

**LEWISHAM FUTURE PROGRAMME – SAVINGS REPORT APPENDICES –
SEPTEMBER 2014**

Appendix 1 is a separate document

Appendices 2 to 7

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APPENDIX 2 – Context for Adult Social Care (A) & Supporting People (B)

REPORT REGARDING SAVINGS	
Report Title	Context for Community Services savings relating to the transformation of Adult Social Care
Author	Aileen Buckton, Executive Director for Community Services
Date	19 September 14

1. Introduction

In continuing the transformation of adult social care services and managing the demand for services, the main focus for the Adult Social Care and the Commissioning Unit continues to be the provision of safe and high quality care to those with eligible needs whilst achieving a reduction in spend.

Supporting this work is the activity within the Adult Integrated Care Programme which seeks, through joint working and the amalgamation of roles and services, to improve service provision, reduce the need for high cost services, release efficiencies and improve user experience and outcomes.

For 15/16, the identified savings will be achieved primarily through ensuring that decisions made in relation to packages of care are undertaken within a clear framework. For 16/17 and beyond, savings will come from the planned activity within the Adult Integrated Care Programme which will deliver effective advice and support for self care, develop and improve access to community based care, and link individuals to community networks of support.

2. Summary of Savings Proposals in Relation to Adult Social Care

Value of proposals per year (£000s)			
Area	2015/16	2016/17	Total 2015-2018
Assessments	2,680	0	2,680
Community support services	250	0	250
Mental health	250	0	250
Public Health	3,277	0	3,277
Learning disability	1,500	0	1,500
Day services	1,300	0	1,300
Sensory services	150	0	150
Charging for Adult Non-Residential Care Services	275		275
Recoupment of health related elements of care	600	0	600

Value of proposals per year (£000s)			
Area	2015/16	2016/17	Total 2015-2018
packages / placements			
Sub total	10,282	0	10,282
Supporting People	1,349	1,174	2,523
TOTAL	11,631	1,174	12,805

3. Overview of the Approach

Lewisham is committed to having a structured and fair system of social care, which makes the best use of limited resources to offer residents access to high quality services to meet their care or support needs in a personalised way. The Care Act has introduced new obligations and will increase both the level and complexity of demand in relation to social care services.

The key principles underpinning the approach to the savings proposals are:

- To ensure value for money for all services, while maintaining service quality and a focus on achieving outcomes defined by the service user and where possible providing resources to service users to enable them to purchase their own services (Direct Payments)
- To ensure fairness and equity across the range of needs or conditions
- To work in partnership with the NHS to ensure co-ordinated health and social care services which are person centred
- To develop a range of services aimed at reducing or preventing the need for longer-term care and support.

To achieve efficiencies and to ensure that support and care is provided in a consistent and equitable way for all client groups, we must:

- Encourage people to take more responsibility for their own care and to use their existing resources (financial, social or otherwise) to achieve their stated outcomes. Promoting access to universal services and linking people to support available within their own families and communities will help them help themselves.
- Develop the use of prevention and short term, early intervention services which enable people to maintain and regain independence reducing people's need for and reliance on long term care and support
- Establish different delivery models through outcome based commissioning and market development - enabling people to have more control and choice through personal budgets and direct payments
- Implement an assessment model that takes account of personal assets and the contributions an individual can make to ensure their needs are met in ways which they prefer and choose for themselves
- Ensure all assessment and support planning staff and providers work with service users in ways that reduces dependency and promotes independence, ensures safety and supports recovery
- Ensure the right level of support is offered in the most cost effective way according to a person's assessed eligible needs.

4. Approach to Key Areas of Activity

4.1 Assessment

An assessment is the process of considering a person's circumstances and with them making a decision about whether they need care and support to help them live their day-to-day lives. The Care Act creates a single, clear duty on local authorities to carry out assessments in order to determine whether an adult has needs for care and support.

After conducting the needs assessment, the local authority is required to determine whether the person has eligible needs, using a new national eligibility framework. Local authorities are also required to consider which needs could be met by information and advice or preventative support. People who do not meet the eligibility threshold for services after an assessment will be informed of what support is available to prevent or reduce their ongoing needs.

The Care Act includes a number of new provisions for carers and lowers the threshold for assessment. Local authorities will be required to assess carers on the basis of the appearance of a need for support. Carers will be supported to recognise their own needs and access appropriate support to help ensure a longer and more manageable caring role for their family or support network. Carers will have the right to an assessment of their needs, separate to those of the cared for person, and regardless of eligibility for formal social care input.

The following guiding principles will be applied to the assessment process:

- Reablement and short term focused support will be provided if it is considered it will improve independence and reduce the need for on-going care and support.
- Concerns about social isolation that are identified within the assessment process will be met by identifying opportunities to alleviate these within the community, unless risks are identified that require a more supportive setting.
- If the individual is in receipt of a mobility related welfare benefit, for example DLA Mobility, they will be expected to apply these to access community based services, attendance at day services, or for travel to and from residential respite. If the service user has not applied for such benefits they will be supported to make the application.

Guidance is being strengthened to ensure consistency of practice and to help those carrying out assessments to determine how an individual's eligible needs can best be met. In addition, we will provide further clarity to service users and carers on what they can expect from Adult Social Care.

4.2 Care Management

A review and analysis of expenditure in Adult Social Care identified that 87% of the net budget is spent on the provision of care to individuals, either in their own homes or in a residential or nursing setting.

Consideration will be given to the cost effectiveness of placements and packages of care. Where the cost of a package of care in the community is greater than the cost of a residential or nursing homes placement, the service user will normally be expected to have their care needs met by admission to residential/nursing care. If an individual prefers to remain at home, social care staff will discuss how their needs may be otherwise met (e.g. by community meals, alternative sources of support).

Adult Social Care Support Planners will work in partnership with the service user to develop a support plan based on the most cost effective way to meet care and support needs. This may include considering their family and support networks, their welfare benefits and the community resources available to determine how needs are best met.

As a result, people who currently receive a specific service may in future have their eligible needs met in a different and more cost effective way. Consultation will be undertaken where it is proposed to change a service that affects a group of service users.

To ensure resources are spent in an equitable way that gives value for money to the public, we will normally:

- not pay more for a community package of care than we would pay for a residential or nursing package of care
- undertake a continuing healthcare check if we think someone might be eligible for free NHS care
- include all ongoing care services in someone's financial assessment
- not admit someone to residential care from a hospital bed
- not allow a care service put in place to resolve a crisis to continue as a normal service without careful review
- consider a range of housing options in seeking the most appropriate and affordable for each individual

Wherever possible, we will put short-term services in place that will aid recovery or recuperation and a return to independence, before considering long-term care or support. We will encourage creativity and innovation to meet identified outcomes, and encourage everyone involved to look for solutions that offer the best quality and value for money.

A prevention and early intervention programme will be undertaken jointly with partners in health services as part of the Better Care Fund programme.

This will review all community support services that provide early intervention, prevention and targeted support to help people live independently. The proposal is to integrate these services to streamline care pathways and provide them in a more cost effective way.

4.3 Commissioning

Our approach to commissioning social care services will be focussed on achieving outcomes and delivering value for money. Commissioned services will ensure that needs are met flexibly and in a way which maximises independence.

The approach to commissioning will also respond to the development of personal budgets and use of direct payments by shaping the provider market to ensure that providers offer their service users choice and flexibility. Providers will be encouraged to offer creative, innovative services, focussed on meeting needs with the least amount of formal care and support, while delivering identified outcomes.

There are 2 savings proposals relating to the Public Health budget. The first outlines savings that will largely be met by a deploying resources differently and by using unallocated spend. A further £2m has been identified which would be require some variation in contracts with health providers. A notice of intention to vary would need to be submitted by 30/9/14 but this will still allow for the Council and stakeholders to give full consideration to the detailed proposals and their impact.

4.4 Formal Consultation

Consultation with users and carers will follow good practice guidance on changes in charging policies and increases or changes in charges. The guidance states that where changes in charging policies would result in significant increases in charge for some users, this should be specifically explained and considered as part of the consultation.

Where these proposal impact on a particular group of users or carers it will be essential to undertake formal consultation with service users. Detailed consultation documents will be drawn up as appropriate and will be considered by the Healthier Select Committee prior to any consultation being agreed.



Customer Services Directorate

Consultation on charging for disabled persons Blue Badge

September 2014

Part 1 – About this Consultation

Topic of this consultation

1. This consultation is about the proposal to charge a £10 fee for a disabled persons Blue Badge which allows parking in reserved areas and at no charge. The £10 fee would be payable by successful new applicants and on review every 3 years.
2. Currently no fee is charged but the Council is charged £4.60 for each badge it issues.
3. The proposal would generate an income of £24,000 pa.

Audience

4. Anyone may respond to this consultation and all responses will be fully considered.
5. We are particularly keen to hear from current Blue Badge holders and anyone or any agencies that support them to understand the impact the proposal may have.

Duration

6. The consultation will be open for 3 weeks from 4 November 2014. The deadline for responses is 25 November 2014.

How to Respond

7. A letter will go to support agencies and 100 Blue Badge holders. There are several ways to respond to this consultation:
 - On the Council web site
 - By post to London Borough of Lewisham, PO Box 58996, London SE6 9JD

After the Consultation

8. Once the consultation has closed all responses will be considered and a summary of responses collated and included in a report to Mayor and Cabinet.

Part 2 – Background

9. In 2011 the Disabled Person's Blue Badge scheme was reformed. Prior to the reforms the Council was allowed to charge an administration fee of £2 per badge issued. However, the Council chose not to due to the cost of collection.
10. The reforms introduced a more complex badge that is produced centrally on behalf of all local authorities and costs the Council £4.60. The

Council is allowed charge an administration fee of up to £10 for each Blue Badge. To date the Council has not charged for a Blue Badge.

11. Blue Badges are not a means tested entitlement i.e. you do not have to be on a low income to qualify.
12. Blue Badges are reviewed and where appropriate issued every 3 years.
13. There are currently 7,200 Blue Badges in use.

Lewisham Council Financial Position

14. Since 2010 the Council has cut more than £100 million from its budget. The Council needs to find savings of £85m in the next 3 years. For this reason the council has been undertaking a fundamental review of all its budgets.

Part 3 – The proposal

15. To charge a £10 fee for a disabled persons Blue Badge which allows parking in reserved areas and at no charge. The £10 fee would be payable by successful new applicants and on review every 3 years. There would be no charge for an unsuccessful application.

Timetable

16. The proposed timetable for the proposal which is subject to agreement by Mayor and Cabinet and the consultation process is:

23 October 2014 – report to Mayor and Cabinet
4 November 2014 – consultation process
December 2014 – Mayor and Cabinet
January 2014 - implementation

Part 4 – Consultation Questions

17. We are happy to receive responses to this consultation in any format and we are particularly keen to hear your views on the following:
 - a. The Council is allowed to charge up to £10 for a disabled persons Blue Badge. The charge would be payable following a successful application and on renewal every 3 years. What will the impact be if the Council charges £10 for a disabled persons Blue Badge?



Customer Services Directorate

Consultation on proposed removal of discretionary Freedom Pass scheme

September 2014

Part 1 – About this Consultation

Topic of this consultation

18. This consultation is about the proposal to stop issuing new discretionary Freedom Passes and withdraw the 1,175 passes currently in use. Discretionary Freedom Passes, which allow free travel on public transport in London, are issued on application in the following circumstances:

Criteria for mobility condition:

- Unable to walk over 300 metres unaided
- Applicant has a degenerative medical condition effecting mobility

Criteria for Mental Health conditions:

- The mental health criteria identified is that the applicant has an enduring mental health condition and has accessed secondary care mental health services in the last 12 months.

19. The proposal would generate a saving of approximately £200,000 pa.
20. It is estimated that 68% of those affected would qualify for subsidised travel under another travel scheme that is not funded by the Council.

Audience

21. Anyone may respond to this consultation and all responses will be fully considered.
22. We are particularly keen to hear from current discretionary Freedom Pass holders and agencies that deliver services to them to understand the impact the proposal may have.

Duration

23. The consultation will be open for 3 weeks from 4 November 2014. The deadline for responses is 25 November 2014.

How to Respond

24. A letter will be sent to support agencies and 100 discretionary Freedom Pass recipients. There are several ways to respond to this consultation:
- On the Council web site
 - By post to London Borough of Lewisham, PO Box 58996, London SE6 9JD

After the Consultation

25. Once the consultation has closed all responses will be considered and a summary of responses collated and included in a report to Mayor and Cabinet.

Part 2 – Background

26. The Transport Act 2000 sets out the criteria which are used to determine eligibility to the National Freedom Pass scheme. The criteria are:
- Blind or partially sighted,
 - Profoundly or severely deaf,
 - Without speech,
 - Disabled or has suffered an injury, which has a substantial and long – term adverse affect on his/her ability to walk,
 - Without arms or has long – term loss of the use of both arms,
 - Has a learning disability, that is, a state of arrested or incomplete development of mind which includes significant impairment of intelligence and social functioning,
 - If applied for the grant of a licence to drive a motor vehicle under Part III of the Road Traffic Act 1988, have his/her application refused pursuant to section 92 of the Act (physical fitness) otherwise than on the ground of persistent misuse of drugs or alcohol.
27. There are 37,000 Freedom Pass holders in the borough and the proposal does not impact on any of them.
28. The Transport Act 2000 allows the Council to have a locally determined discretionary Freedom Pass scheme for persons with a disability that do not meet the above criteria. In 2008 the Council implemented a discretionary Freedom Passes scheme, which allows free travel on public transport in London. Discretionary Freedom Passes are issued on application in the following circumstances:
- Criteria for mobility condition:**
- Unable to walk over 300 metres unaided
 - Applicant has a degenerative medical condition effecting mobility
- Criteria for Mental Health conditions:**
- The mental health criteria identified is that the applicant has an enduring mental health condition and has accessed secondary care mental health services in the last 12 months.
29. There are currently 1,175 discretionary Freedom Passes issued.

Lewisham Council Financial Position

30. Since 2010 the Council has cut more than £100 million from its budget. The Council needs to find savings of £85m in the next 3 years. For this reason the council has been undertaking a fundamental review of all its budgets.

Part 3 – The proposal

31. The proposal is to stop issuing new discretionary Freedom Passes and to withdraw those currently in use to deliver a saving of approximately £200,000 pa.
32. A recent sampling exercise of those currently in receipt of a discretionary Freedom Pass suggested that 68% would qualify for an alternative concession, this being 63% who would qualify for the JC+ travel discount card and 5% for the 60+ London Oyster card.
- JC+ travel discount card – This is available to residents who have been unemployed for 3 months and over, received a qualifying benefit or must be working with an advisor for a return to work, they will be able to apply for a concession that gives them half-price travel;
 - 60+ London Oyster card – This is available to residents who live in a London borough, are over the age of 60 but who do not qualify for a FP and they will qualify for free travel.

Timetable

33. The proposed timetable for the proposal which is subject to agreement by Mayor and Cabinet and the consultation process is:

23 October 2014 – report to Mayor and Cabinet
4 November 2014 – consultation process
December 2014 – Mayor and Cabinet
January 2014 - implementation

Part 4 – Consultation Questions

34. We are happy to receive responses to this consultation in any format and we are particularly keen to hear your views on the following:
- b. What will the impact be if the Council stops offering a discretionary Freedom Pass?

APPENDIX 5 – Early Intervention and Safeguarding (Q1) proposal

CHILDREN AND YOUNG PEOPLE SELECT COMMITTEE		
Report Title	Early Intervention and Safeguarding Savings Proposals	
Key Decision	Yes	Item No.
Ward	All	
Contributors	Director of Children’s Social Care, Executive Director Children & Young People Executive Director Resources & Regeneration Head of Law	
Class	Part 1	Date: 2 ND October 2014

1. Purpose

- 1.1 As part of the 2014-16 budget strategy, savings are being proposed relating to Early Intervention and Safeguarding services

2. Executive Summary

- 2.1 This report sets out the savings proposal to make savings of £3.834m during 2015/18 through reorganisation within Children’s Social Care and the Early Intervention Service, which now sits within Children’s Social Care division of the Children and Young People’s Division. Of the sum of £3.834m, £2.611m is proposed for delivery in 2015/16. Consultation would be required for the proposals.

3. Recommendations

The Mayor is recommended to agree the proposals to:

- 3.1 save £510k by reforming triage at the Children’s Social Care “front door” to reduce the number of assessments undertaken.
- 3.2 reshape early intervention services run through the Children’s Centres in order to reduce costs by £1.936k
- 3.3 support the costs of the re-organised service with £1,388k of Troubled Families grant;
- 3.4 agree to carry out consultation with parents, professionals and other agencies including those in the voluntary sector on the re-designation of Children’s Centres and delivery of services to be more flexible and focused.

4. Policy Context

- 4.1 The Council's Sustainable 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 2010 report to Mayor and Cabinet. The Children and Young People's Plan 2012-2015 sets out our priorities for development. The work undertaken by officers and the proposals set out in this report are in line with the aims and objectives of these policy frameworks.

5. Background

- 5.1 Lewisham Council has already reduced its revenue budget by £82m since 2010. However the continued pressure on public spending means that the Council needs to make further savings of around £85m between 2015 and 2018.
- 5.2 In 2012, the Council commissioned its Children's Centre services with a budget of £3.2m.
- 5.3 A Targeted Family Support service was also commissioned in 2012 at a cost of £1.1m.
- 5.4 The Children's Centre and Targeted Family Support contracts come to an end in March 2015, although with the option for extension, which gives scope for exploring future options. At the present time we operate 17 Children's Centres across the borough. They are all commissioned services. Currently we have 8 Children's Centres being run by The Children Society, 2 by the Pre-School Learning Alliance (PSLA) and 7 are school-run Children's Centres. A map showing the Children's Centres and their geographical location is attached at Appendix A. We require, through our contracts with the Children's Centres, to achieve three key outcomes. Children's Centres are monitored against the outcomes. The three outcomes that we expect from the Children's Centres are:
- to improve parenting and attachment
 - to improve school readiness
 - to prevent escalation, including to more specialist services, such as Children's Social Care or child mental health services (CAMHS)
- 5.5 These outcomes have helped to focus providers on impact and they are linked to a payment by results framework for which 30% of funding depends (a) on the number of targeted families reached and (b) the outcomes achieved with these families. We currently have no plans to change the outcomes measures that we will expect from our providers when re-tendering. All but one Children's Centre provider met or came close to their reach targets last year. Four out of seven performed well in relation to their outcomes targets.

5.6 The Council also commissions Targeted Family Support (TFS) that works alongside our Children's Centres and other providers to provide intense support to children and their families. Whilst Children's Centres concentrate more on the under 5s (although not exclusively), TFS works with all children up to the age of 18. Their work is much more focused on working with children and their families in their homes, providing intensive support to achieve the outcomes outlined above. The service is contracted to work with 400 new targeted families per annum. Last year, (2013-14), they reached 87.5% of this target (350 families). This year, so far, they are ahead of their target of 100, with 112 families.

6. Proposals

6.1 There are a number of strands to the proposal that we are putting forward to meet the budget savings. In order to reduce the number of assessments that are carried out by Children's Social Care, the aim is to introduce a multi-agency triage system at the referral point to ensure that contacts to the department can be directed to the appropriate service and cut down on the need for social workers to carry out assessments that lead to referrals on to the other services or no further action.

6.2 Other proposals centre around how we can re-procure the Children's Centres contracts more flexibly to reduce costs as well as reducing the number of families that we will fund Children's Centres to reach and fund the Children's Centres at a unit cost based on the unit costs of the best performing Children's Centres. The new criteria for the Troubled Families grant will mean that we can use this money to pay for some of the Children's Centres provision as the outcomes are the same.

6.3 Introducing Integrated Triage into Children's Social Care

6.3.1 This will require reform of the Front Door in Children's Social Care. Details are still being developed, including the necessary cultural change that will be required across the children's partnership. At the current time we have a number of routes that professionals can use to refer a child that they have concerns about. They can refer directly to the Early Intervention Service who will help with accessing appropriate support or they can refer to services directly (Children's Centres, TFS etc). However, the largest numbers of contacts are received by Children's Social Care.

6.3.2 In the year 2013/14, Children's Social Care received over 21,037 contacts of which just fewer than 10% reached the threshold for Children's Social Care. It is estimated that each of these contacts cost about £20.00 in staff time to process and record that no action is taken. A contact is recorded whenever a child or young person is brought to the attention of Children's Social Care even if the threshold is not met for a social work assessment. There is a requirement that the contact is still logged and the reason why it does not meet threshold is recorded. An assessment involves a social worker visiting the family and seeing

the children and talking to the professional network around the child to obtain a holistic view of the child and family and decide on any action or support that is required. Of the assessments carried out by Children's Social Care social workers, 75% led to the case being closed by Children's Social Care. In many cases, the interventions during the assessment process brought about the necessary changes, or if concerns remained this may have been passed on to another agency, including early intervention services, to support the family.

- 6.3.3 The savings in this area will accrue from an expected reduction in the number of assessments that are undertaken for which there is no further action. This will allow the deletion of a social work team and the early intervention team supporting the partnership in the use of the common assessment form. In the future, cases will be more effectively "triaged" and passed directly to the right services, thereby reducing the number of assessments by about 15%. It is estimated that each social work assessment costs around £600 to complete. It is proposed to implement the changes so that they are effective by October 2015. The expected saving of £510k is spread over 2015/16 and 2016/17 with £255k expected in each year.
- 6.3.4 The above plan is not without risk. Professionals and members of the community, such as concerned relatives and neighbours are regularly re-assured that an assessment has been carried out by a qualified social worker with the particular expertise that they can bring to a family. The new model that we are proposing will mean that 15% of these cases will not get these assessments. The building of capacity in the partnership and access to consultation with social workers is therefore an important part of this process. Please see 6.3.8 below for more details about building capacity.
- 6.3.5 The process of setting up a multi-agency triage system at the front door has already started on a smaller scale with the introduction of the Multi Agency Safeguarding Hub (MASH) in December 2012.
- 6.3.6 The MASH has engaged all the key agencies involved in safeguarding work to be jointly located in order to share information quickly so that an appropriate response can be made to safeguarding referrals. At the present time, the Police, Children's Social Care, Health and Early Intervention services are co-located in Laurence House. There is also instant access to Probation and the Youth Offending Service who are also part of the MASH but are not co-located. In future we will be aiming to ensure that when a contact with a family is received that we pass this referral to the appropriate agency to contact the family, and provide support to families as necessary. The aim will be to ensure we prioritise the social care staff time to support the most vulnerable families in Lewisham.
- 6.3.7 A number of other local authorities have tried this approach. The London Borough of Hackney took a similar approach a number of years ago. Staff from Lewisham have visited Hackney to learn lessons and to inform our approach. We have also visited Newham who are

adopting a similar approach to ourselves and have discussed with Southwark who are also redesigning their front door services along similar lines. Newham and Southwark are in their infancy in their plans so it is too early to see any impact. Hackney have noted a decrease in the referrals going to the Children's Social Care teams.

6.3.8 At the same time as introducing the triage system at the front door, we will be aiming to link the four remaining teams in Referral and Assessment to the current Children Centre areas. The aim will be for Children's Social Care social workers to be more closely attached to the areas to develop the capacity of partners, especially our Children Centres to work with challenging families to prevent escalation to Children's Social Care. The aim is that social workers will offer support to early intervention workers working with families. This could be by offering consultation, joint visits to model how to work with families or training on specific issues. The expectation is that by being linked that they will be able to develop better relationships with all agencies in their areas, for example, schools and health providers.

6.4 Changing Children Centre contracts as they are re-procured – removing the requirement for reception and administration

6.4.1 The Children's Centre contracts are due for renewal as at 31st March 2015. The LA currently retains responsibility for the administration and management of all 17 premises partly to ensure the hours of opening are consistent with a universal service as part of Ofsted expectations/ definitions. This costs £500k. By implementing a new model of delivery of Children's Centres (please see section 6.7) cost will be saved through the more flexible use of the buildings. The expectation in tendering would be that the successful contractor(s) would not be required to have specific reception or administration offices and they could provide this in a more flexible way as they consider necessary. As the date of implementation is to be October 2015, a saving of £250k would arise in 2015/16 and £250K in 2016/17.

6.5 Changing Children Centre contracts as they are re-procured – reduce the unit cost of working with each family

6.5.1 The providers under the current contracts have showed varied success in terms of meeting targets and demonstrating value for money. The overall average unit cost we currently pay is £579 per family. The average unit cost of the top 4 performing Children's Centres is £462, and it is proposed to reduce the unit cost across all sites to this amount, thus achieving a £644k saving. As the date of implementation is to be October 2015 a saving of £322k would arise in 2015/16 and £322k in 2016/17.

6.6 Changing Children Centre contracts as they are re-procured – reduce the number of families to be worked with by a third party

6.6.1 Given the savings required, it will not be possible to sustain work with the number of families currently receiving a service. The proposal is

therefore to reduce the expected volumes of targeted families receiving a service. Using the above reduced unit cost of £462, a saving of £792k would mean that 3800 families could be reached. This is 1700 fewer targeted families than the 5500 who are currently targeted to receive a service. Although this is a reduction in number, it can be mitigated by maintaining and developing alignment of health visiting delivery to children's centre provision. As the date of implementation is to be October 2015 a saving of £396k would arise in 2015/16 and a further £396k in 2016/17.

6.7 In order to deliver a viable service under the reshaped contracts, re-configure Children's Centres to be more flexible and focused.

6.7.1 For the above proposals to be taken forward, it would be necessary to change the existing model of delivery, in order that the Children Centres remain viable. Under the current Children Centre regime, all centres are required by Ofsted to:

- be open, and staffed, 9am-5pm, 5 days a week
- open 48 weeks a year
- be subject to inspection
- comply with an extensive set of data and monitoring requirements
- provide a range of services as specified by statute

6.7.2 The proposal is to re-designate our Children's Centres so that some or all are freed from these requirements so that they can operate more flexibly and at lower cost. Collectively across the Estate, all services currently being offered would still be available but they could be configured differently.

6.7.3 Proposals are still being designed and the savings would need to be subject to consultation with parents, professionals and others, including the voluntary sector. The new model will require closer working with health visitors, in particular and this more flexible approach will enable us not to close any Children's Centres.

6.8 Use of the Troubled Families Grant to fund more early intervention work

6.8.1 The Family Intervention Project (FIP) is used extensively with challenging families by CSC and in delivering work aligned with the Government's Troubled Families programme. The FIP is specifically designed to work with families where the children are on the edge of care. This is regularly teenagers who parents are finding it difficult to manage. Many will be involved in the Youth Justice system. The current cost of the service is £488k pa, £200k of which is already funded through Troubled Families. There is scope to fund the whole cost of the service – a further £288k - using Troubled Families grant.

6.8.2 Similarly, the Targeted Family Support Service works with vulnerable families as part of early intervention. The new criteria for phase 2 of the

Troubled Families programme is likely to align more with our approach and there is scope therefore to fund more of our early intervention work through the Troubled Families grant - an additional £1.1m.

- 6.8.3 The Contract for the renewal of the contract to provide Targeted Family Support (TFS) is also due for renewal in April 2015. There are no plans to reduce the spend on TFS, and in fact we may increase the size of the contract to include support for young people as outlined in the Youth Service Report.
- 6.8.4 Further work needs to be completed in order to establish the model for Children's Centre provision into the future and we are seeking the Mayor's approval to commence this work and consultation.
- 6.8.5 In carrying out the detailed work we will be looking to learn lessons from other authorities. However the picture of how other local authorities provide their Children Centre provision across the country is very mixed. A number of authorities still provide their Children Centres directly and the quality of these is mixed. However, given the budgets available to Lewisham this would not be feasible. Other authorities, like Lewisham, have commissioned their Children Centres. The picture of how successful this has been has again been mixed. Some authorities, for example, Barking and Dagenham, have opted to bring their services back "in house", due to their provider not providing suitable provision. Other commissioned services have a varying picture with ratings from Ofsted showing the full range of outcomes from outstanding to inadequate. This reflects the position in Lewisham with one of our main providers struggling to reach the goals set in the contract whilst others are doing an excellent job. In Lewisham the school based Children's Centres have consistently performed the best and this has been seen in other parts of the country as well.

7. Basis for the proposal

- 7.1 **Savings** – The savings generated by the proposals affecting Children's Centres will amount to a total of £1,936,000 over two years 2015-17.
- 7.2 **Value for Money** – As the current contracts for Children's Centre service providers are coming to an end, this enables the re-specification of the Children's Centre contracts to ensure greater value for money with a reduced cost per family, based on the unit costs of the highest performing Centres.
- 7.3 **Community involvement and empowerment** – Public consultation will need to be carried out as part of determining any proposed changes to Children's Centres. Local community groups and parents/carers could also be supported to deliver services from the Children's Centre sites to replace and/or complement more targeted services.
- 7.4 **Promoting area-wide benefits** – Children's Centres will continue to be focal points for the community. Increased links with Children's Social

Care will strengthen the Children's Centre offer, particularly to the most vulnerable families. Working in partnership with local communities and service delivery by voluntary sector organisations, whether as a commissioned provider or key delivery partner, will complement the Council objective of strengthening the third sector. It will also facilitate the provision of local services including additional resources for local schools and organisations supporting families within the area.

8. Key Issues

8.1 **Designation** – Lewisham's Sure Start Children's Centres were designated by the Department for Education (DfE) between 2004 and 2010. There is a legislative framework for designated Children's Centres and they are also subject to Children's Centre inspections by Ofsted (see Section 13 below).

8.2 **Fewer targeted families** – The current commissioned Children's Centres are contracted to work with 5,500 targeted families per year. The proposal is for this to be reduced to 3,800 per year. Although this is a reduction, greater partnership working between Children's Social Care, health services and Children's Centres could ensure a more robust service to families most in need with increased links with key partners such as the health visiting service, midwifery, GPs and schools ensuring that the universal offer is maintained with a targeted approach where needed.

8.3 **Reduced Unit cost** – a reduced unit cost per targeted family each Children's Centre works with will reduce the funding available to Centres but, with increased support from Children's Social Care and other agencies, including the voluntary sector and health, some of the services currently in operation could be delivered by different organisations and partners instead of Children's Centre staff or services they commission.

8.4 **Admin Staff** – Eight administrative staff are currently employed by the Local Authority to perform the administrative and reception function in the Children's Centres commissioned to the Area Providers, The Children's Society and Pre-School Learning Alliance. With these Centres being re-designated and utilised differently, they would no longer need to be open 9-5, Monday to Friday, 48 weeks of the year and would no longer need this function.

9 Next Steps

9.1 Subject to the agreement of the Mayor, officers will work to further explore the implications of the proposals and carry out consultation to inform development of the proposals.

10 Financial Implications

10.1 The total budget for the services affected by the proposals described in the report is £5,499k.

- 10.2 The proposal has three discrete elements that together provide a saving of £2.6m in 2015/16 and £1.2m in 2016/17 making a total of £3.8m over the period 2015/18. The savings can be summarised as follows:

	2015/16	2016/17	2017/18	Total
Integrated Triage	255	255		510
Changes to Children Centre contracts and re-designation of Children Centres	968	968		1,936
Use of Troubled Families Grant	1,388			1,388
Total Savings	2,611	1,223	-	3,834

- 10.3 The Integrated Triage proposals require work across the children's partnership to implement so the saving is spread over two years. Reducing the number of contacts and assessments undertaken will require fewer staff resulting in the deletion of a social work team. There are a number of posts that are currently covered by agency staff. As a result, no redundancy costs would be expected to accrue from this element of the proposal.
- 10.4 The 'Integrated Triage proposal will also see the deletion of the Team Around the Child Team of four posts. It is likely that the deletion of posts will result in redundancy costs.
- 10.5 The removal of administrative and reception responsibilities will involve the deletion on 8 posts. It's likely that redundancy costs will accrue.
- 10.6 The Children Centre services are currently delivered through contracted arrangements and so the reduced unit costs and targeted families will not result in reduced staff numbers for the Council. However, there may be a redundancy liability for the Council depending upon the final decision and its implementation on the contracts for children centre services due to the administration staff being employed by the Council currently.
- 10.7 Recent announcements indicate that there will be sufficient funding to support the switch of funding for the FIP and TPS contracts from General Fund to Troubled Family grant resources. The switch is an extension of current practice as the work is intended to be undertaken through use of the Troubled Families grant.
- 10.8 Capital Financial Implications
- 10.8.1 A number of the designated Children Centres benefited from capital investment funded by central government. There is a provision for capital clawback if a centre ceases to provide certain activities. The

basis of clawback would be the initial capital investment the period over which benefits have flowed and the expected life remaining of the investment. The proposal for the contracted services is that they would enable the range of services expected to continue to take place. On this basis capital clawback is unlikely to apply. No assessment of any clawback is possible until there are proposals from a successful contractor for reduced activity on a relevant site.

11. Key Risks

- 11.1 Key risks have been outlined above, especially in terms of capital claw back from the Department of Education.
- 11.2 An additional risk is in deleting a team of social workers. For this to work we need to build the capacity of the partnership to work with families. The risk is that if our early intervention providers are unable to meet the needs of these families, the issues with the children may escalate and have to be referred back to social workers. This could put pressure on our social work capacity. However, the proposals include measures to support early intervention providers and other services, including HVs, and we are optimistic that will enable us to make the saving secure.
- 11.3 Reducing capacity in the Children's Centres will increase demand/expectation in the health visiting services (the budget for which will transfer to LAs in 2015).
- 11.4 Fewer assessments by social workers could bring an increased risk of safeguarding failure – we will ensure training and support is available so that staff can identify the correct cases for referrals so the system is safe rather than risk averse.

12. Legal implications

- 12.1 Legislative framework – Section 17 of the Children Act 1989, the council is under a duty to safeguard and promote the welfare of children who are in need, and promote the upbringing of children by their families by providing a range of services appropriate to those children's needs.
- 12.2 The Childcare Act 2006 places a duty on local authorities to improve the well-being of young children (from birth to age five) in their area, reduce inequalities between them and ensure that "early childhood services" are provided in an integrated manner. The Apprenticeships, Skills, Children and Learning Act 2009 inserted new provisions into the Childcare Act 2006 so that the Act now defines Children's Centres in law, placing duties on local authorities in relation to establishing and running Children's Centres. In addition, Health services and Jobcentre Plus need to consider regularly whether the early childhood services they provide should be delivered through Children's Centres.

- 12.3 The Childcare Act 2006 as amended, states, requires “arrangements to be made by local authorities so that there are sufficient children’s centres, so far as reasonably practicable, to meet local need.” (Section 5A)
- 12.4 The DfE Sure Start Children’s Centres Statutory Guidance, April 2013 (the Guidance) states that local Authorities should “ensure that a network of children’s centres is accessible to all families with young children in their area;” and “ensure that children’s centres and their services are within reasonable reach of all families with young children”.
- 12.5 Lewisham currently has 17 designated Children’s Centres across the borough. Were some Centres to be re-designated, it would need to be demonstrated that “sufficient” Children’s Centres remained which were accessible and within reasonable reach of families with young children across the borough.
- 12.6 Governance of Children’s Centres – Section 5C of the Childcare Act 2006 places a duty on local authorities to ensure each Children’s Centre has an Advisory Board with the purpose of ensuring the effective operation of the Children’s Centre within its remit. The Act does not require that each Centre has its own board and allows the clustering of Centres to share an Advisory Board. The Local Authority must ensure that membership of these boards includes LA representatives as well as representatives from the Children’s Centre/s within its remit, parents and prospective parents and key partners such as health services and local community groups.
- 12.7 Currently, all 17 Children’s Centres have individual Advisory Board structures with school-based Centre representatives being invited to part of the Area Providers’ Advisory Boards. If there were fewer designated Centres, the Area model of Advisory Boards could be developed. Fewer Advisory Boards would ease the pressure on partner agencies such as midwifery, health visiting and GPs to ensure representation and, in addition should widen representation from agencies such as Jobcentre plus, currently under represented on Advisory Boards. Partners from the voluntary sector would also be better able to send representatives to each Advisory Board meeting with fewer in operation.
- 12.8 Range of services – Designated Children’s Centres are required to provide a range of services and activities either directly or through partners including outreach and family support, early education, a range of health services and employment and training support for parents and carers. These include universal as well as targeted services. Not all Children’s Centre services have to be delivered in a Children’s Centre but with reduced resources the re-designation of some Centres would give greater flexibility to the range of services that can be delivered within the community rather than from a single site.

- 12.9 Children’s Centre Ofsted Inspections – Under Part 3A of the Childcare Act 2006, as amended, Designated Children’s Centres are subject to inspections from Ofsted. Rigorous data sets are required for inspections as are a wide range of other evidence of need and impact. Whilst much of this is helpful in considering areas of need and of tracking outcomes and impact, the level of data required for inspections and the time spent by providers in ensuring readiness for Ofsted inspections at any time would be significantly reduced with a smaller number of designated Centres.
- 12.10 Consultation – The DfE Sure Start Children’s Centres Statutory Guidance April 2013 states that Local Authorities “must ensure there is a consultation before...making a significant change to the range and nature of services provided through a Children’s Centre and/or how they are delivered”. A public consultation would therefore need to be held if significant changes to the Children’s Centres are considered.
- 12.11 Capital claw-back - The re-designation of a Children’s Centre may prompt the DfE to consider whether to “claw back” funding previously awarded for capital development of the Centre. The risk of this might be reduced if it could be ensured that services for children and families continued to be delivered from the site. This could be achieved through supporting local community groups and parents/carers to deliver services as well as key partners from the statutory and voluntary sectors.
- 12.12 A Children’s Centre is defined in the Childcare Act 2006 (the Act) as a place or a group of places which is managed by or on behalf of or under arrangements with a local authority with a view to securing that early childhood services in the local authority’s area are made available in an integrated way. They can be made available either by providing the services on site, or by providing advice and assistance on gaining access to services elsewhere.
- 12.13 It follows that children’s centres are as much about making appropriate and integrated services available as about providing premises at particular geographical sites.
- 12.14 Notwithstanding this, as stated in paragraph 12.4 above, the Guidance states that there should be a network of children’s centres which are accessible to families and young people in the local authority’s area.
- 12.15 The local authority must ensure that there is a sufficiency of children’s centres, as far as reasonably practicable, to meet local need which is defined in the Act as the need of parents, prospective parents and young children in the local authority’s area.
- 12.16 Any changes to children’s centres is subject to consultation as set out in this Report and such consultation must take into account the views of local families and communities in deciding what is sufficient children’s centre provision. The consultation should also include the views of Health services and Job Centre Plus.

- 12.17 In relation to the proposal to delete the social work team and the early intervention team as part of the reform of Children's Social Care the Council's redundancy and redeployment procedure will apply and the Council's Management of Change Guidelines.
- 12.18 The proposals to re-configure the children's centres as part of their re-procurement as set out at paragraph 6.4 to 6.7 of this report will involve reorganisation of staff at the centres, and or redundancy and this may lead to a cost to the Council if the organisations cannot absorb this.
- 13. The Equality Act 2010 (the Act)** introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 13.1 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - advance equality of opportunity between people who share a protected characteristic and those who do not.
 - foster good relations between people who share a protected characteristic and those who do not.
- 13.2 The duty continues to be a "have regard duty", and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 13.3 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

14. Equalities Implications

14.1 An Equalities Impact Analysis has been undertaken and is attached as Appendix B.

15. Crime and Disorder Implications

15.1 There are no crime and disorder implications arising directly from this report.

16. Environmental Implications

16.1 There are no specific environmental implications arising directly from this report.

Background documents

None.

If there are any queries arising from this report, please contact Ian Smith, Director of Children's Social Care, telephone 020 8314 8140.

NB

- A map showing the Children Centres in Lewisham is provided as a separate attachment
- The equalities assessment for this proposal is appended below.



Equalities Analysis Assessment

Name of proposal	Children's Centres Savings Proposals
Lead officer	Ian Smith
Other stakeholders	
Start date of Equality Analysis	August 2014
End date of Equality Analysis	September 2014

Title of Project	Budget Savings Proposal: Children's Centres
Lead officer	Ian Smith
Other stakeholders	Children and young people; Parents and families; Children's Centre providers; MPs; local councillors.
Start date of Equality Analysis	August 2014
End date of Equality Analysis	September 2014

1: Background to undertaking an Equality Analysis

- 1.1 This Equality Analysis Assessment (EAA) is being undertaken to identify whether budget proposals to re-shape the Children's Centres and their services will adversely affect Lewisham's children, young people and their families and whether it will negatively impact upon protected characteristics¹.
- 1.2 Lewisham Council has already reduced its revenue budget by £93m since May 2010. The Government's continued squeeze on public spending means that the Council needs to make further savings of around £85m over the next three years. The proposal to re-shape the Children's Centres and their services is one of the savings proposals being put forward in September 2014
- 1.4 This EAA will be a scoping exercise to try to identify the service users that may be affected by the proposal, and to identify and understand any potential negative impacts from taking the savings proposal forward, together with developing mitigating actions to minimise any negative impacts identified. This EAA will contribute towards the decision making process.
- 1.5 This EAA will:
- (1) consider whether the proposal is compliant with the new public sector duty;
 - (2) consider the impact of the proposal;
 - (3) analyse whether the proposal is likely to have a positive or negative impact on different protected characteristics within the local community; and
 - (4) identify mitigating actions to address any disproportionately negative impact.

¹ Protected characteristics: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, marriage and civil partnership (only in respect of eliminating unlawful discrimination)

2: Changes to the service

2.1 Statutory duty - what needs to be provided:

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, as amended by the Apprenticeships, Skills, Children and Learning Act 2009, must include arrangements for sufficient provision of children's centres to meet local need.

2.2 Current service provision:

Children's Centres in Lewisham are commissioned out to school-based providers and two voluntary organisations. They offer both a universal and targeted service, predominantly to families with children under 5, but also work with families with children aged 0-19 particularly where older children are the siblings of younger children in the family.

It is estimated that 8671 adults (61,684 contacts) and 6982 children age 0-4 (57,533 contacts) used the service between April 2013 and March 2014. This is based on usage data available to the Council through commissioned providers and entered on to the Tribal Connect database.

2.3 The proposal and changes to the service:

The proposal is to re-designate some Children's Centres and re-shape some existing services from 2015 onwards. Services and opportunities for parents to access support will continue to be provided by the Council through the Children's Centres which remain as well as maternity services and health visitors with which greater links are being developed alongside the increased links with Children's Social Care. Development of re-designated Children's Centres will be explored and could include better use of the voluntary sector and community-led provision to ensure continued delivery of services to children and families, particularly targeted support to families who need it most.

The proposal will mean the deletion of 8 administration posts.

3: Assessment of data and research

3.1 General Context & Local Demographics:

Lewisham is the second largest inner London borough and in 2011 was home to approximately 274,900 people (GLA population estimates) which is set to grow by around 11,000 by 2015. Lewisham has a slightly younger age profile than the rest of the UK; children and young people aged 0-19 years make up 24.5% of residents, compared to 22.4% for inner London and 23.8% nationally. Births in Lewisham increased by 34% between 2000/01 and 2009/10 and will continue to increase at a similar rate for the next 5 years.

Lewisham's Joint Strategic Needs Assessment shows that from data in 2010, Lewisham is the 15th most ethnically diverse local authority in England, and two out of every five residents are from a black and minority ethnic background. The largest BME groups are Black African and Black Caribbean: Black ethnic groups are estimated to comprise 30% of the total population of Lewisham. This rises to 77% of our school population, where over 170 different languages are spoken by our pupils.

Deprivation is increasing in Lewisham. The 2010 Index of Multiple Deprivation ranked Lewisham 31st out of 354 local authorities (LAs) in England compared to a rank of 39 in 2007. On the specific indicator of income deprivation affecting children, 35 (out of 166) of Lewisham's super output areas are in the 10% most deprived in the country, and 85, (over half) are in the 20% most deprived in the country. It is estimated that 20,355 children (ages 0 – 18) live in poverty in Lewisham.

3.2 Childrens Centres and Ward profiles:

There are 17 designated Children's Centres in Lewisham. Each Centre broadly delivers services to a particular ward

The Children's Society : Area 1

Evelyn Children's Centre* - Evelyn Ward
Besson Street Children's Centre* - New Cross Ward
Hatcham Oak Children's Centre* - Telegraph Hill Ward
Amersham Children's Centre* - Brockley Ward

The Children's Society : Area 2

Ladywell Children's Centre* - Ladywell Ward
Manor House Children's Centre* - Lee Green Ward
St Swithun's Children's Centre* - Lewisham Central Ward
Heathside and Lethbridge Children's Centre* - Blackheath Ward
TCS Area 2 also covers Rushey Green Ward

Pre-School Learning Alliance : Areas 3 and 4

Torridon Children's Centre* - Catford South and Whitefoot Wards
Bellingham Children's Centre* - Bellingham Ward

School Based Children's Centres

Clyde children's Centre (Area 1) – Evelyn Ward

Beecroft Garden Children's Centre (Area 2) – Crofton Park Ward
 Downderry Children's Centre (Area 3) – Downham Ward
 Marvel's Lane Children's Centre (Area 3) – Grove Park Ward
 Eliot Bank and Kelvin Grove Children's Centre (Area 4) – Sydenham and Forest Hill Wards
 Kilmorie Children's Centre (Area 4) – Perry Vale Ward

There are Administration Posts in all of the Area Contract Children's Centres*. School based centres manage their own administration within the contract.

Children's centres provide services and support to children under 5 and their older siblings. This is focused on adopting a 'whole-family' through pulling together appropriate teams of practitioners around families to ensure all children and young people's needs are met through multi-agency support. CC Services are currently delivered by the voluntary sector and schools across the borough at 18 designated Children's Centres (Appendix A).

Children's centres are expected to secure improvements against the following overarching outcomes for children, young people and families in Lewisham:

- Improved parenting and attachment.
- Improved school readiness.
- Prevention of escalation.

Age

Children's Centres primarily provide a universal service for all children aged 0-5 years accompanied by an adult carer. The closure of any services will therefore have the greatest impact on provision to this group.

Disability

Data collected from users in 2013-14 shows the following percentage of contacts were with those identifying as having a disability:

Ward	% of 0-4 Children using Children's Centres that have a disability	% of adults using Children's Centres that have a disability
Bellingham	1.5%	1.3%
Blackheath	0.9%	0.0%
Brockley	2.2%	0.5%
Catford South	2.7%	0.8%
Crofton Park	1.2%	0.8%
Downham	0.3%	0.8%
Evelyn	4.2%	1.8%
Forest Hill	0.6%	1.3%
Grove Park	0.4%	0.6%

Ladywell	4.3%	0.3%
Lee Green	1.7%	0.3%
Lewisham Central	2.6%	2.1%
New Cross	2.1%	0.6%
Perry Vale	1.3%	0.0%
Rushey Green	1.9%	0.8%
Sydenham	1.9%	1.5%
Telegraph Hill	1.5%	0.6%
Whitefoot	0.9%	0.5%

Pregnancy and Maternity

Children's Centres are heavily used by pregnant women and new mothers as the Centres offer a range of services for young families e.g. Breast Feeding Support, parenting courses and support, support for immunisations, health checks and development etc. The closure of any services will therefore have a significant impact on provision to this group.

Race

The Census data from 2011 indicates that the locations where Children's Centres are based have some of the highest proportion of black and minority ethnic (BME) residents in the borough.

The ethnicity profile of Children (0-4) using Children's Centres is as follows:

Ward	Population (2011 Census)	% of 0-4 Children using Children's Centres that are BME	% of adults using Children's Centres that are BME
Bellingham	59.8%	74.5%	69.7%
Blackheath	44.0%	53.0%	60.3%
Brockley	58.4%	64.8%	67.7%
Catford South	66.5%	63.9%	61.0%
Crofton Park	53.0%	49.4%	51.5%
Downham	49.3%	66.4%	65.6%
Evelyn	74.1%	77.0%	81.0%
Forest Hill	95.3%	60.0%	59.4%
Grove Park	47.6%	69.6%	62.4%
Ladywell	59.8%	56.5%	56.3%
Lee Green	45.9%	55.1%	60.3%
Lewisham Central	65.4%	75.2%	69.7%
New Cross	73.4%	83.1%	79.8%
Perry Vale	54.2%	58.2%	57.6%
Rushey Green	70.2%	75.3%	74.5%
Sydenham	53.4%	67.3%	62.7%

Telegraph Hill	62.8%	63.4%	63.3%
Whitefoot	58.3%	73.2%	70.7%

The data suggests that Children's Centres are more heavily used by BME groups than the ward profiles would suggest and therefore any reduction in service would have a greater effect on BME families.

Sex

The majority of adult carers who attend the Children's Centres are female, and so the impact of the proposal will be felt most by this group.

There is no anticipated impact relating to religion and belief, gender reassignment, or sexual orientation.

3.3 Staff data:

In-House Administration Staff

Workforce Profile Information					
Age:	21-25: 1	36-40: 1	46-50: 2	51-55: 2	55+: 2
Disability:	Disabled: 1		Not Disabled: 7		
Gender reassignment:	None				
Pregnancy and maternity:	None				
Race:	BME: 5	White: 3	Other: 0	Not Known: 0	
Religion or belief:	Christian: 3	None: 1		Unknown: 4	
Sex:	Female: 7		Male: 1		
Sexual Orientation	Straight / Heterosexual: 4		Not known: 4		
Marriage and civil partnership:	Not Married / Civil Partnered: 1	Married / Civil Partnered: 3		Not known: 4	

N.B. Of these staff, two are temporary appointments (up until 31/03/2015)

Children's Centre Staff

As Children's Centres are contracted out and the proposals are not specific at this stage, this

information is not yet known.

4: Consultation

A public consultation exercise would be required for any material change to the service that the Borough provides via its network of Children's Centres in accordance with the Equalities Act 2010.

There are also specific requirements around consultation set out in the [Statutory Guidance](#) for Children's Centres under the Heading "Significant changes to children's centre provision and the duty to consult" (see page 10).

5: Impact Assessment

The Equalities Impact Assessment has been undertaken to ensure that in the case of implementation of the saving proposal to fundamentally change the delivery of services currently provided by Children's Centres, the Council has met its responsibilities under the Equality Act 2010, specifically:

- To eliminate unlawful discrimination, harassment and victimisation.
- To advance equality of opportunity between people from different groups.
- To foster good relations between people from different groups.

The assessment of the potential impact on the nine protected characteristics (age, disability, gender, ethnicity, sexual orientation, religion and belief, gender reassignment, pregnancy/maternity and marriage/civil partnership) has been based on an analysis of service information, including available data relating to service users, and will be considered further in the light of equalities data collected during consultation.

5.1 Impact on Service Users:

As the proposal is to reduce the amount of designated Children's Centres, it is anticipated that proposals will yield a negative impact for the service user. However, many of the negative impacts that may arise from the closure of the service can be mitigated through other services and actions. In addition, the Early Intervention Service, will encourage and support the private, voluntary and independent sector to run their own activities in order to supplement the core service.

Age:

The proposed will have the greatest impact upon children aged between 0 and 5 years. There is a range of provision similar to stay and play available across the borough from providers other than the Council. In addition there are existing parks and playgrounds, carer and Toddler groups, Childminder Drop-Ins, Stay and Play sessions, Dad's Stay and Play, Play and Learn for under 5s, and many others. Existing services that will continue to be offered include signposting to other services, the universal 3 and 4 year old entitlement to the 15 hours free early education, as well as the universal health visiting service.

Disability:

Several of the categories for identification of targeted families concern families where disability

is an issue (Children of parents with mental health issues, Children of parents who have disabilities, Children with disabilities). Therefore any reduction in the service provided will have a greater impact on these families.

Sex:

Women are the main user group of the service, and the proposal is therefore likely to impact most on this group. It is also noted that the service is also used by fathers, who may find it harder to access alternative services.

Ethnicity:

Many of the residents of the borough do not speak English as a first language Children's Centres are a useful service for these parents and carers. The Council will need to ensure that interpreting and translation services are available in order to communicate with these families/CYP to ensure that they get the support that they need.

The EAA has not identified any disproportionate effects relating to Sexual Orientation, Religion and Belief, Pregnancy and Maternity, or Gender reassignment.

5.2 Impact on Staff:

The proposal would most likely see the service provision in Children's Centres reduced. There is a proposal to deleted 10 administration posts (2 of which are vacant). Further reduction of the service will inevitably result in further reduction in posts from other providers and their may be TUPE considerations for some staff who were transferred when the service was outsourced in 2011.

There may be re-deployment opportunities available, but it is recognised that the economic climate has had an impact on the number of positions available.

The majority of administration staff directly employed in the service by the London Borough of Lewisham are female (7 of 8), and the majority of staff delivering the service across the borough through commissioned providers are also female. There will therefore be a disproportionate effect on women if the proposal is taken.

6: Decision/ Result

Following an analysis of the available research and data it is recommended to continue with the proposal but with actions to mitigate negative impact on equality and diversity. An action plan should be written following consultation once a firmer understanding of the likely effects of following the proposal are known.

Sign Off

Signed _____ Date _____

APPENDIX 6 – Youth Services (Q2) proposal report

Mayor and Cabinet			
Report Title	Savings proposals and the future of the Youth Service		
Key Decision	Yes	Item No.	
Ward	All		
Contributors	Executive Director (Children and Young People), Executive Director (Resources and Regeneration), Head of Law		
Class	Part	Date	12th November 2014

1. Summary

As part of the Council's budget strategy for 2015 - 2018, the Youth Service presents proposals for savings of at least £1.4m. The report also sets out two options for consideration on the future of the Youth Service to allow planning to proceed into future years.

Option 1 looks at the potential employee mutualisation of the Youth Service following initial reductions.

Option 2 considers reducing the Service to a statutory service only model and increasing the savings by a further £1.7m.

2. Purpose

- 2.1. The purpose of this report is to outline for the Mayor the savings reduction options being put forward in response to Council-wide savings requirements.

3. Recommendations

The Mayor is recommended to:

- 3.1. agree the base savings of £1.4m, subject to consultation including:
- 3.1.1. a reduction to youth worker capacity and removal of Council staff from two youth sites, namely Rockbourne and Ladywell
 - 3.1.2. a reduction to commissioned provision by 31% (£293,000), as set out in section 6.11
 - 3.1.3. a reduction to management and business support staff as set out in section 6.9 and 6.14
 - 3.1.4. further efficiency savings as set out in section 6.12

- 3.2. agree the reshaping of youth re-engagement services (see section 6.13):
 - 3.2.1. re-specify the specialist 1:1 service and fund it from other sources
 - 3.2.2. re-specify the NEET Programme in accordance with Raising the Participation Age (RPA) and alternatively fund the programme.
- 3.3. Agree that consultation proceeds as appropriate as outlined in 3.1 above and that a report is brought back for decision.. .
- 3.4. Agree that consultation is begun on the future of the Youth Service including Options 1 and 2 as set out in the report with a report being brought back prior to decision.:
- 3.5. Agree the timetable for implementation of the savings (see section 11).

4. Policy context

Local Policy

- 4.1. The proposals within this report are consistent with the Council's corporate priorities and its need to identify significant savings over the next three fiscal years. In particular, the proposals relate to the Council's priorities regarding Young People's Achievement and Involvement, Protection of Children, and Community Leadership and Empowerment, in line with the Children & Young People's Plan of 2012 – 2015.

National Policy

- 4.2. Positive for Youth was launched in December 2011 as a broad-ranging strategy detailing the Government's approach to youth provision. The strategy calls for 'a new partnership approach' in local areas – between businesses, charities, public services, the general public and young people – to provide more opportunities and better support to young people.
- 4.3. The priorities of last year's restructure were aligned with this strategy.
- 4.4. Positive for Youth promotes early and positive support to reduce the chances of public funds being wasted in holding young people in expensive secure provision or managing the remedial effects of inadequate support and assistance as they reach young adulthood.
- 4.5. The key strategic themes contained in Positive for Youth and Lewisham's Children and Young People's Plan are as follows:
 - Helping young people to succeed
 - Promoting youth voice
 - Early intervention
 - Supporting stronger local partnerships
 - Strengthening communities and the voluntary sector

5. Background

- 5.1 Since May 2010, the Council has reduced its budget by c.£93m. In response to reductions in Government grants, the Council is planning to make further savings of £85m by the close of 2017/2018.
- 5.2 During 2013/2014, the Youth Service implemented a significant organisational restructure. The restructure released savings of £1.03m. These savings were achieved primarily by reducing staff headcount by 18.1 FTE, including a 72% reduction in management, removing youth work staff from two youth centres – Grove Park Youth Centre and Oakridge Youth Centre – and generally ensuring more efficient operations across the service.
- 5.3 The restructure created a leaner, more efficient service more capable of responding to young people's needs. It also introduced a significantly larger commissioning pot from which voluntary sector and other providers could bid to run youth services.
- 5.4 In this first year post-restructure, the Service has been embedding performance management, income generation and contract management capabilities.
- 5.5 The Youth Service maintains the following aims:
- 1) Encourage others, as well as the Council, to deliver a vibrant range of activities for all our young people to enjoy and benefit from, and to recognise that all activities for young people across Lewisham and London are an important part of our youth offer.
 - 2) To support young people in Lewisham in need of extra help, to achieve the skills they need to become happy, healthy and successful adults.

These aims work to engender the following outcomes for young people:

- 1) Improved life skills
 - 2) Increased involvement in education, employment or training
 - 3) Staying safe and well, and preventing needs from escalating
- 5.6 The Youth Service provides and facilitates access to a range of activities for young people through a combination of direct delivery, support to access delivery provided by other organisations, and commissioning and partnering with the private, voluntary and independent (PVI) sector. The activities are now focused on developing young people's life skills as agreed in the previous reorganisation of the service.
- 5.7 Provision includes positive activities for young people, offering them places to go and things to do, including social and cultural activities, sports and play, and

early intervention services. The Youth Service also offers informal education, advice and guidance on career choices and healthier lifestyles, and information concerning the dangers of substance misuse.

5.8 The Service's specialist support for young people in relation to education, employment and training consists of 9 specialist one-to-one youth workers, each holding a maximum caseload of 15 cases at any one time, with an annual service reach of c.270 young people. Alongside a one-stop 'holistic support' shop, Baseline, in Lewisham town centre and a variety of commissioned providers, the Service provides one-to-one youth work and information, advice and guidance for the Borough's most vulnerable including support to young fathers, young women and those considering their sexuality. Additionally, the NEET Programme has been offering four 6 week work support programmes for young people who are not in education, employment or training. As a part of the 2013/14 restructure the scheme is changing to become a 12 week Government-recognised traineeship, in partnership with Bromley College, from September 2014. The programme will run 3 times a year in line with school terms. It will continue to work with the same cohort of vulnerable young people, however the longer traineeship will allow them to achieve more robust qualifications, offer accredited numeracy and literacy support and stronger pathways post completion. The scheme will also allow participants to continue to receive out of work benefits whilst on the scheme.

5.9 All of these activities and support systems take place at 7 Council-run youth centres, 5 Council-run adventure playgrounds, via street based work, at Baseline and at a variety of non-council run venues across the Borough.

6 Savings proposal of £1.4m

6.1 With the following savings proposals, the general scope of the Service would remain intact. Under this proposal, staffing levels would be reduced to the minimum level believed necessary to operate an ELM in the future.

6.2 In order to release savings across the Service, it is proposed the Service retain 5 youth centres and 5 APGs, while removing staff from 2 youth centres and ending the Service's street based capacity, reducing front-line staff headcount commensurately. The recommendations as to which two centres would be offered to the voluntary sector or closed are based on factors such as location, the potential for the PVI sector to deliver provision from the sites, and the attractiveness of the remaining facilities to generate income.

6.3 Appendix 2 shows a map of the current youth centres and adventure playground sites.

6.4 It is therefore proposed to close or find alternative providers for youth provision at Ladywell Youth Village and Rockbourne Youth Centre. Both centres already have alternative non-Youth Service provision running from them. Rockbourne

offers short break provision two weekday evenings and Saturdays, and Ladywell offers short break provision on Saturdays. Rockbourne is due to host a scout group from October, whilst Ladywell operates as an adult day care centre the majority of the time. These proposals could allow these provisions to continue and the sites to remain open, enabling the savings to result only from the reduction of Youth Service youth work staff and their delivery of mainstream youth provision.

- 6.5 In both cases, it is proposed the sites remain open in order for short breaks to continue and potentially increase and/or voluntary sector provision to continue and potentially increase.
- 6.6 The Youth Service would continue to directly run the following youth sites:
- 1) Bellingham Gateway Youth & Community Centre, Bellingham
 - 2) Honor Oak Youth Club, Brockley
 - 3) Riverside Youth Centre, Deptford
 - 4) The New Generation Youth Centre (TNG), Sydenham
 - 5) Woodpecker Youth Centre, New Cross
 - 6) Deptford Adventure Playground, Deptford
 - 7) Dumps Adventure Playground, Bellingham
 - 8) Home Park Adventure Playground, Sydenham
 - 9) Ladywell Adventure Playground, Ladywell
 - 10) Honor Oak Adventure Playground, Brockley
- 6.7 The Youth Service's street-based outreach capacity is comprised of 3.4 FTE Support Youth Workers. It is proposed the Youth Service remove this capacity in its entirety. Street-based outreach is not currently a stand-alone team of youth workers dedicated solely to outreach work; it is staffing capacity only. Because of current support staff vacancies the Service is only operating a limited street-based outreach capacity at the moment. Current outreach is used to inform young people of what the Service offers and spur their participation at our youth sites. Our Participation and Engagement Officer's role involves outreach work and it is hoped that some of the loss of street-based capacity could be mitigated by the communications work of the Participation and Engagement Officer. Outreach work could continue with the proposed reduction in staffing, but this would impact the Service's ability to deliver centre-based activities.
- 6.8 Ending Council-run provision at 2 youth centres and removing the street-based outreach capacity would result in a staff headcount reduction of 7.5 FTE Youth Workers (3 FTE Senior and 4.5 FTE Support workers - from 17.5 FTE to 10 FTE). The Youth Service programming provision budget would be reduced commensurate with the end of activity at 2 centres. This reduction would yield a saving of £273,000.

- 6.9 It is proposed that the Specialist Support Manager post be removed from the staffing structure, enabling management of the NEET Programme to be absorbed by remaining managerial staff.
- 6.10 The current Service structure contains 60.7 FTE. The proposed structure will contain 50.2 FTE – a projected staffing reduction of 10.5 FTE and a total saving of £418,000.
- 6.11 In order to release further budget savings, but still maintain the Service's relationship with the community and voluntary sector, it is proposed that commissioning funds be reduced in line with the savings required by the Council – a reduction of 31% (£293,000). During the last restructure, commissioning funds were doubled. A reduction of 31% will still enable the Service to commission an amount greater than what was available in 2012/13. Commissioning funds are used to procure from the private and voluntary sector a broad range of provision that supplements the Youth Service's direct delivery and ensures diversity of youth provision across the borough, as well as offers elements of specialist activities that the Service could not offer alone. A process for downsizing current commissioning arrangements would commence from October/November.
- 6.12 The Service currently allocates monies for training, a level of public resource IT, print materials, stationery and other miscellaneous expenses. It is proposed the Service identifies efficiencies in this area of its budget, enabling a saving of £24,000.
- 6.13 The Service will generate income by renting space to private and community sector users and bidding for relevant, available grants. It is proposed the Service aims to generate a minimum of £100k of income to mitigate some of the reductions. Based on current projections and the retention of at least 5 youth centres and 5 adventure playgrounds, it is feasible the Service will reach this target of £100k by the end of 2015/2016.

Reshaping youth re-engagement services

- 6.14 There are three elements of the current service that are proposed to be brought together more strategically to form a youth re-engagement service that operates under the aegis of the Youth Service in the short term, but would remain with the Council if the Youth Service mutualises or is reduced to a statutory service. In the case of the former, the Council could commission an ELM to provide services, if doing so yields better value and is in the best interest of young people. This would leave a resource of £705k focused on re-engaging young people for 2015/16. The elements of this service are:
- a) Specialist 1:1 Service
 - b) The NEET Programme

c) NEET tracking services

- a) **The Specialist 1:1 Service** is an outreach service operated out of Baseline in Lewisham Town Centre. It is currently comprised of 9 FTE Specialist Youth Workers, 1 FTE Specialist 1:1 Coordinator and 1 FTE Specialist Support Manager, representing a total cost of £450k. The service works with young people and offers individual support to empower them to become resilient and support themselves through issues and to help them achieve positive life outcomes. The service also supports emergency situations, signposting to others and delivers holistic information, advice and guidance. The proposal is to remove the Specialist Support Manager post, as noted above in section 6.8, leaving a budget of £390k and then consider the best means to continue delivery. This could be via re-specification and potential commissioning of the service as part of the Targeted Family Support Service. Regardless of form, it is proposed that savings are made as set out and the reduced service be funded through use of the Government's Troubled Families Grant and income from other sources which are being currently investigated, including the Education Funding Agency and schools.
- b) **The NEET Programme** currently operates out of the The New Generation (TNG), runs four times a year and comprises 1 FTE Specialist Group Work Coordinator, 1 FTE Senior Youth Worker, 1.2 FTE Support Youth Workers and programme costs. The total current cost of the service is £197k. As a part of the 2013/14 restructure the scheme has already undergone changes set to begin in September 2014. These make the scheme a formal traineeship. Whilst the programme will continue to work with the same demographic of young people, it will reduce to 3 programmes per year, but increase the length of each to 12 weeks, offer literacy and numeracy qualifications and be funded in-part by Bromley College. It is proposed that, further to these changes, initial savings of £82k be made by removing the Specialist Group Work Coordinator post and further reducing the programming costs. This will leave a budget of £115k. The then reduced service would be funded via alternative monies from schools, colleges and the Education Funding Agency.
- c) The Council has a statutory responsibility to monitor and track NEETs and to support vulnerable NEETs. It is proposed that this element of the Youth Service remains intact, with 1 FTE NEET Tracking Manager, 1 FTE NEET Tracking Coordinator, 1 FTE NEET Tracker, the information management system and a communications budget. Minor reductions are proposed to be made to the communications budget. This will leave a budget of £200k.

The £705k total cost of a re-engagement service is:

- a) £390k for specialist 1:1 support services
- b) £115k for NEET Programme
- c) £200k for tracking young people who are NEET

7. Options for the future of the Youth Service

7.1 It is important strategically to set an end option for the Youth Service due to further Council funding reductions required in subsequent years. Annual reductions to the Service would have a detrimental effect on young people and frontline staff who serve them, making it difficult to involve young people in the face of diminishing provision and motivate and retain talented staff in the face of continuing requirements for redundancies. The following two options are proposed in order to forestall these and other negative implications. Other options, such as further reducing the service or commissioning out all or part of the service were considered by officers but have not been recommended because they do not offer either the same level of potential savings to the Council or the possibility of maintaining as much of the service as possible with reduced funding to the Council.

7.2 Option 1: mutualise the Youth Service

7.2.1 Option 1 proposes moving to an ELM after the initial savings are made. This would require a lead-in time of one year to research, develop and prepare for an ELM, and then at least three more years to support an ELM on a contractual basis.

7.2.2 Mutualisation, or the development of an employee-led mutual (ELM), refers to a council or state entity that spins-away from its parent statutory body, enjoys enhanced autonomy concerning governance and provision, and continues to deliver vital public services whilst reinvesting financial surpluses back into the organisation.

7.2.3 The initial savings proposals already described would leave intact a service model that is believed could become a viable business.

7.2.4 The benefits of mutualising the Youth Service are as follows:

- There would be a greater opportunity for involvement of young people in the Borough by allowing them to become part owners of the ELM and have an elected place on its board.
- The ELM would have greater flexibility to strategise, innovate and better meet the needs of end users and stakeholders.
- As an ELM, the entity could avail itself of grant funding streams, sponsorships and income generation opportunities currently unavailable to local authorities.
- A good level of youth provision would be maintained in the Borough long-term with reduced or potentially no funding from the Council.
- Moving to an ELM has the potential to influence positively organisational behaviour, particularly with regard to creating a shared sentiment of staff ownership, minimising sick days and increasing influence over future decisions.

- The Council would retain a relationship with a staff group that maintains already-established relationships with young people and community members in the Borough.
 - Opting out of the Council would reduce longer-term liabilities to the Council.
- 7.2.5 If Option 1 is agreed, the Youth Service would immediately enter into the planning and scoping stages of creating an ELM. This would include financial and consultative support from the Cabinet Office Mutuals Support Programme. The Council would need to be clear in the funding agreement setting up the ELM what its core requirements are while it continues to provide funds. It will be important, however, to secure for the ELM as much freedom as possible during and after the planning stages.
- 7.2.6 The Youth Service would need to retain significantly more autonomy than at present during the lead-up period and subsequent 3-5 years of operation. This would be to ensure an ELM can raise funds, adjust the balance between commissioned and direct provision, allow staff to build an organisation underpinned by a social business ethos, and form strategic alliances that would maximise the ability for an ELM to succeed.
- 7.2.7 A Youth Service ELM would continue to deliver universal and targeted youth provision whilst reinvesting any financial surpluses back into the organisation. The entity would be initially funded via a Council contract and generate income through grant funds, corporate and individual philanthropy, space rentals, charges to schools and subcontracting arrangements.
- 7.2.8 There are currently two youth service ELMs in operation in England – Epic CIC (formerly Kensington & Chelsea’s Youth Service) and Knowsley Youth Mutual (formerly Knowsley’s Youth Service). Should the Youth Service mutualise, there will be lessons to learn from those that have gone through the process and now operate as independent entities. There would also be learning from other areas of the Council that have followed similar strategies, including Wide Horizons, Education Business Partnerships, Libraries and housing.
- 7.2.9 However, the two ELMs in operation are still fairly new and it is unclear yet whether they will be able to become completely self-supporting organisations with no funding from “their” Council. While it would be the intention that our ELM would become self-supporting after 3 years, and that the Council could then realise full savings, there is a risk that it would not achieve that aim. In that case, a decision would need to be made as to whether the Council continues to support the ELM financially or not.
- 7.3 Option 2: Reduce the Youth Service to a statutory service only model, releasing further savings of £1.7m

- 7.3.1 Option 2 proposes reducing the Youth Service to a statutory service only model now, leaving intact capacity to uphold our minimum statutory requirements to facilitate access to non Council-run youth provision, track NEET young people and report results to Government using a Client Caseload Information System.
- 7.3.2 The cost of this service would be £300,000 (facilitation £100k and NEET tracking £200k), releasing a further £1.7m on top of the £1.4m proposed earlier in the report. Where the current structure is comprised of 60.7 FTE the proposed structure would be comprised of 4 FTE – a reduction of 56.7 FTE. The remaining service would be managed by the NEET Tracking Manager or by a post within the broader CYP structure. The four FTE posts remaining would be:
- 1) Participation & Engagement Officer
 - 2) NEET Tracking Manager
 - 3) NEET Tracker
 - 4) NEET Coordinator
- 7.3.3 Given this, all youth centres and APGs would be supported to be passed into the hands of others in the community to run, or they would be closed; all youth workers, managers and all but one commissioning and business support staff would be made redundant and all commissioned and direct provision would end.

8. Implications of initial £1.4m savings

8.1 On staff and service provision

- 8.1.1 The Service and its current capacity would be reduced and a level of redundancy would be unavoidable. Clear lines of management would remain and the breadth of individual responsibilities would increase in line with the terms of job descriptions.
- 8.1.2 The current structure has 60.7 FTE posts. There are currently 58.14 FTE staff in post, which is comprised of 89 people. The vacancies currently are 2.56 FTE posts.
The proposed structure will have 50.2 FTE. This is a proposed reduction of 10.5 FTE. This reduction is comprised of 1 FTE SO1, 4.5 FTE Sc5, 1 FTE PO6, 1 FTE PO3, 3 FTE PO1 . All reductions would first be made by not filling vacancies. Due to the number of part-time contracts within the current Service, it is not currently possible to calculate the exact number or make-up of employees who may be redundant.
- 8.1.3 Reducing youth worker and site capacity could cause demand to exceed supply, forcing certain sites to absorb the impact that stems from site closures. To mitigate this, the service proposes that it retain 1 fte Support Youth Worker beyond the minimum in order to provide enhanced staffing when necessary.

8.1.4 Reducing the commissioning fund may impact on some voluntary sector providers.

	Current	Proposed	Difference
Full-time equivalents (FTEs) in post	60.7	50.2	10.5

9. Implications of Option 1

9.1 On staff

9.1.1 Following the initial savings of £1.4m, any remaining staff at the point of transfer would be transferred in accordance with TUPE to the ELM. Part of the ELM development work may indicate the need for re-shaping or re-sizing prior to transfer. The details of this would be part of the ELM planning and development work as to how liabilities may be covered. This would need to include how liabilities for the Local Government Pension Scheme could be met. It is unlikely that the ELM would be able to meet these liabilities at the outset. In the two ELMs currently operating, their local authorities have kept the liabilities for transferred staff.

9.1.2 Employees of the ELM would hold non-dividend shares and share ownership of the entity.

9.1.3 Employees would be involved directly in the strategic direction and governance of the ELM. The governance structure would enable elected staff members a voting role on the board of directors.

9.1.4 Employees would be responsible to take part in business skills training to enhance their existing skill-sets and contribute commercial acumen to the ELM.

9.1.5 Youth workers would continue their roles as youth workers and maintain their existing relationships with young people.

10. Implications of Option 2

10.1 On staff

10.1.1 The Service would no longer be retained and a high level of redundancy would be unavoidable. Only those posts with responsibility for ensuring a statutory duty would be retained.

10.1.2 The current Service structure is comprised of 60.7 FTE posts (including 2.56 FTE vacancies). There are currently 89 people in post. The proposed structure would contain 4 FTE – a post reduction of 56.7 FTE. The maximum redundancy cost to the Council is estimated at £496k.

11. Timetable for savings

Activity	Date
Scrutiny Paper (publically available)	23 rd Sept '14
Scrutiny process occurs	Oct '14
Mayor and Cabinet decision	Nov '14
Consultation of Options 1 and/or 2	Nov '14 – Jan '15
Mayor and Cabinet decision	Feb '14
Full Council decision	Feb '14
Implementation of savings	April '15 – July '15
If Option 1, ELM planning process	April '15 – April '16
If Option 1, ELM spin-out and contracting	May '16 – May '19

12. Financial implications

12.1 Initial savings of £1.4m and Option 1

12.1.1 The current controllable revenue budget for the Youth Service is £3,461,000. The proposals would result in immediate savings of £801,000, use of Troubled Families Grant, alternative funding of £505,000 and income generation of £100,000. Taken together these will result in a savings to the controllable budget of £1,406,000.

12.1.2 The proposal is based on an estimated minimum saving of £1,406,000 to the Youth service controllable budget. The delivery of this in the first year will depend on the timing of implementation including notice periods of staff made redundant.

12.1.3A significant portion of the savings £505k or 36% is dependent upon alternative income sources such as the Education Funding Agency, Schools and other contributions. These sources are not yet determined and represent a risk in terms of achievability of the savings.

12.1.4There will be redundancy costs for the Council emerging from these proposals, although at this stage it is too early to calculate the exact amount, which depends on those staff identified for redundancy. The maximum estimated redundancy cost for the service is £154,000. However, the actual redundancy cost is likely to be lower than this.

12.1.5 Any buildings no longer used by the Youth Service will need to be considered either for use by alternative community providers or placed onto the asset transfer register. Since the majority of building maintenance costs sit outside the Youth Service controllable budget, costs for sites, if open, will still need to be factored into wider council budgeting. Any revenue savings on premise running costs will accrue to the corporate asset management savings account.

- 12.1.6 Given the reductions to staff and buildings, there will be implications for the Youth Service non-controllable budget. It is expected that savings will be made, though at this stage it is too early to early to determine what the exact amount will be.
- 12.1.7 Should the Youth Service mutualise, the total costs of service delivery would need to be established. These include ICT, building maintenance, Human Resources, legal services and costs for all back office services (i.e. items not in the control of the Youth Service currently). The sum of these costs would need to accrue to an ELM's revenue budget and be controlled by the entity. The level of this further saving would be dependent on the success of the ELM and Council's strategic and financial decisions at the time. It is expected that an ELM could procure support services cheaper than current corporate contracts, specifically in terms of IT. This would be as a result of different specification for organisation-wide services and that, as a stand-alone entity, an ELM may be perceived differently and more favourably than the Council.
- 12.1.8 There would need to be consideration of how the ELM's pensions and redundancy liabilities might be met as set out in paragraph 9.1.1
- 12.1.9 After the implementation of the budget savings, the Youth Service controllable budget will be reduced by at least 41%. This decrease is proportionately greater than the proposed decrease to the total Council budget.

12.2 Option 2

- 12.2.1 The current controllable revenue budget for the Youth Service is £3,461,000.
- 12.2.2 The proposal is based on an estimated minimum saving of £3,161,000 to the Youth service controllable budget. The delivery of this in the first year will depend on the timing of implementation. After the implementation of the budget savings, the Youth Service controllable budget will be reduced by at least 91%. This decrease is proportionately greater than the proposed decrease to the total Council budget.
- 12.2.3 There will be redundancy costs for the Council emerging from these proposals, which depends on those staff identified for redundancy. The maximum estimated redundancy cost for the service is £496,000.
- 12.2.4 Any buildings no longer used by the Youth Service will need to be considered either for use by alternative community providers or placed onto the asset transfer register. Since the majority of building maintenance costs sit outside the Youth Service controllable budget, costs for sites, if open, will still need to be factored into wider council budgeting. Any revenue savings on premise running costs will accrue to the corporate asset management savings account.

12.2.5 Given the reductions to staff and buildings, there will be implications for the Youth Service non-controllable budget. It is expected that savings will be made, though at this stage it is too early to early to determine what the exact amount will be.

13. Legal Implications

13.1 Section 507B Education Act 1996 imposes a duty on local authorities, so far as is reasonably practicable to promote the well-being of persons aged 13-19 (and of persons aged up to 25 with learning difficulties) by securing access for them to sufficient educational and recreational leisure-time activities and facilities. A local authority can fulfil this duty by providing activities and facilities, assisting others to do so, or by making other arrangements to facilitate access, which can include the provision of transport, financial assistance or information.

13.2 Before taking any action under section 507B of the Education Act 1996 a local authority is required to take steps to assess whether it is beneficial for other agencies and individuals to provide services in its place and where appropriate, to secure that those services are provided by such agencies or individuals. There is also a statutory requirement to consult with such persons as the local authority consider appropriate as to whether it is expedient for the proposed actions to be taken by another person.

13.3 In carrying out its statutory responsibilities under section 507B of the Education Act 1996 a local authority is required to ascertain from young people in the authority's area their views on the existing provision and the need for any additional provision, and to take those views into account.

13.4 Local authorities are required to supply and keep up to date information regarding those leisure-time activities and facilities that are available locally.

13.5 Section 68 of the Education and Skills Act 2008 places a duty on local authorities 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.

13.6 The proposals set out in this report have to be consistent with the local authorities ability to meet its statutory responsibilities.

13.7 In relation to any staff reorganisations and/or redundancies the Council will have to comply with general employment legal obligations and the Council's Management of Change Guidelines.

13.8 The Recommendations in the Report refer to the exploration of further options for the delivery of the youth service. It is important that the Council, acting reasonably, does not limit its options unnecessarily when it comes to deciding upon the future of the service.

- 13.9 One option, which is to be considered amongst others in more detail and following consultation, in a further report, is the possibility of an employee led mutual (ELM) which is referred to at paragraph 7. Where two or more employees propose the setting up of a mutual to deliver Council services, this automatically triggers a requirement for a public tendering exercise under the Localism Act 2011.
- 13.10 However, the new draft Public Contracts Regulations 2015 which are due to come into force in the spring of 2015 (following an analysis of the consultation, which has just closed) permit local authorities to reserve the award of certain services including youth services to mutuals/ social enterprises. The maximum duration of such a contract is three years but this would enable a mutual to gain experience of running its own business before it is formally subject to procurement thereafter. It should be noted that it does not avoid the requirement a tendering exercise. It is expected, although not certain, that this new provision will remain in the Regulations once they become law as it is in accordance with the Directive which the Regulations are transmitting into UK law.
- 13.11 In addition, the Public Services (Social Value) Act 2012 (and the EU Directive) enables local authorities to take into account social and environment aspects of any contract they are procuring as well as the relevant skills and experience of the individuals involved when procuring any services. These changes may help a mutual.
- 13.12 It is suggested, as an option, that the mutual would become independent of the Council and the youth services will be provided outside Council responsibility. In this event, after a period of up to three years and a tendering exercise, there would be no contract between the Council and the ELM, (if it was successful in a procurement), as the Council would be divesting itself of the responsibility for the services provided by the mutual (other than the residual statutory duty under the Education Act 1996 set out above). Provided that the Council does not act in an anti-competitive manner, it may consider giving support to the ELM, either through some form of pump priming grant or the making of an asset available probably on a leasehold basis. Such support would be subject to State Aid rules but there are exemptions to and relaxations from State Aid rules for services such as these. Best value considerations would still apply.
- 13.13 The establishment of a mutual is a risky business for those involved in it. It may fail, and many personal resources may have been committed to it in a time of austerity. Those concerned with establishing such an organisation need to be conscious that once they move out of the Council they are effectively in the same position as any other external organisation.
- 13.14 Arrangements would have to be put in place to enable employees to work on establishing the mutual without coming into conflict with the Council.

- 13.15 Fuller legal implications on this option and other options put forward will be contained in the further report put to Mayor and Cabinet if the Recommendations are agreed.
- 13.16 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 13.17 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - advance equality of opportunity between people who share a protected characteristic and those who do not.
 - foster good relations between people who share a protected characteristic and those who do not.
- 13.18 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 13.19 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:
<http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>
- 13.20 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
1. The essential guide to the public sector equality duty
 2. Meeting the equality duty in policy and decision-making
 3. Engagement and the equality duty
 4. Equality objectives and the equality duty

5. Equality information and the equality duty

13.21 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:
<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

14. Crime and Disorder Implications

14.1 There are no specific crime and disorder implications.

15. Equalities Implications

15.1 The Equalities Analysis Assessment can be found at Appendix 1.

16. Environmental Implications

16.1 There are no specific environmental implications.

Background documents

None.

If there are any queries arising from this report, please contact Warwick Tomsett, Head of Targeted Services and Joint Commissioning, telephone 020 8314 8362.

NB

- A map showing the Youth Service provision in Lewisham is provided as a separate attachment
- The equalities assessment for this proposal is appended below.

Appendix: Equalities Analysis Assessment for Youth Services Proposals

1. Introduction

- 1.1. This Equality Analysis Assessment (EAA) has been undertaken to identify whether budget proposals for the Youth Service will have an adverse impact on Lewisham's young people and other affected groups with protected characteristics². The proposals seek to reshape the Youth Service in response to savings requirements.
- 1.2. The EAA will contribute towards considering a service which is as responsive to young people's needs as possible given budgetary constraints, and which ensures equality of access to provision. Actions are proposed to minimise any negative impact on affected stakeholders as a result of the proposals.

2. Background

- 2.1. The Council has already reduced its revenue budget by £93m since May 2010. However, the estimate is that the Council will need to save another £95m by the close of 2017/18. Savings will be required across the Children and Young People's Directorate and the Council as a whole. In order to achieve this, the Youth Service must contribute towards the savings whilst maintaining a youth offer which is focused on those in need.
- 2.2. The proposals are expected to enable continued compliance with the following statutory duties for local authorities in relation to the provision of youth services:

Department of Education statutory duty and guidance, June 2012

- *With the right supportive relationships, strong ambitions and good opportunities all young people can realise their potential and be positive and active members of society. Most get these from and through their families and friends, their school or college and their wider community enabling them to do well and to prepare for adult life. All young people benefit from additional opportunities and support, but some young people and their families, particularly the most disadvantaged and vulnerable, need specific additional and early help to address their challenges and realise their potential.*
- *It is therefore local authorities' duty to secure, so far as is reasonably practicable, equality of access for all young people to the positive, preventative and early help they need to improve their well-being. This includes youth work and other services and activities that:*

² Protected characteristics: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, marriage and civil partnership (only in respect of eliminating unlawful discrimination)

a. *Connect young people with their communities, enabling them to belong and contribute to society, including through volunteering, and supporting them to have a voice in decisions which affect their lives;*

b. *offer young people opportunities in safe environments to take part in a wide range of sports, arts, music and other activities, through which they can develop a strong sense of belonging, socialise safely with their peers, enjoy social mixing, experience spending time with older people, and develop relationships with adults they trust;*

c. *support the personal and social development of young people through which they build the capabilities they need for learning, work, and the transition to adulthood – communication, confidence and agency, creativity, managing feelings, planning and problem solving, relationships and leadership, and resilience and determination;*

d. *improve young people's physical and mental health and emotional well-being;*

e. *help those young people at risk of dropping out of learning or not achieving their full potential to engage and attain in education or training; and*

f. *raise young people's aspirations, build their resilience, and inform their decisions – and thereby reduce teenage pregnancy, risky behaviours such as substance misuse, and involvement in crime and anti-social behaviour.*

2.3. The Council retains statutory duties relating to tracking and monitoring young people's participation in education. These duties are fulfilled by the Youth Service.

Department of Education statutory duty and guidance, March 2013

- Local authorities must collect information to identify young people who are not participating, or who are at risk of not doing so, to target their resources on those who need them most. The information collected must be in the format specified in the Client Caseload Information System (CCIS) Management Information Requirement
- Local authorities should be aware that all young people aged 16 (from 2013) and 17 (from 2015) will be under a duty to participate and authorities should be doing all they can to support them to meet that. The Client Caseload Information System will function as the main source of evidence that local authorities are discharging their duty under section 12 of the Employment and Support Allowance Regulations 2008.

3. General context: Local demographics

3.1. Lewisham is the second largest inner London borough and, in 2011, was home to approximately 274,900 people (GLA population estimates), which is set to grow by around 11,000 by 2015. Lewisham has a slightly younger age profile than the rest of the UK; children and young people aged 0-19 years make up 24.5% of residents, compared to 22.4% for inner London and 23.8% nationally.

3.2. Births in Lewisham increased by 34% between 2000/01 and 2009/10 and are expected to continue to increase at a similar rate for the next 5 years. Lewisham has 38,805 pupils within its 90 schools.

- 3.3. Whilst 40% of our residents are from black and minority ethnic backgrounds, this rises to 77.3% within our school population, where over 172 different languages are spoken by our pupils.
- 3.4. Deprivation is increasing in Lewisham relative to other local authorities. The 2010 Index of Multiple Deprivation ranked Lewisham 31st out of 354 local authorities in England compared to a rank of 39 in 2007. On the specific indicator of income deprivation affecting children, 35 (out of 166) of Lewisham's super output areas are in the 10% most deprived in the country, and 85 (over half) are in the 20% most deprived in the country. It is estimated that 20,355 children (ages 0-18) live in poverty in Lewisham.
- 3.5. In terms of our young people population, Lewisham's biggest challenge is ensuring they have high aspirations and fulfill their potential. Lewisham continues to make good progress in reducing the number of young people who are NEET, with June, 2014 figures showing 4.2% of our 16-19 year olds as NEET against a London average of 4.1%. Lewisham's 'unknown' NEET figure remains a challenging issue. As of June, 2014, 6.7% of young people's statuses were unknown in relation to education, employment or training. This is slightly higher than the London average for unknowns at 6.5%.
- 3.6. According to the January 2012 Census Data from schools, the numbers of young people with special educational needs in Lewisham is as follows:

Years	Male			Female		
	Schools action/ early	School action plus	Statement	School action/ early	School action plus	Statement
10-14	351	248	199	260	125	85
3-14	1720	1714	727	1089	659	258

4. Current Provision

- 4.1. The Service offers a mixed economy of Council-run provision and 37 commissioned activities from 35 private and voluntary (PVI) sector providers. This includes youth centres, adventure playgrounds (APGs), targeted holistic one-to-one support and IAG for young people with vulnerabilities, sex and relationship education and support around teenage pregnancy, support for young people who are not in education, employment or training (NEET) and a range of positive activities.
- 4.2. All settings operate as a 'front door' to targeted support, forming a core part of Lewisham's early intervention and NEET reduction strategies. The overall aim of these strategies is to prevent escalation of need and ensure that young people achieve the best possible outcomes in life.

4.3. The targeted elements of the Service support young people who present with multiple vulnerabilities, with a focus on those who are NEET, or at risk of becoming NEET. Other targeted vulnerabilities include:

- Risk of teenage pregnancy
- Risk of offending or recidivism
- Risk of becoming looked after or homeless
- Risk of misusing substances
- Risk of future or current poor health

4.4. The service works in partnership with other services across the Children’s Partnership. This includes other targeted and specialist services such as Children’s Social Care, the youth offending service, SHIP, local housing providers, Health Visitors, CAMHS, other NEET provision and Job Centre Plus, as well as universal services including schools and colleges, the police and community safety, and GPs.

4.5. As part of the restructure which began in October 2013 the Service is in the process of revamping its data systems. Prior to the restructure reporting was inconsistent and the database flawed, resulting in inaccurate reports. It is expected that this will be fully rectified by the end of Quarter 2 this year as per the restructure plans. In order to consider the impact of these current proposals we are therefore only able to use best estimates based on the partially embedded new system and figures through July.

4.6. May to July figures for 2014/15 show that just over 4,000 individual young people accessed Youth Service provision, including commissioned services running during this period (this excludes the NEET PROGRAMME and specialist 1:1 services). Based on an estimated 8 to 19 population of 37,048 young people, the Service has a reach (i.e. young people attending at least once) of at least 4,000 or 16% of the population. Of these c.2,000 are considered ‘Participants’ (i.e. have attended 3 or more times during this period) representing 8% of the total population, a retention rate of 50%. It is expected that these numbers will increase once summer attendances are reported and all commissioned provision is running. Unfortunately due to the poor quality of data from previous years it is not feasible or useful to offer comparison. Moreover, since this is not nationally collected data we are also unable to benchmark against other local authorities.

4.7. The current structure contains 56.6 FTE (89 people);

	Current	New	Difference
Full time equivalents (FTEs)	56.6	50.2	6.4
People	89	approx 66	approx 23

4.8. The breakdown of current staff in post according to protected characteristics is as follows:

Equalities group		No. of staff	Full time	Part time
Total		89	34	55
Age	16-20	1	0	1
	21-25	20	3	16
	26-30	9	3	7
	31-35	17	10	7
	36-40	6	5	1
	41-45	8	0	8
	46-50	6	3	3
	51-55	7	4	3
	55+	5	4	1
	New appointments	10	0	10
Race	Asian Bangladeshi	3	1	2
	Asian Indian	1	1	0
	Black African	2	1	1
	Black Caribbean	38	11	27
	Black Other	8	2	6
	Mixed Other	6	3	3
	Not known	10	0	10
	Other Ethnic Group	1	0	1
	Vietnamese	0	0	0
	White British/Eng/Welsh/Scot/N.Irish	14	10	4
	White Irish	1	1	0
	White Other	4	3	1
	White Turkish / Turkish Cypriot	1	1	0
Sex	Male	40	13	27
	Female	49	21	28
Disability	Disability	5	3	2
	No disability	84	31	53

5. Potential Impact: £1.4m savings & Option 1

On young people

5.1 The impact of these proposals on young people is expected to be negative in the short-term, as a result of decreased direct funding and, consequently, less provision and less reach. If an ELM can generate significant income to supplement a Council contract, the impact could prove positive.

5.2 The proposals entail the withdrawal of funding from two Service-run youth centres, as well as a reduction to commissioning, line management and business support capabilities. It is expected that provision would continue in all areas of the Borough, though initially to a lesser extent than before. Provision would continue to be provided directly by Lewisham

staff and within year one by providers commissioned by Lewisham. If the Service then becomes an ELM, commissioning of youth provision would be undertaken by the ELM.

- 5.3 The Service would continue to open up opportunities available to young people in Lewisham and London. These opportunities could increase if an ELM proves successful. Furthermore, as noted, PVI providers could continue to access funding opportunities that are not open to local authorities in order to generate additional funds, which could bolster youth provision.
- 5.4 Young people would have a bigger say in terms of how resources are allocated within the context of a Youth Service ELM. Young people would be elected to board level positions and work on strategy setting in concert with staff members and professionals. Young people would help the Council, ELM and providers deliver services and activities that meet their needs.
- 5.5 A budget reduction equivalent to the removal of 175 hours support youth work and 87.5 senior youth worker hours will result in an end to street based capacity and the removal of direct Youth Service provision in 2 youth clubs. Vacancies in the current staffing structure already inhibit the street-based capacity from operating fully. The remaining Service would have capacity to deliver 5 youth clubs with direct youth service provision from at least 3 youth work staff at each session for 5 nights per week for 3 hours per session. Based on best practice ratios this would allow an open youth club to continue to cater to a maximum 45 young people per night. Although, these numbers would greatly alter depending on the age and needs of the young people and the activities being undertaken. Additional numbers could be enabled via the successful use of an adult volunteer strategy, something the current Service is developing and could be continued through to an ELM. There is no proposed change to APG capacity, which will retain 5 sites operating an average of 24.5 hours per week over 4 nights and Saturdays with 1 senior and 2 support youth workers at each site.

On staff

- 5.6 The proposed new structure contains 50.2 FTE (approximately 66 people). This equates to an estimated reduction of 6.4 FTE's or 23 people. The exact breakdown of people and the effect on protected characteristics is not possible to calculate due to the high number of part time support youth worker contracts and the inability to know the make up of contracts within the altered number of FTE posts .
- 5.7 The proposals would retain alignment with the Council's Single Status Agreement and youth work type roles would be evaluated under the GLPC Scheme and all new posts would continue to be offered on NJC Terms & Conditions (Green Book).
- 5.8 The Youth Service management team and HR are committed to providing support for staff affected by the proposals. The support available will include advice on how to get shortlisted and improve interview skills. Employees will also be able to access additional resources on

the corporate intranet, for example, FAQs. In addition, staff have been advised that they can speak to their line managers or HR representatives around individual issues.

6 Potential Impact: Option 2 – Reduce the Youth Service to a statutory service only model, releasing future savings of £3.16m

On young people

- 6.1 This proposal is expected to have a highly negative impact on young people in the Borough. With its current structure the Service estimates a quarterly reach (see 8.4 above) of around 4,000 young people via both direct and commissioned provision. The Service would no longer be able to reach any young people, either directly or via commissioned provision; although the Service would still facilitate access to provision offered by other providers.

On Staff

- 6.2 Only 4 FTE posts with responsibility for ensuring a statutory duty would be retained, resulting in a loss of 52.6 FTE. Due to the level of reduction, this does not render negative implications for any one particular protected characteristic. The maximum redundancy cost to the Council is estimated at £496k.

On the Service

- 6.3 The Service would only be able to carry out two functions – NEET Tracking and facilitating access to youth provision in the Borough. All other existing functions would end, including: commissioning, business support, partnership work, direct youth provision.

7. Action plan: £1.4m savings

Issue	Action	Group affected	Owner	Timescale
Equality of access	Ensure all remaining youth provision is accessible for all young people. This includes DDA compliance. Provision should be welcoming for all young people regardless of ethnic background, disability, sexual orientation and/or faith.	All	Youth Services, Commissioners	Ongoing but with regards to commissioning timescales for commissioned services (April 2015 to September 2015)
Young people with disabilities	Ensure that youth centres and activities are accessible for young people with disabilities.	Disability	Youth Services, Commissioners, commissioned services	Ongoing but with regards to commissioning timescales for commissioned services (April 2015 to September 2015)
Communication	Continue to develop and maintain effective communication portals which enable young people to find out easily about youth provision, using social media and other online methods, as well as through schools, colleges and other local organisations. Information must be current, relevant, comprehensive and appealing to young people. There must also be effective communication between the Youth Service, other Council services that support young people and PVI providers to ensure that all partners are aware of the full range of support available to young people and are able to signpost where relevant.	All	Youth Services, Comms team	Ongoing
Young people's involvement	Ensure the continued and meaningful engagement of young people in designing, delivering and evaluating youth provision to ensure it is relevant, appealing and meets their changing needs.	Young people	Youth Services, commissioned services	Ongoing
Safety	Ensure that all young people are able to access youth provision safely and confidently, with clear risk assessments undertaken for activities as required to ensure safe access.	All	Youth Services, Commissioners, commissioned services	Ongoing

Issue	Action	Group affected	Owner	Timescale
Staff recruitment, redundancy and redeployment	Ensure a fair and transparent recruitment process for staff with due regard to protected characteristics and issues of diversity and equality. Ensure HR procedures are followed correctly and consistently across the service with regard to recruitment, redundancy and redeployment, in line with the Council's Management of Change Guidelines.	Staff, young people	HR, Youth Services	April 2015 onwards
Support for staff affected by the proposals	Ensure that there is support available for staff affected by the proposals, including advice on how to get shortlisted and improve interview skills. In addition to courses available, additional resources must be made available on the corporate intranet, with staff made aware how they access these. Line managers and HR representatives must make themselves available to discuss individual issues with staff.	Staff	HR, Youth Services	November 2014 to April 2015
Commissioning process	Ensure a fair and transparent commissioning and decommissioning process, which ensures services are prioritised to known community needs, values the experience and knowledge of local community groups in delivering youth provision, in addition to measures which ensure continuity and equity of service. Provide clear guidance for providers on the implementation of Lewisham or own policies with regards to equality and diversity issues, and in relation to ensuring equality of access, including confidentiality, safeguarding, safer recruitment, risk etc.	PVI providers	Youth Services, Commissioners, Procurement	November 2014 – April 2015
Transition plan	Develop and implement a robust transition plan for implementation of the changes proposed to ensure continuity of service for young people and a smooth transition to the new service model for staff and PVI organisations impacted by the proposals.	All	Youth Services, Commissioners	November 2014 – full handover of mutual c. 2019

Issue	Action	Group affected	Owner	Timescale
Volunteer strategy	Develop and implement a robust adult volunteer strategy in order to mitigate the loss of youth work hours across remaining centres.	Staff & community members	Youth Services, Commissioners	November 2014 – ongoing

8. Action plan: Option 1 – mutualisation

Issue	Action	Group affected	Owner	Timescale
Equality of access	Ensure all remaining youth provision is accessible for all young people. This includes DDA compliance. Provision should be welcoming for all young people regardless of ethnic background, disability, sexual orientation and/or faith. Ensure this is built into planning for an ELM.	All	Youth Services, Commissioners	Ongoing but with regards to commissioning timescales for commissioned services (April 2015 to September 2015)
Young people with disabilities	Ensure that youth centres and activities are accessible for young people with disabilities. Ensure this is built into planning for an ELM.	Disability	Youth Services, Commissioners, commissioned services	Ongoing but with regards to commissioning timescales for commissioned services (April 2015 to September 2015)
Communication	Continue to develop and maintain effective communication portals which enable young people to find out easily about youth provision, using social media and other online methods, as well as through schools, colleges and other local organisations. Information must be current, relevant, comprehensive and appealing to young people. There must also be effective communication between the Youth Service, other Council services that support young people and PVI providers to ensure that all partners are aware of the full range of support available to young people and are able to signpost where relevant.	All	Youth Services, Comms team	Ongoing
Young people's involvement	Ensure the voice and involvement of young people shape the strategy of the ELM and that young people have an elected place on its board. Ensure the continued and meaningful engagement of young people in designing, delivering and evaluating youth provision to ensure it is relevant, appealing and meets their changing needs.	Young people	Youth Services, commissioned services	Ongoing

Issue	Action	Group affected	Owner	Timescale
Safety	Ensure that all young people are able to access youth provision safely and confidently, with clear risk assessments undertaken for activities as required to ensure safe access. Ensure this is built into planning for an ELM.	All	Youth Services, Commissioners, commissioned services	Ongoing
Staff recruitment, redundancy and redeployment	Ensure a fair and transparent recruitment process for staff with due regard to protected characteristics and issues of diversity and equality. Ensure HR procedures are followed correctly and consistently across the service with regard to recruitment, redundancy and redeployment, in line with the Council's Management of Change Guidelines. Ensure this is built into planning for an ELM.	Staff, young people	HR, Youth Services	April 2015 onwards
Support for staff affected by the proposals	Ensure that there is support available for staff affected by the proposals, including business skills training, advice on how to get shortlisted, improve interview and commercial skills. In addition to courses available, additional resources must be made available on the corporate intranet, with staff made aware how they access these. Line managers and HR representatives must make themselves available to discuss individual issues with staff.	Staff	HR, Youth Services	November 2014 to April 2015
Commissioning process	Ensure a fair and transparent commissioning and decommissioning process, which ensures services are prioritised to known community needs, values the experience and knowledge of local community groups in delivering youth provision, in addition to measures which ensure continuity and equity of service. Provide clear guidance for providers on the implementation of Lewisham or own policies with regards to equality and diversity issues, and in relation to ensuring equality of access, including confidentiality,	PVI providers	Youth Services, Commissioners, Procurement	November 2014 – April 2015

Issue	Action	Group affected	Owner	Timescale
	safeguarding, safer recruitment, risk etc.			
Transition plan	Develop and implement a robust transition plan for implementation of the changes proposed to ensure continuity of service for young people and a smooth transition to the new service model for staff and PVI organisations impacted by the proposals.	All	Youth Services, Commissioners	November 2014 – full handover of mutual c. 2019
Volunteer strategy	Develop and implement a robust adult volunteer strategy in order to mitigate the loss of youth work hours across remaining centres. Ensure strategy is transferred to an ELM and further strengthened.	Staff & community members	Youth Services, Commissioners	November 2014 – ongoing

9. Action plan: Option 2

Issue	Action	Group affected	Owner	Timescale
Communication	Continue to develop and maintain effective communication portals which enable young people to find out easily about youth provision, using social media and other online methods, as well as through schools, colleges and other local organisations. Information must be current, relevant, comprehensive and appealing to young people. There must also be effective communication between the Youth Service, other Council services that support young people and PVI providers to ensure that all partners are aware of the full range of support available to young people and are able to signpost where relevant.	All	Youth Services, Comms team	Ongoing
Young people's involvement	Ensure the continued engagement of young people on how information is presented, relevant, appealing and meets their changing needs. Ensure similar engagement to allow successful NEET tracking.	Young people	Youth Services	Ongoing
Safety	Ensure that all young people are able to access information about remaining non-Council provided youth provision.	All	Youth Services,	Ongoing
Staff recruitment, redundancy and redeployment	Ensure a fair and transparent recruitment process for staff with due regard to protected characteristics and issues of diversity and equality. Ensure HR procedures are followed correctly and consistently across the service with regard to recruitment, redundancy and redeployment, in line with the Council's Management of Change Guidelines.	Staff, young people	HR, Youth Services	April 2015 onwards

Issue	Action	Group affected	Owner	Timescale
Support for staff affected by the proposals	Ensure that there is support available for staff affected by the proposals. In addition to courses available, additional resources must be made available on the corporate intranet, with staff made aware how they access these. HR representatives must make themselves available to discuss individual issues with staff.	Staff	HR	November 2014 to April 2015
Commissioning process	Ensure a fair and transparent decommissioning process. Provide clear guidance for providers on the implementation of Lewisham or own policies with regards to equality and diversity issues, and in relation to ensuring equality of access, including confidentiality, safeguarding, safer recruitment, risk etc.	PVI providers	Youth Services, Commissioners, Procurement	November 2014 – April 2015
Transition plan	Develop and implement a robust transition plan for implementation of the changes proposed to ensure support for staff, young people and PVI organisations impacted by the proposals.	All	Youth Services, Commissioners	November 2014 – April 2015

APPENDIX 7 – Making fair financial decisions



This guidance has been updated to reflect the new equality duty which came into force on 5 April 2011. It provides advice about the general equality duty.

0BIntroduction

With major reductions in public spending, public authorities in Britain are being required to make difficult financial decisions. This guide sets out what is expected of you as a decision-maker or 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 new public sector equality duty (the equality duty) does not prevent you from making difficult decisions such as reorganisations and relocations, redundancies, and service reductions, nor does it stop you from making decisions which may affect one group more than another group. The equality duty enables 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 protected groups (or protected characteristics under the Equality Act 2010).

Assessing the impact on equality of proposed changes to policies, procedures and practices is not just something that the law requires, it is a positive opportunity for you as a public authority leader to ensure you make better decisions based on robust evidence.

1BWhat the law requires

Under the equality duty (set out in the Equality Act 2010), public authorities must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.

The protected groups covered by the equality duty are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The duty also covers marriage and civil partnerships, but only in respect of eliminating unlawful discrimination.

The law requires that public authorities demonstrate that they have had 'due regard' to the aims of the equality duty in their decision-making. Assessing the potential impact on equality of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can demonstrate that they have had 'due regard'.

It is also important to note that public authorities subject to the equality duty are also likely to be subject to the Human Rights Act. We would therefore

recommend that public authorities consider the potential impact their decisions could have on human rights.

2BAim of this guide

This guide aims to assist decision-makers in ensuring that:

- The process they follow to assess the impact on equality of financial proposals is robust, and
- The impact that financial proposals could have on protected groups is thoroughly considered before any decisions are arrived at.

We have also produced detailed guidance for those responsible for assessing the impact on equality of their policies, which is available on our website:

http://www.equalityhumanrights.com/uploaded_files/EqualityAct/PSED/equality_analysis_guidance.pdf

3BThe benefits of assessing the impact on equality

By law, your assessments of impact on equality must:

- Contain enough information to enable a public authority to demonstrate it has had 'due regard' to the aims of the equality duty in its decision-making
- Consider ways of mitigating or avoiding any adverse impacts.

Such assessments do not have to take the form of a document called an equality impact assessment. If you choose not to develop a document of this type, then some alternative approach which systematically assesses any adverse impacts of a change in policy, procedure or practice will be required.

Assessing impact on equality is not an end in itself and it should be tailored to, and be proportionate to, the decision that is being made.

Whether it is proportionate for an authority to conduct an assessment of the impact on equality of a financial decision or not depends on its relevance to the authority's particular function and its likely impact on people from the protected groups.

We recommend that you document your assessment of the impact on equality when developing financial proposals. This will 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 impacts on particular protected groups.** Individual decisions should also be informed by the wider context of decisions in your own and other relevant public authorities, 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 information about equality is a better quality

decision. Assessments of impact on equality 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:** a written record can be used to demonstrate that due regard has been had. Failure to meet the equality duty may result in authorities being exposed to costly, time-consuming and reputation-damaging legal challenges.

4B When should your assessments be carried out?

Assessments of the impact on equality 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 in your workforce and/or for your community, should always be subject to a thorough assessment. This includes proposals to outsource or procure any of the functions of your organisation. 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 its impact on equality, you should question whether this enables you to consider fully the proposed changes and its likely impact. Decisions not to assess the impact on equality 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 the potential impact is not just about numbers. Evidence of a serious impact on a small number of individuals is just as important as something that will impact on many people.

5B What should I be looking for in my assessments?

Assessments of impact on equality need to be based on relevant information and 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 on equality of a major financial proposal is likely to need significantly more effort and resources dedicated to ensuring effective engagement, than a simple assessment of a proposal to save money by changing staff travel arrangements.

There is no prescribed format for assessing the impact on equality, but the following questions and answers provide guidance to assist you in

determining whether you consider that an assessment is robust enough to rely on:

- **Is the purpose of the financial proposal clearly set out?**

A robust assessment will set out the reasons for the change; how this change can impact on protected groups, as well as whom 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 protected groups.

Joint working with your public authority partners will also help you to consider thoroughly the impact of your joint 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 if the decisions were considered in isolation.

- **Has the assessment considered available evidence?**

Public authorities should consider the information and research already available locally and nationally. The assessment of impact on equality should be underpinned by up-to-date and reliable information about the different protected groups that the proposal is likely to have an impact on. A lack of information is not a sufficient reason to conclude that there is no impact.

- **Have those likely to be affected by the proposal been engaged?**

Engagement is crucial to assessing the impact on equality. There is no explicit requirement to engage people under the equality duty, but it will help you to improve the equality information that you use to understand the possible impact on your policy on different protected groups. No-one can give you a better insight into how proposed changes will have an impact on, 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 impact on everyone equally; there should be a more in-depth consideration of available evidence to see if particular protected groups are more likely to be affected than others. Equal treatment does not always produce equal outcomes; sometimes authorities will have to take particular steps for certain groups to address an existing disadvantage or to meet differing needs.

- **What course of action does the assessment suggest that I take? Is it justifiable?**

The assessment 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 assessment of the impact on equality, and more than one may apply to a single proposal:

Outcome 1: No major change required when the assessment has not identified any potential for discrimination or adverse impact and all opportunities to advance equality have been taken.

Outcome 2: Adjustments to remove barriers identified by the assessment or to better advance equality. Are you satisfied that the proposed adjustments will remove the barriers identified?

Outcome 3: Continue despite having identified some potential for adverse impacts or missed opportunities to advance equality. In this case, the justification should be included in the assessment 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 assessment shows actual or potential unlawful discrimination.

• Are there plans to alleviate any negative impacts?

Where the assessment indicates a potential negative impact, consideration should be given to means of reducing or mitigating this impact. This will in practice be supported by the development of an action plan to reduce impacts. This should identify 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.

Example: A University decides to close down its childcare facility to save money, particularly given that it is currently being under-used. 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 impacts, 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. This will help to improve partnership working with the local authority and to ensure that sufficient and affordable childcare remains accessible to its students and staff.

• Are there plans to monitor the actual impact of the proposal?

Although assessments of impact on equality will help to anticipate a proposal's likely effect 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.

6B What happens if you don't properly assess the impact on equality of relevant decisions?

If you have not carried out an assessment of impact on equality 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.

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 of the impact on equality risk making poor and unfair decisions that could discriminate against particular protected groups and perpetuate or worsen inequality.

As part of its regulatory role to ensure compliance with the equality duty, the Commission will monitor financial decisions with a view to ensuring that these have been taken in compliance with the equality duty and have taken into account the need to mitigate negative impacts where possible.