that DRE is available to all clients incurring DRE, irrespective of actual receipt of benefits. Guidance makes clear that each individual should be assessed on a case by case basis, and there is no requirement in the Guidance for recipients of DRE to be in receipt of disability related benefits.

10.15 Increase protection for people on low incomes

Fairer Charging Guidance requires a buffer of at least 25% to be set .Therefore a higher level (35% proposed) is in accordance with the Guidance. Again, should there be a proposal that this should be lowered in future years, that proposal must be subject to due process within the relevant years budget setting cycle.

10.16 Removing subsidy for services

The principal of Fairer Charging schemes incorporates the principal of the same charges for in house or externally provided services. The removal of subsidies from in house services therefore removes an inequality from the cost of service provision.. Following well established .case law, there is no requirement for a Council to offer in house services.

10.17 Charges for meals

There are no particular legal implications additional to those set out above.

Equalities legislation

- 10.18 The Sex Discrimination Act 1975 (SDA), the Race Relations Act 1976 (RRA) and the Disability Discrimination Act 1998 (DDA) all contain provisions whose aim is the progressive elimination of discrimination in the public sphere. This is done by requiring public bodies including local authorities to have regard to the need to eliminate discrimination. This is often referred to as the “general duty.” The Act also contain provisions

allowing the Secretary of State to make orders or regulations imposing specific duties for the purpose of ensuring the better performance of the general duty.

- 10.19 By Section 76A of the SDA a local authority in carrying out its functions must have due regard to the need to:
- (c) eliminate unlawful discrimination and harassment; and
 - (d) to promote equality of opportunity between men and women
- 10.20 Statutory order has been made under Section 76B requiring local authorities to publish a gender equality scheme, requiring implementation within 3 years and review every 3 years at least with regular reports on the achievement of the aims of the scheme.
- 10.21 The statutory Code of Practice issued by the then Equal Opportunities Commission “Gender Equality Duty Code of Practice for England & Wales” highlights that the regard for these duties must be “due” with proportionality and relevance being key principles. It acknowledges that authorities may not always be able to adopt actions that would best promote equality but that they must ensure that in making decisions due regard is had to the duties under the Act. The statutory guidance points out that Equality Implications Assessments are a tool to assess the impact of policies and that where full E.I.As are conducted they should be evidence based with an assessment of the likely impact and should consider possible actions to mitigate any adverse impact.
- 10.22 By Section 71 RRA requires local authorities in carrying out their functions to have due regard to the need:
- (c) to eliminate unlawful racial discrimination; and
 - (d) to promote equality of opportunity and good relations between persons of different racial groups.
- 10.23 Again, the Secretary of State has imposed specific duties by statutory order with requirements such as the publication of a race equality scheme, and periodic review of the functions relevant to the scheme, monitoring and review.
- 10.24 The statutory Code of Practice issued by the then Commission for Racial Equality also points to the need for the regard to the duty to be due – being proportionate according to the relevance of the duty to the service in question. It is also clear that due regard must be had to the duty in the core functions of policy development, service design and delivery, decision making, employment and, among other things in the exercise of statutory discretion.
- 10.25 The general duty in relation to disability is set out in Section 49A of the DDA. Under this every public authority must, in carrying out its functions, have regard to –
- (g) the need to eliminate discrimination that is unlawful under the Act

- (h) the need to eliminate harassment of disabled people that is related to their disabilities;
 - (i) the need to promote equality of opportunity between disabled persons and other persons;
 - (j) the need to take steps to take account of disabled persons' disabilities, even where that involves treating disabled persons more favourably than other persons;
 - (k) the need to promote positive attitudes towards disabled persons; and
 - (l) the need to encourage participation by disabled persons in public life.
- 10.26 The Secretary of State has made regulations which impose on local authorities the duty to publish a disability equality scheme, review and implementation with reporting requirements.
- 10.27 The statutory Code of Practice issued by the then Disability Rights Commission "The Duty to Promote Disability Equality ; Statutory Code of Practice" reflects the emphasis in the other statutory codes on proportionality and relevance, and the need for evidence based EIAs where they are appropriate using data and research. It emphasises the important role of consultation and the involvement of stakeholders, as well as the need to mitigate adverse impact where possible.
- 10.28 The Courts view all three of these duties as very important and rely on the statutory code of practices. and it is necessary for members to have regard to these duties and codes before any decision is made, paying attention to the substance of the analysis contained in the equalities impact assessments contained in this report before any decision is made.
- 10.29 The Council's own Equality Scheme and its toolkit for conducting equalities impact assessments reflect the statutory codes of practice and guidance and provide for the Council to consider equalities issues including gender, race, disability, age, sexual orientation, religion and belief. Equalities impact assessments have been conducted with all of these equalities issues addressed, notwithstanding that the general legal duties do not yet cover all of these areas.
- 10.30 The Equality Act 2010 came on to the statute books this year but many of its provisions await commencement. It is likely that from April 2011 the new public sector duty which extends 'due regard' to cover age, sexual orientation, pregnancy and maternity, and religion and belief, will have effect. The provisions relating to the duty in relation to socio-economic factors have also yet to be brought into effect. The Government is still considering its position in relation to these matters. As subsequent decisions are required regarding budget reductions, it will be essential to ensure that the most up to date position is reported to members. At the time of writing the Codes of Practice to apply from April 2011 remain in draft.

- 10.31 Members are reminded that in considering the proposed reductions, the requirement under all three statutes is to have regard to the need to eliminate discrimination and promote equality of opportunity. It is not a requirement to eliminate discrimination or promote equality. The duties are “have regard duties”, and the weight to be attached to them is a matter for the Council bearing in mind the issues of relevance and proportionality. It is an option available to members, provided that they grapple seriously with the duties imposed upon them by the equalities legislation and the Council’s Equality Scheme, to take the view that the requirement to make a balanced budget, in times of such very severe financial restraint, requires the reductions proposed to be made.
- 10.32 The Equality and Human Rights Commission released guidance in Autumn 2010 entitled “ Using the equality duties to make fair financial decisions”
- 10.33 The EHRC guidance referred to in relation to the sex, race and disability duties can be found in full at <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-duties/guidance-and-codes-of-practice/codes-of-practice/> and are available in Governance Support.

The Human Rights Act 1998

- 10.34 Since the introduction of the Human Rights Act 1998 (HRA), the rights set out in the European Convention of Human Rights (ECHR) have been incorporated into UK legislation and can be enforced in the domestic courts without having to have recourse to the European courts.
- 10.35 Those Articles which are particularly relevant to public services are as follows:-
- Article 2 – the right to life
 - Article 3 – the right not to be subject to ...degrading treatment
 - Article 5 – the right to security of the person
 - Article 6 – the right to a fair trial
 - Article 8 - the right to respect for private and family life, home an correspondence
 - Article 9 - the right to freedom of thought, conscience and religion
 - Article 10 - the right to freedom of expression
 - Article 11 – the right to peaceful assembly
 - Article 14 – the right not to be discriminated against on any ground
- The first protocol to the EHCR added:-
- Article 1 - the right to peaceful enjoyment of property
 - Article 2 - the right to education
- 10.36 Some of these rights are unconditional, such as the right not to be tortured or subject to degrading treatment. Others may be limited in finite and well defined circumstances (such as the right to liberty); others are qualified and must be balanced against the needs of the wider

community or state interest – such as the right to a private and family life. Where there are human rights implications associated with proposals in this report, these have been identified in the body of the report and regard must be had to them before making any decision.

10.37 The Council has carried out a detailed consultation process and Members are reminded of the need to carefully consider all responses received. Members are also reminded of the need to consider the Equalities Impact Assessment which was undertaken as part of the consultation process. The Committee Report includes a summary of the consultation results, as well as the full report. The equalities implications are summarised in the report, and the full report is appended to it.

10.38 Members are reminded that if the proposals to review the charging policy are agreed, each service user must be reassessed against the new threshold.

11 Environmental Implications

11.1 There are no environmental implications arising from this report.

12 Background documents

Progress on General Fund Budget Strategy and 2011/12 to 2013/14 Savings Proposals – M&C 17th November 2010

Proposals in relation to charges for home care and non residential social services, meals on wheels and personal budgets – Healthier Communities Select Committee 2nd September 2010

13 Appendices

Appendix 1 - Report on the consultation undertaken between the 1st September 2010 to 30th November 2010

Appendix 2 - Equalities Impact Assessment

Appendix 3 - Policies in other boroughs

Appendix 4 – Examples from consultation document

Appendix 5 - Housing costs : Extract from current charging policy

Appendix 6 - NAFAO Guide To Disability Related Expenditure 2011/12

CHARGES AND CONTRIBUTIONS TO ADULT SOCIAL CARE SERVICES



RESULTS OF CONSULTATION

1 September 2010 – 30 November 2010

FINAL REPORT

1 *Introduction*

- 1.1. ***Lewisham's Community Services Directorate consulted stakeholders from September 1st 2010 until November 30th 2010 on proposals to change the rules on charges and contributions for adult social care.***
- 1.2. ***This report documents the analysis of all questionnaires and focus groups, and other responses submitted to the London Borough of Lewisham during the consultation period.***

2 *Background*

- 2.1 On July 14th the Mayor considered a number of proposals to address an anticipated General Fund revenue budget deficit of £60m. The Phase 1 savings included a proposal to achieve an estimated 200k of additional income by increasing the charges for home care and non residential social services. In addition, a further proposal was made to increase the charges for Meals on Wheels, increasing the income by an estimated £50k. The Mayor agreed that consultation should take place with regards to changing adult social care charging policies in line with Fairer Charging and Fairer Contributions.

3 **Methods**

- 3.1 In developing the consultation schedule, officers followed the statutory guidance issued by the Department of Health, together with the Consultation Code of Practice for the Public Sector issued by the Cabinet Office. The consultation plans were presented to the Consultation Steering Group for comment and approval, and subsequently approved by the Healthier Communities Select Committee.
- 3.2 Between September 1st 2010 and November 30th 2010, Lewisham Council consulted with service users, carers, voluntary sector and service provider organisations and members of the public to obtain a comprehensive view of the potential impacts of implementing the proposed changes for adult social care charges and contributions.
- 3.3 To effectively consult on the proposed changes to adult social care the Council utilised a number of different methods including development of postal and online questionnaires, focus groups, home visits, outreach consultation events and meetings with voluntary sector partners and providers. In addition to these key meetings and events, the consultation was discussed at various partnership boards and Council staff also attended the Health and Social Care Forum.
- 3.4 The schedule of consultation was designed to ensure that all parties with an interest were consulted, that the consultation was properly advertised, that the consultation methods adopted were sound and accessible to all user groups, and that advocacy was available where necessary
- 3.5 To ensure that as many service users as possible had the opportunity to make their voices heard a comprehensive programme of outreach was carried out over the entire course of the consultation. This ensured that those who might have difficulty in participating in the consultation had an opportunity to contribute their thoughts. This included visits to day centres for

adults with a learning disability, supported by skilled trained staff. Home visits gave the opportunity for face to face interviews with house bound older adults or visually impaired clients. Events were hosted by Lewisham Speaking Up and Lewisham Mencap to hear and record the voices of adults with learning disabilities.

- 3.6 Support for the consultation process was provided through a dedicated telephone help line, which operated from 9.00am – 5.00pm Monday to Friday. The helpline also gave people the opportunity to complete a questionnaire over the telephone.

Distribution of information and consultation documents

- 3.7 Lewisham’s questionnaire was accompanied by a consultation pack explaining the proposals and giving case studies as possible examples of impact. This was available in an easy to read format with pictures and symbols, in large print and on audio tape. Over 3,500 questionnaires and information packs were circulated over the course of the consultation. These were distributed to existing service users and carers, day centres, voluntary and community sector organizations, and other appropriate venues. In addition, the questionnaires were available to download from the council website or could be completed online.
- 3.8 A dedicated consultation helpline was established. The primary purpose of this helpline was to assist those who needed help in completing the questionnaire and to assist with enquires about the consultation. Over 50 people made contact via the helpline.
- 3.9 A dedicated consultation email address was established to deal with comments and enquiries.
- 3.10 Press advertisements were placed in various publications including; Grapevine, Lewisham Talking Newspaper, Carers Lewisham Newsletter and Lewisham Life.

Consultation events

- 3.11 A series of consultation events were designed to capture public opinion on the proposals and also to collect in depth views of targeted groups. The following details the meetings, focus groups, workshops and meetings that took place to discuss the consultation:

Event	People attending
Voluntary and Community Sector providers x 3 meetings	20
Focus Groups X 4 (Older Adults, Black and Minority Ethnic, mixed older and younger adults x2)	40
Lewisham Speaking up event	30
Mencap event	50
Learning Disabilities Partnership Board and Adults Partnership Board	25
	15
Health and Social Care Forum	50
Joint Strategic Commissioning Group	15

4 Key Findings

- 4.1 The results from the quantitative and qualitative data gathered during the consultation process are listed below. Please note tables of results for each option in full are on page 15 of this report.

Option 1 Charges for your social care services should only be increased if the cost of providing that service also goes up.

- 4.2 The majority of those consulted were in favour of increasing charges in line with the rate of inflation. 64% of people (371) supported the proposal, and only 22% (126) were opposed to the proposed change. 14% (86) neither agreed nor disagreed.
- 4.3 Some low income service users, disabled and older adults in particular felt they could not afford to pay more, but if prices did rise they would have no choice but to pay. Adults with learning disabilities wanted their needs to be better understood, as they could foresee having less money in the future to take them through 'difficult times'. It was noted that increasing the charges in line with the rate of inflation would not make any impact on the deficit.

Option 2 100% of your net disposable income should be taken into account when calculating how much you should be charged.

- 4.4 Over a third of respondents 35% (200) agreed or strongly agreed increasing to 100% the amount of net disposable income taken into account when calculating service user charges. However 45% of respondents (259) disagreed or strongly disagreed with the proposal. 20% (119) neither agreed nor disagreed.
- 4.5 Qualitative data gathered demonstrated that respondents thought that a more modest increase would be more favourable.

Option 3 The maximum amount you could be asked to contribute should be increased.

- 4.6 Just over half of the respondents 53% (305) were opposed to setting the weekly maximum charge limit at £395. Under a quarter, 23% (133) were in favour and 24% (138) neither for nor against the proposal.
- 4.7 Focus group respondents felt that it was fair for those who could afford to pay towards their services to contribute more. Others felt that the charge should remain at the current £290. There was concern that those who had worked hard all their working lives and saved were being penalised by paying more when people on benefits got 'free' services.

Option 3a The maximum amount you could be asked to contribute should have no upper limit.

- 4.8 The majority of respondents 58% (319) disagreed or strongly disagreed with the Council removing the ceiling from the weekly maximum charge. 21%

- (117) agreed or strongly agreed that there should be no upper limit. 21% (114) neither agreed nor disagreed.
- 4.9 Focus group findings support the principal that those who are most able to pay contribute more towards the cost of their services. However there was sympathy for people who had worked hard all their lives and saved to leave their children an inheritance not being discriminated against and 'supporting' the costs of those who had never worked or saved. There was a general feeling that it would be unjust to remove the cap. A suggestion was made that the Council should keep the maximum charge in line with the London average.

Option 4 A standard Disability Related Expenditure (DRE) allowance should be introduced for any client claiming Attendance Allowance or Disability Living Allowance.

- 4.10 Over half of respondents 51% (288) were in favour of introducing a standard Disability Related Expenditure (DRE) allowance for any client claiming Attendance Allowance or Disability Living Allowance. 21% (120) were opposed to the proposal with 28% (156) neither agreeing nor disagreeing.
- 4.11 Focus group respondents thought this option was a positive choice and a good idea. However it was clear from the postal survey that some people did not have a clear understanding of the benefits of this option.

Option 5 (a) Charges should be introduced for transport

- 4.12 Over half of respondents, 57% (333) were opposed to the Council introducing charges for transport which is currently provided free of charge. Just over a quarter 26% (151) agreed or strongly agreed. 17% (98) neither agreed nor disagreed.
- 4.13 Qualitative data showed strong feelings against this proposal by some service users on the basis that it may deter people from attending day care services and result in social isolation for the most vulnerable client groups. Depression and added stress were cited as possible impacts of introducing costs for transport services. Service users felt they were already paying enough for attending day care and the additional costs would tax those least able to pay. People felt there was not enough information as to exactly how much would be charged and how often.

Option 5 (b) Charging should be introduced for services for carers

- 4.14 Over half of those surveyed 53% (306) were opposed to introducing charges for carers services, that are currently provided free of charge, 21% of these respondents strongly disagreeing with this proposal. Almost a quarter, 24% (137) were in favour. With 23% (130) neither agreeing nor disagreeing.
- 4.15 Results from the focus groups strongly conveyed the belief that carers save the Council a significant amount of money and those who are already stressed and burdened should not have to pay.

Option 5 (c) Charging should be introduced for reablement services

- 4.16 Only 19% of people (102) were in favour of charging for reablement services. Most people 47% (253) disagreed with the proposal. A third of those surveyed 34% (179) neither agreed nor disagreed.

4.17 Focus group and qualitative data suggests that reablement services are perceived as crucial in reducing costs to other institutions such as the NHS and in reducing social care costs in the longer term. It was evident from the findings that some people did not have a clear understanding as to what constituted reablement services and therefore some respondents felt they could not answer this question.

Option 6 Additional protection should be introduced for people on low incomes if charges are increased.

4.18 84% (479) the majority of respondents agreed with the proposal. Of those 42% (240) strongly agreed. A minority 7% (41) opposed the proposal and less than 10% (52) neither agreed nor disagreed.

4.19 Focus group respondents felt that it was important that genuine cases were offered additional protection. On the other hand it was noted that the Council could be perceived as being over-protective of those on low incomes in relation to other London boroughs and could offer baseline charging arrangements more in line with both “real costs” and the average charge of neighbouring boroughs.

Option 7 In calculating the contribution for your care services, the Council should take into account the actual cost of the service being provided.

4.20 Over half of the people surveyed 58% (327) agreed or strongly agreed, less than a quarter 23% (133) disagreed and 19% (106) neither agreed nor disagreed.

4.21 Generally, the evidence from the qualitative data points to the fact that respondents felt that it was fair for those who could afford to pay towards their services to contribute more, and that it was better for most people to pay a little more for services than to lose them. Focus group respondents were concerned that if charges were increased they may have to reduce or cease services as they may not be able to afford them. There was a general perception that increased charges would result in a poorer standard of living and a diminished quality of life.

Option 8 The charge for Meals on Wheels should be increased from £3.00 to £3.50

4.22 40% of respondents (230) opposed the proposal to increase the charge for meals on wheels from £3.00 to £3.50. Of those, 13% (77) strongly disagreed. Just under a third, 31% (178) were in favour of the increased cost and 29% (164) neither agreed nor disagreed.

4.23 People commented that the quality of meals should improve in line with the price rise and that the Council should introduce greater variety and increase portion size. Focus group respondents expressed the concern that some vulnerable/ disabled people who rely on meals on wheels may cease the service and eat less nutritious food and less often, if the price increases. This may have an adverse impact on their health and well being. Some other respondents enjoyed the meals and commented on the good value of the service.

Option 9 A variable pricing policy should be introduced for meals in some Lifestyles day centres so that the charges reflect the cost of ingredients and preparation.

- 4.24 Half of the respondents 50% (279) agreed that a variable pricing policy should be introduced for meals in some Lifestyles day centres so that the charges reflected the cost of ingredients and preparation. 24% (133) disagreed, of those 8% (43) strongly disagreed. Over a quarter 26% (150) neither agreed nor disagreed.
- 4.25 Focus group respondents expressed mixed sentiments about the increase. Some valued the service and enjoyed the meals saying they were excellent value for money while others complained about the small 'children's size' portions and poor quality of the meals which they described as cold and unappetising. Some people stated that the increase would force them to bring in their own food, which would be cold and less nutritious. Respondents felt that price increases may also deter service users from attending the day centres which could result in isolation and negative impacts on their mental health and well being.

Will any of these changes affect you or your family

- 4.26 65% (287) or two thirds of service users said that the proposals to change the rules would have a direct impact on them or their families. Just over a third 35% (152) stated that there would be no impact on them or their families. Some respondents thought that the impacts of the proposals could only be measured in the future and so could not outline what the effects would be. Some of the most common comments were:
- People felt they would be financially impoverished
 - Less disposable income therefore reduced quality of life
 - Deterioration in living standards
 - Whittle away savings kept 'for a rainy day'
 - Less money to spend on other activities
 - Life for carers could become more restricted
 - Changes would make life more difficult, increase hardship
 - Changes might reduce the quality and availability of some services
 - Reduced hours of care, decreasing independence
 - People may have to transfer their elderly relatives to residential care

5. Key Themes

Caring for the vulnerable

- 5.1 People felt strongly that there was a moral imperative to take care of and protect the sick, elderly and disabled in society. Strong feelings were expressed that some of the options were unfair and could disadvantage the most vulnerable disabled and frail/elderly. A number of people commented that a borough is judged on its ability to take care of vulnerable residents. Lewisham was commended by some for its track record in providing good quality Adult Social Care services.

Greater reliance on families and carers

- 5.2 People felt that some of the proposals may unfairly increase the reliance or burden on families and friends to provide care. Of those responding to the written questionnaire, 65% or two thirds of service users said that the proposals to change the rules would have a direct impact on them or their families. There was a consensus that carers provide a service that saves the

Council a significant amount of money and that if carers do not get free support they may experience ill health, resulting in the cared for entering residential care and costing the Council more money in the long term. People valued being able to live independently, with the support of their families and the Local Authority.

Preventing social isolation

- 5.3 People involved in this consultation observed that social activities are very important to service users, carers and families. Some people are keen to ensure that existing free transport, free carers services and other social services continue, as they feel these are essential to freedom of movement, reducing social isolation, increasing independence and enhanced self confidence. It was noted that health problems increase when people feel lonely and shut in. Depression and increased levels of anxiety and stress were voiced as outcomes of possibly not being able to attend day centres due to increased costs. Service users felt they would be forced to make difficult decisions such as reducing the number of days out at centres or cessation of services. However, voluntary sector and provider agencies thought that it is important that clients with learning disabilities improve their independence by paying for transport and other services since this reflects the 'real world'.

Deleterious impacts on health and well being

- 5.4 People felt that some of the proposals would have a deleterious effect on service users and impact negatively on their quality of life since control over their own lives would be reduced. It was felt that in the longer-term, the proposals could potentially lead to serious consequences for health and have detrimental impacts on wellbeing. It was requested that a full equalities impact assessment on the proposed changes be carried out.

Attitudes to paying for services

- 5.5 It was generally felt that those with more income or savings should pay more if they can afford it, but there were also strong feelings that it is unfair to penalise those who have saved over a lifetime and bought their own homes. Some expressed anger that the 'cradle to the grave' welfare system they had contributed to all their lives was now failing them. Some people were resistant to paying more for their services predicting a poorer quality of life and diminished standard of living as a result. However, some people understood that in today's economic climate there was a need for the Council to increase charges. Some stated, "I understand we are in hard times and cuts have to be made", "I will pay more", "We would rather pay something towards the cost of keeping our son's daycentre going than have it closed". Many people wanted the current rules to stay as they are.

Financial Impact

- 5.6 The majority of concerns focused on those on low incomes. The current economic climate and rising food and utility bills exacerbated the fear that service users will be forced to refuse services because of an inability to manage limited and constrained finances. People expressed anxieties about accruing debts. A number of people commented that they and their families had paid Government taxes all their working lives and that this, together with their Council Tax payments, should entitle them to help. Some felt they were being financially penalised when other people who had never worked or had recently come into the country were receiving benefits. If you have paid into

the system all your life, they should be free services". Several people feared being doubly taxed. On the other hand some respondents felt that it was fair to pay more to contribute towards the cost of services, one respondent stated, "My family and I strongly believe in subsidised social care, even if it means my family members in the borough (2 sons) having to pay increased Council Taxes". Some of the most common comments were:

- Families and individuals who receive social care are already the most vulnerable and have greater financial burdens
- Disabled people already have higher costs of living
- Pensions and benefits are not increasing in line with inflation.
- Safety nets of savings were being eroded
- Carers already do free work saving the Council significant amounts of money
- Quality of services should improve if people are to be charged more, in particular the meals at day centres and meals on wheels
- It was felt the options increasing charges were not equitable and were unfair
- Those paying full costs for their care felt disadvantaged and stated that when all their funds were exhausted the full costs would fall back on the Council.
- Changes would happen regardless of respondents opinions.

Improve services to reflect higher charges

- 5.7 Some people felt that price increases should accompany a better quality of care. One person stated "Agencies providing home care services are of very poor calibre and should be better supervised by the local authority. If charges are to be increased, the Council should ensure service quality will also be increased with much improved supervision", another stated, "Why should I pay more for service that is sometimes not very good. Carers are very good but office staff sometimes not so good. "Improve the quality of day centre meals, we have a children's plate, three small pieces and a small amount of vegetables" "I would pay £3.50 for meals on wheels if it were edible but its not".

Alternative suggestions

- 5.8 The questionnaire provided people with a chance to propose alternative suggestions. These are listed below:
- Leave things as they are
 - Services for elderly, sick and disabled should be free regardless of means
 - Cut back on bureaucracy
 - Sensible budgeting as part of good management
 - Freedom pass could be charged at £5 per year
 - The Council should focus on getting from the rich and not from the poor".
 - The benefit cut should not be done at random, those who cannot afford to contribute more should be left alone or else their misery and predicament would be compounded
 - Keep money in this country rather than handing it over to develop others when the government cannot afford it
 - Pensioners over 75 should be excluded from any increase
 - Financial crisis has produced panic cost cutting and, as always, the poorest and most vulnerable bear the greatest brunt. Sensible budgeting, as part of good management.
 - Need to have continuity of charging for a period of time, not to be open to change frequently
 - Costs should not increase too high too fast

- Everyone should be charged the same
- Let the government set a wage limit for everyone and give the rest to the sick, £250,000 a week for a football player is a joke! Tax at 50%
- Key workers and support workers should pay for day trips and other activities like the cinema.
- Transport should be linked to levels of income as there are many people who can't afford to pay and will become alienated if transport is not available
- People already in receipt of care should have their arrangements protected. New clients could come in under new arrangements but only if that does not cause hardship. People who are disabled and housebound should be particularly safeguarded from financial cutback. Being disabled is not a lifestyle choice
- Set up a volunteers organisation and follow good management techniques. Social services is always charged more by its contractors. i.e. live in carer to Social Services is £750 per week - privately £449.00 Why is this? Same with adaptations and equipment. Choose your resources with more competition and then not so much money will be wasted
- The council should formally assess the impact on people's quality of life if charges are raised and share the results publicly. 2. Where is the evidence that at most councils currently take 100% of net disposable income into account? In fact a number of councils still take 70 or 75% because they feel that this is fairer.
- Isn't it more sensible to combine one or two options, but with less impact (i.e. implemented at lower rates) Q2 85% and combine with another element Q7 But this needs to include looking at cost of administration and also profit making by companies
- I feel that there should be more checks on people with regard to what they are entitled to. I see people who seem to have and to get everything going: whilst there are others who really are in need yet because they are honest and don't get anything

Full details of all comments are available on request from the Strategy & Policy team.

Compliments

- 5.9 People welcomed the opportunity to participate in the consultation process and felt they had the ability to influence the decision making process. Comments such as "it's good to be asked" were made. People expressed gratitude and satisfaction with and for their services; "Lewisham has a very good record in helping disabled people – it would be a shame if this is undercut in the spending review" "Thank you for everything you have been doing for me" "Whatever help you provide I am grateful". "I greatly appreciated the personal care and meals provided by Social Services and I don't know how I would have managed otherwise".

Survey too complex and confusing

- 5.10 Some respondents had difficulty understanding the complex nature of the financial arrangements outlined in the consultation document and either did not answer particular questions they found too complicated or returned the form blank, in particular Option 4 on Disability Related Expenditure and Option 5c on reablement. caused concerns for people. Feedback from the postal and online survey and focus group respondents demonstrated that others understood clearly.

6. *Voluntary Sector Meeting Feedback*

- 6.1 In general, the Voluntary and Community Sector were keen to engage on this issue and wanted to take a prominent role in supporting the community and ensuring the fair application of charges. It was suggested that another, bigger event might be organised to explore innovative solutions to the current financial crisis.
- 6.2 Voluntary Sector organisations raised the point that clear information should be provided on how charges are applied fairly and transparently. Some felt that the consultation was difficult to understand and follow, especially given the various figures that were included in the document, as well as the range of options given.
- 6.3 It was suggested that Community Organisations could be granted access to the Council's systems so charges could be worked out accurately for clients in response to the questionnaire. It was also suggested that the easy read option be available to all which made the options clearer and did not include any figures that might cause confusion.
- 6.4 Feedback was given about the lack of information in the survey and about what effect the options would have on the council budget, specifically what amount would be saved by each option and the overall saving. It was suggested this information could then be weighed against the impact on individuals. [This is now included in the main charging report.]
- 6.5 Areas that prompted keen discussion were innovative solutions to the problem of providing adult social care and the role that community and voluntary sector organisations can play in them: "We are all in this together, we should find creative ways that cause the least damage". It was agreed that more discussions would be held and the Council would look to the community sector and existing providers to come up with innovative ideas on the delivery of services that provide value for money, and that continue to help and support the most vulnerable clients.
- 6.7 A request was made as to what criteria were to be applied to this process. It was suggested that any measures include monitoring of increased independence in addition to decreased costs.

Option 1

- 6.8 With regards to Option One and the relationship between charges and inflation, the overall consensus found no problem with this option. The group also considered that an increase in income, e.g. benefits, linked to Option Seven and suggested they could agree to Option One if Option Seven was considered at the same time. It was found that the charge should change but not the two options together. It was agreed that a subsidy should go and charging should be based on the individual's ability to pay.

Option 2

- 6.9 Feedback on Option Two included discussion on how this could be linked to Option Six. The groups agreed that if the protection offered in Option Six was adequate, then 100% net disposable income could be taken into account.
- 6.10 Two possible ways to change the buffer were suggested; to increase it over time or exempt a fixed amount of the charge which would only affect people

with more services. The group stated the first option as fairer, as the second would disproportionately affect individuals.

- 6.11 A question was asked about which other boroughs used 100% of the individual's income in assessing charges and whether that figure was consistent across other councils. In addition the wording of the document made it look as if the 100% increase was the only option, when incremental steps would offer a better option. Overall it was felt that the wording was not clear as vulnerable clients might believe the council would take 100% of their income leaving them with nothing.

Option 3

- 6.12 In response to Option Three, the groups found that with the move to personalisation anything that is subsidised does not assist the market, especially if costs are artificially held down. The overall opinion was "Those that can afford to pay should pay, it's illogical to cap it at £395.00".
- 6.13 It was asked if there would be a sliding scale of charges to take into consideration decreasing savings. The council responded that the capital limit of £23,250 is discretionary and it could be set it higher; £1.00 charge for every £250 in savings for example. The group stated that this could be implemented in order to make the option fairer for all individuals. The council agreed that it could provide a model for that, limiting penalties on those with little savings. With regard to capital savings further financial models could be produced that took into consideration links with banking interest rates to provide accurate forecasts.

Option 4

- 6.14 Some Voluntary Sector organisations stated that Disability Related Expenditure (DRE) is dependent on the discretion of sympathetic care workers in deciding what expenses to include as part of a clients DRE. They suggested taking out the discretionary element as, "it's not open, honest, transparent, even if some people don't get a fairer deal". It was suggested that there should be a right of appeal against decisions on what was included in a client's DRE.
- 6.15 The Council stated it would be happy to talk to service providers and community sector staff about how the charging policy and financial assessment works. The Council will also respond to clients' requests for further information and inform them of the appeals procedure regarding assessments. This information, as well as details on what help and support is available, can be linked on the Council's website so organisations can support individual clients needs.
- 6.16 While discussing DRE and benefits, the group raised concerns that many clients don't apply for benefits and as a consequence would not be entitled to DRE. The group questioned if this option would penalise clients who worked and did not want to claim benefits yet still had disability related expenditure.

Option 5

- 6.17 Carers services was another area that prompted considerable feedback. Carers Lewisham expressed the view that "it is wrong of the government to contemplate charging people who work for nothing, charging carers who get nothing for their care provision". The concern was that carers may decide not

to provide care services anymore, leading to additional costs to the state and council that could, according to Carers Lewisham, run into millions. The Resource Allocation for carers is going to be very limited, up to £300 per year. There are 19,000 carers in Lewisham. Carers save approx £275 million to the borough, with an estimated £87 billion saved on additional services nationally. Carers Lewisham therefore argued that "This option should not be on the list".

- 6.18 A similar response greeted the option that included charging for reablement. Voluntary sector organisations argued that a service which increases independence and decreases the cost of support already makes savings and should not be considered as an option for charging.
- 6.19 In discussions regarding transport, it was thought there were cheaper ways to provide a service and there was a general consensus that transport is an area that could be charged. The voluntary sector organisations felt that fit and able 60 year olds should not get a free bus pass as the current system does not make economic sense. Instead those funds could be used for older adults and those who would benefit the most. Additionally, organisations like 3Cs are promoting independent travel to encourage healthy lifestyles and walking short distances to help economise, which conflicts with free travel concessions.
- 6.20 Feedback from the meeting included ideas for developing options for transport, with the proviso that arrangements must not penalise Carers. It was suggested the Council could look into the possible investment in technology, like satellite navigation with training, to support people in independent travel. This could include a buddy system taking into account risks and safety to the individual.

Option 6

- 6.21 Overall this was seen as a positive option that would lessen the impact of the charge increases on those most vulnerable.

Option 7

- 6.22 In considering Option Seven, the groups stated that adoption would be better if implemented over time without sudden changes and that clear transition arrangements were needed. As part of this the impact on families and carers should be carefully considered, with the option to allow carers to move into employment to cover additional costs. It was agreed that a win/win scenario was required that met the needs of the Council and the requirements of service users.
- 6.23 The group found that Option Seven was a little difficult to understand without seeing the costs and how it would affect individuals. The Council responded that it would be likely that the rate would change incrementally over time, but no actual charge was included in case that needed to change according to financial modelling.

Option 8 & 9

- 6.24 Options Eight and Nine regarding meals on wheels and in Day Centres were seen as being reasonable increases in charges. Option Nine did raise the issue of variable costs being charged across day centres at present, which has been put forward as an option.

6.25 Some of the groups consulted felt that the rate of increase was too much and should be introduced in stages. In addition the quality of the meals produced was brought into question, with some of the groups saying it was difficult to comment as they hadn't seen a meal to gauge its worth.

7. Profile of respondents

7 Monitoring data was included within both the main questionnaire and the easy-read questionnaire. The collection of this data allowed us to monitor respondent information throughout the consultation, and enabled us to address under-representation within key client groups, where appropriate.

7.1 The focus groups, workshops and one-to-one interviews that took place over the course of the consultation included representatives from all potentially affected client groups, however formal monitoring data was not collected at all events.

Postal and Online questionnaires – 623 respondents in total

Gender

7.2 Of the total 623 respondents only 515 answered this question. Some people left blank the gender category.

Gender	Total	%
Female	343	66%
Male	168	33%
I'd rather not say	4	1%
Grand Total	515	100%

Age Groups

7.3 Of the total 623 respondents only 511 answered this question. Some people left blank the age category.

Age Groups	Total	%
25-29	6	1.17%
30-34	4	0.78%
35-39	6	1.17%
40-44	21	4.11%
45-49	22	4.31%
50-54	18	3.52%
55-59	24	4.70%
60-64	23	4.50%
65-74	73	14.29%
75+	305	59.69%
Rather not say	9	1.76%
Grand Total	511	100.00%

Ethnicity

7.4 Of the total 623 respondents only 508 answered this question.

Ethnicity	Total	%
English/Welsh/Scottish/Northern Irish/British	353	69.49%

Any other mixed/ multiple ethnic background	5	0.98%
Caribbean	61	12.01%
Indian	7	1.38%
Other ethnic group	1	0.20%
Irish	5	0.98%
White and Black Caribbean	5	0.98%
White and Asian	6	1.18%
Any other White background	10	1.97%
Pakistani	3	0.59%
African	26	5.12%
Any other Asian background	2	0.39%
White and Black African	2	0.39%
Any other Black/ African/ Caribbean background	6	1.18%
Arab	1	0.20%
Chinese	2	0.39%
I'd rather not say	13	2.56%
Grand Total	508	100.00%

Disability

7.5 Of the total 623 respondents 524 answered this question

Disability	Total	%
No	59	11%
Yes	449	86%
I'd rather not say	16	3%
Grand Total	524	100%

Religion and Belief

7.5 Of the total 623 respondents 469 answered this question

Religion and Belief	Total	%
Buddhist	2	0.4%
Christian	362	77%
Hindu	2	0.4%
Jewish	3	0.6%
Muslim	14	3%
Any other religion/ belief	3	0.6%
I'd rather not say	33	7%
None	50	11%
Grand Total	469	100.00%

Sexual Orientation

7.6 Of the total 623 respondents 436 answered this question

Sexual Orientation	Total	%
Heterosexual	369	85%

Other	8	2%
Gay/ lesbian	6	1%
Bisexual	2	0%
I'd rather not say	51	12%
Grand Total	436	100.00%

8 Full Tables of Results

Option 1 - Charges for your social care services should only be increased if the cost of providing that service also goes up.

Response	Total	%
Strongly Agree	125	22%
Agree	246	42%
Neither Agree nor Disagree	86	14%
Disagree	89	15%
Strongly Disagree	37	7%
Grand Total	583	100%

Total Agree	371	64%
Total Disagree	126	22%
Neither Agree/Disagree	86	14%

Option 2 - 100% of your net disposable income should be taken into account when calculating how much you should be charged.

Response	Total	%
Strongly Agree	42	7
Agree	158	27
Neither Agree nor Disagree	119	20
Disagree	177	31
Strongly Disagree	82	15
Grand Total	578	100%

Total Agree	200	35%
Total Disagree	259	45%
Neither Agree / Disagree	119	20%

Option 3 - The maximum amount you could be asked to contribute should be increased. The Council should set the maximum charge limit at £395

Response	Total	%
Strongly Agree	31	5%
Agree	102	18%
Neither Agree nor Disagree	138	24%
Disagree	197	34%
Strongly Disagree	108	19%
Grand Total	576	100%

Total Agree	133	23%
Total Disagree	305	53%

Neither Agree nor Disagree	138	24%
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Option 3a - The maximum amount you could be asked to contribute should be increased. Have no upper limit to what you could be charged.

Response	Total	%
Strongly Agree	26	5%
Agree	91	17%
Neither Agree nor Disagree	114	21%
Disagree	168	30%
Strongly Disagree	151	27%
Grand Total	550	100%

Total Agree	117	21%
Total Disagree	319	58%
Neither Agree nor Disagree	114	21%

Option 4 - A standard Disability Related Expenditure (DRE) allowance should be introduced for any client claiming Attendance Allowance or Disability Living Allowance.

Response	Total	%
Strongly Agree	75	13%
Agree	213	38%
Neither Agree nor Disagree	156	28%
Disagree	81	14%
Strongly Disagree	39	7%
Grand Total	564	100%

Total Agree	288	51%
Total Disagree	120	21%
Neither Agree nor Disagree	156	28%

Option 5a - Charges should be introduced for Transport which is currently provided free of charge.

Responses	Total	%
Strongly Agree	30	5%
Agree	121	21%
Neither Agree nor Disagree	98	17%
Disagree	210	36%
Strongly Disagree	123	21%
Grand Total	582	100%

Total Agree	151	26%
Total Disagree	333	57%
Neither Agree nor Disagree	98	17%

Option 5b - Charges should be introduced for Carers care services that are currently provided free of charge.

Responses	Total	%
Strongly Agree	20	3. %
Agree	117	21%
Neither Agree nor Disagree	130	23%
Disagree	187	32%
Strongly Disagree	119	21%
Grand Total	573	100%

Total Agree	137	24%
Total Disagree	306	53%
Neither Agree nor Disagree	130	23%

Option 5c - Charges should be introduced for Reablement services which are currently provided free of charge.

Responses	Total	%
Strongly Agree	17	3%
Agree	85	16%
Neither Agree nor Disagree	179	34%
Disagree	158	30%
Strongly Disagree	95	17%
Grand Total	534	100%

Total Agree	102	19%
Total Disagree	253	47%
Neither Agree nor Disagree	179	34%

Option 6 - Additional protection should be introduced for people on low incomes if charges are increased.

Response	Total	%
Strongly Agree	240	42%
Agree	239	42%
Neither Agree nor Disagree	52	9%
Disagree	31	5%
Strongly Disagree	10	2%
Grand Total	572	100%

Total Agree	479	84%
Total Disagree	41	7%
Neither Agree nor Disagree	52	9%

Option 7 - In calculating the contribution for your care services, the Council should take into account the actual cost of the service being provided.

Response	Total	%
Strongly Agree	66	12%
Agree	261	46%
Neither Agree nor Disagree	106	19%
Disagree	97	17%
Strongly Disagree	36	6%
Grand Total	566	100%

Total Agree	327	58%
Total Disagree	133	23%
Neither Agree nor Disagree	106	19%

Option 8 Meals on Wheels - The charge for Meals on Wheels should be increased from £3.00 to £3.50

Response	Total	%
Strongly Agree	30	5%
Agree	148	26%
Neither Agree nor Disagree	164	29%
Disagree	153	27%
Strongly Disagree	77	13%
Grand Total	572	100%

Total Agree	178	31%
Total Disagree	230	40%
Neither Agree nor Disagree	164	29%

Option 9 Lifestyles day centre meals - A variable pricing policy should be introduced for meals in some Lifestyles day centres so that the charges reflect the cost of ingredients and preparation

Strongly Agree	50	9%
Agree	229	41%
Neither Agree nor Disagree	150	26%
Disagree	90	16%
Strongly Disagree	43	8%
Grand Total	562	100.00%

Total Agree	279	50%
Total Disagree	133	24%
Neither Agree nor Disagree	150	26%

Equality Impact Assessment: Changes to the Charging Criteria for Adult Social Care Services.

For More Information Contact: Robert Mellors x46628

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1. Introduction

1.1 Purpose of this Equality Impact Assessment

This Equality Impact Assessment (EIA) assesses the potential impact on Lewisham residents of the proposed changes for charging criteria for adult social care services. The EIA fulfils the statutory requirement for all public bodies to assess the impact of their policies and services on different equalities groups. An Equalities Impact Assessment (EIA) is the process of systematically analysing a proposed or existing policy, strategy or service to identify what effect, or likely effect, will follow from its implementation for different groups in the community. The assessment considers the effect of a service on Race, Gender, Disability, Age, Sexual Orientation and Religion/Belief. Where negative impact is identified the EIA states whether this proposal is a proportionate response to a legitimate aim and what measures might need to be taken to address any adverse impact.

1.2 Equality Law

The Equality Act came into force in October 2010. The Act brings together, harmonises and in some respects extends the current equality law. It aims to make it more consistent, clearer and easier to follow in order to make society fairer. Public sector organisation responsibilities remain largely the same though there are three key areas which are new in the legislation: discrimination by association, discrimination by perception and indirect discrimination. It introduces additional protection for pregnant and breastfeeding mothers; and transsexual people.

The Act brings together the duties established in preceding legislation, specifically:

- Disability Discrimination Act 2005
- Equality Act 2006
- Age Regulations (2006)
- Discrimination Law Review
- The Equalities Review
- Race Relations Act 2000
- Gender Recognition Act 2004
- Sex Discrimination Act 1975

The Act includes a new public sector equality duty replacing the separate duties relating to race, disability and gender equality. The duty comes into force on 6 April 2011. The equality duty consists of a general equality duty, which is set out in section 149 of the Equality Act 2010 itself, and specific duties which are imposed by secondary legislation. These are

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Section 29 also examines the services provided by the public sector with specific interest that provision of a service must not discriminate against an individual by not providing them with a service due to the nature of the service or by terminating its provisions.

The act includes provision for more than one protected characteristic being the cause of discrimination, called combined discrimination. In addition to the Equality Act, this EIA also considers whether the proposed changes are in line with duties established by the Human Rights Act.

1.3 What are the proposals?

Currently, all local councils follow the Department of Health's guidance on how we charge for services. This guidance says that the Council must make sure that there is a reasonable and fair charging policy for the services provided. This is known as "Fairer Charging" and, in the case of personal budgets, is known as "Fairer Contributions". This section explains how the proposed changes differ from the current picture:

1.3.1 The current Picture

Following a social care assessment, a financial assessment is carried out to determine if and how much a person should pay towards these services. This financial assessment looks at income, savings and expenses, and the cost of the services. Currently Lewisham aims to protect people on low incomes and has introduced a level of financial protection. All clients whose income is lower than the basic rate of Income Support levels plus 35% (the "Income Support buffer") are exempt from charging, unless they have savings over a certain limit. This is more generous than the Income Support plus 25% buffer used by most other Councils. Also only 75% of 'net disposable income' (income less expenses and allowances) are taken into account. (Many other boroughs take 100% of net disposable income into account). Disability Related Expenditure (DRE) is also taken into account. This means that nobody is charged more than £290 a week, excluding meals on wheels which are charged for separately. (Some other boroughs have maximum charges of over £500 or in some cases, no maximum charge).

Carers services and transport are not currently charged for. If a person chooses not to declare finances to the Council then they are charged the full cost of services up to £290 a week, plus the cost of any meals. Currently Lewisham's charges do not reflect the full cost of services.

1.3.2 The Proposed Change

Increase the charge for meals from £3 to £3.50 from 1st April 2011

Increase the percentage of net disposable income considered to 90% in April 2011 and 100% in April 2012.

Increase the maximum weekly charge for services from £290 to £395 in April 2011 and to £500 in April 2012.

A minimum level of Disability Related Expenditure (DRE) should be taken into account without the requirement to provide receipts, this rate to be £5 p.w. from 1/4/2011 and reviewed in April 2011-12 for 2012-13.

Disability Related Expenditure should only be taken into account for clients receiving a disability related benefit.

The Council's Fairer Contributions Policy will be based on 100% of service cost and that existing subsidies should be removed from in-house services over 3 years.

Income Support Buffer should remain at 35% in April 2011 but be reviewed in April 2012

Carers services provided at home and reablement services will continue to be free for eligible users

Options for charging for transport will be developed

Options for variable charges for meals prepared at day centres will be developed.

2. Scope of the EIA

This EIA addresses the proposed changes to charging criteria presented to Mayor and Cabinet taking into account the legal implications, as well as any adverse impact on each of the equalities groups; and outlining what measures are in place (or are planned) to minimise any adverse impact on a particular equalities group. The assessment considers the protected characteristics of race, disability, gender, age, sexual orientation, religion and belief.

3. Policy, economic and legal context of the proposals

This section lays out the context of the proposals including the economic pressures on local government and the legal framework for adult social care.

3.1 Background to the proposals

The Government is committed to reducing the national deficit, whilst protecting certain services such as health, schools, police and international development. This means that remaining public services, including local government are likely to face budget cuts of around 25%.

Over the next three years, Lewisham Council will have to reduce its spending by around £87 million. The Council therefore faces a considerable challenge in reducing expenditure whilst providing services to meet local needs.

In July 2010, the Mayor agreed to consultation on a number of proposals that would save money and reduce public sector spending including this one. The Phase 1 savings included a proposal to achieve an estimated £200k of additional income by increasing the charges for home care and non residential social services. In addition, a further proposal was made to increase the charges for Meals on Wheels, increasing the income by an

estimated £50k. From this report, it was suggested that consultation should take place with regards to changing adult social care charging policies, to deal with the mounting budget pressures.

The proposals recommended reviewing the charging policy to increase clients' contributions to care costs where they have the financial means to pay and to charge for some services that were previously free.

Between September 1st 2010 and November 30th 2010, Lewisham Council consulted with service users, carers, voluntary sector and service provider organisations and members of the public to obtain a comprehensive view of the potential impacts of implementing the proposed changes for adult social care charges and contributions.

The schedule of consultation was designed to ensure that all parties with an interest were consulted, that the consultation was properly advertised, that the consultation methods adopted were sound and accessible to all user groups, and that advocacy was available where necessary.

3.2 Fair Access to Care Services

The Fair Access to Care Services (FACS) framework was introduced to ensure consistency and transparency in allocating social services according need. A similar set of guidelines was established for carers with the introduction of Practice Guidance to the Carers and Disabled Children Act 2000. The basis of the guidance was to provide a single set of guidance to assist councils decide an individual's eligible for support, based on an assessment of their presenting needs. It also takes into consideration the impact on any children of the council's decision and their responsibility to them under the Children Act 1989.

FACS outlines the framework for councils providing community care services to individuals with needs arising from physical, sensory, learning or cognitive disabilities and impairments or from mental health difficulties. In this regard, councils' responsibilities to provide such services are principally set out in the National Assistance Act 1948; Health Services and Public Health Act 1968; Chronically Sick and Disabled Persons Act 1970; National Health Service Act 1977; Mental Health Act 1983 and the Disabled Persons (Services, Consultation and Representation) Act 1986.

The framework sets the eligibility criteria for access to social care, based on an individual's disabilities, impairments and difficulties in order to maintain their independence. It sets out four bands which describe the impact an individual's conditions can have on their independence: Critical which have life threatening or serious impacts on the individual; Substantial conditions have a major impact on an individual's life and responsibilities; Moderate which impacts on their inability to carry out life and domestic routines and Low which have a limited impact on life. The guidance includes scope for developing a preventative approach to supporting people who are at risk of increasingly serious risks to independence.

3.3 Putting People First

'Putting People First' sets out the Government's commitment to independent living for all adults. It describes the vision for development of a personalised approach to the delivery of adult social care. The key point of the Putting People First framework is to ensure continued support for individuals that have serious needs, despite the raising of the eligibility thresholds by councils which may exclude them.

Priorities for this reform include greater choice and control, better access to public services and information, empowerment of people using services and their carers at local level. The central vision of Putting People First is:

- Universal access to good quality information and advice
- Increased evidence that early intervention and prevention services can help support people to retain independence as well as preventing or delaying their need for care and support.
- Ensuring that everyone in receipt of services has choice and control over the way in which services are delivered, including having control over the allocation of resources.
- The importance of social capital and communities in contributions to the quality of people's lives, whether or not they are eligible for statutory support.

3.4 The Implications for Equality

Both papers have clear guidelines relating to discrimination against individuals receiving social care. Specifically, assessment should not unfairly discriminate against individuals on the grounds of their age, gender, ethnic group, religion, disabilities, personal relationships, or living and caring arrangements, or whether they live in an urban or rural area. However, councils should take account of these factors in so far as they have a bearing on either presenting needs or the type and intensity of any care that is provided.

4. Consultation and Research

In developing the consultation schedule, officers followed the statutory guidance issued by the Department of Health, together with the Consultation Code of Practice for the Public Sector issued by the Cabinet Office. The consultation plans were presented to the Consultation Steering Group for comment and approval, and subsequently approved by the Healthier Communities Select Committee.

Between September 1st 2010 and November 30th 2010, Lewisham Council consulted with service users, carers, voluntary sector and service provider organisations and members of the public to obtain a comprehensive view of the potential impacts of implementing the proposed changes for adult social care charges and contributions.

To consult effectively on the proposed changes to adult social care the Council utilised a number of different methods including postal and online questionnaires, focus groups, home visits, outreach consultation events and meetings with voluntary sector partners and providers. In addition to these key

meetings and events, the consultation was discussed at various partnership boards and Council staff also attended the Health and Social Care Forum.

The schedule of consultation was designed to ensure that all parties with an interest were consulted, that the consultation was properly advertised, that the consultation methods adopted were sound and accessible to all user groups, and that advocacy was available where necessary.

Lewisham's questionnaire was accompanied by a consultation pack explaining the proposals and giving case studies as possible examples of impact. This was also available in an easy to read format with pictures and symbols, in large print and on audio tape. Over 3,500 questionnaires and information packs were circulated over the course of the consultation. These were distributed to existing service users and carers, day centres, voluntary and community sector organisations, and other appropriate venues. In addition, the questionnaires were available to download from the council website or could be completed online. In total 511 people responded to the survey.

In addition the following focus groups were implemented to cover specific issues of concern that required more in-depth exploration. These were:

Event	People attending
Voluntary and Community Sector providers x 3 meetings	20
Focus Groups x 4 (Older Adults, Black and Minority Ethnic Adults, 2 mixed older and younger adults groups)	40
Lewisham Speaking Up event	30
Mencap event	50
Learning Disabilities Partnership Board	25
Adults Partnership Board	15
Health and Social Care Forum	50
Joint Strategic Commissioning Group	15

5. Do the survey respondents reflect the profile of all those potentially affected?

The tables below compare the age, gender and ethnicity of people sent the survey (clients) with those who returned it (responses). This shows that overall the profile of respondents is similar to the profile of people potentially affected by the proposals. However, there is a lower response rate for those under the age of 40 (5%) than for those above (18%). Monitoring of sexual orientation or religion and belief is not routine in social care services.

Table 1: Age Group

Age Band	Responses		Clients	
	Total	Percent	Total	Percent
Under 18	0	0.0%	2	0.1%
18-24	0	0.0%	97	3.2%
25-29	6	1.2%	72	2.4%

30-34	4	0.8%	61	2.0%
35-39	6	1.2%	80	2.6%
40-44	21	4.1%	107	3.5%
45-49	22	4.3%	168	5.6%
50-54	18	3.5%	110	3.6%
55-59	24	4.7%	127	4.2%
60-64	23	4.5%	142	4.7%
65-74	73	14.3%	446	14.7%
75+	305	59.7%	1615	53.4%
Rather not say	9	1.8%	0	0%
Grand Total	511	100.0%	3027	100.0%

Table 2 : Ethnicity

Comparison Ethnicity	Responses		Clients	
	Total	Percent	Total	Percent
African	26	6.1%	186	5.1%
Any other Asian Background	2	1.3%	38	0.4%
Any other Black/ African/ Caribbean background	6	1.6%	48	1.2%
Any other mixed/ multiple ethnic background	5	0.5%	14	1.0%
Any other White background	10	4.8%	146	2.0%
Arab	1	0.0%	0	0.2%
Bangladeshi	0	0.1%	4	0.0%
Caribbean	61	18.5%	560	12.0%
Chinese	2	0.6%	19	0.4%
English/Welsh/Scottish/Northern Irish/British	353	61.6%	1866	69.5%
Indian	7	0.9%	27	1.4%
Irish	5	0%	0	1.0%
Other ethnic group	1	1.8%	53	0.2%
Pakistani	3	0.3%	10	0.6%
White and Asian	6	0.4%	12	1.2%
White and Black African	2	0.1%	2	0.4%
White and Black Caribbean	5	0.5%	16	1.0%
Not Stated	13	0.9%	26	2.6%
Grand Total	508	100.0%	3027	100.0%

Table 3: Gender

Gender	Response		Clients	
	Total	Percent	Total	Percent
Female	343	64.8%	1963	66.60%
Male	168	35.2%	1064	32.62%
I'd rather not say	4	0.0%	0	0.78%
Grand Total	515	100.0%	3027	100.00%

6. Assessment of Impact

This section provides the main analysis of the impact the proposal is likely to have

on different equalities groups. The assessment primarily considers the profile of those potentially affected compared to the borough population.

Consultation results provide an assessment of any specific issues of concern for particular groups of people.

6.1 Disability

A service user's primary need (e.g. physical/sensory disability, learning disability), along with a limited subset of secondary needs (e.g. hearing impairment, dementia), are recorded on the adult social care database. A person's primary need record may hide another disability. For example a client may have a learning disability but they are receiving a social care package because they are elderly and frail. Their need will therefore be recorded as 'frailty'. Using this data alone therefore gives a conservative estimate that 47% of those who are potentially affected by the proposal having a disability. The majority of those are people with a physical or sensory impairment (997), 379 have a learning disability and 62 have a mental health problem. However, for those that responded to the survey, 71% said they had a disability.

Recent estimates of disability prevalence in the borough states that '*In Lewisham Council's 2007 Residents Survey, of the 1,042 people surveyed, 14% of respondents described themselves as disabled. In the 2001 Census, 15.6% of Lewisham residents were classed as having a 'limiting long-term illness'. In the ONS Annual Population survey data for 2007 14.2% of people of working age were categorised as disabled'* (Health, Well-Being and Care: Lewisham Joint Strategic needs assessment, 2010).

Qualitative responses in the consultation suggest that disabled people felt that could not afford to pay more, but if prices did rise they would have no choice but to pay. Adults with learning disabilities wanted their needs to be better understood, as they could foresee having less money in the future to take them through 'difficult times'

Therefore this proposal has a disproportionate and negative impact on disabled residents.

6.2 Race

People from Black and Minority Ethnic communities are receiving social care services in similar proportions as found in the general Lewisham population. However, there are specific health and economic inequalities that should be considered in terms of the impact of raising charges for social care. People from BME communities are likely to be among the poorest in the wider population. In Lewisham, hypertension, stroke and Type II diabetes are more prevalent within BME groups. (Health, Well-Being and Care: Lewisham Joint Strategic needs assessment, 2010). These reasons may combine to result in a disproportionately negative impact on people from BME communities

compared to White British service users affected by this proposal. For this reason the proposal is judged to have a nil-low negative impact on race equality.

6.3 Age and Gender

There are far more women than men affected by this proposal. 65% of those affected by this proposal are women. This can only be understood by considering age and gender together.

Most of the women potentially affected are over 65 years of age (60% of the women are over the age of 75 and 74% are over 65). Taking the over 65 category alone, women account for 70%. In comparison to the demographic of the borough in general this is a high percentage.

Although the life expectancy figures published for Lewisham show a greater life expectancy for female residents over male residents by approximately 5 years, the sex ratio of the over 65 population is narrowing. This difference does not account for the greater number of females in the adult social care system than men. Women over the age of 65 are estimated to represent 57% of all Lewisham over 65s at 2011 (The Ageing of the United Kingdom ONS population estimates National and subnational projections 2010-2033).

Table 4: The Gender and Age of those potentially affected.

Consult Age Band	Female	Male	Grand Total
18-24	42	55	97
25-29	39	33	72
30-34	31	30	61
35-39	43	37	80
40-44	58	49	107
45-49	103	65	168
50-54	62	48	110
55-59	63	64	127
60-64	74	68	142
65-74	271	175	446
75+	1175	440	1615
Under 18	2		2
Grand Total	1963	1064	3027

This means that the gender profile of people affected by this proposal is not only a consequence of the fact that older people make up the majority of service users. There is no known explanation as to why older women are more likely than older men to receive social care services. It may be related to need or to the lower take up of health and social care services among men in general (Watson, 2007; Wilkins et. al. 2008). The fact remains that women as the majority of service users, and particularly older women, are disproportionately negatively affected by this proposal.

In the population of current service users potentially affected by this proposal there is no significant difference in the average increase in charges that would be incurred between men and women.

Qualitative responses in the consultation suggest that older people in particular felt that they could not afford to pay more for services. In discussions regarding transport it was agreed that transport is an area that could be charged. For example, it was suggested by the voluntary sector organisations that rather than fit and able 60 year olds getting a free bus pass those funds could be used for older adults and those who would benefit the most.

Generally people felt strongly that there was a moral imperative to take care of and protect the sick, elderly and disabled in society. Strong feelings were expressed that some of the proposals could disadvantage the most vulnerable including the frail/elderly. It was considered unfair that hard earned savings would be used to pay for care.

Older people and women in particular are disproportionately negatively affected by this proposal.

6.4 Sexual Orientation

In adult social care monitoring of the sexual orientation of service users is only recorded if the service user offers it unsolicited. Although there is limited knowledge of the size, or specific health and social care needs of the local LGB&T population it is recognised that LGB people have needs concerning safety, positive reinforcement of their identity and engagement with their communities which are likely to be different from those of heterosexual people. In addition evidence suggests that older LGB people are more likely to need access to social care as they are less likely to have dependents that can help them in their old age (Monitoring sexual orientation in the health sector: Stonewall, 2006; Age Concern: Being an older lesbian, gay or bisexual person, 2009). There is however, no evidence to suggest that there are more LGB people potentially affected by this proposal than in the general population. It is therefore concluded that this proposal is unlikely to disproportionately impact on LGB people.

6.5 Religion and Belief

Religion and belief of clients receiving social care services has also not been consistently recorded. There is no evidence to assume that the religion of people receiving social care services is different from that found within the general population. It is therefore concluded that this proposal is unlikely to disproportionately impact on people who follow a particular faith or who hold a particular belief.

7. Human Rights

In reaching decisions about services local authorities are required to consider the impacts on an individual's or people's human rights. There are two

articles of the Human Rights Act that are considered relevant to this proposal. Article 8 and article 14.

Article 8: 'Right to respect for private and family life' is considered here because social care services often provide supported living arrangements that affect 'Family life' which is defined broader than the nuclear family and can include the relationship between an unmarried couple. Although the consultation results identify negative impacts on family as financial pressures may increase, it is concluded that the proposals do not interfere with these rights.

Article 14 'Prohibition of discrimination' is concerned with direct and indirect discrimination. It is concluded the proposals do not discriminate directly against any people receiving adult social care services and where there are disproportionate (indirect) impacts these are proportionate to the legitimate aims of making Council savings in the broader economic context outlined in section 3.

8. Conclusion

Assessment of Impact table

Equalities Category	Assessment of Potential Impact – Positive AND Negative High, Medium, Low, Nil	Reason for this assessment
Gender	High Negative	Disproportionate amount of those affected are women.
Race	Nil - Low Negative	There is no disproportionate amount directly affected but there are specific inequalities that could make BME service users more vulnerable
Disability	High Negative	The change affects disabled people in society disproportionately
Age	High Negative	The change affects elderly people in society disproportionately, particularly women over the age of 75.
Sexual orientation	Nil	There are no known impacts
Religion and belief	Nil	There are no known impacts

9. Overall assessment and mitigation

This EIA has been conducted with due regard to legal requirements and has involved local residents and service users in considering the potential impact on current and potential service users. The overall assessment of this EIA is that the saving proposals will have an adverse impact across the following equality groups: age; gender and disability.

The EIA concludes that the proposals to increase the charges for non-residential care and to increase the charge for meals on wheels will have a high negative impact on women, those over the age of 75 and those with a disability.

In developing its savings proposals, the Council has been mindful of the financial landscape and the need to achieve a reduction in the Council's net revenue budget of £87m over the next 4 years. It has therefore been necessary to consider where expenditure can be reduced in all areas of Council provision, including adult social care. Consequently proposals to increase charges for non-residential care and meals on wheels were produced.

The proposed changes to the Council's charging policy have been drawn up in accordance with the Department of Health's guidance. This guidance requires the Council to implement a reasonable and fair charging policy for the services it provides. This is known as "Fairer Charging" and, in the case of personal budgets, is known as "Fairer Contributions".

Full mitigation will not be possible and, if adopted, the proposals will have a negative impact on some service users. However a number of measures have been proposed to minimise the impact. These include:

- Maintaining the Income Support buffer at 35% rather than the 25% minimum required by government guidance. This allows clients to retain an extra 10% of their income.
- Setting a minimum Disability Related Expenditure rate of £5.00 for April 2011 and increasing that rate to £10.00 in April 2012.
- Adopting a phased approach to the implementation of some changes. This would follow the full implementation of personal budgets thus enabling users to purchase services directly from providers.
- Continue to ensure that all clients are receiving benefits to which they are entitled.

London Boroughs - 2010/11 fees & charges	Meals - Hot	Meals - Frozen	Home Care - Hour Charge	Home Care - weekly Maximum	Day Centre attendance charge - assessed	Day Centre attendance charge - full cost	Day Centre Transport charge	Contribution Policy	% personal budget assumed for financial assessment	Comments
	£ per meal	£ per meal	£ per hour	£ week	£ per day	£ per day	£ per day	Y/N	%	
Camden	3.00	N/A	13.35	Nil	Nil	Nil	Nil	N	N/A	Currently considering a contribution policy. Camden has a flat rate for Community meals and also offers discount through direct debit. Rate is £2.80/meal
Greenwich	N/A	3.50	9.70	510.00	2.20	2.20	0.00			Greenwich No longer offer a hot meals service.
Hackney Hammersmith & Fulham	3.85	N/A	10.72	N/A	N/A	N/A	N/A	N	N/A	The Council provides only hot meals. There are no limits for maximum weekly charge and the Council has not yet decided on % of Personal budget for charging
Islington	3.00	3.00	Various	No max	£ -	£ -	0.00	N	N/A	Home care hourly charge is actual cost per provider so varies. Contribution policy being developed planned implementation for 11/12.
Kensington & Chelsea	3.20	3.20	14.30	N/A	20.00	20.00	8.00	Yes	100.00	

Bexley	Variable			No maximum						Info from Councils website
Brent										
Bromley	3.20			no maximum						Info from Councils website.
Croydon	3.30	2.80	16.25	no maximum	27.13	27.13		Y interim policy used for current SDS clients	100.00	We are currently working from an interim SDS contributions policy. We are investigating the introduction of a flat rate transport charge. Following consultation during July/August 2010 we are proposing to move away from fixed charges (i.e £16.25 per hour for home care) to actual variable costs for each client.
Ealing	N/A	2.50	13.00		0.00	0.00	0.00	Y	100.00	Contributions Policy effective from 10th May 2010 for all new customers. Ealing no longer offers a hot meals service.
Enfield	3.47	3.33	16.60	no maximum	33.85	Based external charge to LBE	0.00	Y	100.00	
Haringey	3.20	3.20	Actual	550.00	Actual	Actual	No charge	Y	100.00	

Harrow	4.55	2.95	15.00	250.00	0.00	0.00	0.00	N	N/A	Currently considering a contribution policy - not yet clear whether a % will be applied in relation to assessment
Havering Hillingdon	2.80	2.80	13.80	260.00	0.00	0.00	0.00	N	N/A	Currently considering a contribution policy - not yet clear whether a % will be applied in relation to assessment
Hounslow	n/a	4.00	16.36	no maximum	1.70	3.80	0.00	N	100.00	Day services free for Mental Health, Learning and physical disability clients. Contributions policy in progress
Kingston upon Thames										
Merton	3.43	3.17	16.32	395.30	6.85	6.85	2.64	N	100.00	
Newham Redbridge	3.05	3.05	14.81	250.00			Included	N	tbc	Day Care charges vary according to type of establishment.
Richmond upon Thames	5.99	3.15	15.80	320.00	15.80	15.80	No	Y	100.00	Home Care and Day Care charges only apply to a minority of service users who are not yet on a Personal Budget. Most service users have a Personal Budget and make a single means-tested contribution, up to a maximum of £320 per

										week.
Sutton	3.20	n/a	13.40	350.00	26.80	26.80	Nil	N	100.00	No change to charges from 2009/10. Consultation on Contributions Policy starting in July. Intention to implement Jan 2011
Waltham Forest	3.66	2.48	15.45	233.50	36.48	included		N	tbc	

Appendix 4 – Examples from consultation document

Section 3 – Examples of what these options mean in practice

This section explains how the current rules are applied and how the proposed changes could affect some people.

Sanjay

Sanjay is a single person aged 35 living with his parents. He goes to a day centre twice a week.

His income is £154.90 a week. This income is made up of Income Support (with Disability Premium and Enhanced Disability Premium) and Disability Living Allowance (Care Component Middle Rate).

He has no household expenditure. He spends £8.00 a week on fares for his carer (Disability Related Expenditure).

His Income Support plus 35% buffer is £144.59.

To work out what Sanjay should pay towards the cost of attending the day centre we subtract the Income Support plus 35% (£144.59) and the Disability Related Expenditure (£8.00) from the total income figure of £154.90:

Income	£154.90 a week
Minus Income Support Buffer	- £144.59 a week
Minus Disability Related Expenditure	<u>- £8.00 a week</u>
	£2.31 a week

Sanjay has £2.31 a week left to contribute towards the cost of his day centre. However, under the current rules we will not charge more than 75% of this = £1.73 a week.

After a maximum charge of £1.73 p.w, Sanjay is left with £153.17 p.w. to meet other expenditure.

Ethel

Ethel, aged 80, lives alone and receives one hour of home care a week which costs £15.30.

Her income is £234.05 a week made up of State Retirement Pension, Pension Credit (now including a Disability Premium) and the lower rate of Attendance Allowance. She owns her own house and has full help with her council tax.

Her buildings insurance and maintenance charges are £17.60 a week. She spends £14.50 a week on a gardener and the purchase of a stair lift (Disability Related Expenditure).

Her Pension Credit plus 35% buffer is £179.01.

To work out how much Ethel should pay towards the cost of her home care we subtract the Pension Credit plus 35% buffer (£179.01), outgoings (£17.60) and Disability Related Expenditure (£14.50) from her total income of £234.05:

Income	£234.05 a week
Minus Pension Credit Buffer	- £179.01 a week
Minus household expenses	- £17.60 a week
Minus Disability Related Expenditure	-£14.50 a week
	£22.94 a week

Ethel has £22.94 left to pay towards the cost of her home care. Currently we will not charge more than 75% of this = £17.20. As her home care only costs £15.30 a week, she will be asked to pay £15.30 a week. If Ethel needed extra home care, and the cost of this rose to more than the £17.20 a week, she will only be asked to contribute a maximum of £17.20 a week irrespective of the cost of the package.

After a maximum charge of £17.20 p.w, Ethel is left with £216.85 p.w. to meet other expenditure.

Melvin

Melvin has savings of £30,000 so is assessed to pay the maximum charge for his services. Under our current rules the maximum charge is £290 a week. He receives home care costing £200 a week. Because of the level of his savings, he is charged £200 a week.

Roberta

Roberta has savings of £35,000 so is also assessed to pay the maximum charge for her services. She attends a day centre and receives home care. The full charge for services would be £310 a week but she is only charged £290 a week which is the maximum charge we currently apply.

The table below shows what impact the proposed changes could have on each of these service users				
	<i>Sanjay</i>	<i>Ethel</i>	<i>Melvin</i>	<i>Roberta</i>
<i>Option 1</i>	No impact As Sanjay's maximum contribution is £1.73 p.w., increasing the charge for individual services will have no effect on the amount he should pay.	<u>Increase</u> Ethel's charge will go up but not above £17.20 p.w.	<u>Increase</u> Melvin's charge will go up (but not above the maximum charge, currently £290 p.w.)	No impact Roberta is currently paying the maximum charge of £290p.w.
<i>Option 2</i>	<u>Increase</u> Sanjay's maximum contribution will increase by 58p p.w. to £2.31 p.w.	No impact Ethel is already paying the full cost of her service.	No impact Melvin is already paying the full cost of his service.	No impact Roberta is already paying the full cost of her service.
<i>Option 3</i>	No impact	No impact	No impact.	<u>Possible Increase</u> Roberta's charge will go up but not beyond £310 p.w. as this is the cost of her services.
<i>Option 4</i>	<u>Possible impact</u> If standard DRE is set at above £10 p.w., Sanjay's assessed charge will fall.	<u>Possible impact</u> Depends on level at which DRE is set.	No impact	No impact
<i>Option 5</i>				
<i>Option 6</i>	<u>Reduction</u> If Income Support buffer were increased to 37.5%, Sanjay's charge would reduce to 0.	<u>Reduction</u> If Income Support buffer were increased to 37.5%, Ethel's charge would reduce by £2.49 to £14.71 p.w.	No impact	No impact

<p><i>Option 7</i></p>	<p>No impact As Sanjay cannot be charged more than £1.73 p.w.</p>	<p>No impact As Ethel is not getting a service that is currently subsidised.</p>	<p><u>Possible Increase</u> Melvin's charge will go up but not beyond £290 p.w.</p>	<p>No impact As Roberta is already paying the maximum charge of £290 p.w.</p>
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Appendix 5

Housing costs : Extract from current charging policy

Housing Costs that can be taken into account

16.45 Housing costs are divided by the number of non-dependant adults living in the property. For instance if there is a service user and their spouse living in the property, only 50% of the housing costs will be taken into account. Costs that can be allowed are as follows:

- Rent (net of housing benefit)
- Mortgage (net of housing benefit) repayments and endowment repayment costs including any costs not covered by Income Support. If any benefit could be claimed to cover these costs or part of these costs, but the service user, without good cause, does not make a claim it will be assumed that the claim has been made and the benefit is being paid.
- Council Tax - (net of Council tax benefit). If there is any disability reduction, single persons discount, Council Tax benefit or second adult rebate has been claimed (or could be claimed) the deduction will be made net of these amounts.
- When a service user is living with a relative or for some other reason is unable to claim Housing Benefit or Income support housing costs, the Housing Benefit and Council Tax benefits non-dependent deductions towards housing costs will be allowed. In circumstances where the service user can show that they are justifiably paying more than this towards the household's housing costs, their contribution towards these above the non-dependent allowances would need to be proportionate with their income.
- Home Insurance (buildings only). If there is a joint Buildings and Contents Insurance policy, and the officer is unable to determine the individual elements, allow for 2/3^{rds} of the insurance as Buildings Insurance with 1/3rd as contents insurance.
- Ground Rent & Maintenance
- Boiler / Heating Insurance

Housing Costs not allowed

- Water Rates
- Home Insurance (contents)
- Personal Insurances such as Life, Health & Endowment

Appendix 6

NAFAO GUIDE TO DISABILITY RELATED EXPENDITURE 2011/12

HEATING ALLOWANCES

Annual inflationary update based on RPI Fuel index at November 2010.

The figures obtained from the govt website www.statistics.gov.uk from the download "Focus on Consumer Price Indices November 2010. The figures are found in 4.9 RPI detailed changes - % change over 12 months. The general RPI increase is for "All Items" while the fuel increase comes from a weighted average of fuel and light increases (line CZCX).

This years figure is a decrease of -1.9 % at November 2010.

The formula NAFAO has applied previously is to increase the previous years figure by the index with an extra 3% increase added for properties in the N East/E Midlands and 7% increase for those in the N West/W Midlands, costs are rounded to the nearest pound.

For 2011/12 the formula applied has followed this principle of a reduction by the index of -1.9% for Standard, +1.1% (-1.9 + 3.0) for N East / E Midlands and +5.1% (-1.9 + 7.0) change to N West / W Midlands.

Figures for 2011/12(-1.9%)	Standard	N East / E Midlands (3%-1.9)	N West / W Midlands (7%-1.9)
Single person - Flat/Terrace	£909	£919	£955
Couple – Flat/Terrace	£1,198	£1,211	£1,259
Single person – Semi Detached	£965	£976	£1,014
Couples – Semi Detached	£1,271	£1,285	£1,336
Single – Detached	£1,174	£1,187	£1,234
Couples – Detached	£1,547	£1,564	£1,626
Figures for 2010/11	Standard	N East / E Midlands	N West/ W Midlands
Single person - Flat/Terrace	£927	£957	£997

Couple – Flat/Terrace	£1,221	£1,260	£1,313
Single person – Semi Detached	£984	£1,016	£1,058
Couples – Semi Detached	£1,296	£1,338	£1,394
Single – Detached	£1,197	£1,236	£1,287
Couples – Detached	£1,577	£1,628	£1,696

INCOME / DISREGARDS

Disregard Basic Income Support/Pension Credit plus 25%. “Basic Income Support/Pension Credit” includes Personal Allowance, age and disability premiums but **NOT** Severe Disability Premium, Attendance Allowance or Disability Living Allowance.

Amounts will be:

<u>60+ Pension Credits</u>	<u>2011</u>
Single	£137.35
Plus 25%	£171.69
Couple	£209.70
Plus 25%	£262.12
Half Couple	£104.85
Plus 25%	£131.06
Single with SDP	£202.65
Plus 25% Applicable	£253.31

<u>Under 60</u>	<u>2011</u>
18 -24 with DP Single	£82.30
Plus 25%	£102.87
25- 59 with DP Single	£96.35
Plus 25%	£120.44
18+ Couple	£147.05
Plus 25%	£183.81
18+ Half Couple	£73.53
Plus 25%	£91.91

<u>Employment Support Allowance</u>	<u>2011</u>
Main phase	£67.50
Plus 25%	£84.38

EDP – £ 14.05 value to add to disregard inclusive of 25% if in payment = £17.56

Attendance Allowance - High £73.60 Lower £49.30
DLA Care - Lower £19.55 Mid £49.30 High £73.60

If on higher rate disregard difference between higher and lower rate £24.30, unless in receipt of both day and night care.

- Mobility Allowance - Disregard fully
- War Disability and War Widows Pension - Disregard the first £10 per week
- War Widows Supplementary Pension - Disregard fully

ASSETS

Capital below £14,?. fully disregarded.

Tariff Income of, £1 per week for every £250 (or part of £250) above £14,?and up to £23,? (if the upper capital limit is applied.). N.B. These are the minimum limits required by guidance and councils can set higher.

EXPENSES

- Mortgage payments/Rent - allow full amount less any Housing Benefit paid
- Council Tax - allow full amount less any Council Tax Benefit paid

COSTS OF DISABILITY

Figures were only attached to fuel costs in the FC Guidance and the following are recommended allowances for possible identified items and examples of reasonable evidence requirements prepared by NAFAO. An inflationary uplift of 3.3% has been added for 2011/12 based on the **CPI** rate at November 2010.

ITEM	AMOUNT	EVIDENCE
Community Alarm System	Actual cost unless included in Housing Benefit or Supporting People Grant	Bills from provider
Privately arranged care	Actual cost if Social Worker confirms requirement as part of the Care Plan and Council supported care is reduced accordingly	Signed receipts for at least 4 weeks using a proper receipt book
Private Domestic help	Actual cost if Social Worker confirms requirement as part of the Care Plan and Council supported care is reduced accordingly	As privately arranged care
Laundry/Washing Powder	£3.25per week	Care Plan will have identified an incontinence problem. Identify more than 4 loads per week
Dietary	Discretionary as special dietary needs may not be more expensive than	Details of special purchases

	normal	
Gardening	Discretionary based on individual costs of garden maintenance	As privately arranged care
Wheelchair	£3.37 per week manual £8.22 per week powered	Evidence of purchase. No allowance if equipment provided free of charge
Powered bed	Actual cost divided by 500 (10 yr life) up to a maximum of £3.78 per week	Evidence of purchase if available
Turning bed	Actual cost divided by 500 up to a maximum of £6.55 per week	Evidence of purchase if available
Powered reclining chair	Actual cost divided by 500 up to a maximum of £2.98 per week	Evidence of purchase if available
Stair-lift	Actual cost divided by 500 up to a maximum of £5.30 per week	Evidence of purchase without DFG input
Hoist	Actual cost divided by 500 up to a maximum of £2.60 per week	Evidence of purchase without DFG input

Proposal to close the Cashiers Service

Research and consultation results
January 2011

This report presents a summary of the outcomes of consultation and research undertaken as part of the 'removing cash and cheque' project and the associated proposal to deliver £150k savings from the cashiering

Background to the proposal

A savings proposal has been put forward to close the cashiering front office and restructure back office processes in order to deliver efficiency savings of £150k by 2013. This is linked to a wider project which is underway across the organisation to remove cash and cheques as payment channels.

There are a number of drivers for the 'removing cash and cheques' project. Most notably:

- The changing payment method preferences of our customers has meant that we have witnessed declining numbers of cash payments and increasing numbers of customers choosing to pay us electronically
- Changes in banking practices, particularly the national proposal to eliminate cheques as a payment channel entirely by 2018
- The higher processing cost of cash and cheque payments against electronic channels (cipfa data suggests that a card payment costs us less than 20p to process a card payment and over £1 to process a cash payment)

The proposal to close the front office of the cashiers is therefore linked to a wider objective to modernise organisational payment processes to meet the long term needs of our customers and deliver savings aligned to these changes.

It is important to note that the project is not designed to stop cash and cheques completely as payment channels but rather to change the way in which people pay cash. In practice this means that customers will still be able to pay cash for council services, but they will do so in a different way, using our network of 200 PayPoints across the borough via bar-coded invoices rather than at our cashiers service.

Background to the research and consultation

To help inform the development of this proposal extensive research and consultation has been undertaken with customers and community advocates. Consultation and analysis has taken place in two phases: the first in 2008/9 which resulted in the closure of the cashiering service on Saturday and the second in 2010/11 linked to the current proposal.

In both cases the objectives of the research and consultation were as follows:

- To understand how our customers pay for council services and identify patterns in use of the cashiers service
- To test interim proposals around changes to payment channels in order to provide an opportunity for challenge, validation and new perspectives

- To identify whether the proposal will impact any of our communities disproportionately and what could be done to mitigate against this

Consultation and research methodology

Consultation

The consultation methodology was designed to enable us to provide broad opportunities for participation combined with targeted work to gain deeper insights with some of our key community advocate groups.

Surveys

- Over the two phases of consultation in 2008 and 2011, nearly 2,000 residents were provided with an opportunity to participate in surveys designed to gain insight into patterns of usage and views on alternative payment channels. In total 1,000 postal surveys were sent out and approximately 800 customers were approached to participate in surveys at the cashiers service with 240 customers completing the face to face survey. Face to face surveys were conducted between April and August in both cases and targeted at the busiest times of the month when throughput in the services is at its highest.

Focus groups and interviews

- In depth consultation through focus groups and interviews was conducted with advocates from organisations representing some of our more vulnerable communities and those who are often perceived to have a higher reliance on cash as a payment channel. The groups who were involved were:
 - Lewisham Disability Coalition (2008 and 2010)
 - Pensioners Action Group (2008)
 - Older Peoples Advisory Panel (2008) and Positive Ageing Board (2010)
 - Lewisham Talking Newspaper (2008 and 2010)
 - Carers Lewisham (2010)
 - 170 Community Project (2010)
 - 190 Centre (2010)
 - Lewisham Homes and Phoenix (2010)

Research

To complement the consultation evidence research was undertaken to provide a context for these findings. This covered the following:

- Discussions with other local authorities on approaches to cash management
- Policy and research analysis on the use of cash and relevant national proposals and changes
- Analysis of financial and customer data over the last three years

Results of research and consultation

Who uses the cashiers service and why?

The use of cash and cheques is declining...

There has been a year on year decrease in the number of people paying us by cash at the cashiers service. Between 2007/8 and 2009/10 there was a 26% decline in the number of cash transactions processed. There are now approximately 6,500 cash transactions per month processed, in 2007/8 this was closer to 9,000.

There has been an even more significant decline in the number of people paying us by cheque, a decrease of 32% over the same three year period.

At the same time we have seen an increase in the number of people choosing to pay us electronically (i.e. debit or credit card on the phone, internet or face to face), up 30% since 2007/8. This now equates to over 10,000 payments per month – significantly higher than cash or cheque.

This growth can largely be explained by changes to our own processes. Since 2007, we have been increasing the capacity for services to take payments electronically and putting effort into advertising these methods. The data suggests that this has facilitated a significant shift in customer access channels.

We can identify trends in the customers using the cashiers service...

There is a general perception in literature and amongst professionals that cash is a payment channel preferred by older, disabled and more vulnerable customers. It was therefore important for us to understand to what extent this is the case in the Lewisham context and what impact this will have on our proposals. Extrapolating from survey results we can see that:

- The service does have a significant proportion of older customers (23% are over 75). However, it is important to bear in mind that the largest service user group is 26-59 (45%).
- Approximately 20% of customers reported having a disability, this is slightly higher (5 percentage points) than the number of people reporting having a disability in the 2001 census. This shows that whilst there is a slightly higher usage of the service amongst people with a disability, it is not significantly higher than we would have expected based on population averages.

We conducted additional analysis of customers home addresses to determine where customers have travelled from to use the service. This identified that the 50% of customers were residents of Catford (SE6) or Lewisham (SE13) and that there were much smaller numbers of customers from the north of the borough using the service, for example just 4% of users were from Deptford and 5% from New Cross.

The data suggests that although there are significant numbers of older and disabled residents using the cashiers service, this is not as high as it is commonly perceived to be. One of the most notable characteristics of customers is that they tend to be local. This challenges the perception that the cashiers service is used borough wide and suggests that those in the north of the borough have already found other ways to pay for services (i.e. electronically or at PayPoints).

there is a proportion of people who do not have bank accounts and therefore cannot pay us by alternative electronic channels. National data suggests that approximately one million people do not have a bank account, about 1.6% of the population. Applying this to the Lewisham context this means we could expect approximately 4,000 of our residents to have no access to a bank account. However, it should be noted that this is declining each year as banks work to enable more people to have access to basic bank accounts.

For those for whom paying by cash is an active choice, the desire to pay the council directly is a powerful motivator for using the cashiers service with respondents noting that they could be confident that the payment had been received. Other frequent responses were:

- Habit – ‘I’ve always done it like this’
- Social activity – ‘I like coming here, it gets me out of the house’
- Quality of the service – ‘it’s quicker here and the service is reliable’

For some of our customers who are choosing to pay us by cash, there could be scope to change payment habits. However, it will be important to maintain the ability to pay cash in some way for those who cannot pay or who cannot be persuaded to pay electronically.

What do customers and stakeholders think about the proposal to close the cashiers service?

PayPoint is already a popular way to pay for council services...

The current proposal to remove cash from the organisation is based on closing the cashiers function but enabling all services to take cash payments via our network of PayPoints and Post Offices. It is therefore important for us to understand how this service is being used currently.

Data analysis suggests that paying cash at a PayPoints and Post Offices is already a well used payment method, almost 4.5 times as many people make payments at PayPoints and Post Offices than use the cashiers service currently. This equates to an average of 29,000 transactions per month.

Our survey also suggests that many people (58%) using the cashiers service also use PayPoints to make payments for other services (i.e. gas/electricity payments).

Consultation with the Positive Ageing Board identified that payments in this way might also be safer than using the cashiers service for older people. Currently, older people are visiting the Post Office or Bank to draw out their pension and then taking cash over to the cashiers. There is a belief that this could make people a target for muggings which would be avoided if payments were made directly at the Post Office or via a local PayPoint.

There is high satisfaction with the cashiers service and customers are keen that this does not decline...

In surveys and focus groups, customers consistently expressed satisfaction with the service currently being provided at the cashiers and this was the main driver behind the desire to keep the service open.

Customers said that if the cashiers service was to close, they would expect the council to ensure that suitable alternatives were made available and that customer service was not adversely affected.

Maintaining an acceptable customer experience when using PayPoints and Post Offices to pay for services is clearly a critical element of encouraging more people to use these channels and would need to form a strand of work associated with delivering this proposal.

Accessibility of alternative payment locations is a key concern for people with mobility problems...

The most significant issue raised during consultation was the accessibility of alternative locations to pay cash for council services. Presently, the cashiers service is fully DDA compliant and advocates from community groups would like to be confident that appropriate alternatives are made available.

Accessibility is a key issue which needs to be addressed as part of implementation. Our work so far has identified that all of the Post Offices in the borough meet DDA accessibility requirements, one of these is within 100m of the current cashiers service. PayPoints which are located in newsagents have varying levels of accessibility. Details on accessibility will be gathered as part of an audit.

If changes are going to be made it is important to communicate these well and plan for a transition period...

Both customers and stakeholders stressed that communication would be critically important if the cashiers service did close. They said that we should communicate the following:

- Why the change is happening
- How to pay by cash at a PayPoint
- Where Paypoints are located
- How to pay in other ways

They said that we should communicate in different ways:

- Face to face at the cashiers for a month long transition
- Via voluntary organisations
- Lewisham Life and MyLife
- Libraries and GPs

A communications campaign would need to accompany the closure of the cashiers service informing people about how to access alternatives. This would need to be targeted at different audiences and be phased in over a transition period.

In terms of the current utilisation of the cashiers service, the research and consultation shows that:

- Numbers of people using the cashiers service are declining with more people choosing to pay electronically
- Whilst there are a significant number of older or disabled customers, this is not as high as is usually perceived
- The service is most frequently used by residents who live locally to the service

In terms of feedback on the proposals, the key issues relate to accessibility, customer experience and communication/transition planning. Whilst these do raise important areas for consideration and further work, they do not present insurmountable obstacles and plans are currently being drawn up to address these concerns. An action plan to address these issues has been developed as part of the Equalities Impact Assessment process.

Preliminary Equalities Impact Assessment

Name of proposal

Removing cash and cheques from the council

Questions 1: Why is this assessment being undertaken?

A savings proposal has been put forward to Mayor and Cabinet to close the front office of the cashiers service delivering £150k savings by 2013. This Equalities Impact Assessment has been conducted to consider the impact that this proposal might have on equalities groups and to identify mitigating actions to address any disproportionately negative impact.

Question 2: What change is being proposed?

The proposal is to close the front office cashiering function in 2011. This will mean that customers can no longer pay the council cash directly. However, the proposal will not eliminate the ability to pay entirely. Currently, the council takes approximately 400,000 cash payments via PayPoints and Post Offices. The proposal is to expand this further so that in future all cash payments to the council are taken via PayPoints or Post Offices instead of the cashiers service.

STEP Two: Assessing the impact on specific groups

Question 3: What information do you already have access to that informs what you know about the service and those affected?

Information type	Access to this informa	Description	Comments: i.e how recent is it? How relevant is it?
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	tion: YES/ NO		
Previous Consultation Findings	Y	Consultation with the users of the cashier service (100 survey results) and voluntary and community sector organisations	Identified the customer base and reasons why the cashiers service was used. Carried out 2008.
Current Consultation Findings (as part of planned changes)	Y	Consultation with the users of the service (140 survey results) and the voluntary and community organisations.	Carried out in 2010 as part of the removing cash project. Survey replicates 2008 work to provide a comparative analysis. This was complemented by in depth focus groups and interviews with approx 10 community groups.
Performance Information: (inc, N.Is)/ Monitoring Information/ User Profiles/ Residents Profiles/ Service User Satisfaction measures	Y	Statistics collected by the cashiers service regarding performance.	Available up to current date and able to identify trends in service usage.
Previous EIAs	Y	An EIA was conducted as part of the first review of cashiers in 2008 which resulted in the closure of the service on Saturdays.	The issues raised in 2008 are likely to be broadly similar in terms of more vulnerable service users.

Question 4: Will the proposal have a significant positive or negative impact on the following equality groups?:

Equalities Category	Significant Positive Impact		Significant Negative Impact		Explanation
	Yes	No	Yes	No	
Race		X		X	Available data does not suggest that the cashiering service is used disproportionately by specific ethnic groups.
Gender (Gender reassignment, pregnancy and maternity)		X		X	An evenly mixed customer base. No issues are foreseen in alternative payment channels (Post Office, PayPoint, Bank) being equally available and accessible.
Disability		X	X		Current service area fully DDA compliant. There is a slightly higher % of customers using the cashiers service with a disability

					than would be expected based on census figures. The proposal is based on moving cash payers to alternative sites – i.e. PayPoints and Post Offices where there could be access issues.
Age		X	X		23% of the customers of the cashiers service are over the age of 75. There is a general belief that older people are more likely to rely on cash as a payment channel and so changes to cash payment methods could affect this group more.
Sexual orientation		X		X	Alternative payment channels (Post Office, PayPoint, Bank) should be equally available and accessible. No issues foreseen.
Religion or belief		X		X	Alternative payment channels (Post Office, PayPoint, Bank) should be equally available and accessible. No issues foreseen.

*Analysis has not identified any particular implications in terms of human rights or social cohesion.

Question 5: Who are your main services users/ profile of residents most affected by the proposed change?

The cashiers service processes payments for the majority of council services, including council tax and housing rent.

Based on the findings of 240 customer surveys in 2008 and 2010, we know the following about the customer base for the cashiers service:

- There is a relatively even mix of men and women using the service
- 45% customer are under 60 and 23% are over 75
- 50% of customers are White British, 28% are Black or Black British Caribbean and 12% are Black or Black British other.
- 20% of customers reported having a disability, the most common of which was 'restricted mobility'
- Analysis shows that the majority of customers of the cashiers service live either in Catford or Lewisham.

Questions 6: Why is this further assessment being undertaken? (i.e. significant impact identified in relation to an group – give details)

The initial scoping exercise identified that the proposal to close the cashiers service is most likely to negatively impact on older residents and people with disabilities. This is because they use the service more frequently and also because they may find it more difficult to pay by alternative channels.

STEP Three: Understanding and mitigating impact

Question 7: Have you identified and looked to mitigate the impact?

In order to examine the impact of the proposal on the equalities groups identified consultation was undertaken with 240 customers via face to face surveys and focus groups with community groups and advocates. These groups included:

- Lewisham Disability Coalition (2008 and 2010)
- Pensioners Action Group (2008)
- Older Peoples Advisory Panel (2008) and Positive Ageing Board (2010)
- Lewisham Talking Newspaper (2008 and 2010)
- Carers Lewisham (2010)
- 170 Community Project (2010)
- 190 Centre (2010)
- Lewisham Homes and Phoenix (2010)

During the consultation, participants were asked about how the cashiers service was currently used as well as views on the proposal to close the service and how any potential negative impact could be mitigated.

Overall

In surveying, there was a mixed response from customers in terms of support for the proposal. On the whole customers were positive about the service they received from the cashiers service and were therefore reluctant to have this service taken away. However, the main reasons for using the cashiers service were historical and habit based, in no survey response was accessibility specifically mentioned as the reason for using the cashiers service above PayPoints and Post Offices. Typical responses were:

- Habit – ‘I’ve always done it like this’
- Social activity – ‘I like coming here, it get’s me out of the house’
- Quality of the service – ‘it’s quicker here and the service is reliable’

However, the proposal to enable payments or more services via PayPoints was welcomed by some during consultation with community groups. For example:

- The Positive Ageing Board highlighted that the proposal should improve safety for older people. In their experience, older people could be vulnerable when withdrawing pension money from a bank or Post Office and transferring this to the cashiers. Having more locations available would reduce the risk associated with transporting cash.
- Following discussion on the financial drivers for this proposal and the high costs of process cash, Age Concern commented that this did provide a logical solution provided it was properly implemented
- Lewisham Talking Newspaper said they had had some positive feedback about the experience of using PayPoints and said that their service users would support the proposal because it helps to support local businesses.

In both surveys and focus groups, consultees were asked to consider the key barriers to successfully implementing this change for specific groups and to make suggestions as to how these issues could be addressed. The following themes were identified:

- Maintaining the facility to pay by cash
- Accessibility of alternative payment channels
- Communication about the changes and transition planning
- Maintaining the customer experience

The issues raised as part of these themes is discussed below. Actions arising from the consultation linked to these themes are recorded in the action plan.

Maintaining the facility to pay by cash

- People do not always choose to pay cash but circumstances may make this their only option e.g. customers who do not have bank accounts
- Cash is an important channel for some customers, for example where carers pay for services on behalf of someone else
- People on low incomes can find it difficult to pay electronically by Direct Debit. Paying by cash enables them to keep more control over their finances
- Some older people do not trust electronic channels and will insist on paying directly to the council

Accessibility of alternative payment channels

- The cashiers service is accessible to people with disabilities and there is concern that the same will not be the case with Post Offices and PayPoints which are usually located within newsagents

Communication about the changes and transition planning

- Currently, some customers say that they are not aware of all the different ways to pay and how to use these
- We need to communicate the reasons for the change and how to pay using PayPoints clearly and consider how this will reach all communities. The voluntary sector could be used to communicate some of these messages
- We should plan for a transition period of around one month where we continue to take cash at cashiers but also advise customers of alternatives

Maintaining the customer experience

- Customers and community groups both highlighted that the current experience of using the cashiers service was good and this was a key reason for wanting to maintain the service.
- If customers are being asked to use PayPoints and Post Offices they should be able to expect a good level of customer service which includes limited queuing and disability awareness
- Customers highlighted that payments take longer to reach the council when paid at a PayPoint and that this could be a problem for customers who are close to their payment deadline and could have unnecessary recovery action taken against them
- Customers need to have proof that they have made a cash payment at a PayPoint in case problems arise.

Action Plan

Issue identified	Discussion	Identified Actions	Lead and timescale
Maintaining the facility to pay by cash			
<ul style="list-style-type: none"> • People do not always choose to pay cash but circumstances may make this their only option e.g. customers who do not have bank accounts • Cash is an important channel for some customers, for example where carers pay for services on behalf of someone else • People on low incomes can find it difficult to pay electronically by Direct Debit. Paying by cash enables them to keep more control over their finances • Some older people do not trust electronic channels and will insist on paying directly to the council 	<p>We will look at how to communicate alternatives and encourage customers to use electronic channels but recognise that cash cannot be entirely switched off as a payment channel. We are proposing to expand the range of services where cash can be taken at PayPoints and Post Offices and will continue to offer this service.</p>	<ul style="list-style-type: none"> • Develop communication materials to inform customers about the range of payment options which are available, including electronic and cash and PayPoints and Post Offices 	<p>Akweley Morton – March 2011</p>
Accessibility of alternative payment channels			
<ul style="list-style-type: none"> • The cashiers service is accessible to people with disabilities and there is concern that the same will not be the case with Post 	<p>This has been identified as a key issue by the project team and it is critical to ensure that accessible alternatives are</p>	<ul style="list-style-type: none"> • Conduct an accessibility audit of the five newsagents within walking distance to establish 	<p>Justine Roberts and Akweley Morton – March 2011</p>

<p>Offices and PayPoints which are usually located within newsagents</p>	<p>made available. To date we have identified that all of our post-offices have undergone access audits and information on their accessibility is readily available. There are five PayPoints within 100 metres of the cashiers service</p>	<p>accessibility</p> <ul style="list-style-type: none"> • Produce a print on demand leaflet to be made available to customers identifying the accessibility features of local PayPoints and Post Offices 	
Communication about the changes and transition planning			
<ul style="list-style-type: none"> • Currently, some customers say that they are not aware of all the different ways to pay and how to use these • We need to communicate the reasons for the change and how to pay using PayPoints clearly and consider how this will reach all communities. The voluntary sector could be used to communicate some of these messages • We should plan for a transition period of around one month where we continue to take cash at cashiers but also advise customers of alternatives 	<p>Communication has been identified as one of the core delivery strands if the closure of the cashiers service goes ahead. Initial meetings have already been held with our communications team to discuss possible approaches to this.</p> <p>Additionally, we have been reviewing the way in which information on 'how to pay' is sent out across the organisation in order to ensure that a clear and consistent message is being delivered.</p>	<ul style="list-style-type: none"> • Design poster and leaflets to be displayed in the cashiers service informing customers of the change and how to pay at PayPoints and Post Offices • Distribute leaflets via our network of voluntary and community sector organisations. • Put articles in Lewisham Life and MyLife explaining the change and what this means practically for people paying for council services • Implement a month long transition period during which time customers will be advised about how to pay by alternative 	<p>Justine Roberts/Akweley Morton – March 2011</p> <p>Justine Roberts/ Kevin Alcock – April/May 2011 (TBC)</p> <p>Justine Roberts – February 2011</p>

		<p>payment channels</p> <ul style="list-style-type: none"> • Design a corporate 'how to pay' document which clearly sets out the various ways to pay and is available for translation. 	
Maintaining the customer experience			
<ul style="list-style-type: none"> • Customers and community groups both highlighted that the current experience of using the cashiers service was good and this was a key reason for wanting to maintain the service. • If customers are being asked to use PayPoints and Post Offices they should be able to expect a good level of customer service which includes limited queuing and disability awareness • Customers highlighted that payments take longer to reach the council when paid at a PayPoint and that this could be a problem for customers who are close to their payment deadline and could have 	<p>The closure of the cashiers will mean that customers paying by cash will have a different journey but work is underway to look at how this can be managed smoothly and reduce the number of customer hand-offs. In particular we will work with our local post office (where the majority of cash payers are expected to move) to identify how we can support them to deliver customer focused services which are sensitive to the needs of disabled people.</p> <p>Additionally, our technological and process changes will ensure that no unnecessary recovery action is taken against people who have paid cash at a PayPoint or Post Office.</p> <p>Receipts are currently produced</p>	<ul style="list-style-type: none"> • Hold meeting with the Rushey Green Post Office to identify actions to support them to improve the customer experience of using the service. Develop an action plan from this to include, if required, training, ongoing liaison meetings etc. • Ensure that details on how long payments take to reach us are included on all 'how to pay' documents. • Ensure processes are put in place in each service which enable the customer to make a payment within a short 	<p>Peter Gadsdon – January 2011</p> <p>Justine Roberts- Feb 2011 (Included as part of the how to pay document) Processes – Justine Roberts – April 2011</p>

<p>unnecessary recovery action taken against them</p> <ul style="list-style-type: none"> • Customers need to have proof that they have made a cash payment at a PayPoint in case problems arise. 	<p>for all PayPoint and Post Office cash transactions.</p>	<p>time frame and ensure recovery action is only taken where necessary.</p> <ul style="list-style-type: none"> • Customers to be advised to keep receipts as proof of payment. 	
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Sign off

Equalities Lead

DMT.....

Summary of 2011/14 Loss of Grant Proposals – Children and Young People Directorate

Ref	Service	Summary of proposal	2011/12 £'000	2012/13 £'000	2013/14 £'000	Total Saving £'000	Consultation required	Posts affected
CYP71	School Improvement	Travellers Education Team will cease. Support will be provided for the community of travellers by other specialist teams.	78	0	0	78	Y	Y
CYP72	School Improvement	Reduction in School Improvement Partners undertaking work in schools. The work is contracted and therefore there are no redundancy implications for the Local Authority.	92	0	0	92	Y	N
CYP73	School Improvement	Music Service - reduction in tutors and instrument grant. NB A new grant is likely for different work on Music.	446	0	0	446	Y	Y
CYP74	School Improvement	Workforce Development Supporting children's workforce in schools modernisation and development. To reflect the full implementation of the workforce agreement.	134	0	0	134	Y	Y
CYP75	School Improvement	Primary Strategy Supporting the curriculum - reduction achieved by redundancy of staff.	349	0	0	349	Y	Y
CYP76	School Improvement	Secondary Strategy Supporting the curriculum - reduction achieved by redundancy of staff.	347	0	0	347	Y	Y
CYP77	School Improvement	Secondary Strategy - . Behaviour & Attendance Providing support to	68	0	0	68	Y	Y

		schools to contribute to improving behaviour and attendance, and reducing the need for exclusions.						
CYP78	School Improvement	Ethnic Minority Achievement Grant - Supporting LA strategy to bring about a whole school change in narrowing the achievement gaps for Black and minority ethnic pupils which in turn ensures equality of outcomes.	131	0	0	131	Y	Y
CYP79	School Improvement	Health Education Partnership The team deliver the healthy schools programme to schools. This includes sex and relationships, drug education and promoting healthy weight. Government grant was deleted hence redundancy of posts.	182	0	0	182	Y	Y
CYP80	School Improvement	Excellence in Cities - Support to schools includes gifted and talented, learning mentors, primary learning support and personalised learning. Schools will assume responsibility for some of this work.	212	0	0	212	Y	Y
CYP83	School Improvement	Reduction in the number of LEARN team consultants. It is proposed that Early Years Improvement services be provided through the new Early Intervention Grant	194	0	0	194	Y	Y
CYP85	Education Development Management	The grant related to the TUPE transfer of staff from the former Learning and Skills Council as the responsibilities transferred to the Local Authority, despite the	77	10	0	87	Y	Y

		guarantee of funding the grant has been cut - the proposals relates to the loss of three posts and relates to the level of grant loss.						
CYP86	Education Business Partnership	Lewisham Education Business Partnership engages employers to work on a range of activities for learners and teachers which develop skills for the world of work with the aim to raise the achievement, motivation, confidence and abilities of the young people of Lewisham to help prepare them for work, training or progression to higher education The proposal is to delete service currently funded from grant and general fund (£10k) - continuation of service based on traded activities.	168	0	0	168	Y	Y
CYP87	Lewisham City Learning Centre	The e-Learning Team was established in March 2009. It brought together the ICT Consultants and the City Learning College (CLC) into one team. The team works with both primary and secondary schools to introduce new qualifications, support new curriculum developments and optimise the use of ICT to drive up achievement and attainment. The CLC provides an innovative environment where schools utilise high quality facilities not available in their schools.	238	0	0	238	Y	Y

CYP88	School Improvement	The training facilities at Lewisham Learning and Development Centre will eventually be closed. Over the next year a skeleton staff will provide training facilities until the current building is converted for alternative use. The site has the potential to meet the primary places demand. This saving is achieved through a staff reduction.	59	0	0	59	Y	Y
CYP92	Special Needs	This grant provides for a multi-agency team of professionals to work with schools, families and young people who are at risk of exclusion due to behavioural and mental health difficulties. Intensive work is carried out to rehabilitate the young person and rebuild relationships with the settings in which the child is educated. The team also includes one family support worker. It is proposed that £350k of this will come from the Early Intervention Grant. The remainder provides a service through CAMHS and it is proposed that this is incorporated with the CAMHS re-specification.	533	0	0	533	Y	Y
CYP93	Special Needs	The service is currently working on a business plan to become a traded service for the non-statutory aspect of the service. The statutory function of the service is to lead on the statutory	252	0	0	252	Y	Y

		<p>assessment of SEN and to advise on the implementation of learning programmes. They also have a statutory function following the neonatal assessment of children with hearing and visual loss. The loss of £252k grant income will prompt a re-organisation of the service.</p> <p>Funding will be provided through the Early Intervention Grant</p> <p>There is potential for redundancies in this proposal but exact numbers are not known at this stage</p>						
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Grand Total Phase 2 Loss of Grant Proposals £3,570k

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION:		Children & Young People -Standards and Achievement	
REF: CYP71		LEAD OFFICER: Sue Tipler	
SERVICE: SCHOOL IMPROVEMENT		SELECT COMMITTEE: Children & Young People	
PORTFOLIO: Children & Young People			
2010/11 Net Controllable Budget: (£000's)			
Expenditure	Income	Net Budget	
£000's	£000's	£000's	
10,862	(10,862)	0	
Description of Service			
<p>Briefly describe your service and state who your customers and stakeholders are: The Traveller Education Service (TES) assists Gypsy Roma Traveller (GRT) families in the securing of school places and supports the children once in school by monitoring attendance and attainment, providing Outreach and facilitating home - school relations. It also supports parents, often with low literacy or with English as a additional language (EAL), in the education system which, for historical reasons, can seem forbidding and they have difficulty positively engaging in the process. The Traveller Education Service (TES) also provides direct teaching support, develops curriculum materials and delivers training on Gypsy Roma Traveller culture history and barriers to progress.</p>			
Description of saving proposed			
Travellers Education Team will cease. Support will be provided for the community of travellers by other specialist teams within the Directorate.			
Value of Proposals per year (£000's)			
2011/12:	2012/13:	2013/14:	Total 2011-14
78			78
Percentage of Net Budget proposed:		0%	
Effect on HRA/DSG:			
HRA: n/a DSG: n/a			
Outcome of Consultation (if required)			
<p>Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory</p> <p>Three consultation documents were circulated : (1) for Gypsy Roma Traveller communities, (2) for TES staff and (3) for Stakeholders. The documents set out the reasons and details for the proposed restructuring of the TES service and invited comments to be submitted to the TES Co-ordinator by 10.12.2010 (later extended to 17.1.2011).</p> <p>Consultation with GRT communities included home visits by TES staff and an Outreach worker from the Lewisham Irish Centre to explain the proposed changes and noting any responses. Any changes made to the proposals in the light of the consultation are to be reported back to the communities using the same methods.</p> <p>Consultations with other stakeholders (including schools) were undertaken by email and covering letter, and through meetings with TES staff.</p> <ul style="list-style-type: none"> • <i>Responses to the TES consultation:</i> <p>21 responses were received from members of the GRT communities and 14 responses were received from other stakeholders, including a response from Lewisham NUT. The main issues are summarised below:</p> <ul style="list-style-type: none"> ○ The main concern of GRT communities about the proposals related to the resulting loss of expertise and trusting relationship that the TES team currently provide; it was felt that the cultural understanding of the TES team is an essential factor in this relationship. Other stakeholders also expressed concern that the community do not respond well to fragmented support. ○ Members of the GRT community expressed concern about their vulnerability in dealing with mainstream services when adult and child literacy levels are perceived as low. 			

- Concern was expressed about poor knowledge amongst communities of how support systems operate.
- Schools expressed concerns that additional teaching support would adversely impact upon pupil achievement, that essential Outreach work would be lost and that TES promotes good transition outcomes. The NUT response also referred to the need to manage transfer between schools, and felt that the impact could be particularly felt for GRT pupils moving from Key Stage 2 to Key Stage 3.
- Concern about the high and increasing levels of mobility in the community and that the loss of the TES could result in more risk of young people “slipping off the radar” of services.
- Concern that GRT families could become more marginalised and socially excluded due to the proposals.
- Concerns about safeguarding issues for those young people not in school and possibly not known to the community.
- A written response from Lewisham NUT raised many of the above concerns and highlighted the very low levels of educational attainment the GRT pupils achieve nationally and which is reflected in Lewisham. NUT commented that a lack of specialist teaching support will have a direct negative impact on pupil achievement and attendance, upon teacher workloads, and will impact further upon an already very marginalised community.
- The NUT response stated that targeted support to GRT families and reducing NEETs (those not in Education, Employment or Training) would be more effective overall in reducing costs that will otherwise be incurred by supporting more young people without qualifications and at greater risk of anti-social behaviour.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 2

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Neutral
Level of Impact: High	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative 2012/13: Negative 2013/14: Negative

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	High	Disability:	Low
Gender:	High	Sexual Orientation:	N/A
Age:	Medium	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

A full Equalities Impact Assessment has been completed for this proposal. Initial equalities assessments are as follows:

Ethnicity

The ceasing of the TES will mean that children and families within Gypsy, Irish Traveller and Roma communities will be negatively impacted by the proposed changes. In particular it is possible that there will be a negative impact upon the educational attainment and achievement of pupils from these groups.

Gender

All staff in the TES are female

Age

This is a service that supports children and young people and so any reduction will affect this group.

Outcome of full Equalities Impact Assessment (if required) :

A full EIA of the School Improvement proposals has been completed.

Full mitigation will not be possible and the proposals will have a negative impact upon some equalities groups. However a number of actions will be taken to reduce impacts where possible and are listed below. Implementation of the Action Plan will be co-ordinated and monitored by the LBL Children & Young People's Standards and Achievement division.

Issue	Equality category	Recommendation / Action			
Maintenance of Lewisham's duty of care to GRT communities	Race	LA to establish identifiable dedicated transitional support (including creating a transitional post) to support GRT families during the process of change.			
Maintenance of Lewisham's duty of care to GRT communities	Race	SIT to work with schools to ensure that sufficient and robust processes are in place to maintain support to GRT communities in accessing education and continuity of provision.			
Ensure that Continual Professional Development funding is managed equitably according to needs and that outcomes are monitored	All groups	Establish clear and transparent processes for the future management of Continual Professional Development			
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	2			2	
FTE equivalent - posts: 1.8			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	0.8			1	
How do you expect to reduce these posts?					
Redundancy/ Redeployment	1. 8	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
Possibly users may need to access some broader support from voluntary organisations in the future					
Legal Implications					
None					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP72 SERVICE: SCHOOL IMPROVEMENT PORTFOLIO: Children & Young People	Children & Young People -Standards and Achievement LEAD OFFICER: Sue Tipler SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
10,862	(10,862)	0

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The School Improvement Partner (SIP) national programme was developed by the previous government to challenge and support school leaders as they assess how well their schools are performing, plan for the future and identify the support their school needs to raise levels of achievement for all its learners. The impact of the SIP programme on progress and standards for all learners has been monitored and evaluated through the National Strategies.

Every local authority (LA) was required to deploy a SIP to every school it maintains for an average of five days per year for each school. SIPs carry out the LA's statutory duties to challenge, support and monitor their schools. In doing this they :

- interrogate the school's performance and other data
- challenge and support the school on its self-evaluation
- identify a small number of key priorities for improvement from the self-evaluation
- ensure the school adopts high-impact strategies to improve its priorities
- broker support to assist the school in its improvement
- help the school monitor and evaluate the impact of its actions and the support it has engaged, or that has been engaged on its behalf by the LA.

SIPs provide challenge to the school leadership team. They support further improvement in the school through the quality of the school improvement dialogue, and the knowledge, skills and understanding they bring to the role. SIPs respond to what the school is telling them through their school self-evaluation (SSE) and school improvement planning.

Description of saving proposed

Redction in School Improvement Partners undertaking work in schools, due to ending of grant. We will be using general fund to meet our statutory duty in this area. There will be a reduction of some external SIPs, their contracts will be changed and we will be using more in-house staff to fulfil our statutory duties. We have kept a small team to support schools to success. We are using partnerships and federation with outstanding schools as a means to supporting schools more successfully.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
92			92

Percentage of Net Budget proposed:

Effect on HRA/DSG:

HRA: n/a
DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Members of the School Improvement Team as well as school representatives have been involved in discussions regarding changes to the SIT service since January 2010. A full consultation paper was distributed to all staff and schools in September 2010 via the Primary and Secondary Strategic Groups and in Schools Mailout in early September 2010 with a deadline of 29th September for submission of comments. A meeting with local Trades Union representatives was held and the unions noted the efforts to protect staff through deletion of vacant posts and redundancy payments; it was noted that any individual staff concerns are being addressed. The Unions had five specific concerns:

- support for Newly Qualified Teachers (NQTs) becoming fragmented
- access to continuing professional development (CPD)
- support for schools in difficulty
- support for the Travellers community
- the future of the Lewisham Learning and Development College (LLDC)

The LA responded that the NQT function is being retained but in future may need to be done on a traded basis; approaches would be made to LB Southwark on moving to a better traded position. The LA said that schools will also need to buy CPD. With regard to schools in difficulty, the LA said that schools might retain this role; no audit/challenge role would be provided without support being offered, although schools would need to buy into this service. The LA confirmed that the proposals for the Travellers community had been moved to Phase 2 so that the issues could be looked at. The LA also acknowledged that the LLDC is a great resource but that if, after consultation, schools wanted it they would have to pay for it. Training sessions can be provided within schools.

The issues raised by headteachers during the consultation on the overall restructuring of the School Improvement service were:

- How to develop a clear dialogue between the local authority and schools which results in significant raising of standards and closing the gaps?
 - Continual professional development – how do we capture systematically good support that is on offer and know that it is effective?
 - Need to develop ways to ensure that Lewisham’s innovative style is not lost in the change process
 - Develop ways to carefully manage continual professional development funding from the centre in an equitable way.
- No other issues relating specifically to the reduction of SIT support staff were raised during the consultation.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:

4

Impact on Corporate Priorities:

Most relevant:

Second most relevant:

Main Priority: B

Secondary Priority: J

Impact of saving on corporate priority : Negative

Impact of saving on corporate priority: Positive

Level of Impact: Low

Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative

2012/13: Neutral

2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity: Medium

Disability: Medium

Gender: Medium

Sexual Orientation: N/A

Age: Medium

Religion/Belief: N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Proposals to reduce support and challenge to schools may result in eventual changes to attainment levels by various groups if this focus is not retained within schools. For example the emphasis on ethnic minority achievement of pupils may not be so rigorous and there will be less capacity to monitor this. There has also been a focus on low attainment levels of boys (including boys from black and minority ethnic groups) and the proposals may therefore result in a reduction of this focused support.

Similarly there will be reduced support to schools in managing provision for children with special educational needs and disabilities.

Outcome of full Equalities Impact Assessment (if required) :

An EIA of the Phase 2 Year 1 proposals noted that there are some adverse impacts identified for certain equality groups which relate mainly to staff and reflect the general picture across the LA where a majority of staff are female.

The EIA recommended that the LA should closely monitor outcomes of pupils within the vulnerable groups (e.g. attainment of boys, attainment of different ethnic minority groups of pupils, attainment of children with special educational needs) and amend / implement programmes for any areas of concern when required.

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
None					
Legal Implications					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP73 SERVICE: SCHOOL IMPROVEMENT PORTFOLIO: Children & Young People	Children & Young People -Standards and Achievement LEAD OFFICER: Sue Tipler SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
10,862	(10,862)	0

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Lewisham Music Service co-ordinates and delivers tuition and music participation programmes for over 4000 children every week in schools, after school and Saturday centres. The service co-ordinates and assures quality of instrumental and vocal tuition, and other music making activities, including ensembles for people of all ages and abilities.

There is a central core management team and approximately 60 music tutors who are employed on a sessional basis; 32 of these would be eligible for redundancy.

Description of saving proposed

A reduction in provision of music services (including tuition) across the borough. A new grant is possible for different work on music tuition, pending a central government review of music services.

There is a central core management team and approximately 60 music tutors who are employed on a sessional basis; 32 of these would be eligible for redundancy.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
446			446

Percentage of Net Budget proposed: **58%**

Effect on HRA/DSG:

HRA: n/a
DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

A consultation exercise with staff and other stakeholders began in November 2010 and ended on 17th January 2011. This has included meetings held with parents of children taking part in evening classes and after school programmes (3 parents attended) and a meeting for parents of pupils attending the Saturday Centre (at which about 15 parents attended). Consultation with staff has included discussion at two staff meetings and individual meetings with management team managers. 15 written responses have been received: two from Music Service staff; nine from parents one from the Musicians Union; three from other stakeholders.

The parent consultation focused on two key areas (1) restructuring of Saturday Centre provision and ensembles and (2) ceasing of evening classes at The Albany.

Parents who attended the Saturday Centre consultation event as well as in written comments have expressed their support for the work of the Centre and acknowledged that charges are currently low; there was general acceptance that charges could be increased in order to maintain the service and that a change in provision is expected. There was support for tuition to return to the Saturday Centre. Parents also accepted the current lack of affordability of the evening classes at the Albany Centre and noted that the LA cannot provide financial support to parents for this. The LA is to look at alternative provision including separate arrangements that might be made with schools.

The main equalities concern expressed during the consultations has been about the provision of out of school music services for children who receive free school meals. The LA's response to this is that it is prioritising

music provision to children within schools because this is the best way of ensuring inclusion of those children from lower income families. The Saturday Centre will also explore flexible options for charges to be paid that each family can afford. The LA is also exploring the development of bursaries to enable disadvantaged and “gifted and talented” children to continue affordable music opportunities in after school programmes and projects.

There have been few responses from schools to the consultation, but they have expressed willingness to work creatively with the Music Service in the future and are in agreement, if central support is limited due to funding changes, with the need to take more responsibility for music tutors within schools.

Staff have accepted that the Music service cannot continue in its current form, but feel that it should continue within schools and that the LA should not prevent this. Music Service staff have said that it will be difficult for the provision to continue without a management and administrative team; the LA does not accept that this is the case and has confidence that working closely with schools will be successful.

Some staff have also expressed concern that quality of provision will suffer and that current standards will not be maintained if the proposals are implemented. This view is not shared by a number of headteachers, some of whom are already successfully employing music tutors as self-employed contractors within schools.

It was commented that some children attend evening classes because they are unable to access similar provision within schools; it was therefore noted that ceasing this provision will restrict choices for pupils. However, the LA notes that there are other local providers who could be make arrangements with schools and the LA will provide good information and guidance to schools on this.

A positive outcome of the proposal to cease provision at the Albany Centre is that it will enable more work with schools to deliver broader provision across the borough; the current location is limited as it is only convenient for those within the Deptford area.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 2

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Positive
Level of Impact: High	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative	2012/13: Negative	2013/14: Negative
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Disability:	Low
Gender:	Low	Sexual Orientation:	N/A
Age:	Medium	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Age
Changes may impact upon children and young people attending evening classes and lessons at Saturday Centres. Proposals to relocate tuition classes from the Albany Centre could be used to improve the accessibility of music opportunities across the borough.

The main equalities concern expressed during the consultations has been about the provision of out of school music services for children who receive free school meals. The LA’s response to this is that it is prioritising music provision to children within schools because this is the best way of ensuring inclusion of those children from lower income families. The Saturday Centre will also explore flexible options for charges to be paid that each family can afford. The LA is also exploring the development of bursaries to enable disadvantaged and “gifted and talented” children to continue affordable music opportunities in after school programmes and projects.

Outcome of full Equalities Impact Assessment (if required) :

An EIA on the Phase 2 year 2 savings proposals is in development and includes consideration of impact on changes to the Lewisham Music Service.

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
1		1		3	
FTE equivalent - posts: 5			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
1		1		2	
How do you expect to reduce these posts?					
Redundancy/ Redeployment	4	TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
The Music service utilises some PVI services (e.g. some sessions take place at the Albany Centre) and the proposals may lead to a reduction in this.					
Legal Implications					
None					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
Changes will have a negative impact upon children and young people who receive Free School Meals discounts on fees for evening classes, ensemble and Saturday Centres. Charges for after-school and Saturday services will also need to be reviewed and may result in possible fee increases taking effect.					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP74 SERVICE: SCHOOL IMPROVEMENT PORTFOLIO: Children & Young People	Children & Young People - Children's Social Care LEAD OFFICER: Sue Tipler SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
10,862	(10,862)	0

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The purpose of the programme is to implement, review and revise the Lewisham workforce and succession planning strategy that is focused on developing the schools workforce to meet the needs of 21st century education in Lewisham. The key strands to this work are: (1) Implement phase two of the Lewisham Leadership and Development College, (2) Strengthen leadership at every level in schools (3) Develop schools as part of the wider children's workforce and (4) Improve quality and capacity of governing bodies through strategic involvement of Governor Services.

Description of saving proposed

Reduction in support given to schools relating to workforce development and modernisation.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
134			134.000

Percentage of Net Budget proposed: 0.00%

Effect on HRA/DSG:

HRA: n/a
 DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Members of the School Improvement Team as well as school representatives have been involved in discussions regarding changes to the SIT since January 2010. A full consultation paper was distributed to all staff and schools in September 2010.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Negative 2013/14: Negative

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Disability:	Low
Gender:	Low	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	Low

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

A reduction in workforce development initiatives will have some impact upon those staff who are most in need of support to pursue more senior graded positions e.g. women and staff from black and minority ethnic groups.

Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					NO
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
None					
Legal Implications					
None					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP75 SERVICE: SCHOOL IMPROVEMENT PORTFOLIO: Children & Young People	Children & Young People -Standards and Achievement LEAD OFFICER: Sue Tipler SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
10,862	(10,862)	0

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The purpose of the Primary Strategy project is to implement targeted projects and programmes to impact upon key strands within the Lewisham Children and Young People's Plan 2009-2012 linked to five programmes: (1) Progress and Achievement (2) Personalisation (3) Curriculum (4) Leadership and Management and (5) Equalities

Description of saving proposed

A reduction in support to primary schools in the areas listed above.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
349.000			349.000

Percentage of Net Budget proposed:

Effect on HRA/DSG:

HRA: N/A
DSG: N/A

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Members of the School Improvement Team as well as school representatives have been involved in discussions regarding changes to the SIT service since January 2010. A full consultation paper was distributed to all staff and schools via the Primary and Secondary Strategic Groups and in Schools Mailout in early September 2010 with a deadline of 29th September for submission of comments. A meeting with local Trades Union representatives was held and the unions noted the efforts to protect staff through deletion of vacant posts and redundancy payments; it was noted that any individual staff concerns are being addressed.

The Unions had five specific concerns:

- support for Newly Qualified Teachers (NQTs) becoming fragmented
- access to continuing professional development (CPD)
- support for schools in difficulty
- support for the Travellers community
- the future of the Lewisham Learning and Development College (LLDC)

The LA responded that the NQT function is being retained but in future may need to be done on a traded basis; approaches would be made to LB Southwark on moving to a better traded position. The LA said that schools will also need to buy CPD. With regard to schools in difficulty, the LA said that schools might retain this role; no audit/challenge role would be provided without support being offered, although schools would need to buy into this service. The LA confirmed that the proposals for the Travellers community had been moved to Phase 2 so that the issues could be looked at. The LA also acknowledged that the LLDC is a great resource but that if, after consultation, schools wanted it they would have to pay for it. Training sessions can be provided within schools.

The issues raised by headteachers during the consultation on the overall restructuring of the School Improvement service were:

- How to develop a clear dialogue between the local authority and schools which results in significant raising of standards and closing the gaps?

- Continual professional development – how do we capture systematically good support that is on offer and know that it is effective?
- Need to develop ways to ensure that Lewisham's innovative style is not lost in the change process
- Develop ways to carefully manage continual professional development funding from the centre in an equitable way.

No other issues relating specifically to the reduction of SIT support staff were raised during the consultation. However, during a later meeting of the Lewisham Primary Heads Consultative Forum some issues were raised relating to continuing professional development (CPD) provision from the SIT and the proposed closure of the Lewisham Learning and Development College. Primary Heads stated their support for retaining the LLDC and expressed concern about the impact of the closure on the Newly Qualified Teachers (NQT) programme. It was agreed that further consultation with heads should be undertaken about the amount of CPD they might require in future.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Neutral
Level of Impact: High	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative 2012/13: Negative 2013/14: Negative

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Medium	Disability:	Medium
Gender:	High	Sexual Orientation:	N/A
Age:	Low	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

All staff are female and so there will be a significant impact for these people, about 80% of them are white British, which is not representative of the overall resident or staffing population of the borough, and so there will be a significant impact for this group.

There will also be an impact upon certain equality groups due to the loss of expertise. Some consultants will be retained to provide intensive support to schools to address the achievement gap (e.g. ethnic minority attainment; boys' attainment) and this work will be mainstreamed within the SIT to ensure that all pupils are accounted for and are monitored to achieve their full potential.

Outcome of full Equalities Impact Assessment (if required) :

An Equalities Impact Assessment of the SIT reorganisation proposals was reported to Mayor and Cabinet in November 2010 as part of the Phase 2 year 1 proposals. This EIA concluded that there would be some adverse impact upon certain equality groups but that due regard had been paid to meet the duties relating to the Sex Discrimination Act section 76, the Race Relations Act section 71 and the Disability Discrimination Act section 49. The EIA noted that the impacts related mainly to staff and reflect the general picture across the local authority where a majority of staff are female. However it was noted that the majority of staff in SIT are White British which is not representative of the overall resident or staffing population of the borough, and so there will be a significant impact for this group.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? YES

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	1			4	
FTE equivalent - posts: 4			FTE equivalent - vacant posts: 1.6		

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	1			4	

How do you expect to reduce these posts?

Redundancy/ Redeployment	2. 4	TUPE		Retirement	1.8	Delete vacant post	1.6
Additional Information							
Ward/Geographical implications							
Borough wide							
Impact on Voluntary Sector							
None							
Legal Implications							
None							
Can this saving be taken in current Financial Year:						NO	
If yes to previous question what is the value that can be taken?							
What consideration has been given to the possible socio-economic implications of your savings proposals							

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP76 SERVICE: SCHOOL IMPROVEMENT PORTFOLIO: Children & Young People	Children & Young People -Standards and Achievement LEAD OFFICER: Sue Tipler SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
10,862	(10,862)	0

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The key aim of the Secondary Strategy is to support all secondary schools in Lewisham (including ten maintained schools, three Academies and three Special schools) to become outstanding in terms of pupil outcomes. The focus is to ensure that all students make at least good progress against national standards and that some pupils make outstanding progress to catch up with their high-attaining peers, in particular pupils on Free School Meals.

Description of saving proposed

The proposal will mean that targeted subject support to schools will not continue; planned courses programmes will cease and subject leader development meetings will not take place. There will be a reduction of SIT staff supporting secondary schools which will result in loss of subject knowledge and expertise within the team.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
347			347

Percentage of Net Budget proposed: 0.00%

Effect on HRA/DSG:

HRA: n/a
DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Members of the School Improvement Team as well as school representatives have been involved in discussions regarding changes to the SIT service since January 2010. A full consultation paper was distributed to all staff and schools via the Primary and Secondary Strategic Groups in September 2010. Members of the School Improvement Team as well as school representatives have been involved in discussions regarding changes to the SIT service since January 2010. A full consultation paper was distributed to all staff and schools via the Primary and Secondary Strategic Groups in Schools Mailout in early September 2010 with a deadline of 29th September for submission of comments. A meeting with local Trades Union representatives was held and the unions noted the efforts to protect staff through deletion of vacant posts and redundancy payments; it was noted that any individual staff concerns are being addressed.

The Unions had five specific concerns:

- support for Newly Qualified Teachers (NQTs) becoming fragmented
- access to continuing professional development (CPD)
- support for schools in difficulty
- support for the Travellers community
- the future of the Lewisham Learning and Development College (LLDC)

The LA responded that the NQT function is being retained but in future may need to be done on a traded basis; approaches would be made to LB Southwark on moving to a better traded position. The LA said that schools will also need to buy CPD. With regard to schools in difficulty, the LA said that schools might retain this role; no audit/challenge role would be provided without support being offered, although schools would need to buy into this service. The LA confirmed that the proposals for the Travellers community had been moved to Phase 2 so that the issues could be looked at. The LA also acknowledged that the LLDC is a great

resource but that if, after consultation, schools wanted it they would have to pay for it. Training sessions can be provided within schools.

The issues raised by headteachers during the consultation on the overall restructuring of the School Improvement service were:

- How to develop a clear dialogue between the local authority and schools which results in significant raising of standards and closing the gaps?
- Continual professional development – how do we capture systematically good support that is on offer and know that it is effective?
- Need to develop ways to ensure that Lewisham’s innovative style is not lost in the change process
- Develop ways to carefully manage continual professional development funding from the centre in an equitable way.

No other issues relating specifically to the reduction of SIT support staff were raised during the consultation.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Negative
Level of Impact: High	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative 2012/13: Negative 2013/14: Negative

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Medium	Disability:	Low
Gender:	High	Sexual Orientation:	N/A
Age:	Low	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

All staff in the team are female and so any reductions will impact more significantly upon them; most staff are white British which is not representative of the overall resident or staffing population of the borough and so there will be a significant impact for this group.

Outcome of full Equalities Impact Assessment (if required) :

An Equalities Impact Assessment of the SIT reorganisation proposals was reported to Mayor and Cabinet in November 2010 as part of the Phase 2 year 1 proposals. This EIA concluded that there would be some adverse impact upon certain equality groups but that due regard had been paid to meet the duties relating to the Sex Discrimination Act section 76. the Race Relations Act section 71 and the Disability Discrimination Act section 49. The EIA noted that the impacts related mainly to staff and reflect the general picture across the local authority where a majority of staff are female. However it was noted that the majority of staff in SIT are White British which is not representative of the overall resident or staffing population of the borough, and so there will be a significant impact for this group.

The EIA noted that if the proposals are approved it will need to be ensured that the focus of support to vulnerable groups of pupils is maintained, and that there will need to be continued close monitoring of outcomes of pupils within these groups (e.g attainment of boys, attainment of children with special educational needs) and that programmes should be amended for any areas of concern when required.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? YES

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	1			1.4	
FTE equivalent - posts: 1			FTE equivalent - vacant posts: 1.4		

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	1				
How do you expect to reduce these posts?					
Redundancy/ Redeployment	1	TUPE	Retirement	Delete vacant post	1.4
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
None					
Legal Implications					
no					
Can this saving be taken in current Financial Year:				NO	
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP77 SERVICE: SCHOOL IMPROVEMENT PORTFOLIO: Children & Young People	Children & Young People -Standards and Achievement LEAD OFFICER: Sue Tipler SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
10,862	(10,862)	0

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 This funding is used to deliver the National Programme for Specialist Leaders of Behaviour and Attendance in schools targeted as a result of Ofsted findings. The programme develops capacity in schools, making them less reliant on external support. It also funds the secondary SEAL (Social and emotional aspects of learning) Advisor which contributes to pupils' motivation and emotional health as well as behaviour and attendance, all leading to increased attainment.

Description of saving proposed

Reduction of provision of training programmes and support for schools identified as needing this support in managing behaviour and attendance.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
68			68

Percentage of Net Budget proposed:

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Members of the School Improvement Team as well as school representatives have been involved in discussions regarding changes to the SIT service since January 2010. A full consultation paper was distributed to all staff and schools via the Primary and Secondary Strategic Groups in Schools Mailout in early September 2010 with a deadline of 29th September for submission of comments. A meeting with local Trades Union representatives was held and the unions noted the efforts to protect staff through deletion of vacant posts and redundancy payments; it was noted that any individual staff concerns are being addressed.

The Unions had five specific concerns:

- support for Newly Qualified Teachers (NQTs) becoming fragmented
- access to continuing professional development (CPD)
- support for schools in difficulty
- support for the Travellers community
- the future of the Lewisham Learning and Development College (LLDC)

The LA responded that the NQT function is being retained but in future may need to be done on a traded basis; approaches would be made to LB Southwark on moving to a better traded position. The LA said that schools will also need to buy CPD. With regard to schools in difficulty, the LA said that schools might retain this role; no audit/challenge role would be provided without support being offered, although schools would need to buy into this service. The LA confirmed that the proposals for the Travellers community had been moved to Phase 2 so that the issues could be looked at. The LA also acknowledged that the LLDC is a great resource but that if, after consultation, schools wanted it they would have to pay for it. Training sessions can be provided within schools.

The issues raised by headteachers during the consultation on the overall restructuring of the School Improvement service were:

- How to develop a clear dialogue between the local authority and schools which results in significant raising of standards and closing the gaps?
- Continual professional development – how do we capture systematically good support that is on offer and know that it is effective?
- Need to develop ways to ensure that Lewisham’s innovative style is not lost in the change process
- Develop ways to carefully manage continual professional development funding from the centre in an equitable way.

No other issues relating specifically to the reduction of SIT support staff were raised during the consultation.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Positive
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: **Negative** 2012/13: **Neutral** 2013/14: **Neutral**

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Disability:	Low
Gender:	Low	Sexual Orientation:	Low
Age:	Low	Religion/Belief:	Low

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Pupils with behavioural problems or poor attendance are more represented in certain categories e.g. children with special educational needs, or those who have been bullied due to issues relating to race, religion, sexuality or gender identity. The proposals will lead to some reduced support to these groups.

Outcome of full Equalities Impact Assessment (if required) :

An Equalities Impact Assessment of the SIT reorganisation proposals was reported to Mayor and Cabinet in November 2010 as part of the Phase 2 year 1 proposals. This EIA concluded that there would be some adverse impact upon certain equality groups but that due regard had been paid to meet the duties relating to the Sex Discrimination Act section 76. the Race Relations Act section 71 and the Disability Discrimination Act section 49. The EIA noted that the impacts related mainly to staff and reflect the general picture across the local authority where a majority of staff are female. However it was noted that the majority of staff in SIT are White British which is not representative of the overall resident or staffing population of the borough, and so there will be a significant impact for this group.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? YES

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
				0.6	
FTE equivalent - posts:			FTE equivalent - vacant posts: 0.6		

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
				0.6	

How do you expect to reduce these posts?

Redundancy/Redeployment	0.6	TUPE		Retirement		Delete vacant post	
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Additional Information

Ward/Geographical implications	
Borough wide	
Impact on Voluntary Sector	
No	
Legal Implications	
Can this saving be taken in current Financial Year:	No
If yes to previous question what is the value that can be taken?	
What consideration has been given to the possible socio-economic implications of your savings proposals	

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP78 SERVICE: SCHOOL IMPROVEMENT PORTFOLIO: Children & Young People	Children & Young People -Standards and Achievement LEAD OFFICER: Sue Tipler SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
10,862	(10,862)	0

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Ethnic Minority Achievement Service (EMAS) is funded by a ring-fenced grant aimed at bringing about whole school change in narrowing achievement gaps for black and minority ethnic pupils which ensures equality of outcomes. It covers some costs of additional support to meet the needs of bilingual learners and underachieving groups. The Equalities and Achievement programme aims to raise the achievement of priority groups by improving teaching and learning, partnership working and a strong focus on community cohesion.

Description of saving proposed

A reduction of two project consultants specialising in EMAS. A reduction in provision of continuing professional development and support to schools; reduction in support to schools for working with new arrivals; reduction in support to schools for working with young interpreters. All EMAS grant funding is now being devolved directly to schools so that they can buy-in support directly if needed.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
131			131

Percentage of Net Budget proposed: 0%

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Members of the School Improvement Team as well as school representatives have been involved in discussions regarding changes to the SIT service since January 2010. A full consultation paper was distributed to all staff and schools via the Primary and Secondary Strategic Groups and in Schools Mailout in early September 2010 with a deadline of 29th September for submission of comments. A meeting with local Trades Union representatives was held and the unions noted the efforts to protect staff through deletion of vacant posts and redundancy payments; it was noted that any individual staff concerns are being addressed.

The Unions had five specific concerns:

- support for Newly Qualified Teachers (NQTs) becoming fragmented
- access to continuing professional development (CPD)
- support for schools in difficulty
- support for the Travellers community
- the future of the Lewisham Learning and Development College (LLDC)

The LA responded that the NQT function is being retained but in future may need to be done on a traded basis; approaches would be made to LB Southwark on moving to a better traded position. The LA said that schools will also need to buy CPD. With regard to schools in difficulty, the LA said that schools might retain this role; no audit/challenge role would be provided without support being offered, although schools would need to buy into this service. The LA confirmed that the proposals for the Travellers community had been moved to Phase 2 so that the issues could be looked at. The LA also acknowledged that the LLDC is a great resource but that if, after consultation, schools wanted it they would have to pay for it. Training sessions can be provided within schools.

The issues raised by headteachers during the consultation on the overall restructuring of the School Improvement service were:

- How to develop a clear dialogue between the local authority and schools which results in significant raising of standards and closing the gaps?
- Continual professional development – how do we capture systematically good support that is on offer and know that it is effective?
- Need to develop ways to ensure that Lewisham’s innovative style is not lost in the change process
- Develop ways to carefully manage continual professional development funding from the centre in an equitable way.

No other issues relating specifically to the reduction of SIT support staff were raised during the consultation.

An Equalities Impact Assessment of the SIT reorganisation proposals was reported to Mayor and Cabinet in November 2010 as part of the Phase 2 year 1 proposals. The EIA noted that the proposals have been developed to ensure that key programmes are mainstreamed for more effective support regarding concerns about vulnerable and underachieving children and young people. It was noted that Lewisham Challenge has been developed in order to maintain and mainstream key strategies (including pupils from black and ethnic minority groups) and that key to this is the use of the “Lens” approach to identify the most vulnerable children and young people and work with them directly; having this focus within schools should ensure more personalised support. The mainstreaming of this programme with school-to-school support ensures its continuation and further development across schools.

The specific proposals relating to EMAS will result in some reduction in support to schools regarding a range of issues relating to improving the achievement and educational attainment of pupils from black and minority ethnic groups. This will include the focus on attainment levels of black Caribbean boys and white working class boys. It will also result in a reduction in support and guidance to schools relating to community cohesion. A smaller team is being retained to further develop this work. The Black Pupils’ Achievement Programme is being continued as part of Lewisham Challenge, in addition to the “Lens” group work. A pan-London English as an Additional Language (EAL) network has been established, of which Lewisham is a member.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:

4

Impact on Corporate Priorities:

Most relevant:

Second most relevant:

Main Priority: B

Secondary Priority: J

Impact of saving on corporate priority : Negative

Impact of saving on corporate priority: Neutral

Level of Impact: Medium

Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative

2012/13: Negative

2013/14: Negative

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity: High

Disability: Low

Gender: Medium

Sexual Orientation: Low

Age: Medium

Religion/Belief: Medium

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

The proposals will result in a reduction in support to schools regarding a range of issues relating to improving the achievement and educational attainment of pupils from black and minority ethnic groups. This will include the focus on attainment levels of black Caribbean boys and white working class boys. It will also result in a reduction in support and guidance to schools relating to community cohesion. A smaller team is being retained to develop the work

Outcome of full Equalities Impact Assessment (if required) :

An Equalities Impact Assessment of the SIT reorganisation proposals was reported to Mayor and Cabinet in November 2010 as part of the Phase 2 year 1 proposals. The EIA noted that the proposals have been developed to ensure that key programmes are mainstreamed for more effective support regarding concerns about vulnerable and underachieving children and young people. It was noted that Lewisham Challenge has been developed in order to maintain and mainstream key strategies (including pupils from black and ethnic minority groups) and that key to this is the use of the “Lens” approach to identify the most vulnerable children and young people and work with them directly; having this focus within schools should ensure more personalised support. The mainstreaming of this programme with school-to-school support ensures its continuation and further development across schools.

The specific proposals relating to EMAS will result in some reduction in support to schools regarding a range of issues relating to improving the achievement and educational attainment of pupils from black and minority ethnic groups. This will include the focus on attainment levels of black Caribbean boys and white working class boys. It will also result in a reduction in support and guidance to schools relating to community cohesion. A smaller team is being retained to further develop this work. The Black Pupils' Achievement Programme is being continued as part of Lewisham Challenge, in addition to the "Lens" group work. A pan-London English as an Additional Language (EAL) network has been established, of which Lewisham is a member.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? YES

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
				2	
FTE equivalent - posts: 2			FTE equivalent - vacant posts:		

From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
				2	

How do you expect to reduce these posts?

Redundancy/ Redeployment	2	TUPE		Retirement		Delete vacant post	
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Additional Information

Ward/Geographical implications

Borough wide

Impact on Voluntary Sector

There will be a reduction in some joint work undertaken with community and voluntary sector organisations.

Legal Implications

None

Can this saving be taken in current Financial Year:

NO

If yes to previous question what is the value that can be taken?

What consideration has been given to the possible socio-economic implications of your savings proposals

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP79 SERVICE: SCHOOL IMPROVEMENT PORTFOLIO: Children & Young People	Children & Young People -Standards and Achievement LEAD OFFICER: Sue Tipler SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
10,862	(10,862)	0

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Healthy Schools team provides guidance to schools on the physical and emotional wellbeing of children and young people, recognising that Healthy Schools plays an important role in helping children and young people reach their full potential. This includes sex and relationships, drug education and promoting healthy weight.

Description of saving proposed

Ceasing the activities of the Healthy Schools Team within the School Improvement Team. As more schools have achieved "Healthy Schools" status they have built up their own capacity to sustain this work. (This formed part of the SIT Phase 2 Year 1 savings proposals submitted to Mayor and Cabinet in November 2010. Staff will be made redundant at the end of March 2011).

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
182			182

Percentage of Net Budget proposed: 0%

Effect on HRA/DSG:

HRA:
DSG:

Outcome of Consultation (if required)

An Equalities Impact Assessment of the SIT reorganisation proposals was reported to Mayor and Cabinet in November 2010 as part of the Phase 2 year 1 proposals. The EIA noted that the proposals have been developed to ensure that key programmes are mainstreamed for more effective support regarding concerns about vulnerable and underachieving children and young people. It was noted that Lewisham Challenge has been developed in order to maintain and mainstream key strategies (including pupils from black and ethnic minority groups) and that key to this is the use of the "Lens" approach to identify the most vulnerable children and young people and work with them directly; having this focus within schools should ensure more personalised support. The mainstreaming of this programme with school-to-school support ensures its continuation and further development across schools.

The specific proposals relating to EMAS will result in some reduction in support to schools regarding a range of issues relating to improving the achievement and educational attainment of pupils from black and minority ethnic groups. This will include the focus on attainment levels of black Caribbean boys and white working class boys. It will also result in a reduction in support and guidance to schools relating to community cohesion. A smaller team is being retained to further develop this work. The Black Pupils' Achievement Programme is being continued as part of Lewisham Challenge, in addition to the "Lens" group work. A pan-London English as an Additional Language (EAL) network has been established, of which Lewisham is a member.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative		2012/13: Negative		2013/14: Negative	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:		Medium		Disability:	
Gender:		Medium		Sexual Orientation:	
Age:		Low		Religion/Belief:	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
The Healthy Schools Team has advised on a range of personal and sexual health education issues including those relating to gender health and sexual identity. Members of the team have also supported and promoted work with schools in tackling the different aspects of bullying including homophobic bullying.					
Outcome of full Equalities Impact Assessment (if required) :					
The LA will need to ensure that there remains co-ordination of support to schools in effectively tackling bullying.					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
				4	
FTE equivalent - posts: 3.2			FTE equivalent - vacant posts: 0.6		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
				3.2	
How do you expect to reduce these posts?					
Redundancy/ Redeployment	2. 6	TUPE	Retirement	0.6	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
Members of the team have been involved in joint work with colleagues in voluntary sector organisations (e.g. Metro Centre) and this work will therefore be reduced.					
Legal Implications					
None					
Can this saving be taken in current Financial Year:				NO	
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION:	Children & Young People - Children's Social Care
REF: CYP80	LEAD OFFICER: Sue Tipler
SERVICE: SCHOOL IMPROVEMENT	SELECT COMMITTEE: Children & Young People
PORTFOLIO: Children & Young People	

2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
10,862	(10,862)	0

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Excellence in Cities was a broad-ranging strategy to raise pupil attainment in inner city areas. This has funded support to schools in a range of areas including for Gifted and Talented pupils, learning mentors, primary learning support and personalised learning.

Description of saving proposed

This service was included in the mid-year savings (submitted to Mayor and Cabinet in July 2010) and had been fully funded by an Area Based grant which has now ceased. All Excellence in Cities activities within the School Improvement Team have ceased and the work is now school-based. The staff were made redundant in October 2010.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
212			212

Percentage of Net Budget proposed: 0%

Effect on HRA/DSG:

HRA: n/a
 DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Members of the School Improvement Team as well as school representatives have been involved in discussions regarding changes to the SIT service since January 2010. A full consultation paper was distributed all staff and schools in September 2010.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Negative
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative 2012/13: Negative 2013/14: Negative

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Disability:	Low
Gender:	Low	Sexual Orientation:	N/A
Age:	Low	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

The School Improvement Team supports, advises and monitors the work of schools to ensure that standards of education are maintained at high and increasing levels across all schools in Lewisham. Any changes or reductions in the SIT service are therefore likely to have some impact upon the different groups of children and young people who attend those schools. However, for Excellence in Cities the proposal was to transfer the work to schools and it is therefore not expected that there will be a significant impact upon children and young people themselves.

Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		5	1	1	
FTE equivalent - posts: 5.7			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
		5	1	1	
How do you expect to reduce these posts?					
Redundancy/ Redeployment	5. 7	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
No					
Legal Implications					
None					
Can this saving be taken in current Financial Year:				YES	
If yes to previous question what is the value that can be taken?				206.000	
What consideration has been given to the possible socio-economic implications of your savings proposals					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION:	Children & Young People -Standards and Achievement
REF: CYP83	LEAD OFFICER: Sue Tipler
SERVICE: SCHOOL IMPROVEMENT	SELECT COMMITTEE: Children & Young People
PORTFOLIO: Children & Young People	

2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
10,862	(10,862)	0

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
The LEARN Team provides training, support and advice for schools and settings delivering the Early Years Foundation Stage (EYFS). In addition it carries out statutory duties relating to assessment and support of the EYFS programme, and development work for private, voluntary and independent sector organisations

Description of saving proposed

Reduction in the number of LEARN team consultants. It is proposed that Early Years Improvement services be provided through the new Early Intervention Grant

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
194			194

Percentage of Net Budget proposed: 0%

Effect on HRA/DSG:

HRA: n/a
0
DSG: n/a
0

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory
No. Reduction in LEARN team consultants was included in Phase 1 proposal CYP 04 and in the consultation exercise relating to phase 2 year 1.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Neutral
Level of Impact: Medium	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Disability:	Medium
Gender:	Low	Sexual Orientation:	N/A
Age:	Medium	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

The proposal will result in reduced support to schools in delivering the EYFS. As this work is focused on younger age groups the impact will be greater for them; there may also be greater impact upon children and young people from black and minority ethnic groups who make up a large percentage of Lewisham's school population. There may also be some impact in support to schools in working with young children with disabilities.

Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
			1	9	
FTE equivalent - posts: 10			FTE equivalent - vacant posts: 2		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
				2	
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
					2
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
None					
Legal Implications					
None					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP85 SERVICE: EDUCATION DEVELOPMENT MANAGEMENT PORTFOLIO: Children & Young People	Children & Young People -Education Development LEAD OFFICER: Chris Threlfall SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
952	(716)	236

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Strategic Partnership:
 - Carry out the actions and targets within the Lewisham 14-19 Strategy.
 - 14-19 (19-25 for LLDD) – Curriculum Offer and Commissioning - developing the commissioning function of the - 14-19 strategic forum
 - 16-19 Curriculum Quality Improvement
 - Quality Improvement for alternative provision.
 - Ensuring access across partners and borough boundaries of the full range of the full range of curriculum pathways, including Diploma, Apprenticeship and Foundation Learning
 - Ensuring we meet the requirements of the Raising of the Participation Age

Description of saving proposed

The grant related to the TUPE transfer of staff from the former Learning and Skills Council to the Local Authority has been cut - the proposal relates to the loss of three posts equating to the level of grant loss.

The Local Authority will continue to deliver its statutory duties. The delivery of any other discretionary central 14-19 support functions will be dependent on level of grant and their prioritisation by the Partnership. These changes also prepare for the future integration of the 14-19 function into Standards and Achievement for 2012/13. Any changes to the structure of the Education Business Partnership would be outlined in a separate proposal.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
77	10		87

Percentage of Net Budget proposed:	36.86%
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Effect on HRA/DSG:

HRA: N/A
 DSG: N/A

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Consultation to 14-19 team will start on the 6th January 2011.
 A consultation proposal has been circulated to the team, and outlines the proposal. This is in line with the phase 2 consultation process and will go forward for Mayoral approval in February 2011

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:	4
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Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative	2012/13: Negative	2013/14: Negative
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Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Disability:	N/A		
Gender:	Low	Sexual Orientation:	N/A		
Age:	Low	Religion/Belief:	N/A		
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Saving will impact on one white female, one black female and one Turkish female member of staff.					
The age of staff is varied and so there is no equalities impact for age.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?			YES		
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
1		1		2	
FTE equivalent - posts: 4			FTE equivalent - vacant posts: 0		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
1		1		1	
How do you expect to reduce these posts?					
Redundancy/Redeployment	3	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
No					
Legal Implications					
Two staff members on Learning and Skills Council contracts: the legal implication of these contracts is being examined.					
Can this saving be taken in current Financial Year:					NO
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					
N/A					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP86 SERVICE: EDUCATION BUSINESS PARTNERSHIP PORTFOLIO: Children & Young People	Children & Young People -Education Development LEAD OFFICER: Chris Threlfall SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
269	(258)	11

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The EBP engages employers to support the statutory Work Related Learning Curriculum for learners aged 14-19. This includes:

- Work Experience
- Careers Fairs
- Enterprise Events
- Professional Development Placements for Teachers
- Diploma Support

The service is funded partly through grant, and partly through income generation from 14-19 providers (10 mainstream secondary schools, 3 academies and 2 special schools) delivering the WRL curriculum to learners, with a small amount from General Fund.

Description of saving proposed

In the current financial year 2010-11, the EBP received £107,073 funding from the YPLA, £60,000 from 14-19 Diploma Development grant, and £10,873 from General Fund. None of this funding will be available in 2011-12. The EBP proposes to make a saving of £10,873 in 2011-12, representing the current General Fund element of its budget.

In order to begin to address future loss of grant of £167,073, EBP costs have already been reduced by £14,242 in 2010-11 through not replacing staff (equating full year to £58,082 in 2011-12). In addition, from April 2011 it is now proposed to make a 1 FTE reduction (1 or 2 members of staff) of the 4 Employer Engagement Project Officer posts. This would make a full year cost reduction in 2011-12 of up to £28,400, and a total full year cost reduction of £86,482.

Government policy on EBP employer engagement activity has not yet been clarified and therefore the levels of funding for future employer engagement, if any, have not yet been established. It is therefore proposed to continue to deliver EBP services initially until the end of July 2011, in order to take account of anticipated announcements on government policy before any further re-organisation (and possible further cuts) from August 2011. During this 4 month period, the balance of EBP funding will be from additional charges to 14-19 secondary education providers, and a continuation of grant funding from 14-19 Diploma Development 2010-11 underspend (which will therefore require a carry over to the 2011-12 budget. In this way EBP SLA commitments to 14-19 providers for the current academic year to July 2011 can also be fulfilled.

The EBP is the service delivery unit for Diploma employer engagement. Any rationalisation of vocational qualifications as a result of the anticipated Wolf review in Spring 2011 will put pressure on the only other vocational alternative, the Diploma. The current uncertainty around vocational qualifications and general related employer engagement requirements, suggests that it would be judicious to maintain the employer engagement service delivered by the EBP until at least July 2011. In the interim the EBP proposes to carry out market analysis of future options based on provider and employer consultation, review the position as soon as government plans emerge, and decide on any further reorganisation from August 2011.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
168			168

Percentage of Net Budget proposed: 0%

Effect on HRA/DSG:

HRA: n/a
 DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory					
Consultation on the 1fte (1 or 2 posts) cut will begin on 12 January 2011 and will be forwarded for Mayoral approval in February.					
Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:					4
Impact on Corporate Priorities:					
Most relevant:			Second most relevant:		
Main Priority: B			Secondary Priority: J		
Impact of saving on corporate priority : Neutral			Impact of saving on corporate priority: Neutral		
Level of Impact: Low			Level of Impact: Low		
What is the overall impact on equalities? Please tick one:					
2011/12: Neutral		2012/13: Neutral		2013/14: Neutral	
Level of impact: State the level of impact on the specific equalities group: High, Medium or Low					
Ethnicity:	Low		Disability:	N/A	
Gender:	Low		Sexual Orientation:	N/A	
Age:	Low		Religion/Belief:	N/A	
If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :					
Saving potentially affects four females, three white British and one dual heritage.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	4				
FTE equivalent - posts: 3			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	2				
How do you expect to reduce these posts?					
Redundancy/Redeployment	2	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
No					
Legal Implications					
None					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION:	Children & Young People -Education Development
REF: CYP87	LEAD OFFICER: Chris Threlfall
SERVICE: SCHEFF: LEWISHAM CITY LEARNING CENTRE	SELECT COMMITTEE: Children & Young People
PORTFOLIO: Children & Young People	

2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
245.45	(245.68)	(0.23)

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
City Learning Centres (CLC's) were set up in 2000 as part of a wider strategy known as 'Excellence in Cities' to raise pupil attainment in inner city areas. CLC's are overseen by BECTA (until March 2011) and funding is released through Partnership for Schools

Description of saving proposed

DfE announcement on future revenue funding was expected in December 2010, however capital funding is to cease from April 2011.
The proposal relates to a reduction by the amount of the current grant

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
238			238

Percentage of Net Budget proposed: 100%

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

A consultation document has been drafted

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Low	Disability:	N/A
Gender:	Low	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

As this savings proposal has staffing implications, the service will be required to undertake an equalities impact assessment (EIA) as part of their restructuring process. This is stipulated within the Council's Employment/Change Management policies. As part of their operational business processes, the service will monitor the impact of any staffing implications on service delivery and where necessary, take action to mitigate any resultant impacts.

Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	2				
FTE equivalent - posts: 2			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	2				
How do you expect to reduce these posts?					
Redundancy/ Redeployment	2	TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
No					
Legal Implications					
No					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP88 SERVICE: SCHOOL IMPROVEMENT PORTFOLIO: Children & Young People	Children & Young People -Standards and Achievement LEAD OFFICER: Sue Tipler SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
10,862	(10,862)	0

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The Local Authority's offer of continuing professional development for school staff comes from the Lewisham Leadership and Development College (LLDC). This is Lewisham's college of learning designed to bring together a wide range of leaders from local schools and settings in order to nurture and promote talent and encourage reflective, professional dialogue.

LLDC provides a programme of courses and education staff and all courses are organised to take account of the priorities of Lewisham's Children and Young People's Plan and current government initiatives.

Description of saving proposed

The training facilities at Lewisham Learning and Development Centre will eventually be closed. Over the next year a skeleton staff will provide training facilities until the current building is converted for alternative use. The site has the potential to meet the primary places demand.

Other influencing factors – The lack of pupil places is increasing and the LLDC has been approached to give up some space for an extra bulge class for Kilmorie Primary School from September 2011. This would take them to a two form entry school. A proposal has been submitted to the Mayor for Kilmorie to become a three form entry school from September 2012, which would require the LLDC's service to be relocated elsewhere to make room for this growth.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
59			59

Percentage of Net Budget proposed: 0%

Effect on HRA/DSG:

HRA: n/a
 DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

This consultation comes within the Phase 2 year 2 proposals which are being presented to Mayor and Cabinet in February 2011. Staff and stakeholders have been consulted on these proposals and the consultation period ends on 17.1.2011.

Comments from schools: schools value a level of central training. However, uncertainty about their budgets make them unable to firmly commit to a sizeable level of take-up.

Comments from staff: staff who will remain for the foreseeable future have expressed concern about the uncertainty of a sustainable level of income generation that would enable the LLDC to be fully self-financing and thus allow the service to continue. If income targets are not achieved, the service would most likely close and therefore the remaining staff made redundant.

Change to the consultation paper on the ICT Technical Support to schools. This service is no longer under a separate review corporately.

Multifaith and Multicultural Resources Centre (MFMC) – staff and members of Lewisham SACRE are actively looking for a suitable alternative site for the relocation of this service. The priority is to ensure the resources are kept intact and will still be accessible by schools in the borough.

Comments from Trade Unions – a meeting was held with the local Trade Union rep from the NUT, on 12th January 2011. The Trade Union expressed some major concerns, these are:

In the consultation paper reference is made to the Governments agenda on developing 'Teaching Schools' as an effective form of CPD delivery. We currently have two training schools in the borough. The Trade Unions comments on this point are: "It is self-evident that a "couple" of training schools cannot replace the entire LLDC provision. For a LLDC course training 16 people to be equivalent, an outstanding teacher in a training school would have to receive 16 separate visits – an obvious addition to their workload.

Teacher unions are concerned that

- lack of high quality CPD opportunities may impact adversely on members' career chances
- CPD hubs are no substitute for face-to-face training
- Training will increasingly be seen as something members do in their own time, rather than being released during working hours
- That the resources of the MFMC are preserved in a suitable setting and their use promoted throughout Lewisham schools.

More generally, the Unions expressed the view that "the closure of the LLDC sends a worrying signal to schools and to the wider community about the future of the Local Authority as a whole. We would hope that the Council would oppose the break-up of Authority schooling into separate "Academy Chains and multi-school Trusts" as described in the Government White paper. The continuation of the LLDC is an important part of maintaining that Authority."

Other influencing factors – The lack of pupil places is increasing and the LLDC has been approached to give up some space for an extra bulge class for Kilmore Primary School from September 2011. This would take them to a two form entry school. A proposal has been submitted to the Mayor for Kilmore to become a three form entry school from September 2012, which would require the LLDC's service to be relocated elsewhere to make room for this growth.

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 4

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Negative	Impact of saving on corporate priority: Neutral
Level of Impact: Medium	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Negative 2012/13: Negative 2013/14: Negative

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Medium	Disability:	Low
Gender:	Medium	Sexual Orientation:	Low
Age:	Medium	Religion/Belief:	Medium

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

The posts that are being proposed for deletion are occupied by two members from black and minority ethnic groups and both are female. One member of staff supports the South London Multifaith Resource Centre which is housed at LLDC; this will need to be relocated in light of the acute financial constraints of the LLDC.

Outcome of full Equalities Impact Assessment (if required) :

A full EIA of the Phase 2 Year 2 savings within the School Improvement Team is being completed.

Human Resources Implications

Will this saving proposal have an impact on staffing levels within your team (yes/no)? YES

Within this savings proposals, please state the number of posts in your current structure by grade band.

Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	6		2		
FTE equivalent - posts: 7.4			FTE equivalent - vacant posts: 1		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
	2.4				
How do you expect to reduce these posts?					
Redundancy/ Redeployment	1. 4	TUPE	Retirement	Delete vacant post	1
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
None					
Legal Implications					
None					
Can this saving be taken in current Financial Year:				NO	
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION: REF: CYP92 SERVICE: SPECIAL NEEDS PORTFOLIO: Children & Young People	Children & Young People - Access and Support Services LEAD OFFICER: Christine Grice SELECT COMMITTEE: Children & Young People
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2010/11 Net Controllable Budget: (£000's)

Expenditure £000's	Income £000's	Net Budget £000's
16,381	(12,147)	4,234

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 Behavioural and Educational Support Team (BEST) and Behaviour Improvement Programme (BIP)

Description of saving proposed

This grant provides for a multi-agency team of professionals to work with schools, families and young people who are at risk of exclusion due to behavioural and mental health difficulties. Intensive work is carried out to rehabilitate the young person and rebuild relationships with the settings in which the child is educated. The team also includes one family support worker.

It is proposed that £350k of this will come from the Early Intervention Grant. The remainder provides a service through CAMHS and it is proposed that this is incorporated with the CAMHS re-specification.

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
533			533

Percentage of Net Budget proposed: 12.59%

Effect on HRA/DSG:

HRA:

DSG:

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable:

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority:	Secondary Priority:
Impact of saving on corporate priority :	Impact of saving on corporate priority:
Level of Impact:	Level of Impact:

What is the overall impact on equalities? Please tick one:

2011/12: 2012/13: 2013/14:

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	Disability:
Gender:	Sexual Orientation:
Age:	Religion/Belief:

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

Outcome of full Equalities Impact Assessment (if required) :

Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	Delete vacant post
Additional Information					
Ward/Geographical implications					
Impact on Voluntary Sector					
Legal Implications					
Can this saving be taken in current Financial Year:					
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

LOSS OF GRANT 2011 to 2014

DIRECTORATE AND DIVISION:	Children & Young People - Access and Support Services
REF: CYP93	
SERVICE: SPECIAL NEEDS	LEAD OFFICER: Christine Grice
PORTFOLIO: Children & Young People	SELECT COMMITTEE: Children & Young People

2010/11 Net Controllable Budget: (£000's)

Expenditure	Income	Net Budget
£000's	£000's	£000's
16,381	(12,147)	4,234

Description of Service

Briefly describe your service and state who your customers and stakeholders are:
 The inclusion service provides specialist support to children with complex special education need. The service provides support to children 0-19 and this is in the form of support and advice to parents as well as to the school. They work closely with partners particularly in health.

Description of saving proposed

The service is currently working on a business plan to become a traded service for the non-statutory aspect of the service. The statutory function of the service is to lead on the statutory assessment of SEN and to advise on the implementation of learning programmes. They also have a statutory function following the neo-natal assessment of children with hearing and visual loss. The loss of £252k grant income will prompt a re-organisation of the service.

Funding will be provided through the Early Intervention Grant

There is potential for redundancies in this proposal but exact numbers are not known at this stage

Value of Proposals per year (£000's)

2011/12:	2012/13:	2013/14:	Total 2011-14
252			252

Percentage of Net Budget proposed: 5.95%

Effect on HRA/DSG:

HRA: n/a

DSG: n/a

Outcome of Consultation (if required)

Please outline the outcome and mitigation (where appropriate) of any consultation undertaken on this proposal to cover, where relevant, Service User/Strategic Partner and Staff – statutory and non statutory

Risk to Achievability - 1 – Least deliverable to 4 – Most deliverable: 3

Impact on Corporate Priorities:

Most relevant:	Second most relevant:
Main Priority: B	Secondary Priority: J
Impact of saving on corporate priority : Neutral	Impact of saving on corporate priority: Neutral
Level of Impact: Low	Level of Impact: Low

What is the overall impact on equalities? Please tick one:

2011/12: Neutral 2012/13: Neutral 2013/14: Neutral

Level of impact: State the level of impact on the specific equalities group: High, Medium or Low

Ethnicity:	N/A	Disability:	Low
Gender:	N/A	Sexual Orientation:	N/A
Age:	N/A	Religion/Belief:	N/A

If your saving proposal has a negative impact on equalities please explain why, and outline what steps have been/will be taken to mitigate such an impact :

We will re-organise the service with a view to maintaining cover for statutory functions and a service for children with the most complex needs.					
Outcome of full Equalities Impact Assessment (if required) :					
Human Resources Implications					
Will this saving proposal have an impact on staffing levels within your team (yes/no)?					YES
Within this savings proposals, please state the number of posts in your current structure by grade band.					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
FTE equivalent - posts:			FTE equivalent - vacant posts:		
From your proposals, how many posts will be deleted within your structure by grades (FTE equivalent)?					
Scale 1 - 2	Scale 3 - 5	Scale 6 - SO2	PO1 – PO5	PO6 – SMG3	JNC
How do you expect to reduce these posts?					
Redundancy/ Redeployment		TUPE		Retirement	
				Delete vacant post	
Additional Information					
Ward/Geographical implications					
Borough wide					
Impact on Voluntary Sector					
These proposals will impact on voluntary groups for children and young people with disabilities					
Legal Implications					
Can this saving be taken in current Financial Year:					No
If yes to previous question what is the value that can be taken?					
What consideration has been given to the possible socio-economic implications of your savings proposals					

POLICY ANALYSIS ON GRANT REDUCTIONS

CYP Grant Expenditure Reductions

1 In the 2010/11, the Children & Young People's Directorate was in receipt of 55 grants in total. With a value of £59.1m. These grants fall into three broad categories:-

- Area based grants
- Specific grants DFE and DoH
- Standards fund grants for LA services and schools

2 The emergency budget cut the value of the ABG grants and some specific grants by £2.267m otherwise known as the "in-year" cuts.

3 The local government settlement for 2011/12 has reduced dramatically the number of grants. A number have been merged into a single early intervention grant, those linked to schools and the teaching and learning agenda have been merged into the dedicated schools grant and a few linked to social care rolled into formula grant. The balance have been deleted.

4 The schedule of grant reductions sets out the expenditure reduction steps necessary if CYP is to avoid over spending as a result of grant loss.

5 In many of these areas steps were taken to reduce staffing and expenditure as part of the in-year cuts work and these proposals reflect the new financial year equivalent of those sums that had been spent or contractually committed at the time of the in year cuts exercise. Where staffing reductions are proposed the staff affected have been consulted. In some instances the process has allowed for implementation in April 2011 in others the process is not as well advanced as clarity about grants was not received until the December announcements.

6 The value of the grant reductions proposed is £3.571m and the numbers of the staff affected 45. This excludes any impact there maybe in terms of the deployment of the Early Intervention Grant currently under discussion.

7 Grants totalling £32.8m have been rolled into the DSG and this has been consulted upon by the DFE. The Schools Forum has recommended that the grants should be absorbed using existing formula factors such as pupil numbers, free school meals numbers, pupil attainment, pupil mobility and the number of children with English as an Additional Language. As a number of the grants, rolled into the DSG, have fixed or flat rate elements there is some turbulence in the new allocations. The schools forum has recommended that in year 1 of the change that the maximum loss or gain should be limited to +/-5%. This will allow losers at least a year to plan how they would manage the impact.

8 In the education white paper the government has proposed a national funding formula for schools. The likely impact would mirror that of this absorption of grant into the DSG and so Lewisham schools should be better prepared than if the forum had recommended the former grant allocations were wholly protected within the 2011/12 allocations.

Policy Analysis

9 The following section provides an analysis of the CYP grant expenditure reductions.

10 The Directorate Management team have judged that of the total grant reduction of £4.412m, £4.262m or 96.6% of the proposed reduction are linked to Priority (B) ‘*Young people’s achievement and involvement*’ and £150k or 3.4% are linked to priority (J) ‘*Inspiring efficiency, effectiveness and equity*’.

11 These impacts have been identified as either neutral or negative, there are no positive impacts identified. Of those reduction proposed, a total of £2.292m or 51.95% are considered to have an impact that is ‘negative’, £1.970m or 44.65% are considered to have a ‘neutral’ impact and £150k or 3.4% are described as likely to have a ‘positive’ impact on delivery.

Risk to achievement

12 The grant reduction proposals that have been put forward are achievable, however, a risk rating has been given to each proposal.

13 The tables below offer a directorate perspective as to the relative achievability of the proposals. The sliding scale used indicates that 3 and 4 are the most likely to be achieved without difficulty, whilst 1 and 2 are those likely to be achieved, but with potential challenges to delivery during the course of implementation.

14 Tables 1 and 2 below show the risk to achievability. The tables suggest that £3.205m, 72.64% (3 and 4) are perceived as having a comparatively low level of risk and are therefore more easily deliverable.

15 In contrast 27.36% or £1.207m (1 and 2) of savings are perceived as being more difficult to achieve.

Table 1 – Risk to Achievement (High)

Level of risk	Total £m	% of savings
1	0	0
2	1.207	27.36
High risk savings sub total	1.207	27.36%

Table 2 – Risk to Achievement (Low)

Level of risk	Total £m	% of savings
3	0.252	5.71
4	2.953	66.93
Low risk savings sub total	3.205	72.64%

Geographical analysis.

16 The geographic analysis indicates that all grant reductions will have a borough wide impact and not affect any specific ward.

Equality and Human Rights Commission

Using the Equality Duties to Make Fair Financial Decisions

Introduction

With major reductions in public spending, organisations in Britain may be required to make difficult financial decisions. This guide sets out what is expected of you as a decision-maker and leader of a public authority responsible for delivering key services at a national, regional and/or local level, in order to make such decisions as fair as possible.

The equality duties do not prevent you from making difficult decisions such as reorganisations and relocations, redundancies, and service reductions nor do they stop you from making decisions which may affect one group more than another. What the equality duties do is enable you to demonstrate that you are making financial decisions in a fair, transparent and accountable way, considering the needs and the rights of different members of your community. This is achieved through assessing the impact that changes to policies, procedures and practices could have on different equality groups.

Assessing the impact of proposed changes to policies, procedures and practices is not just something the law requires, it is a positive opportunity for you as public authority leaders to ensure you make better decisions based on robust evidence.

What the law requires now

Under equality legislation, your authority has legal duties to pay 'due regard' to the need to eliminate discrimination and promote equality with regard to race, disability and gender, including gender reassignment, as well as to promote good race relations.

The law requires that this duty to pay 'due regard' be demonstrated in the decision-making process. Assessing the potential equality impact of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can show 'due regard'.

It is also important to note that public authorities subject to the equality duties are also likely to be subject to the obligations under the Human Rights Act. We would therefore recommend public authorities should consider the potential impact their decisions could have on human rights.

What the law will require from April 2011

The Equality Act 2010 introduces a new public sector duty which extends this coverage to age, sexual orientation, pregnancy and maternity, and religion or belief.

In preparation for these new duties coming into force, we would recommend that you start to assess the impact your financial decisions might have on the new protected groups where relevant and proportionate.

Aim of this guide

This guide aims to assist decision-makers in ensuring that:

- the process followed to assess the equality impact of financial proposals is robust, and
- the impact financial proposals could have on equality groups is thoroughly considered before any decisions are arrived at.

We have also produced detailed practical guidance for those responsible for assessing the equality impact of policies, which is available from our website. You can access this guidance at:

www.equalityhumanrights.com/financialdecisions

The benefits of carrying out Equality Impact Assessments (EIAs)

By law an assessment must:

- contain sufficient information to enable a public authority to show it has paid 'due regard' to the equality duties in its decision-making
- identify methods for mitigating or avoiding any adverse impact.

Such assessment does not necessarily have to take the form of one document called an Equality Impact Assessment (EIA), although this is what we recommend for reasons explained below. If you choose not to undertake an EIA, then some alternative form of analysis which systematically assesses any adverse impact of a change in policy, procedure or practice will be required.

An impact assessment is not an end in itself and should be tailored to and proportionate to the decision that is being made. Whether it is proportionate for an authority to conduct an assessment of a financial decision depends on its relevance to the authority's particular function and its likely impact.

We recommend using a formal EIA document when developing financial proposals as it is likely to help you to:

- **ensure you have a written record of the equality considerations** you have taken into account
- **ensure that your decision includes a consideration of the actions that would help to avoid or mitigate any unfair impact on particular equality groups.** Individual decisions should also be informed by the wider context of decisions in your own and other relevant public bodies, so that particular groups are not unduly affected by the cumulative effects of different decisions
- **make your decisions based on evidence:** a decision which is informed by relevant local and national data about equality is a better quality decision. EIAs provide a clear and systematic way to collect, assess and put forward relevant evidence
- **make the decision-making process more transparent:** a process which involves those likely to be affected by the policy, and which is based on evidence, is much more open and transparent. This should also help you secure better public understanding of the difficult decisions you will be making in the

coming months

- **comply with the law:** the duties are legal obligations which should remain a top priority, even in times of economic difficulty. Failure to meet the duties may result in authorities being exposed to costly, time-consuming and reputation-damaging legal challenges.

When should assessments be carried out?

An assessment of impact must be carried out at a formative stage so that the assessment is an integral part of the development of a proposed policy, not a later justification of a policy that has already been adopted.

Financial proposals which are relevant to equality such as those likely to impact on equality for your workforce and/or for your community should always be subject to a thorough assessment. This includes proposals to outsource or procure any of your organisation functions. The assessment should form part of the proposal, and you should consider it carefully **before** making your decision.

If you are presented with a proposal that has not been assessed for equality impact, you should question whether this enables you to consider fully the proposed change and its likely impact. Decisions not to impact assess should be fully documented, along with the reasons and the evidence used to come to this conclusion. This is important as authorities may need to rely on this documentation if the decision is challenged.

It is also important to remember that potential impact is not just about numbers. Evidence of a serious impact that may affect a small number of individuals is just as important as a potential impact affecting many people.

What should I be looking for in an assessment?

An assessment needs to be based on relevant data and sufficient analysis to enable the decision-maker to understand the equality implications of a decision and any alternative options or proposals. As with everything, proportionality is a key principle. Assessing the impact of a major financial proposal is likely to need significantly more effort, and resources dedicated to ensuring effective consultation and involvement, than a simple assessment of a proposal to save money by changing staff travel arrangements. There is no prescribed format for an EIA, however the following questions and answers provide guidance to assist you in determining whether you consider that an EIA is robust enough to rely on:

- **Is the purpose of the financial proposal clearly set out?**

A robust EIA will set out the reasons for the change; how this change can impact on equality groups, as well as who it is intended to benefit; and the intended outcome. You should also think about how individual financial proposals might relate to one another. This is because a series of changes to different policies or services could have a severe impact on particular equality groups.

Joint working with your public authority partners will also help you to consider thoroughly the impact of decisions on the people you collectively serve.

Example: A local authority takes separate decisions to limit the eligibility criteria for community care services; increase charges for respite services; scale back its accessible housing programme; and cut concessionary travel. Each separate decision may have a significant effect on the lives of disabled residents, and the cumulative impact of these decisions may be considerable. This combined impact would not be apparent where the decisions are considered in isolation.

• **Has the EIA considered available evidence?**

Public authorities should consider the data and research already available locally and nationally. The assessment should be underpinned by up-to-date and reliable information about the different groups the proposal is likely to affect. A lack of data is not a sufficient reason to conclude that there is no impact.¹

• **Have those likely to be affected by the proposal been consulted and involved?**

Involvement and consultation are crucial to the EIA process. There is an explicit requirement to consult different ethnic groups under race relations law in the context of an EIA but, as a matter of best practice and in order to improve your evidence, applying the same principle to other groups should be considered. No-one can give you a better insight into how proposed changes will affect, for example, disabled people, than disabled people themselves.

• **Have potential positive and negative impacts been identified?**

It is not enough to state simply that a policy will affect everyone equally; there should be a more in-depth consideration of available evidence to see if particular equality groups are more likely to be affected than others. Equal treatment does not always produce equal outcomes; sometimes authorities will have to take specific steps for particular groups to address an existing disadvantage or to meet differing needs.

• **What course of action does the EIA suggest I take? Is it justifiable?**

The EIA should clearly identify the option(s) chosen, and their potential impacts, and document the reasons for this decision. There are four possible outcomes of an EIA. More than one may apply to a single proposal:

¹ Where there is no detailed quantitative data available, there may often be national statistics or qualitative studies on the relevant policy area. These can be supplemented by local informal consultation. Providing evidence that your organisation has looked for data will improve the quality and transparency of your EIA. For longer-term monitoring of impact, you can include your plans to collect data in the EIA action plan.

Outcome 1: No major change required when the EIA has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken.

Outcome 2: Adjustments to remove barriers identified by the EIA or to better promote equality. Are you satisfied that the proposed adjustments will remove the barriers identified?

Outcome 3: Continue despite having identified some potential for adverse impact or missed opportunities to promote equality. In this case, the justification should be included in the EIA and should be in line with the duty to have 'due regard'. For the most important relevant policies, compelling reasons will be needed. You should consider whether there are sufficient plans to reduce the negative impact and/or plans to monitor the actual impact, as discussed below.

Outcome 4: Stop and rethink when an EIA shows actual or potential unlawful discrimination.²

• Are there plans to alleviate any negative impact?

Where the assessment indicates a potential negative impact, consideration should be given to means of reducing or mitigating the negative effects. This will in practice be supported by the development of an action plan to reduce impact that identifies the responsibility for delivering each action and the associated timescales for implementation. Considering what action you could take to avoid any negative impact is crucial, to reduce the likelihood that the difficult decisions you will have to take in the near future do not create or perpetuate inequality.

² The relevant Codes of Practice and guidance on the public sector duties provide information about what constitutes unlawful discrimination. More information is available on the Commission's website <http://www.equalityhumanrights.com>.

Example: A University decides to close down its childcare facility to save money, particularly given that it is currently being underused. It identifies that doing so will have a negative impact on women and individuals from different racial groups, both staff and students.

In order to mitigate such impact, the University designs an action plan to ensure relevant information on childcare facilities in the area is disseminated to staff and students in a timely manner and to develop partnership working with its local authority and ensure sufficient and affordable childcare facilities remains accessible to its students and staff.

• Are there plans to monitor the actual impact of the proposal?

Although an EIA will help to anticipate a proposal's likely effects on different communities and groups, in reality the full impact of a decision will only be known once it is introduced. It is therefore important to set out arrangements for reviewing the actual impact of the proposals once they have been implemented.

What happens if you don't properly assess the impact of relevant decisions?

If you have not carried out an assessment of the proposal, or have not

done so thoroughly, you risk leaving yourself open to legal challenges, which are both costly and time-consuming. Recent legal cases have shown what can happen when authorities do not consider their equality duties when making decisions.³

Example: A court recently overturned a decision by Haringey Council to consent to a large-scale building redevelopment in Wards Corner in Tottenham, on the basis that the council had not considered the impact of the proposal on different racial groups before granting planning permission.

However, the result can often be far more fundamental than a legal challenge. If people feel that an authority is acting high-handedly or without properly involving its service users or employees, or listening to their concerns, they are likely to become disillusioned with you. Above all, authorities which fail to carry out robust assessments risk making

³ See relevant case law on our webpage at <http://www.equalityhumanrights.com/financialdecisions>

poor and unfair decisions that could discriminate against particular equality groups and perpetuate or worsen inequality. As part of its regulatory role to ensure compliance with the equality duties, the Commission will monitor financial decisions with a view to ensuring that these have been taken in compliance with the equality duties and have taken into account the need to mitigate impact where possible.

Contacts

England

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Main number: 0845 604 8810
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Fax: 0845 604 8830
Helpline opening times:
Monday to Friday 8am–6pm.
Calls from BT landlines are charged at local rates, but calls from mobiles and other providers may vary.
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SOURCE

www.equalityhumanrights.com



what did Lewisham say?

summary findings

November 2010



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we set out to...

- explain the financial challenge the Council faces in the coming years
- listen to the ideas of residents about how best to tackle it
- get people talking with each other about those ideas



open and meaningful consultation

- We have tried to find a way to consult the public so as to reveal public preferences and priorities – but no approach is perfect
- To engage and listen in a way that:
 - enables as many people from all communities to be involved
 - enables people to express their views to others
 - Helps the Council gauge the breadth, depth and strength of public opinion – how views vary by topic and by people

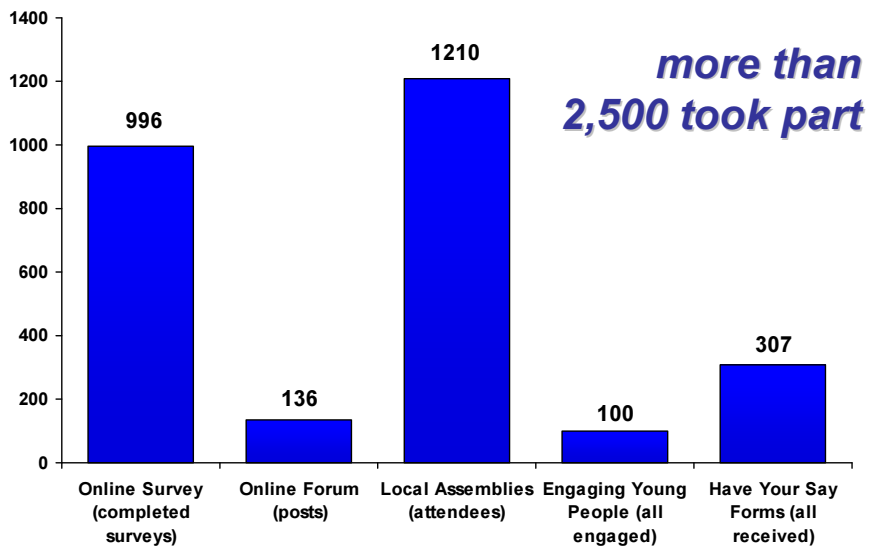


to do this we ...

- Had discussions in meetings of every local assembly
- Met with community groups and young people
- Asked people to complete our survey
- Hosted an online discussion forum



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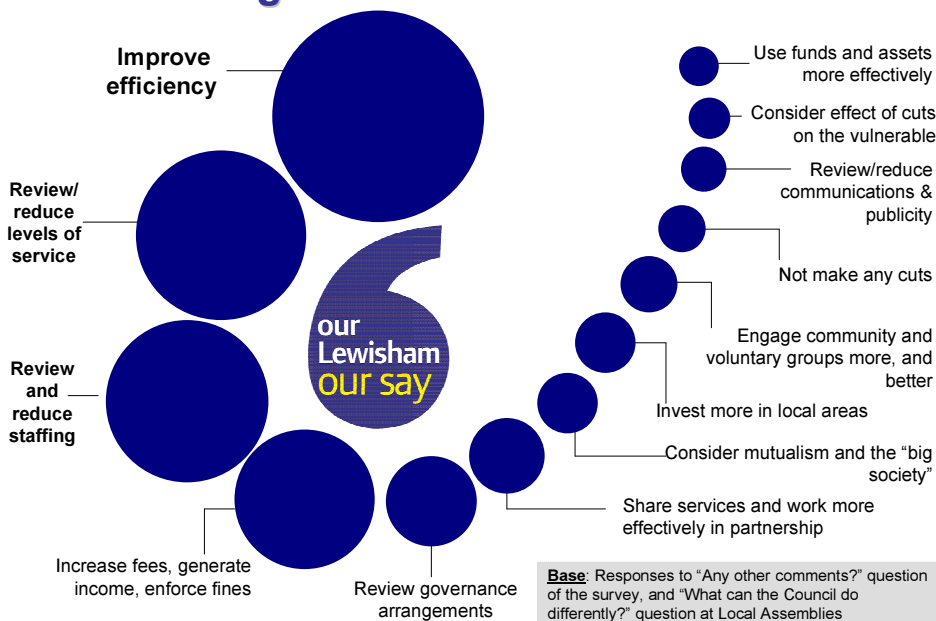


summary - what Lewisham said

- Protect spending on services to the most vulnerable in the community
- **“it’s ok”** to reduce spending in some areas ...but people only chose those areas where the Council spends relatively small sums
- Prepared to pay more for some services
- Businesses could do more and Council could help people to do more
- Council should do more to find efficiencies



from Local Assemblies and from the survey: the things the Council should do....



Working more efficiently

"...the council should look at its back office operations - can you slim down the admin staff, streamline procedures so that people have to use web based options..."

"Stop bringing outside managers, keep it in-house, use local people/ local services. People work for the council should be local so they know the area and the issues. "

"Everyone is going to have to cut back. Having worked in a few organisations I know that a lot of waste comes from ... the way the offices themselves are run"

Review staff and salaries

"I believe a lot of services can come under one umbrella therefore needing less heads of service or staff"

"There are far too many managers and not enough workers. The Council should look at the very large salaries that senior managers are paid, many over £100,000 per year."

"10% cut in £8million senior exec salary bill. Abolish Mayor and young mayor system. Sell capital assets and lease back. Raise bonds to fund services"

most frequently mentioned ideas from the public

Do more of this...

- ✓ Partnership working and shared services
- ✓ Increase charges for non-essential provision for supporting children and families
- ✓ Recycle
- ✓ Look for income generation opportunities
- ✓ Encourage book donations and volunteer librarians
- ✓ Charge businesses for advice and encourage them to provide peer support
- ✓ Charge more for sport and leisure, libraries, activities for young people and parking

Do less of this...

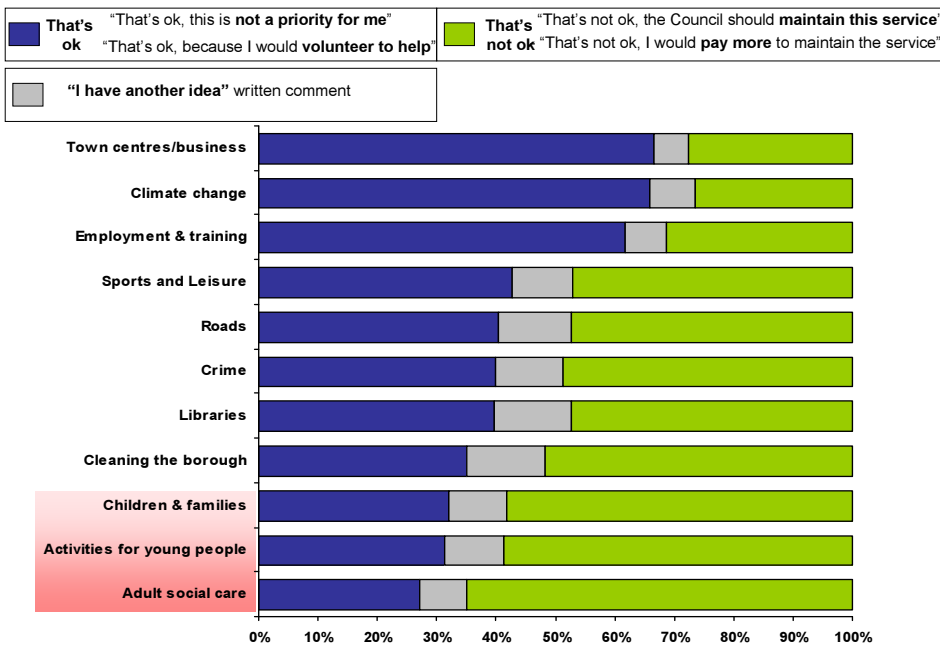
- ✗ Energy use, eg turn down heating by a degree or two, switch off lights
- ✗ Data collection and bureaucracy
- ✗ Use consultants
- ✗ Local climate change initiatives
- ✗ CCTV and Street Wardens (but involve local communities more in reducing crime and anti-social behaviour)
- ✗ Lewisham Life

constructing the survey

- We tested options across 11 service areas that people have told us are important to them
- We gave contextual information about the service and its current costs
- Explained that the Council may have to radically reduce the amount of money it spends in these service areas
- We gave the following options:
 - stopping services or reducing service levels
 - raising fees and charges
 - people doing more for themselves
 - protecting spending and cutting elsewhere

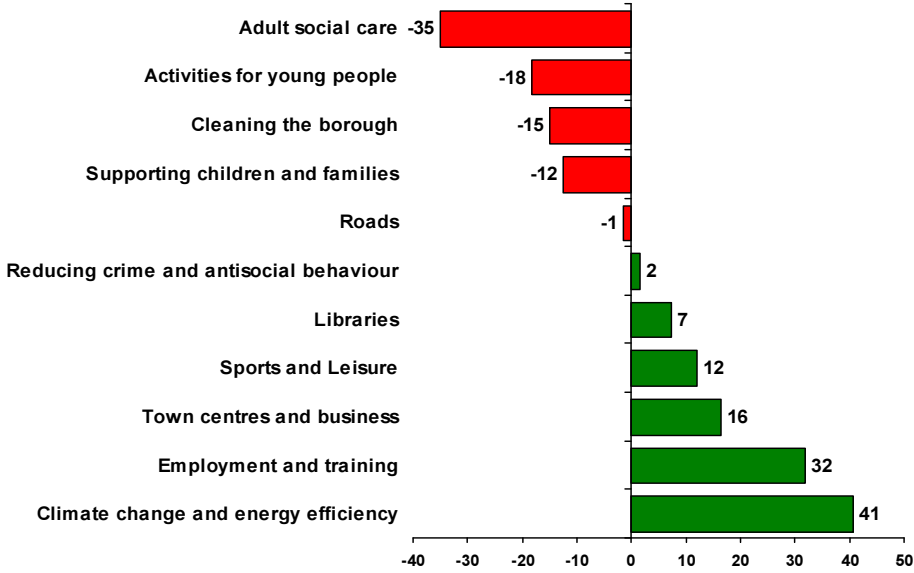


“it’s OK” to reduce spending or “it’s not ok” to reduce spending 14



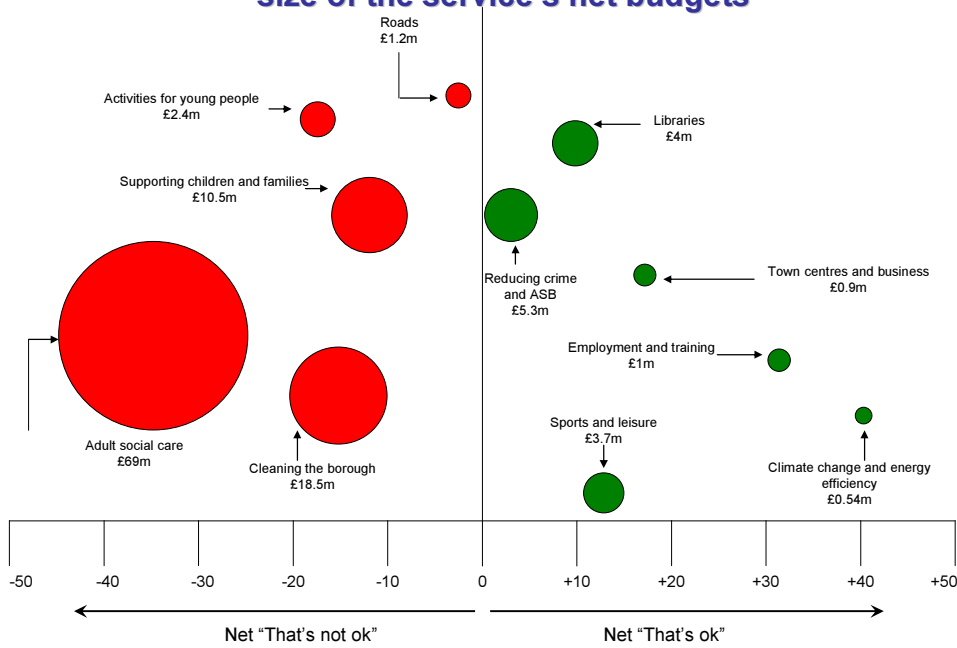
Net result of "that's ok" and "that's not ok" responses 15

excluding the paying more and volunteering options



Note, this is calculated as the sum of "that's ok, this is not a priority for me" MINUS "That's not ok, cuts should be made somewhere else". It does not include the paying more and volunteering options

public preferences mapped against the size of the service's net budgets 16

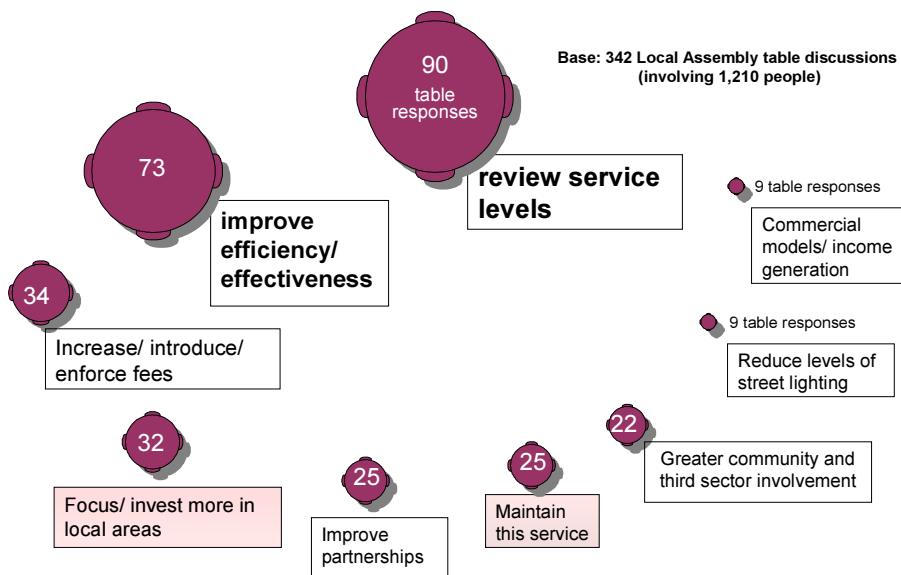


local assembly discussion format

- presentation about the economic context and potential impact on local spend
- “Question and Answer” session
- six people on each table had information on 11 different service areas
- deliberative discussions on each table:
 - Are there things that the Council could do differently to save money?
 - Are there things that individuals and groups could do to help if the Council has less money to spend?

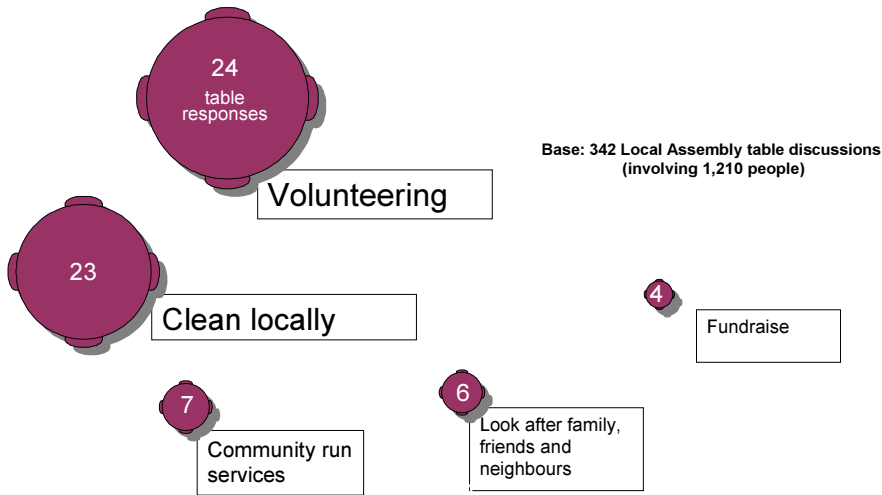


the volume and type of ideas that arose from discussions²⁰ about what the Council can do to save money



Note: This diagram is intended to provide an indication of the types and frequency of comments made. Comments and ideas have been classified according to the main theme that each covered. In a large number of instances comments covered more than one theme.

the volume and type of ideas that arose from discussions about what individuals and groups could do to help the Council save money



Note: This diagram is intended to provide an indication of the types and frequency of comments made. Comments and ideas have been classified according to the main theme that each covered. In some instances comments covered more than one theme.



“Have your Say” forms

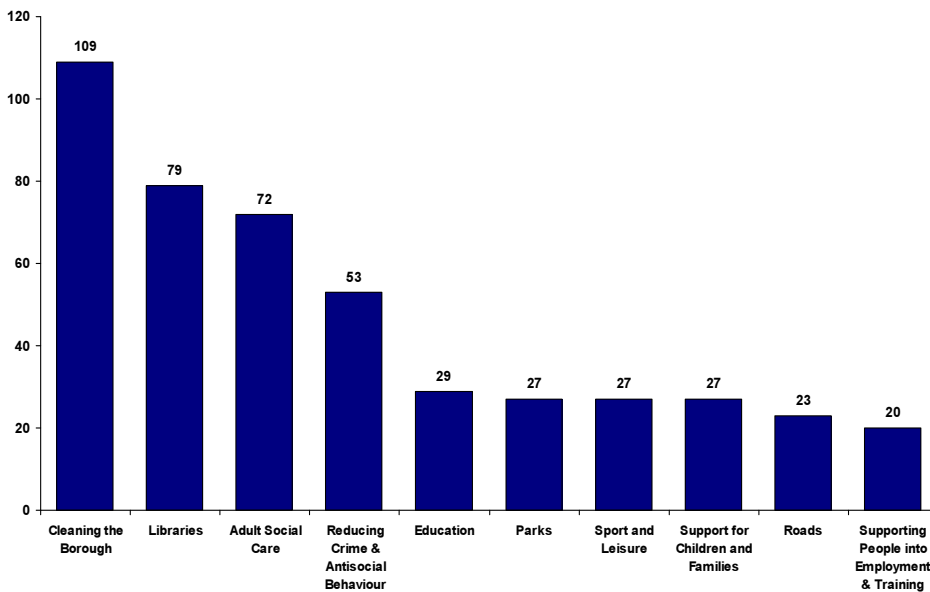


“Have your say” forms

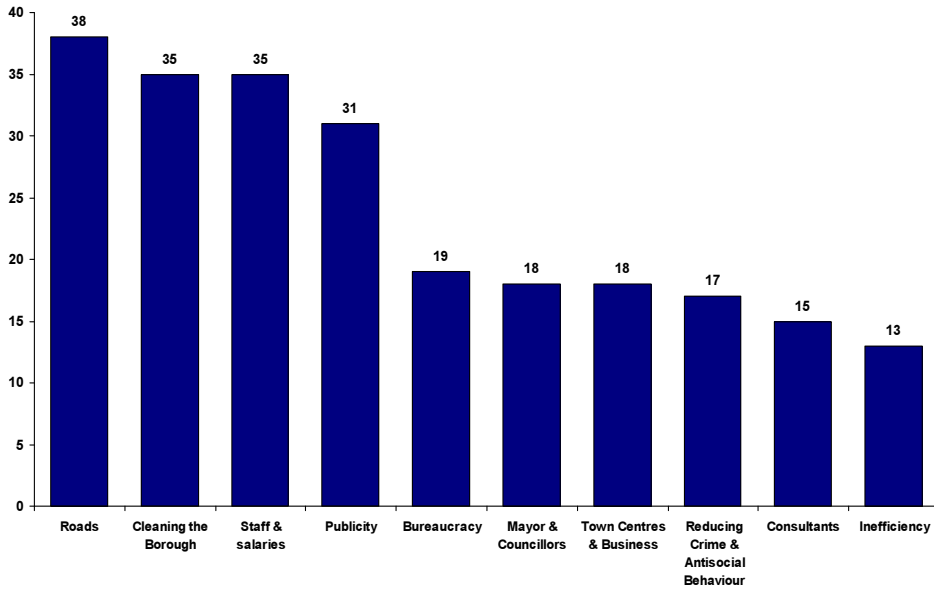
- Three question form
- Included in Lewisham Life, available at Local Assemblies
- Allowed for individual responses
- Three questions:
 - Which Lewisham Council services do you value most?
 - What do you think the Council could do less of?
 - Where you think you and your friends, family and neighbours could help each other more to improve your area?



the 10 services mentioned most frequently on “Have Your Say” forms as the services people **“valued most”**



the 10 services mentioned most frequently on “Have Your Say” forms as the things “the Council could do less of”²⁵



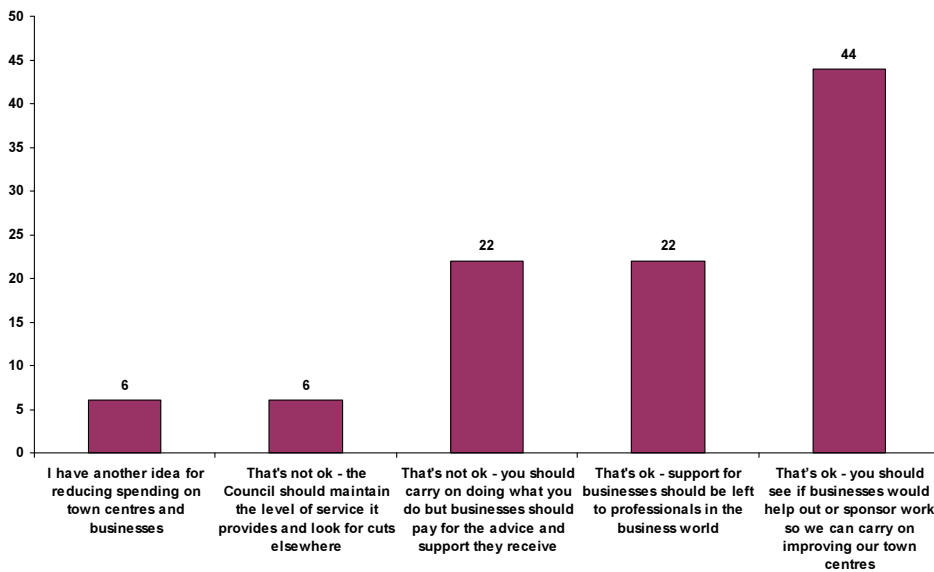
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Findings by scenario

Town centres and business: all results

27



Base: all responses to this question (967)

I have another idea for reducing spending on TOWN CENTRES & BUSINESSES ²⁸

Businesses paying for advice

"Smaller businesses should have free access to services, larger businesses and chains should have to pay. This is promote growth of local and small business which will develop the local economy. "

"I support businesses paying for advice / support that they receive, but also feel strongly that local businesses should support one another. "

Businesses supporting one another

encourage larger businesses to contribute expertise or pool resources through local Business Association. Possibly give some form of financial encouragement to larger businesses by less business rates or privileged parking schemes, etc

professionals in the business world should be encouraged to support and develop local business, by offering business training and development, funded by the corporations ... by engaging corporate business the financial burden on the council should be reduced.

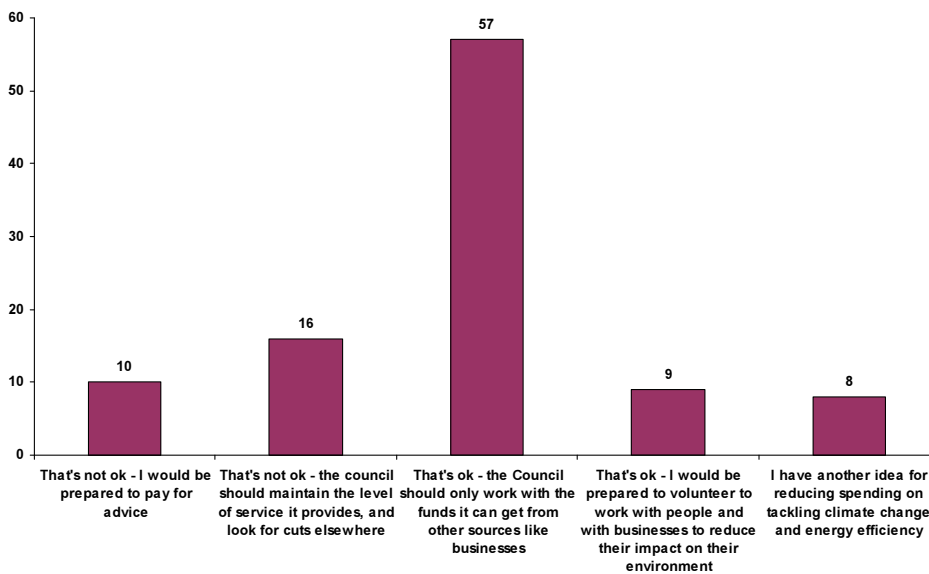
Businesses improving the town centres

all businesses should be responsible for beautifying and cleaning the immediate pavement outside their business. ALL businesses in Lewisham should be asked to contribute £50 a year to fund Lewisham Life or other newsletters about local centres.

In Forres, Scotland the town is ablaze with colour and flowers all year round, partly thanks to businesses being encouraged to sponsor planters about the town.

Climate change and energy efficiency: all results

29



Base: all responses to this question (969)

I have another idea for reducing spending on CLIMATE CHANGE

Not the Council's responsibility

Central government policy on energy generation is the key important factor in tackling climate change, and council spending on 'awareness' is just window-dressing

Utility providers should fund this type of initiative as they reap the rewards. It should be primarily their responsibility to offer impartial advice on energy efficiency, support vulnerable residents

now is not the time to worry much about micro power saving but should find wastage of electricity / gas on big scale.

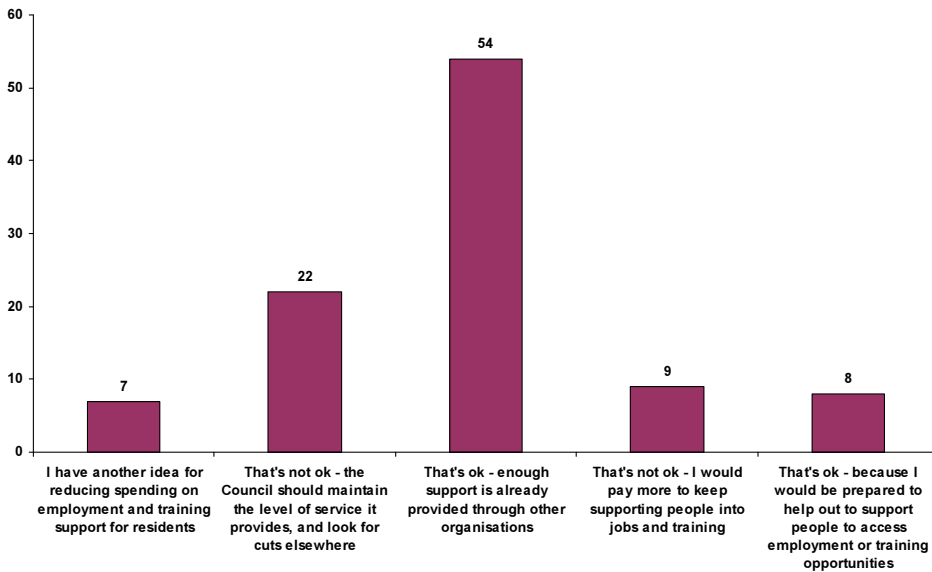
just think this is more a role for central government and lobbying organisations - not sure what the local authority can add to this that would make enough impact

Requires a more joined up approach locally

Citizens should be educated in this area and schools, churches and community groups should play active roles in this as part of a collaborative work and share resources to do so.

But also there are huge economic benefits to be gained from supporting the growth of green businesses and Lewisham could develop training and employment opportunities with residents and professionals that would benefit the area through employment opportunities and energy efficiency.

Supporting citizens into employment and training opportunities: all results



Base: all responses to this question (965)

**I have another idea for reducing spending on
SUPPORTING PEOPLE INTO EMPLOYMENT & TRAINING**

Businesses should provide support

encouraging local businesses, especially those in the manual trades, to take on larger numbers of apprentices.

Can businesses not sponsor these organisations to increase income and allow the council to make some cuts? I think commercial businesses need to take more responsibility in communities and training.

The third sector & volunteers should offer support

Involve local community groups/charities more in providing these sort of services.

I would be prepared to volunteer time to support young people into employment and training opportunities.

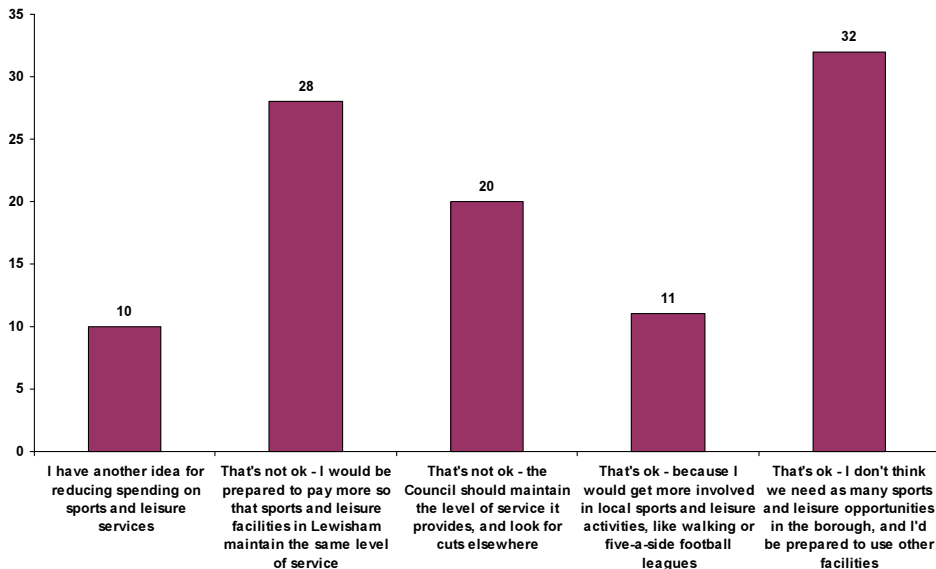
Engage Lewisham citizens in mentoring and coaching young people to make them more employable. Incentivise this.

Increased partnership working and streamlining of provision

services are ineffective because they are not linked up to job providers which incentivises businesses to create effective jobs.

The range of services on offer in Lewisham seems disparate and confusing to potential users. Perhaps the Council should work in partnership with other organisations including Jobcentre Plus to achieve economies of scale and a more streamlined service.

Sport and leisure: all results



Base: all responses to this question (964)

I have another idea for reducing spending on SPORT & LEISURE

Charge more for services

More low cost schemes such as five-a-side football and the use of public parks as leisure spaces would reduce cost in this sector as would raising fees for those that can afford it

Sport is a chosen activity that we should not be publicly funded without recouping costs - it should be self-paying.

Use assets to generate income

Think about hiring out rooms in leisure centres to businesses which promote health and well being such as massage, health food shops, healthy cafes, etc.

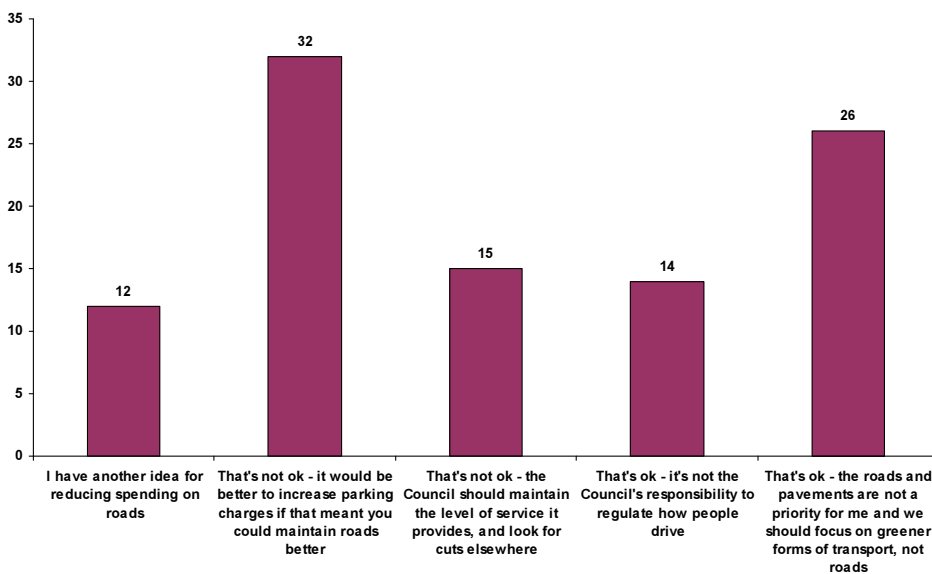
Sessions could also be available for people to run themselves. They would pay a small fee to cover the cost of running various different sessions to Lewisham and in return would get to keep the income from the class.

Reassess the private contracts

Private profit making leisure providers do not provide the best value for money. Social enterprises do - ones which re-invest their profits back into the local community, rather than giving it to their shareholders

Let's get a not for profit organisation to run our leisure facilities rather than a private one i.e. either bring it in-house or use a social enterprise like Greenwich Leisure Ltd.

Roads: all results



Base: all responses to this question (970)

I have another idea for reducing spending on ROADS

Increase parking control and charges

street parking fees need to be raised around any town centres that have a good transport hub. That way we are encouraging use of local public transport, and discouraging cars clogging up local town centres.

Additional Controlled Parking Zones would provide revenue opportunities both through residents obtaining permits and parking offences being fined.

Improve road maintenance

Stop putting in speed bumps where they are not required and use some of the money from that saving to fill in potholes.

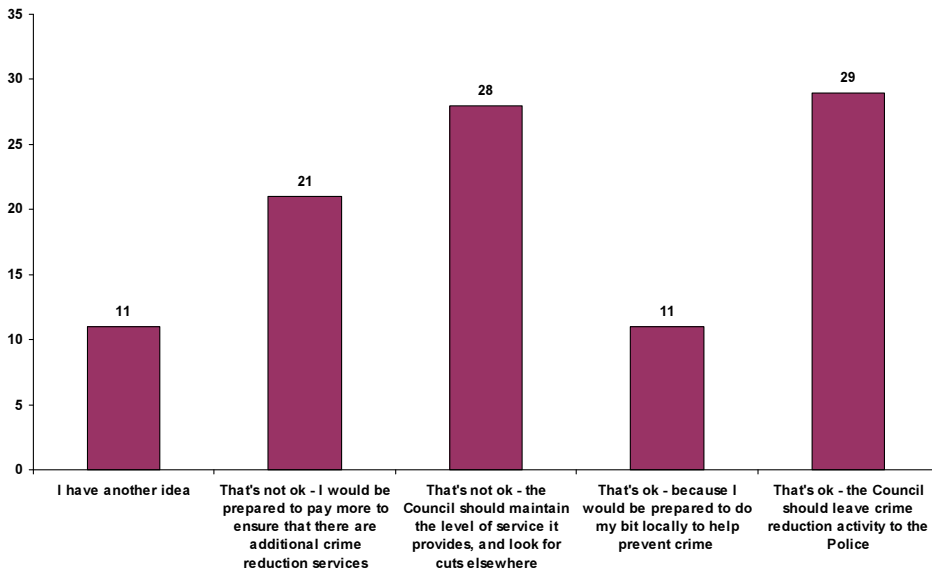
The focus should be on repairing roads that have a worn surface rather than CPZ, speed restrictions and other traffic management or road safety schemes.

Promote green travel

the council needs to do more to promote the use of public transport. You could run schemes with major local businesses where you offer incentive schemes for staff to travel by public transport

develop innovative strategies to highlight alternatives to individual car usage and incentivise these rather than just increase parking charges alone.

Reducing crime and antisocial behaviour: all results



Base: all responses to this question (968)

**I have another idea for reducing spending on
REDUCING CRIME & ANTISOCIAL BEHAVIOUR**

Reduce existing crime reduction measures

Vastly reduce CCTV - it does not prevent crime, it just records it when it occurs. Business can purchase their own CCTV if they wish.

Put police, not PCSOs or wardens, back on the street.

Increase and extend crime reduction measures & early intervention

Community service schemes to help clean up and renovate estates to include local volunteers, back-to-work and youth trainees as well as young offenders co-ordinated by council employees.

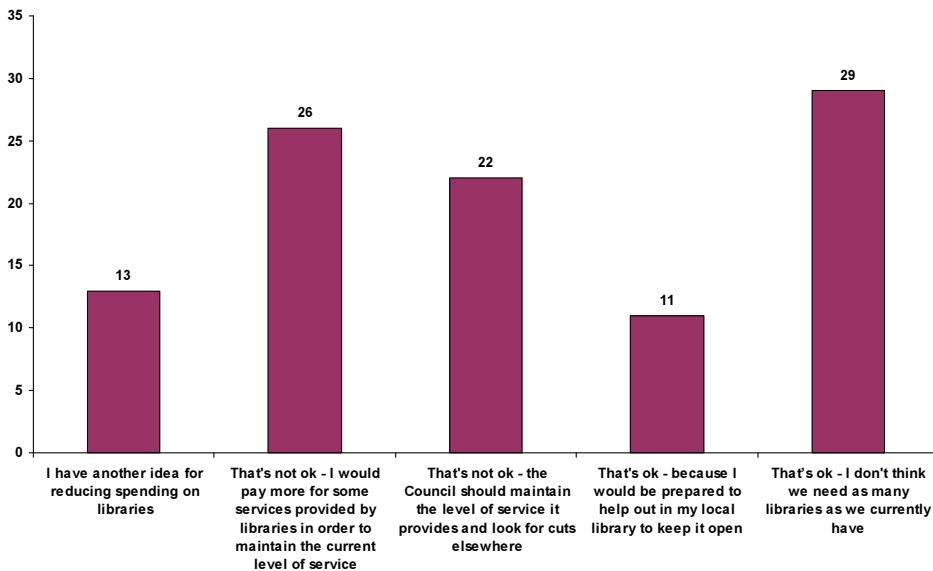
Put more money into early years education where it's been proved to reduce the risk of children/young people resorting to crime later in life.

Involve local residents and communities

If necessary wardens could be volunteers, people based in their local community who would know the communities better and offered training and free travel/bike and uniform.

A behaviour change initiative aimed at supporting communities to deal with ASB on their own door steps, linked to a rapid neighbourhood policing model with more local and mobile policing would cut costs significantly.

Libraries: all results



Base: all responses to this question (966)

I have another idea for reducing spending on LIBRARIES

Charge more for services & generate income

There could be more charges for some library services e.g. DVD/Games rental charges higher late fees higher fees for internet printing etc.

Think of ways libraries can generate more income - advertising for local businesses, room bookings, invite in local groups to pay to run activities relevant to libraries, sell more books, ...hire out space for offices, hire out desk space in libraries etc.

Encourage volunteer support

Local communities could be involved in volunteering and delivering the library service and working more closely with other groups, particularly where there is a shortage of space/facilities for young people, to maximise use the these facilities.

Co-locate libraries

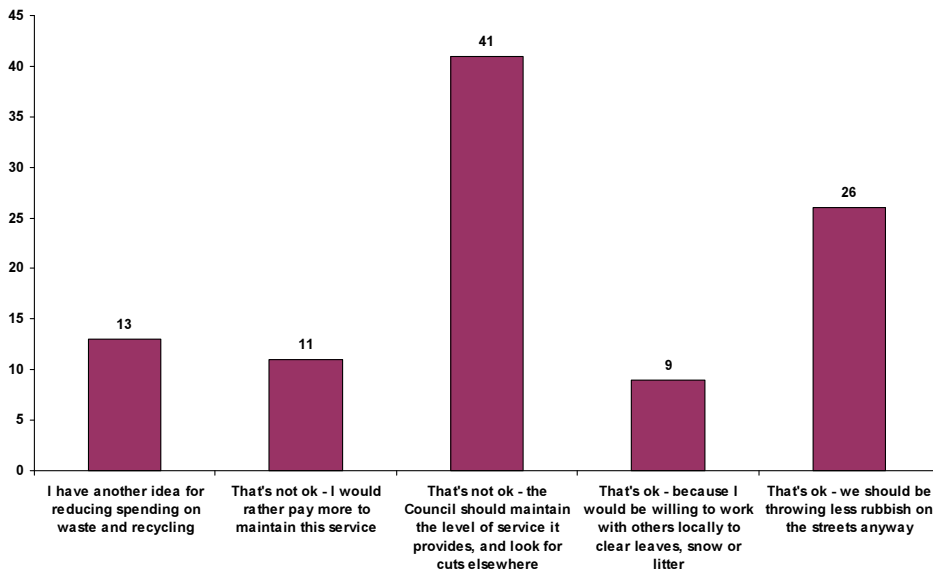
Libraries could also be used as a forum or location for the provision of other services, for example, councillors' clinics, community services etc. This might help to save money elsewhere in the budget.

Reducing existing costs

Keep the libraries as repositories of books, but lose unnecessary services like Play station software and DVDs as well as Internet access. Wi-Fi/internet is available in many other locations for free.

It would be preferable to retain the current number of libraries but to look at different or more flexible opening hours.

Cleaning the borough: all results



Base: all responses to this question (967)

**I have another idea for reducing spending on
CLEANING THE BOROUGH**

Focus on recycling

Why are there different recycling services in Greenwich, Southwark, Bromley i.e. neighbouring boroughs? Surely you could make savings to costs by pooling your buying power from contractors, and sharing the use of expensive assets like refuse lorries etc.

The Council should have more recycling centres where people are paid for the rubbish they deliver. This would stop/reduce the cost of fly tipping. The organised receipt of rubbish would mean it could be more easily and cheaply recycled sold on to scrap dealers.

Incentivise recycling and reuse - ask local citizens, schools, what they need to help them cut waste and litter. Bring in local scheme where citizens who bring back bottles to the shop/supermarket get income for doing so.

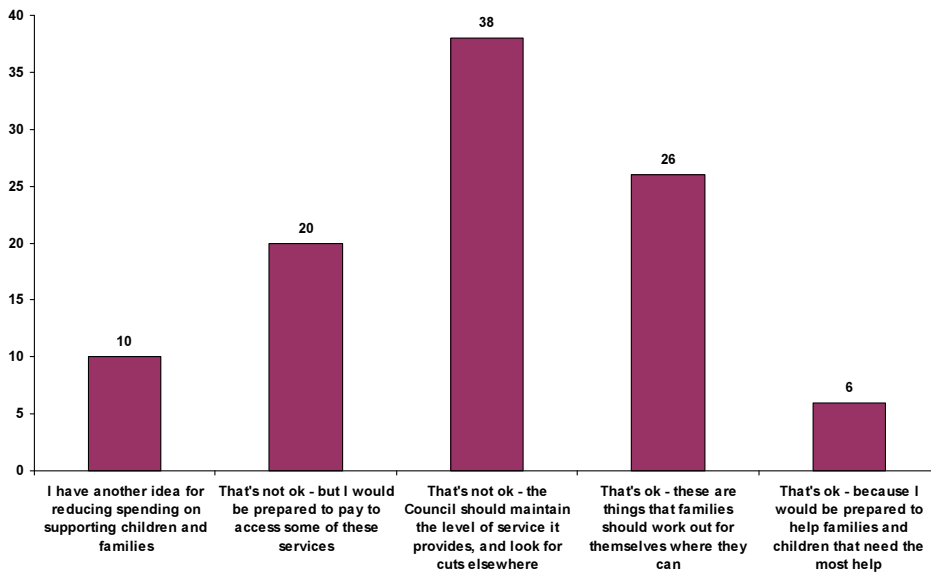
If people recycled far more, there would be less waste so waste collections could be reduced. A much bigger education campaign about recycling plus a better contract for recycling (so that for example, more types of plastic could be recycled).

Reduce waste production

Focus on reducing the production of waste (for example, working with supermarkets to reduce packaging, promoting the use of composting to reduce the volume of rubbish etc), this will in turn allow the council to reduce the amount and frequency of rubbish collections.

Everyone needs to be re-educated - but especially the businesses in the borough - to avoid unnecessary packaging, and to re-use where possible and recycle where not.

Supporting children and families: all results



Base: all responses to this question (966)

**I have another idea for reducing spending on
SUPPORTING CHILDREN & FAMILIES**

44

More volunteer or third sector support

I'd be happy to help organise children's activities like playgroups, and also to pay more towards them. But they are very, very important for children to socialise and learn, and if council funding is reduced you need to do it properly so that people are made aware of how they can help out to fill the gap.

all of the softer services around play, healthy eating, story times in the libraries etc etc all be left to the voluntary and private sector and the council should focus on saving money by providing services to those children and families most at risk.

Increase charges for non-essential services

[The Council should] not be subsidising "nice-to-have" services and activities for those that either could afford to pay for them elsewhere or whose children are not at risk of neglect/harm, etc.

children's centres based on ability to pay - maybe deducted directly from parents' social security payments.

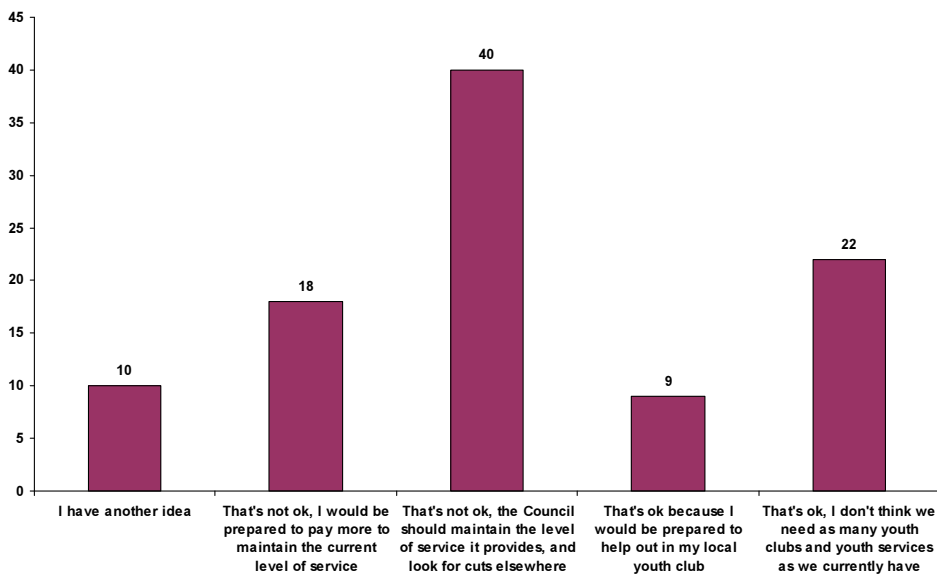
Increase efficiency and effectiveness of provision

integrated working (including housing, leisure and other services). Pooled budgets. lead professionals, and an integrated workforce willing to work more flexibly (incl. use of information technology and mobile working) would produce huge efficiency gains.

use local libraries (instead of closing them) as the premises for some of the activities currently provided by a children's centre that may need to be closed down.

Activities for young people: all results

45



Base: all responses to this question (962)

**I have another idea for reducing spending on
ACTIVITIES FOR YOUNG PEOPLE**

Explore other providers & partnerships

There may be a good case to contract out all provision on the basis that user-led organisations would operate more flexibly and efficiently.

Youth activity should be run by schools, not separately by the council. Schools have halls, gyms, playgrounds, sports facilities, which can be harnessed to develop gym clubs, football, athletics, art and extra studies.

Please partner with churches and other community groups who could provide some of these services voluntarily, with an overview from the council.

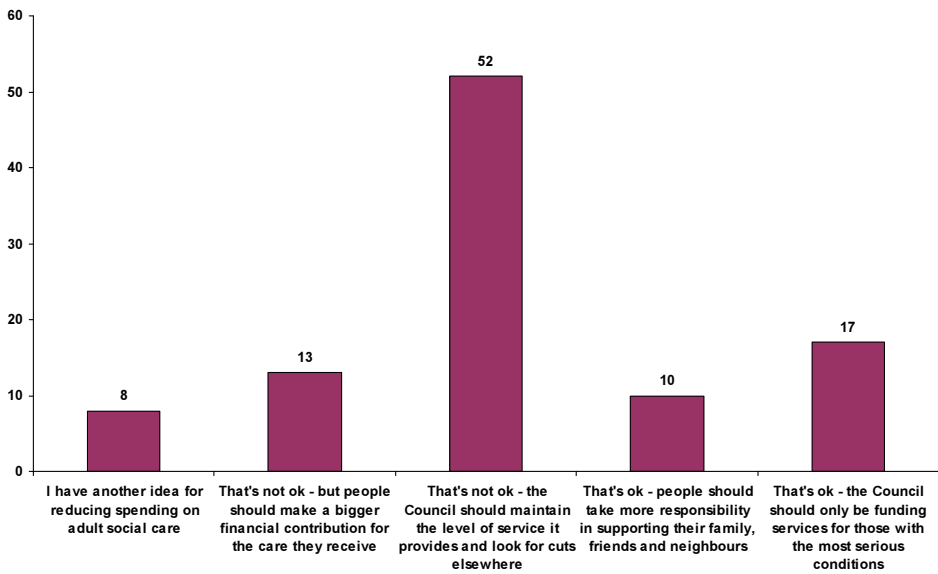
The Government should put in place plans for young people to do mandatory volunteering or community projects.

Income generation/ fees and efficiencies

Look where possible to use fundraising and self-funding for some of these services on either a voluntary or means tested basis. E.g. small fee for use of adventure playgrounds and youth groups/clubs. Fundraising to pay for improvements to these or the activities they offer.

I think the council run clubs could be reduced with funding to support local groups/charities/ organisations to continue and develop their projects. These are often able to run with fewer overheads/ more efficiently/ with less bureaucracy e.g. using volunteers.

Adult social care: all results



Base: all responses to this question (972)

I have another idea for reducing spending on ADULT SOCIAL CARE

Means testing & funding provision

Means testing the support provided so those who are vulnerable because of their economic as well as physical situation are protected.

enable people to get a core level of service paid for by the council and additional stuff by choice and paid for by themselves- possibly with add-on allowances

Should encourage community provision

If volunteering and befriending can be increased, dependence of local services can be reduced. However, the council would need to foster new networks and hubs around which communities could become more active. There's a role for the existing third sector, but new community ventures would need to be created.

if schemes were started where people can look after local residents and maybe earn some kind of recognition for this such as a basic qualification or earn membership to obtain free use of local facilities such as swimming and fitness classes or arts classes I think many, many people would become involved

Assessing eligibility

I agree that the current budget should be reduced however, I would like to recommend that the service is thoroughly reviewed under the commissioning process to ensure that the correct residents are accessing the correct services.

How often is ill health reviewed? Do you receive a break down of what the person is able to do? Are the benefits support tailored around their 'abilities' as well as their 'disabilities'?



Appendix 1 Summary of other feedback

Community group involvement

Launch Event – 15th July

- Attended by more than 40 community group representatives.
- Presentations by Barry Quirk and Sir Steve Bullock, followed by an open discussion session focussed on how the Council and the community might respond to the challenge of spending reductions.

Key messages included:

- protect services for the most vulnerable people
- make more effective use of the private and voluntary sectors
- provide greater development support for voluntary sector groups
- charge for services rather than reducing service levels
- drive down costs, reduce administration and wastage
- look outwards to the community to foster greater community spirit.
- think innovatively to find new solutions, such as
 - seeking match funding
 - sharing resources and facilities
 - making better use of non-financial community assets



Community group involvement

51

Other community groups involved directly, by request, included:

- Lewisham Disability Coalition (LDC)
- The Pensioners Forum
- Young People through the Young Mayor's team and advisors
- Ladywell Day Centre
- Bellingham Community Project

Throughout the consultation community groups were able to request tailored sessions or other materials to assist them in understanding the budget problem and how they could give their views.

Officers attended the Pensioners Forum to answer questions and hand out printed surveys to encourage greater participation in the survey. Staff at the Ladywell Day Centre requested a presentation, and subsequently completed paper surveys and the have your say forms.

The LDC opted for tailored discussion sessions, whilst the Young Mayor's team and advisors facilitated sessions attended by young people.



Key messages from discussion sessions included:

52

Lewisham Disability Coalition

A group of 26 representatives from the LDC received a presentation and undertook a group discussion which mirrored the approach used in Local Assemblies. Common themes included:

- the importance of adult social care services which protect standards of living for the most vulnerable in society.
- the importance of transport and roads in helping to reduce social isolation. This included freedom passes, taxis cards, and quality pavements
- areas where people felt they could help one another included
 - cleaning the street
 - gardening,
 - form filling,
 - advocacy, and
 - parenting support.

Young Advisor Facilitated Sessions

The Young Mayor's team and advisors facilitated group discussion sessions attended by 100 young people at four events. Themes that emerged included:

- it was considered important to continue to support activities for young people and ensure the accessibility of sport and leisure.
- look at extending the role of schools, colleges and universities to provide out-of-hours libraries, employment and training advice and skills through classes, and sports facilities.
- crime and anti-social behaviour was an area of concern, and existing measures such as wardens, CCTV, drugs and rehab services were not considered to be effective enough.
- a willingness to play a role in their communities/with the police to tackle crime.



An online forum was created to allow residents to discuss with one another the issues that the survey presented, as well as to raise other ideas, questions and concerns.

Forums are not typically used to collect data for research purposes, but instead are created to generate discussion. This was the case with the forum used for this consultation.

Some key facts relating to the use of the forum include:

- The forum was viewed 5,448 times, and 168 posts were made, demonstrating that considerably more people accessed the forum for information and to read the views of others, than to post their own views
- Most of the posts and views were across the 11 threads created at the start of the consultation to correspond to each of the scenarios contained in the online survey. These accounted for 132 of the 168 posts.
- The most popular thread was Libraries, receiving 66 posts and 2,034 views.
- Residents were able to create their own threads. Six alternative threads were started and these received 27% of all of the comments posted.
- The second highest number of posts were made on a resident-created thread entitled 'Alternative to Service Cuts'. This received 14 posts and 401 views.

Comments by email

A dedicated email inbox was created as another means by which residents could feedback comments as part of this consultation.

In total 21 emails were received. 11 of these stated opposition to proposed changes to services - six for libraries, two for children's centres, two for Opening Doors, and one for any changes that impacted on Adult Social Care.

These also made suggestions for the types of changes the Council could make in order to avoid changing levels of service. These mirror the feedback received elsewhere in the consultation – the key messages were:

- Increase efficiency
- Consider staffing and salaries
- Reduce printing costs and publicity
- Consider commercial models of operation, and
- Reduce service levels rather than stop services altogether.



Appendix 2 Notes on the data and the process

Table 1: Survey responses by age

Age Group	Responses (number)	Responses (%)	Age Group	Responses (number)	Responses (%)
18-24	30	3%	50-54	97	10%
25-29	86	9%	55-59	57	6%
30-34	145	15%	60-64	68	7%
35-39	129	13%	65+	75	8%
40-44	108	11%	I'd rather not say	46	5%
45-49	111	11%	No answer	44	4%
Total			996	100	

Chart 1: Survey responses by age, compared to Lewisham 18+ population

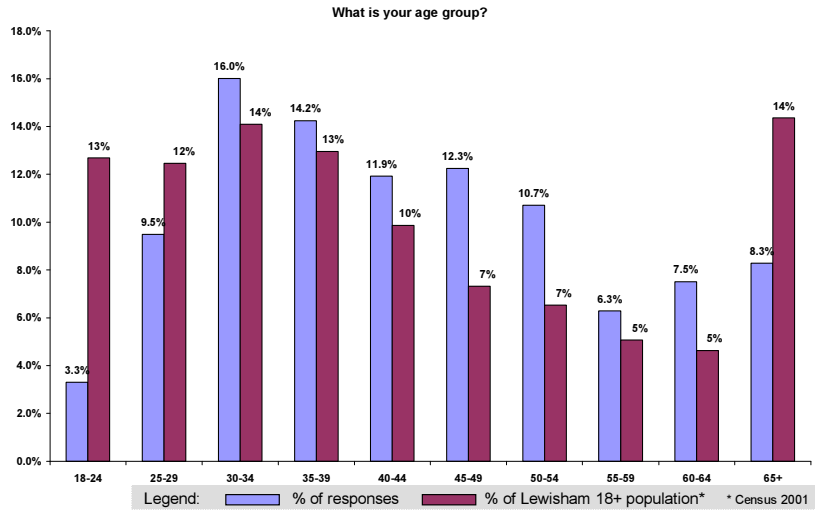


Table 2: Survey responses by ethnicity

Ethnic Group	Responses (no.)	Responses (%)	Ethnic Group	Responses (no)	Responses (%)
White			Black/Black British		
British	566	58.6	Caribbean	70	7.2
Irish	26	2.7	African	46	4.8
Gypsy/Irish Traveller	2	0.2	Any other	4	0.4
Any other	98	10.1	Total	120	12.0
Total	692	69.3			
Mixed/multiple ethnic groups			Asian/Asian British		
White and Black Caribbean	13	1.3	Indian	15	1.6
White and Black African	1	0.1	Pakistani	1	0.1
White and Asian	7	0.7	Bangladeshi	2	0.2
Any other	12	1.2	Chinese	4	0.4
Total	33	3.3	Any other	6	0.6
			Total	28	2.8
Other Ethnic Group			Others		
Arab	1	0.1	Rather not say	73	7.6
Any other	9	0.9	No answer	40	4.1
Total	10	1.0	Total	113	11.3
Grand total			969	100	

Chart 2: Survey responses by ethnicity, compared to Lewisham population

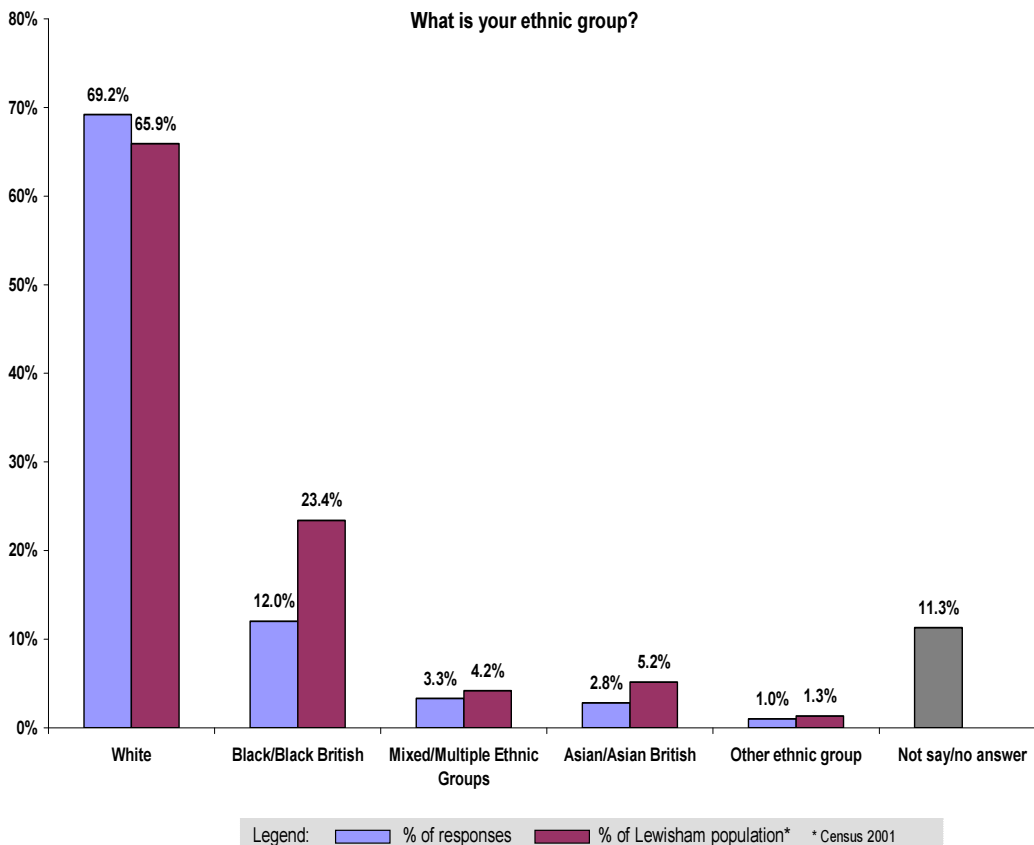


Table 3: Our Lewisham, Our Say “roadshow” dates and venues

Date	Location
Wednesday 25 August	Deptford Market
Friday 27 August	Evelyn Triangle, Evelyn
Tuesday 31 August	Heathside & Lethbridge Estate, Blackheath
Thursday 2 September	Lewisham Town Centre
Monday 6 September	Catford Shopping Precinct
Tuesday 7 September	Milton Court, New Cross
Wednesday 8 September	Home Park Estate, Bellingham
Wednesday 8 September	Bellingham Leisure Centre
Thursday 9 September	Co-operative Supermarket, Downham
Friday 10 September	Deptford Market
Saturday 11 September	Sainsbury's Supermarket, New Cross
Saturday 25 September	Sainsbury's Supermarket, Sydenham
Monday 27 September	Lewisham Town Centre
Friday 2 October	Lewisham Town Centre
Monday 5 October	Lewisham Town Centre

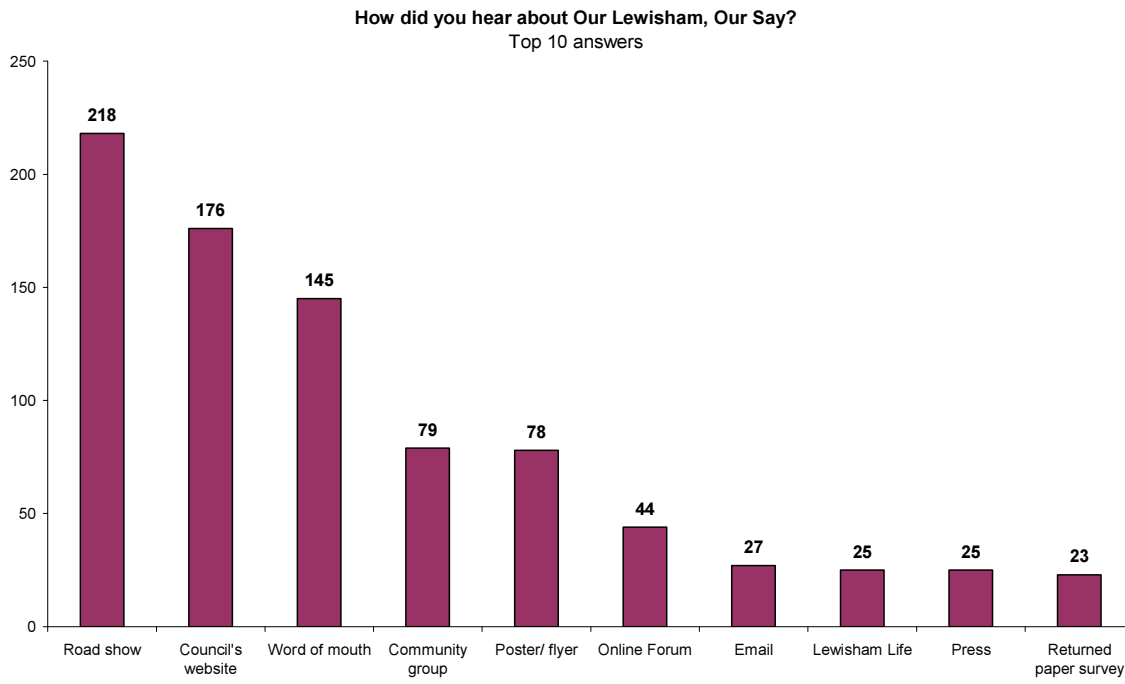
Table 4: Local Assembly attendance by assembly

Local Assembly	Attendance
Bellingham	90
Blackheath	70
Brockley	45
Catford South	80
Crofton Park	70
Downham	20
Evelyn	55
Forest Hill	30
Grove Park	60
Ladywell	50
Lee Green	65
Lewisham Central	45
New Cross	50
Perry Vale	45
Rushey Green	55
Sydenham	70
Telegraph Hill	290
Whitefoot	20
Total	1,210

Table 5: Total spend on Our Lewisham, Our Say

External spend	
Sign language interpreter for launch event	£260.00
Mobile internet for roadshows	£149.96
Presentational material for roadshows	£215.00
Catering for roadshows	£13.79
JC Decaux posters	£ 420.00
Internal spend	
Information postcards (x13,000)	£375.00
Posters (x300)	£ 17.50
Grand total	£1451.25

Chart 3: Top 10 sources from which survey respondents heard of Our Lewisham, Our Say



Ready Reckoner for Council Tax 2011/12

	Budget Requirement	Council Tax (Band D)	Increase / Decrease	GLA Precept (Band D)	Total Council Tax (Band D)	Increase / Decrease
	£'M	£	%	£	£	%
2010/11	271.454	1,042.11	0.00%	309.82	1,351.93	0.00
	278.793	1,016.06	-2.50%	309.82	1,325.88	-1.93%
	279.254	1,021.27	-2.00%	309.82	1,331.09	-1.54%
	279.716	1,026.48	-1.50%	309.82	1,336.30	-1.16%
	280.177	1,031.69	-1.00%	309.82	1,341.51	-0.77%
	280.638	1,036.90	-0.50%	309.82	1,346.72	-0.39%
Recommended	281.099	1,042.11	0.00%	309.82	1,351.93	0.00%
	281.560	1,047.32	0.50%	309.82	1,357.14	0.39%
	282.021	1,052.53	1.00%	309.82	1,362.35	0.77%
	282.482	1,057.74	1.50%	309.82	1,367.56	1.16%
	282.943	1,062.95	2.00%	309.82	1,372.77	1.54%
	283.404	1,068.16	2.50%	309.82	1,377.98	1.93%

PRUDENTIAL INDICATORS

1. The CIPFA Prudential Code for Capital Finance in Local Authorities details the indicators that are required to be set. to ensure that the level of capital investment is affordable.

2. Capital Expenditure Indicator

This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits. The actual capital expenditure that was incurred in 2009/10 and the projected capital investment for the current and future years recommended for approval is:

Table 13: Capital Expenditure

	2009/10 Actual £M	2010/11 Projection £M	2011/12 Projection £M	2012/13 Projection £M	2013/14 Projection £M
General Fund	54.865	63.007	84.092	44.391	15.609
Housing Revenue Account	8.736	13.803	33.782	36.004	36.000
	63.601	76.810	117.874	80.395	51.609

3. Ratio of Financing Costs to Net Revenue Stream Indicator

This is an indicator of affordability and calculates the proportion of the revenue budget required to finance the net costs associated with borrowing and investment. The relevant proportions are as set out below:

Table 14: Ratio of Financing Costs to Net Revenue Stream

	2009/10 Actual	2010/11 Projection	2011/12 Projection	2012/13 Projection	2013/14 Projection
General Fund	1.66%	2.47%	2.58%	2.54%	2.42%
Housing Revenue Account	17.35%	17.61%	15.87%	16.03%	15.92%

4. Capital Financing Requirement Indicator

The capital financing requirement calculates the authority’s notional need to borrow to finance capital investment. It is essentially based on the Governments assessment of the Council’s borrowing requirement minus the statutory calculation of the amount which Council’s are required to provide from revenue to repay debt.– the Minimum Revenue Provision (MRP). It is not the amount the Council actually borrows which is determined primarily by interest rate and cashflow considerations.

Estimates of the end of year capital financing requirements for the authority for the current and future years and the actual capital financing requirement at 31 March 2010 are:

Table 15: Capital Financing Requirement

	2009/10 Actual £M	2010/11 Projection £M	2011/12 Projection £M	2012/13 Projection £M	2013/14 Projection £M
Housing Revenue Account	243.374	204.537	204.537	204.537	204.537
General	160.693	166.336	168.531	163.140	156.866

Fund

404.067	370.873	373.068	367.677	361.403
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The movements on the General Fund CFR reflects the Governments net assessment of the Council's need to borrow and the statutory provision for the redemption of debt (the minimum revenue provision).

The Prudential Code provides that Council's over the medium term should ensure that net external borrowing does not exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This provides assurance that borrowing will only be incurred for capital purposes.

The Executive Director of Resources reports that the authority met this requirement in 2009/10 and no difficulties are envisaged for the current or future years. This view takes into account current commitments, existing plans, and the proposals in the council tax setting report.

5. Incremental Impact of Capital Investment Decisions Indicator

This is an indicator of affordability that shows the net impact of the debt charges associated with the borrowing to finance projected capital investment on council tax and housing rents

Table 16: Incremental Impact of Capital Investment Decisions

	2009/10 Actual £M	2010/11 Projection £M	2011/12 Projection £M	2012/13 Projection £M	2013/14 Projection £M
Increase in Council Tax (band D) per annum.	13.92	6.80	5.26	2.48	0.00
Increase in Average Council Rent per Week					

The indicative impact on the Council Tax reflects the financing charges relating to borrowing to fund capital investment associated with supported and un-supported borrowing. Supported borrowing as the name suggests represents the amount the Government considers the Council needs to borrow to deliver its programme and notionally provides support to finance the associated debt charges through the revenue grant mechanism. The Government has announced that it will not provide supported borrowing from 2011/12 onwards.

Unsupported borrowing represents borrowing to support local initiatives the financing charges of which are financed from Council Tax. Conventionally such borrowing is financed from savings in existing budgets or increases in revenue attributable to the scheme and the impact on Council Tax in these circumstances would be neutral.

The housing subsidy system currently provides support for all the financing costs associated with borrowing to invest in the housing stock and consequently there is no impact on rents. However it should be noted that this system is currently the subject of a review by Central Government.

MINIMUM REVENUE PROVISION POLICY

1. The Minimum Revenue Provision (MRP) is a statutory calculation of the amount the Council is required to defray from Council Tax to provide for the redemption of debt next year. This may not correspond to the actual amount of debt repaid which is determined by treasury related issues.
2. MRP is calculated as 4% of the non housing element of the Capital Financing Requirement (CFR).. No corresponding provision exists for the HRA.
3. The Council will continue to apply the MRP policy adopted in the 2009/10 budget report for the 2011/12 financial year which entails prudential borrowing being repaid over the useful life of the asset it is financing. Other borrowing will continue to be repaid by reference to the CFR.
4. The Council incurs a proportion of its annual capital expenditure which is not immediately financed from its own resources. This results in a capital debt liability which must be charged to revenue account over a period of time. The minimum annual amount that must be charged each year was governed by statute until 2007, since when the annual charge must represent what is considered by the Council itself to represent a prudent provision, which is to be assessed after having regard to Guidance that has been issued.
5. The main changes envisaged by the Guidance are that MRP for most new capital debt liability should bear some relationship to the estimated life of the associated asset or scheme, and that the repayment liability should not commence until the scheme has been completed.
6. It appears likely that this revised approach could provide the Council an opportunity to achieve an early reduction in revenue charges which is currently the subject of review in conjunction with the Council's advisors.

SOVEREIGN CREDIT RATINGS AS AT 7TH DECEMBER 2010**AAA**

- Canada
- Denmark
- Finland
- France
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland
- U.K.
- U.S.A.

AA+

- Australia
- Belgium
- Spain *

SPECIFIED AND NON-SPECIFIED INVESTMENTS

- 4.1 The Council's investment priorities are: -
- The security of capital
 - The liquidity of investments to ensure that the Council has cash available to discharge its liabilities as necessary.
- 4.2 Within these priorities, the Council will also aim to achieve the optimum return on its investments commensurate with appropriate levels of security and liquidity.
- 4.3 To achieve these objectives, the Council is required to classify investment products as either "specified" or "non-specified".
- 4.4 Specified investments comprise investment instruments which the Council considers offer high security and liquidity. These instruments can be used with minimal procedural formalities. The guidance issued by the Government considers that specified investments have the following characteristics: -
- Denominated in Sterling and have a term of less than one year.
 - Instruments of less than one year issued by the Government or other Local Authorities
 - Have "high" credit ratings as determined by the Council itself.
- 4.5 All other investments are termed non-specified investments. These involve a relatively higher element of risk, and consequently the Council is required to set a limit on the maximum proportion of their funds which will be invested in these instruments. The Strategy should also specify the guidelines for making decisions and the circumstances in which professional advice is obtained.
- 4.6 Investment instruments identified for use in the financial year are listed below under the 'Specified' and 'Non-Specified' Investments categories. Counterparty limits will be as set through the Council's Treasury Management Practices – Schedules.

SPECIFIED INVESTMENTS

Investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' rating criteria as specified by the Council

	* Minimum 'High' Credit Criteria	Use																		
Debt Management Agency Deposit Facility	Government Backed	In-house																		
Term deposits – local authorities	Government Backed	In-house																		
Term deposits of up to 12 months – UK banks and building societies Certificates of deposit of up to 12 months issued by UK banks and building societies Global banks to have minimum country rating of AA+ Group limits corresponding to the lowest credit limit applying to the individual institution within the group. The Council's banker the Cooperative Bank Plc to be used	<table border="1"> <thead> <tr> <th>Sector Band</th> <th>Credit Limit (£ Million)</th> <th>Duration Limit (Months)</th> </tr> </thead> <tbody> <tr> <td>Purple</td> <td>25</td> <td>24</td> </tr> <tr> <td>Orange</td> <td>20</td> <td>12</td> </tr> <tr> <td>Red</td> <td>15</td> <td>6</td> </tr> <tr> <td>Green</td> <td>10</td> <td>3</td> </tr> <tr> <td>Blue</td> <td>30</td> <td>12</td> </tr> </tbody> </table>	Sector Band	Credit Limit (£ Million)	Duration Limit (Months)	Purple	25	24	Orange	20	12	Red	15	6	Green	10	3	Blue	30	12	In-house and Fund Managers
Sector Band	Credit Limit (£ Million)	Duration Limit (Months)																		
Purple	25	24																		
Orange	20	12																		
Red	15	6																		
Green	10	3																		
Blue	30	12																		

for short term deposits if other facilities not available.		
UK Government Gilts	UK sovereign rating	Fund Managers
Bonds issued by multilateral development banks	AAA	Fund Managers
Treasury Bills	UK sovereign rating	Fund Managers

Collective Investment Schemes structured as Open Ended Investment Companies (OEICs): -		
1. Government Liquidity Funds	AAA	Fund Managers
2. Money Market Funds	AAA	In-house and Fund Managers
3. Enhanced cash funds	AAA	In-house and Fund Managers
4. Bond Funds note 2	AAA	Fund Managers
5. Gilt Funds	AAA	Fund Managers

NON-SPECIFIED INVESTMENTS:

Non specified investments may be categorised as :

- Other financial instruments not classified as specified investments.
- Investments with duration over one year.

A maximum of 30% will be held in aggregate in non-specified investment

Other financial instruments not classified as specified investments.

	* Minimum Credit Criteria	Use																								
Fixed term deposits with variable rate and variable maturities: - Structured deposits Global banks to have minimum country rating of AA+	<table border="1"> <thead> <tr> <th></th> <th colspan="2">Duration</th> </tr> <tr> <th>Sector</th> <th>Credit Limit</th> <th>Limit</th> </tr> <tr> <th>Band</th> <th>(£ Million)</th> <th>(Months)</th> </tr> </thead> <tbody> <tr> <td>Purple</td> <td>25</td> <td>24</td> </tr> <tr> <td>Orange</td> <td>20</td> <td>12</td> </tr> <tr> <td>Red</td> <td>15</td> <td>6</td> </tr> <tr> <td>Green</td> <td>10</td> <td>3</td> </tr> <tr> <td>Blue</td> <td>30</td> <td>12</td> </tr> </tbody> </table>		Duration		Sector	Credit Limit	Limit	Band	(£ Million)	(Months)	Purple	25	24	Orange	20	12	Red	15	6	Green	10	3	Blue	30	12	In-house
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Green	10	3																								
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Group limits corresponding to the lowest credit limit applying to the individual institution within the group.																										
Commercial paper issuance covered by the UK bank support package		Fund Managers																								

Floating Rate Notes :		Fund Managers
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Investments with duration over one year.

	* Minimum Credit Criteria	Use																					
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UK Government Gilts	UK sovereign rating	In-house and Fund Managers																					
Bonds issued by multilateral development banks	AAA	In-house and Fund Managers																					
Sovereign bond issues (other than the UK govt)	AAA	In-house and Fund Managers																					

Potential Counterparty List

Indicative Wider Range Investment Counterparties

Country	Counterparty	Credit Limit £ Million	Duration Limit Months
Existing Narrower Range Investments			
Australia	Australia and New Zealand Banking Group Ltd	20.000	12
Australia	Commonwealth Bank of Australia	25.000	24
Australia	National Australia Bank Ltd	25.000	24
Australia	Westpac Banking Corporation	25.000	24
Canada	Bank of Montreal	20.000	12
Canada	Bank of Nova Scotia	20.000	12
Canada	Canadian Imperial Bank of Commerce	15.000	6
Canada	Royal Bank of Canada	25.000	24
Canada	Toronto Dominion Bank	25.000	24
Finland	Nordea Bank Finland plc	20.000	12
France	BNP Paribas	20.000	12
France	Credit Industriel et Commercial	15.000	6
Germany	Deutsche Bank AG	15.000	6
Hong Kong	Hong Kong and Shanghai Banking Corporation Ltd	25.000	24
Netherlands	Cooperatieve Centrale Raiffeisen Boerenleenbank BA	25.000	24
Singapore	DBS Bank Ltd	20.000	12
Singapore	Oversea Chinese Banking Corporation Ltd	20.000	12
Singapore	United Overseas Bank Ltd	20.000	12
Spain	Banco Santander	15.000	6
Sweden	Nordea Bank AB	20.000	12
Sweden	Svenska Handelsbanken AB	20.000	12
Switzerland	Credit Suisse	20.000	12
U.K	Barclays Bank plc	15.000	6
U.K	HSBC Bank plc	20.000	12
U.K	Santander UK plc	10.000	3
U.K	Standard Chartered Bank	15.000	6
U.S.A	Bank of New York Mellon, The	25.000	24
U.S.A	HSBC Bank USA, N.A.	15.000	6
U.S.A	JP Morgan Chase Bank NA	20.000	12
U.S.A	Wells Fargo Bank NA	15.000	6
U.K	Nationwide BS	10.000	3
UK	Lloyds Banking Group plc	30.000	12
UK	Bank of Scotland Plc	30.000	12
UK	Lloyds TSB Bank Plc	30.000	12
UK	Royal Bank of Scotland Group plc	30.000	12
UK	National Westminster Bank Plc	30.000	12
Additional Counterparties from Proposed List			
Belgium	Fortis Bank	10.000	3
Canada	National Bank of Canada	15.000	6
Denmark	Danske Bank As	10.000	3
France	CALYON Corporate and Investment Bank	10.000	3
France	Credit Agricole SA	20.000	12
France	Societe Generale	15.000	6
Germany	UniCredit Bank AG	10.000	3
Germany	Landesbank Baden Wuerttemberg	10.000	3
Germany	Landesbank Berlin AG	10.000	3
Germany	DZ Bank AG (Deutsche Zentral-Genossenschaftsbank)	15.000	6
Germany	Landesbank Hessen-Thueringen Girozentrale (Helaba)	10.000	3
Germany	Landwirtschaftliche Rentenbank	20.000	12
Luxembourg	Banque et Caisse d'Epargne de l'Etat	20.000	12
Luxembourg	Clearstream Banking	20.000	12
Netherlands	Bank Nederlandse Gemeenten	25.000	24
Netherlands	ING Bank NV	15.000	6
Norway	DnB NOR Bank	15.000	6
Sweden	Skandinaviska Enskilda Banken AB	10.000	3
Sweden	Swedbank AB	10.000	3
Switzerland	UBS AG	10.000	3
U.K	Bank of New York Mellon (International) Ltd	20.000	12
U.K	Cater Allen	10.000	3
U.K	Clydesdale Bank	10.000	3
U.K	Credit Suisse International	20.000	12
U.K	Crown Agents Bank Ltd	10.000	3
U.K	DB UK Bank Limited	10.000	3
U.K	HFC Bank Ltd	20.000	12
U.K	MBNA Europe Bank	15.000	6
U.K	Sumitomo Mitsui Banking Corporation Europe Ltd	10.000	3
U.K	UBS Ltd	20.000	12
U.S.A	Deutsche Bank Trust Company Americas	10.000	3
U.S.A	Northern Trust Company	15.000	6
U.S.A	State Street Bank and Trust Company	15.000	6
U.K	Ulster Bank Ltd	30.000	12

Narrower Range: Investments

Country	Counterparty	Credit Limit £ Million	Duration Limit Months
Existing Narrower Range Investments			
Australia	Australia and New Zealand Banking Group Lt	20.000	3
Australia	Commonwealth Bank of Australia	25.000	3
Australia	National Australia Bank Ltd	25.000	3
Australia	Westpac Banking Corporation	25.000	3
Canada	Bank of Montreal	20.000	3
Canada	Bank of Nova Scotia	20.000	3
Canada	Royal Bank of Canada	25.000	3
Canada	Toronto Dominion Bank	25.000	3
Canada	Canadian Imperial Bank of Commerce	15.000	3
Finland	Nordea Bank Finland plc	20.000	3
France	BNP Paribas	20.000	3
France	Credit Industriel et Commercial	15.000	3
Germany	Deutsche Bank AG	15.000	3
Hong Kong	Hong Kong and Shanghai Banking Corporatio	25.000	3
Netherlands	Cooperatieve Centrale Raiffeisen Boerenleent	25.000	3
Singapore	DBS Bank Ltd	20.000	3
Singapore	Oversea Chinese Banking Corporation Ltd	20.000	3
Singapore	United Overseas Bank Ltd	20.000	3
Spain	Banco Santander	15.000	3
Sweden	Nordea Bank AB	20.000	3
Sweden	Svenska Handelsbanken AB	20.000	3
Switzerland	Credit Suisse	20.000	3
U.K	Santander UK plc	10.000	3
U.K	Nationwide BS	10.000	3
U.K	HSBC Bank plc	20.000	3
U.K	Barclays Bank plc	15.000	3
U.K	Standard Chartered Bank	15.000	3
U.S.A	JP Morgan Chase Bank NA	20.000	3
U.S.A	Bank of New York Mellon, The	25.000	3
U.S.A	HSBC Bank USA, N.A.	15.000	3
U.S.A	Wells Fargo Bank NA	15.000	3
UK	Lloyds Banking Group plc	30.000	12
UK	Bank of Scotland Plc	30.000	12
UK	Lloyds TSB Bank Plc	30.000	12
UK	Royal Bank of Scotland Group plc	30.000	12
UK	National Westminster Bank Plc	30.000	12
Additional Counterparties from Proposed List			
Canada	National Bank of Canada	15.000	3
France	Credit Agricole SA	20.000	3
France	Societe Generale	15.000	3
Germany	Landwirtschaftliche Rentenbank	20.000	3
Germany	DZ Bank AG (Deutsche Zentral-Genossensch	15.000	3
Luxembourg	Banque et Caisse d'Epargne de l'Etat	20.000	3
Luxembourg	Clearstream Banking	20.000	3
Netherlands	Bank Nederlandse Gemeenten	25.000	3
Netherlands	ING Bank NV	15.000	3
Norway	DnB NOR Bank	15.000	3
U.K	Bank of New York Mellon (International) Ltd	20.000	3
U.K	Credit Suisse International	20.000	3
U.K	HFC Bank Ltd	20.000	3
U.K	UBS Ltd	20.000	3
U.K	MBNA Europe Bank	15.000	3
U.S.A	Northern Trust Company	15.000	3
U.S.A	State Street Bank and Trust Company	15.000	3

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Agenda Item 6

Chief Officer Confirmation of Report Submission	
Cabinet Member Confirmation of Consultation	
Report for: Mayor	
Mayor and Cabinet	<input checked="" type="checkbox"/>
Mayor and Cabinet (Contracts)	<input type="checkbox"/>
Executive Director	<input type="checkbox"/>
Information <input type="checkbox"/>	Part 1 <input checked="" type="checkbox"/>
Part 2 <input type="checkbox"/>	Key Decision <input type="checkbox"/>


Date of Meeting	17 February 2011
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Title of Report	Strategic Asset Management Plan 2011-14
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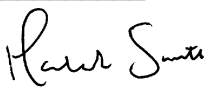
Originator of Report	Executive Director for Regeneration	Ext.
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	X	
Legal Comments from the Head of Law	X	
Crime & Disorder Implications	X	
Environmental Implications	X	
Equality Implications/Impact Assessment (as appropriate)	X	
Confirmed Adherence to Budget & Policy Framework	X	
Risk Assessment Comments (as appropriate)	X	
Reason for Urgency (as appropriate)		

Signed: _____  _____ Executive Member

Date: _____ 07/02/11 _____

Signed: _____  _____ Director/Head of Service

Date _____ 03/02/11 _____

Control Record by Committee Support

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

MAYOR & CABINET		
Report Title	Strategic Asset Management Plan 2011-14	
Key Decision	Yes	Item No. 6
Ward	All	
Contributors	ED Regeneration (Director of Programme Management & Property), ED Resources, Head of Law	
Class	Part 1	Date: 17 February 2011

1 Purpose of the report

- 1.1 This report seeks approval to the 2011-14 Asset Management Plan. It provides a summary of current Government guidance on asset management and a critique of progress on the Council's approach to asset strategy since the last report in 2010.
- 1.2 This report builds on the progress previously reported and considers the changing landscape in national government, the expectations of asset management and the key issues the Council faces over the next 3 years.
- 1.3 It describes the current challenges, sets out progress on the current Action Plan and proposes a revised Plan for 2011-12.

2 Recommendation

- 2.1 That the Mayor agrees the Strategic Asset Management Plan attached at Appendix 1 the Action Plan update in Appendix 2 and the proposed 2011-12 Action Plan in Appendix 3.

3 Policy context

- 3.1 This is set out in paragraph 2.2 of the attached Plan.

4 Background

- 4.1 On 10 February 2010 Mayor & Cabinet agreed the Strategic Asset Management Plan for 2010-13. Asset management is a key discipline and up until 2010 was recognised by the Audit Commission in their assessment of the Council's Use of Resources.
- 4.2 Asset management was subject to a best value review in 2005-06. The review, which was completed in July 2006, took a

comprehensive look at the Council's asset management arrangements. The review included specific recommendations for the following:

- a strategic approach in the management of the Council's assets
- a clear and coherent structure to support the effective delivery of the service
- establishment of data systems and IT to facilitate information gathering and learning
- greater discipline and structure in the use of contractors
- improved dialogue between the service and its customers
- development of appropriate skills and resources
- embedment of a strong performance management culture

4.3 Additional resources were committed to the service during 2007 and significant progress has been made in developing corporate arrangements for strategic asset management and improving the delivery of programmes and projects.

4.4 In June 2009 the Audit Commission published an updated report "Room for Improvement" on asset management. It found that few councils are managing strategically their £250 billion of national assets. The report reveals that:

- councils have spent £1.2 billion more on buying or refurbishing their offices than they have generated in from sales
- only one in 14 (7 per cent) of councils is an exemplary manager of its assets
- in 2007/08, while 65 improved, the performance of 46 councils on asset management deteriorated (based on their UOR scores)
- a third do not yet share assets with other public services

4.5 The report called on central government to give a clear steer on the priority for local government: should councils seek to dispose of assets to maximize receipts, or enhance estates to deliver better public services. Given the scale of the current challenge to reduce public sector spending, the requirement to reduce revenue costs is likely to become key.

4.6 In December 2009 the Pre-budget report and a report "Putting the Frontline First: Smarter Government" both implied a key role for asset management in delivering operational efficiency targets. The asset strand of the Operational Efficiency Programme sets out proposals for a strategic review of public sector estate management including an assessment of the feasibility of creating new property companies to manage assets and deliver improved

efficiency. In addition, the Department for Communities and Local Government are progressing proposals for a depreciation-based funding scheme that will be considered as part of the 2010 Budget.

4.7 In December 2009, at the request of the Director of Programme Management and Property, Local Partnerships undertook a one week review of the Council's approach to asset management. The review's key findings were as follows:

- Strategy and Vision – required improvement to create clearer links between overall asset strategy and service asset plans
- Asset Challenge - insufficiently strong and required development
- Delivery and Management Arrangements - were strong and well developed

4.8 The 2010-11 Action Plan sought to address these matters and an update is included in Appendix 2.

4.9 Up until May 2010 the Council was also engaged in the national Total Place pilot in respect of assets and energy. Total Place no longer seems to be a key Government priority. However, joint working with all local public sector agencies remains a high priority for the Council and over the last 12 months we have made significant progress in leading this work. The Council now takes a clear lead on Infrastructure Planning reporting regularly to the Sustainable Development Partnership of the Local Strategic Partnership. A widened Lewisham Asset Management Board consisting of all local public sector partners meets every 6 months to share information on infrastructure needs and identify opportunities for collaboration.

4.10 The current direction of national policy seeks continuing efficiency gains, more joined up working across the public sector and a renewed emphasis on community empowerment.

5 Updated Strategic Asset Management Plan

5.1 The revised plan builds on existing arrangements:

- a three year strategy inked to the Council's Capital Programme and subject to annual updates
- annual performance evaluation reports
- the development and delivery of a Rationalisation Programme

- 5.2 The Council has a well established culture of corporate working. As noted in the Local Partnerships work in 2009, there is strong buy-in to asset management from senior officers and elected members. The portfolio lead for asset management is the Deputy Mayor and officer leadership rests with the Director of Programme Management & Property within the Directorate for Regeneration.
- 5.3 An updated Strategic Asset Management Plan 2011-14 is attached at Appendix 1. This updates the previous plan and sets new priorities for the coming year. It notes the impact of the proposed budget savings, the effect on the Council's ability to dispose of surplus assets in support of current priorities and the likely harsher financial context for the next 3 years. It also alludes to the provisions of the Localism Bill and how these might impact on asset management.
- 5.4 The 2010-11 Asset Management Action Plan, agreed by Mayor & Cabinet on 10 February 2010 is set out in Appendix 2 with an update of progress made since it was reported to Public Accounts in December 2010.
- 5.5 Appendix 3 sets out a proposed Action Plan for 2011-12 and incorporates the work required over the next 12 months to address the long term needs of the borough and significantly reduce the costs of the estate.

6 Financial Implications

- 6.1 The Council's 2009-10 balance sheet values Fixed Property Assets at just over £2bn. This is split Council Dwellings £962m, Other Land and Buildings £891m, VPF&E and Other £221m. During 2009-10 the Council's revenue spend on property-related costs was just under £20m and total capital spending was £64m.
- 6.2 The Capital Programme (2011-16) is reported elsewhere on this agenda and sets out the programme priorities for the next 5 years. The Budget savings proposals 2011-14 include £1m saving from estate rationalisation.

7 Legal Implications

- 7.1 Section 3(1) of the Local Government Act (1999) (LGA 1999) places a duty upon the Local Authority to make arrangements to secure continuous improvement in all of its services, having regard to a combination of their economy, efficiency and effectiveness.
- 7.2 The Localism Bill includes new provisions that could impact on asset management in the future, in particular, the Community

Empowerment provisions relating to the Right to Challenge and Assets of Community Value.

- 7.3 The Right to Challenge will enable voluntary and community bodies, charities, parish councils or public sector employees delivering the service, to express an interest in running a local authority service. Where it accepts an expression of interest, the local authority must carry out a procurement exercise for the running of that service. This exercise will inevitably need to include arrangements in respect of any assets from which the service is delivered or which are otherwise required in connection with the service.
- 7.4 The Land of Community Value provisions will provide an opportunity for local community groups to bid to buy buildings or land which are listed by the local authority as assets of community value. The provisions in the Bill are vague and the precise way in which they will work and the implications for asset disposals, e.g. the assets which will be excluded from these provisions and the length of any moratorium period during which the community right to buy will run and the local authority will not be permitted to dispose of the asset, will not be known until the draft Regulations under the Localism Bill (which it appears are intended to contain most of the detail) have been published.

8 Crime and Disorder Implications

- 8.1 There are no crime and disorder implications arising from this report, specific implications relating to the Council's estate are considered property by property.

9 Environmental Implications

- 9.1 There are no environmental implications arising from this report however, sustainability is a core consideration in the Council's response to asset management and encompasses all aspects of sustainability.

10 Human Resource Implications

- 10.1 There are no HR implications of this report.

11 Equalities Implications

- 11.1 Equalities issues have been considered as an integral part of the process of reviewing the Strategic Asset Management Plan. The Key equalities consideration is access to public services through providing accessible buildings. The plan supports the delivery of corporate priorities and these are cross checked within the document.

- 11.2 Both the introduction and Objective 5 refer to accessible buildings while Objective 9 refers to access to services. This is reflected in the Asset Management Plan programme which cuts across all service areas. Equality Impact Assessments (EIA) are undertaken on specific projects where this is appropriate and reported to Mayor & Cabinet.
- 11.3 There are clear links between the Strategic Asset Management Plan and the Council's Regeneration Strategy, People, Prosperity and Place. The plan states that *'We are using our ownership of property to generate investment and facilitate regeneration and development.'* A full EIA was undertaken of the Regeneration Strategy, and an action plan was agreed by Mayor and Cabinet on 5th December 2007. The action plan focuses on improving engagement of Lewisham's diverse communities in major regeneration projects, and work is underway to deliver the actions identified.
- 11.4 Diversity within the Borough's population is recognised in paragraph 2.1 of the plan.
- 11.5 Paragraph 3.3 of the plan highlights a commitment to stakeholder and community involvement.

12. Conclusion

- 12.1 The last annual report in February 2010 noted the good progress the Council had made in developing capacity to strategically manage it's estate. It noted that the next 3 years would be very different from the last 3 and that financial pressures on the Council would grow and available investment would be considerably harder to identify.
- 12.2 The key challenge remains grasping the nettle of a radical estate rationalisation programme. This will need to question whether current service strategies remain realistic in the light of the level of savings required to be delivered. The outcome of this programme will be a significantly smaller estate supporting the Council's needs, a reduction in the running costs of the core estate and a modest affordable investment programme.
- 12.3 The significant challenge for 2011 will be to gain agreement to a deliverable Rationalisation Programme and identify and mobilise capacity to deliver it, given that the resources in Programme Management & Property are also subject to significant budget reductions.

BACKGROUND PAPERS

Short title of document	Date	Contact
Strategic Asset Management Plan – Mayor & Cabinet	10 February 2010	Kevin Flaherty

For more information about this report, please contact Steve Gough
Director of Programme Management & Property on 020 8314 8885

Strategic Asset Management Plan 2011-14

Document Control

Version	Updated By	Date
Draft v0.01	Steve Gough	17 January 2011

Foreword – Strategic Asset Management Plan

The Council owns assets valued at over £2bn. Our property holdings are a key resource and, a critical part of delivering services to the community. Using property effectively will help to achieve our objective to make Lewisham the best place in London to live, work and learn.

The Council's assets play a key role in supporting place shaping and our wider regeneration aims. We will plan for effective use of our property and ensure that each building makes a contribution towards the achievement of our objectives. In that way, we will maximise impact on the services that matter to the people of Lewisham.

Good quality information is key to effective property management; knowing what we own, what it costs, whether we need to keep it and if we do, how we will use and look after it. This Strategic Asset Management Plan provides the basis over the next 3 years for that development process and describes the philosophy that underlies it.

The plan has been prepared in accordance with guidance issued by the Royal Institution of Chartered Surveyors, the professional organisation for the management of land and property.

This revised 3 year strategic plan responds to the challenges posed by the financial position faced by the Council and recognises the reality of the harsh financial environment across the time horizon of the Plan.

Alan Smith
CABINET MEMBER FOR REGENERATION

1 Introduction

Excellent asset management has a key role to play in delivering high quality public services. Our aim is to provide fit for purpose, accessible and sustainable buildings, that represent good value for money. This three year plan directs the work on the Council's assets and provides for a performance appraisal process for the annual review and updating of the plan.

It provides clear forward looking strategic goals for its property assets that shows how land and buildings will be used and developed to help deliver corporate priorities and service delivery needs, now and in the future. The plan shows how property assets will be maintained, modernised and rationalised to ensure that they are fit for purpose. It also recognises the impact of the economic downturn on the Council's plans for its assets and the policy changes of the Government set out in the Localism Bill.

Over the last three years we have seen significant new investment into Lewisham's public service infrastructure including the renewal of the secondary school estate, investment in new leisure facilities, the regeneration of Lewisham and Deptford Town Centres and essential improvements to Council's accommodation. The next three years are likely to be very different with increasing financial pressure on the public sector with significantly lower levels of investment available.

The main challenge for asset management will be to rationalise the number of buildings in use, to continue to deliver investment to the core estate and deliver revenue savings. At the same time the Council will need to respond to the opportunities and challenges posed by the Localism Bill relating to community assets.

2 Context

2.1 The Borough

Lewisham covers 3,470 ha, from the River Thames in the north, to Bromley in the south and between Southwark to the west and Greenwich to the east. It is the third largest inner London borough in terms of both its population and its area, with a highly diverse current population of approximately 250,000. By 2016 the borough's population is expected to increase to approximately 282,000.

43% of the population are from black and minority ethnic communities. This figure rises to 50% among school children. Diversity is also changing rapidly as new groups are added to the established community including immigrants from central and eastern Europe.

Deprivation is a key issue affecting the priorities in service provision; using average scores from the 2004 English Indices of Deprivation, Lewisham ranks 28th most deprived local authority area. The borough has areas of severe deprivation that rank amongst the 10% most deprived in England.

Lewisham’s local economy has a relatively small corporate and private sector. The scale of the local economy ranks 24th out of 33 London boroughs. Most employment is in the public sector – with the Council as the largest employer in the borough, with 8,500 staff in total; of which 4,000 are employed in 95 schools. Other public sector partners (Lewisham hospital, Goldsmiths, Lewisham College, the NHS Primary Care Trust and the Metropolitan Police) employ a further 6,500. With the exception of a few large retail businesses and some medium sized office supply businesses, the private sector economy comprises mainly small and medium enterprises in the traditional supply and retail sectors.

2.2 Corporate Goals and Asset Management Objectives

The Council’s vision is to work together to ‘make Lewisham the best place in London to live, work and learn’. The key corporate strategic document is the authority’s Performance Plan, which sets out the objectives, targets and performance of the authority and includes a section relating to asset management as a cross-cutting issue.

Lewisham’s core values are to:

- Put service to the public first
- Respect all people and all communities
- Invest in employees
- Be open, honest and fair in all we do.

The Council has identified ten enduring corporate priorities focused on the needs of local people. They are set out below with an assessment of the management of the Council assets will deliver these priorities over the next three years

CORPORATE PRIORITY	STRATEGIC ASSET OBJECTIVES AND MANAGEMENT OF COUNCIL ASSETS
Community leadership and empowerment	Manage Council property to promote social inclusion and greater access to public services Complete housing stock transfer and localised housing management programme. Improved investment, usage and management of buildings for community activities in light of the Quirk review. Increase community participation in the property

	decision-making processes
Young people's achievement and involvement	Investment in educational buildings through Building Schools for the Future and PFI programmes
Clean, green and liveable	Investment in highways infrastructure and parks. Secure high quality public spaces in new developments Reducing energy consumption along with a reduction in CO ₂ emissions from the Council's assets.
Safety, security and a visible presence	Make Lewisham a safer and more pleasant place through the design and management of property Investment in street lighting through a joint Street Lighting PFI with LB Croydon
Strengthening the local economy	Use property assets to support the physical regeneration of the Borough with a particular focus on Deptford, Lewisham and Catford town centres.
Decent homes for all	Capital investment housing programme
Protection of children	Exploit new opportunities to share property with other public agencies and continue the effective management of existing shared facilities. Invest in provision for young people.
Caring for adults and older people	Exploit new opportunities to share property with other public agencies and continue the effective management of existing shared facilities. Attract new investment through the effective transfer of community facilities
Active, healthy citizens	Complete current investment programme in leisure centres.
Inspiring effectiveness, efficiency and equity	Deliver best value by demonstrating continuous improvement in the utilisation of property assets and by demonstrating continuous improvement in the delivery of programme management and property management services Manage property and investment decisions so as to balance corporate priorities with community priorities for service improvement Making effective and efficient use of staff accommodation through the development and delivery of the WorkSmart project

2.3 Regeneration Strategy

The Council developed a Regeneration Strategy for Lewisham 2007 – 2020 , 'People, Prosperity, Place' which was approved by Mayor and Cabinet in December 2007, following public consultation.

The strategy sets out the vision for the future physical, social and economic regeneration of Lewisham, with twelve key objectives grouped under the three themes of people, prosperity and place.

There are strong links between the vision, themes, objectives and actions set out in the draft strategy and this Asset Management Plan. These include:-

- Regenerating our three key town centres and encouraging their use as sustainable living areas
- Recognising the importance of multi-function buildings such as Kaleidoscope, which appears as a good practice case study in the strategy
- Recognising the importance of mixed use schemes which allow regeneration proposals to come forward, including live/work schemes such as Havelock Walk which also appears as a good practice case study in the strategy
- A focus on the importance of investment in leisure facilities both for the enjoyment of local people and the contribution they can make towards improving health outcomes
- A focus on the importance of investment in education buildings through Building Schools for the Future, PFI funding and the Children's Centres programme

We are using our ownership of property to generate investment and facilitate regeneration and development, particularly in our three key town centres, Catford, Deptford and Lewisham. Examples of how the management of the Council's property portfolio plays a key part in delivery of the regeneration strategy include the Lewisham Town Centre proposals for Loampit Vale, and the Deptford Town Centre changes now underway with the re-development of Tidemill School.

There is also a clear match between the gap analysis and key issues for further work set out in this AMP and key areas in the strategy such as the renewal of Catford town centre.

2.4 Organisational arrangements for managing assets

The Council is organised into five directorates - Children and Young People; Community Services; Customer Services; Resources and Regeneration with corporate responsibility for Asset Management placed in the Programme Management and Property department in the Regeneration Directorate. This fits with the core purpose of the Regeneration Directorate to renew the

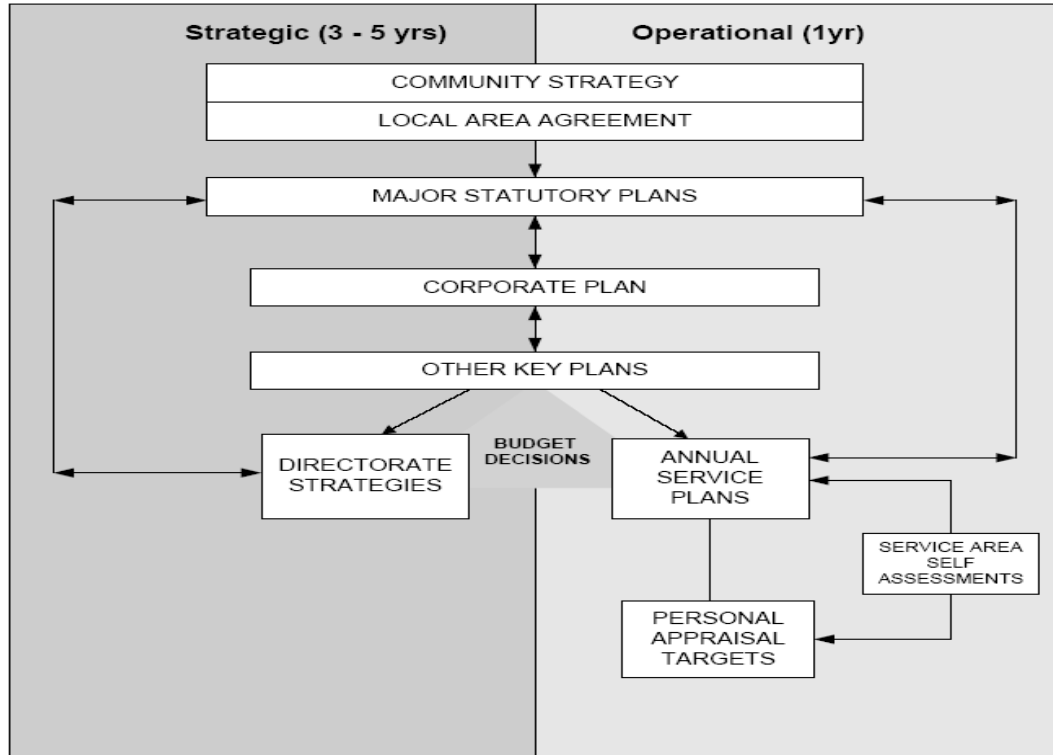
physical fabric of the borough, to do so sustainably and to enhance the overall economic well-being of Lewisham. Enhanced capacity and robust, flexible management arrangements have been put in place to ensure that:-

- the Council can effectively play its part as one of the most significant developers of place, through the development of schools, homes, leisure centres and the overall corporate estate
- that the enhanced programme management expertise needed to successfully deliver this challenging public service infrastructure investment is in place, working alongside other key services which will help drive and support the programme

Given the financial position of the Council, the current management structure of the Council is subject to review by the Chief Executive and at the time of writing this Plan the outcome of this is unknown.

At a political level the Cabinet Member for Regeneration has responsibility for asset management. All major investment decisions are considered by the relevant select committees before the Mayor makes a decision. It is not anticipated that these arrangements will change over the next three years.

The diagram below illustrates the overall corporate service planning framework within which this AMP sits.



Programme Management & Property commenced operation in October 2006 following a corporate reorganisation of property and capital delivery functions

of the Council. It focuses on the integration of asset management and capital delivery functions to provide a renewed impetus for the regeneration of the borough leveraging external investment into public assets. This approach has been re-aligned to complement the Sustainable Community Strategy, the new Local Area Agreement and the Comprehensive Area Assessment.

The **Director of Programme Management and Property** has overall responsibility for asset management and for establishing an effective framework for progressing asset management. Asset management involves the following groups:

- **Executive Management Team (EMT)** is the key officer advisory body for the Council and has a key role in formulating proposals for Mayor and Cabinet for the development of the capital programme
- The **Asset Management Board (AMB)** acts as a corporate steering group to ensure the authority reviews its land and property holdings to ensure they support the corporate aims and objectives and provide the most efficient and effective means of service provision. It also integrates with Public Sector partners to deliver public sector infrastructure to meet future needs. Membership of the AMB is made up of senior representatives from all of the Directorates and is chaired by the Director of Programme Planning and Property. The AMB is responsible for:
 - Review and challenge of current asset holdings
 - Consideration of property deemed surplus to requirements
 - The review of capital programme proposals
 - Co-ordination of borough-wide public sector infrastructure investment
- The Head of Property Services and Head of Asset Strategy and Development hold regular **Strategic Accommodation Review Meetings**. From these meetings asset planning and policy at service level is coordinated in order to:
 - Commission property reviews and workshops.
 - Manage and oversee the collection of information on the property portfolio at a service level (including suitability and sufficiency assessments),
 - Identify surplus property / space for alternative use
 - Identify cross-service, joint working or accommodation sharing opportunities
 - Act as the key conduit of information for property and asset related matters for planning and budgeting processes.
- The **Programme Management and Property department** oversees property and asset management functions for the Council and is responsible for:
 - Writing and implementing the Strategic Asset Management Plan

- Providing expertise and advice to services on a range of asset and property related issues
 - Providing a valuation and estate management service.
 - Supporting delivery of capital projects with inputs at strategic and technical levels
 - Providing central co-ordination and control for capital projects, for the achievement of efficient project management and best value for money
 - Managing the Council's corporate facilities management contracts for its portfolio of non-schools; non-housing operational buildings
 - Appointing and managing contractors and consultants for technical and operational inputs relating to property and assets for all Directorates.
- In 2007 a comprehensive **data management** system was put in place joining property information from a number of sources. This system is centred on a single database of all Council owned buildings and land. This system is being further developed to enable easier access to the data. Live performance data for the core estate can now be accessed from a single web based system. These systems require continued development.

2.5 Working with Partners

The Council is working with the PCT and other health agencies working in the Borough sharing information and collaborating on asset strategy. During 2009 the Council agreed an Infrastructure Development Plan with public sector partners that will be reviewed twice a year by an Asset Management Board that includes all public agencies. Over the last year the Council has completed a mapping exercise of all health facilities in the borough and is sharing with surrounding boroughs asset information.

2.6 The Council Estate

The current operational portfolio (as at 31st March 2010) is summarised in the following table.

	2008/09	2009-10
Council Dwellings	25,667	25,028
Housing non residential	253	224
Garages	3,486	3,486
Nursery Schools	3	3
Day centre – Early Years	8	13
Primary Schools	48	48
Secondary Schools	6	6
Sixth Form Centre	1	1

Special Schools & Pupil Referral Unit	6	7
Adult Education Centres	4	4
Youth Centres	6	6
Hostel for the Mentally ill persons with Disabilities	1	1
Social Services Centres	13	9
Administrative Buildings	9	14
Leisure Centres/ Pools	4	4
Parks/Recreation Grounds	85	85
Libraries	10	10
Theatre	1	1
Cemeteries	4	4
Crematorium	1	1
Mortuary	1	1
Depots	4	3
Car/Lorry Parks	18	18
Roads (in Kms)	390	390
Allotments	43	40
Travellers Site	1	0
Civic Amenity Site	1	1

Of the above, two secondary schools and a special school are subject to Schools PFI Schemes and 1,338 Council properties are subject to the Brockley PFI. Although included above, the value of these properties is not included in the Council's balance sheet.

This number of Council dwellings as at 31/3/10 excludes non-operational properties but includes those properties re-purchased as part of estate action.

3 Corporate Asset Policy

3.1 Asset Objectives

The Programme Management and Property objectives are:

- To ensure efficient and effective programme management of Lewisham's public sector assets.
- To use property assets to support the physical regeneration of the Borough.
- To support the ongoing regeneration of our Town Centres.
- To introduce and sustain regular reporting of building condition, cost in use and utilization data.
- To assist the Council in pursuing compliance with the statutory regulations surrounding building maintenance and accessibility.
- Deliver best value by demonstrating continuous improvement in the utilisation of property assets.
- Deliver best value by transferring assets to community based organizations and service partners when appropriate.

- Make Lewisham a safer and more pleasant place through the design and management of property.
- Manage Council property to promote social inclusion and greater access to public services.
- Increase community participation in the property decision-making processes.
- Exploit opportunities to share property with other public agencies.

3.2 Performance Management

Performance in achieving these objectives is measured in a number of ways and will be reported in annual asset plans along side other corporate performance management processes such as service plans.

The Council annually publishes data as part of the National Property Performance Management Initiative (NAPPMI) and contributes to the London ACES benchmarking club.

3.3 Stakeholder and Community Involvement

Lewisham has a good record for effective consultation. The AMP and service planning processes will include information that is gathered by the Council through it's existing consultation and engagement processes. At a strategic level we work effectively with public sector partners to ensure that services to local people are as efficient and effective as possible. On individual programmes and schemes we engage with the widest possible groups and stakeholders.

3.4 Shared Services

The Council delivers a number of services jointly with the PCT and other health organisations. The Council works with the relevant health organisations, including the Acute Hospital, in the Borough with respect to asset planning, sharing information and providing mutual support. We will continue to work with both Lewisham College (the local further education college provider) and Goldsmiths University on asset rationalisation and major investment proposals. We also work with the Metropolitan Police Authority and London Fire Brigade on asset planning.

In order to secure investment into social housing stock the Council has continued to work with Lewisham Homes, Phoenix Housing Trust and our RSL partners. We also work with RSL partners in planning their accommodation requirements, especially where these relate to transfer.

Over the last year we have formalised our work with public sector agencies operating in Lewisham who are now formally represented on a Lewisham Asset Management Board.

4 Service Delivery and Development Programme

4.1 Overview

Service planning, asset reviews along with corporate and asset objectives all point to the need to both rationalise and invest in the estate in order to provide an estate that is fit for purpose. This will be achieved in the following series of programmes divided by service areas and asset categories. These overlap and have complex interdependencies.

The Executive Management Team has given priority to a number of corporate programmes. The following re covered by this asset strategy. In addition there are a number of other areas of work related to the asset strategy that are set out in the following paragraphs.

Over the last few years the Council's Capital Programme has been supported by a significant level of asset sales. Site values have been continuously re-appraised in the light of market conditions. As a result disposals have continued to attract market interest in spite of the downturn in the housing market. This prudent approach has helped to ameliorate the impact of reduced land values but it is clear that a number of sites will need to be disposed of in future years in order to maintain even a reduced capital programme. A prolonged downturn and/or a significant medium term correction to land values could require the Council to "land bank" sites for longer than would be desirable or accept a lower price.

The next three years will require a focus on generation of revenue savings.

4.2 Schools

The Council has a strategic approach to meeting it's investment requirements. Population projections indicate growth in the school aged population over the next 10 years. In both the primary and secondary estate this could lead to a shortage of places.

The Council has sought investment in secondary provision through 3 routes:

- the development of two academy schools
- a three school PFI project and
- Building Schools for the Future (BSF).

The Academy schools and PFI projects are now completed. Three BSF schools (Sedgehill, Catford and Northbrook) have been delivered, Deptford Green is in construction and contractual agreement has been concluded for Prendergast Vale College, Bonus Pastor, a new ASD school and Prendergast Hillyfields. During the course of 2010 the Council secured the bulk of the BSF programme, although there may be some reduction in the resources available. Together, these programmes will transform secondary education and provide over £250m of investment in new buildings and ICT.

In the primary sector the short term growth in pupil numbers across the borough could lead to a requirement for between 18.5 and 28 additional forms of entry by 2017. During 2010 the Council bid for additional funding from the Basic Need Safety Valve round of capital grant but received no allocation.

During 2010 short term measures have been taken to provide additional capacity in a number of schools via “bulge” classes. Work has now commenced on the expansion and rebuild of both Gordonbrock and Brockley schools. However, these measures fall short of the likely needs and no alternative resources have been identified to meet the requirement for additional places. The DFE schools capital announcement for 2011/12 identified £12.7 m for basic need purposes which enables consideration of some permanent expansion of places.

Further proposals are being developed at Deptford Park primary school and the BSF programme will support delivery of a resource base at Addey & Stanhope school. This would complete the programme of works envisaged when the SEN Strategy was approved by the Mayor. In light of the growth in primary age pupils the strategy of providing resource bases is being reviewed as the demographics indicate a number of units that could not be funded given the current financial climate.

4.3 Customer Services

In 2007 Mayor and Cabinet agreed the Customer Service Strategy that proposed the transformation of the way services are delivered to citizens. The Executive Director for Customer Services, with the support of the Customer Services Board approved an options analysis, business case and delivery programme for delivering the Customer Services Strategy over the next 3 years.

The Programme has been successfully aligned with the WorkSmart Programme, the Adult Social Care and Health Transformation Programme and the ICT investment plan to maximise impact and release savings. During 2011 improvements will be made to the customer service “Front Office” arrangements in Laurence House.

4.4 Office accommodation

Over the last 3 years the Council re-appraised its requirements for office accommodation (the WorkSmart Programme) in the light of the changes to workstyles and has taken the opportunity of increasing capacity of existing buildings and disposing of redundant ones.

The programme was completed in 2010 delivering a reduction in 7 buildings, revenue savings of £1.1m, capital receipts of £2.2m and a reduction in costs per desk of 17%. The Council has undertaken a lessons-learned and closure report seeking to learn from our experience of adapting our people management and accommodation strategies to new ICT-enabled workstyles. Given the likely reduction in staff numbers, further rationalisation is planned over the coming two years.

In the longer term the Council's accommodation requirements could be met from the redevelopment of Catford Town Centre. Work on this continued in 2010 but delivery will be beyond the time horizon of this plan.

4.5 Housing

The Council's Arms Length management organisation (Lewisham Homes) manages the borough's core social housing managed on an interim basis. This interim arrangement is in place while other proposed investment options are being decided by residents; for example, ballots for stock transfer.

During 2010 a further stock transfer has taken place that has reduced the residual Council stock. Lewisham Homes achieved a two star rating from the Audit Commission, that should enable them to access Decent Homes funding. However, the Government has announced significant reductions in the level of capital funding available nationally and the implications of this for Lewisham Homes is not yet clear.

The proposed arrangements for new build social housing indicate a profound change. The implications for the delivery of new social housing implied by the reductions to housing funding from the Homes & Communities Agency and the proposal to enable RSLs committed to new development to increase their income by increasing rents towards 80% of market levels will take some time to fully understand. Given the Council's regeneration aims for Deptford and New Cross, that are largely private sector led, achieving the levels of social housing gain previously thought possible may prove difficult to deliver in practice.

4.6 Town Centre Regeneration

Development of three town centre locations in Deptford, Lewisham and Catford are being planned and delivered in a way that takes into account the Council's asset strategy. All are linked to delivering increased volumes of housing as part of the broader London and Thames Gateway policies. All also

involve the disposal of Council assets in a structured way that facilitates comprehensive development.

In Deptford, the work on the new Tidemill School and Lounge has continued and will complete in the Summer of 2011. The redevelopment of Tidemill School releases land for potential development of over 300 new homes and making progress on this will be a key piece of work in 2011. On Deptford Station, in 2010 Network Rail signed off all approvals required a contractor has been procured and work is scheduled to commence in the first quarter of 2011.

In Lewisham Town Centre work commenced on Council-owned land in Loampit Vale that will see the development of a new leisure centre and over 750 new homes. The Council continues to work in partnership with the Greater London Authority to release land for the Lewisham Gateway development. It is holding land that could be released when the owner of the shopping centre is ready to expand the centre, joining it to the Gateway development. In 2010 further site preparation work took place including temporary landscaping.

In Catford, the Council's long term objective is to use its land holdings to facilitate comprehensive redevelopment that will create a lively town centre focussed on high quality public spaces. During 2010 the Council acquired, via a wholly owned company, the leasehold interest in the main Catford shopping centre to facilitate its redevelopment. The aim remains to redevelop the centre to provide an improved retail offer, new homes for a large diverse residential community and a continuing home for Council services for the Borough.

4.7 Children and Youth Services

Through Sure Start additional funds have been invested in improved Children's Centres. Phases 1 and 2 have been completed in 2008 and Phase 3 will be completed by March 2011

In December 2010 the Department for Education confirmed approval to funding for the "My Place" initiative to develop a new youth facility in Wells Park.

4.8 Community and Leisure

Following national work by the Chief Executive on the community management of assets, a framework has been developed that provides a process to consider transfer of assets. A review has also identified current assets that are either seen as being in community use or have the potential of being a community resource. This framework has been agreed by the Asset Management Board and follows consultation with the Stronger Communities Board.

The provisions of the Localism Bill include the proposed Community Rights to Challenge and Buy are likely to have an impact on asset management. The Council has a well established approach to community asset transfer that may require adaptation in the light of these changes, dependent on the drafting of guidance from the Secretary of State.

During 2010 the Council agreed to transfer Besson Street Community Gardens to New Cross Gate Trust and the transfer will take place in 2011. In 2010 work on the redevelopment of the proposed New Cross New Deal for Communities Centre stalled following the withdrawal of the developer. Work has commenced on identifying how a revised scheme could be delivered.

In 2010 the Council programme to replace, expand and refurbish its leisure centres continued with a start on site for Loampit Vale and the letting of a construction contract for Forest Hill. The work to the new Tidemill-based library to replace Wavelengths will complete in Summer 2011.

4.9 Parks and Open Spaces

During 2010 work commenced in New Cross and Deptford (including the Pepys estate) to develop new walking and cycling routes and improve the public realm. Work continues on improvements to Ladywell Fields.

4.10 Service co-location

The Downham Health & Leisure Centre opened in March 2007 and combines a health centre, swimming pool, leisure centre, library and access point. These services are provided by private sector partners, PCT and directly by the Council. Other joint facilities with Health that have opened are the Kaleidoscope Centre and the Central Clinic. The next planned multifunction building is the new proposed new library customer access point and multi purpose community facilities building adjacent to Tidemill School. This will complete in 2011.

Building on this experience the Council will endeavour to group relevant facilities where this improves service delivery and produces cost savings. Service co-location is likely to become increasingly important as the pressure to deliver revenue savings increases.

4.11 Highways

Significant investment of an estimated £100m is required in the longer term into highways and footways. Over the last four years Investment into highway resurfacing has been funded from prudential borrowing and is reviewed annually. The extreme weather conditions experienced in the winters of 2009-10 and 2010-11 have worsened the condition of the borough's roads and there remain concerns about the on-going affordability of a programme in future years. The Council is also collaborating with other South East London

boroughs in developing a highways asset management plan that could address conditions collectively.

Investment into street lighting is being pursued in a joint PFI project with the London Borough of Croydon. This is now at an advanced stage of preparation with a likely commencement in 2011.

5 Conclusion

- 5.1 This Strategic Asset Management Plan sets out a clear direction for the improvements to the Council's asset base and provides a process for annual appraisal of performance and re-consideration of future years priorities.
- 5.2 The key priorities for 2011-12 are set out in the attached Action Plan and this and the Indicators of asset use will be the main document for appraising performance.