

## APPENDIX 2

# **Report on the Consultation on the proposal to transfer Lewisham Music Service into charitable status**

## **1. Summary**

As agreed by Mayor and Cabinet on 13 January 2016, the Music Service completed a consultation with users, stakeholders and Lewisham Music Service members of staff on its proposals to transfer to charitable status. The consultation took place between 11 May and 7 June 2016 via the Council's uEngage online portal. Information about the Service and the transfer proposals was provided with a questionnaire (see Appendices 1 to 4). Equalities monitoring information was collected from those that wished to provide it.

## **2. Publicity and engagement**

The user and stakeholder survey was publicised through the following channels:

- emails sent to parents and carers of children in after school and Saturday programmes, to schools and to music hub partner and associate organisations;
- music hub, *Lewisham Life* and schools weekly bulletin newsletters;
- Lewisham Music Hub and Lewisham Council websites and social media networks;
- publicity networks provided by Lewisham's Young Advisers.

Parents, carers and schools were encouraged to pass on the survey web link to children and young people.

The staff consultation was conducted via a private web link sent only to Music Service employees.

Following pre-consultation meetings held in January 2016 for parents (3 meetings), staff (3 meetings) and partners (1 meeting) discussion meetings were arranged during the consultation period. These meetings provided opportunities for Music Service managers to engage with user groups, to allow time for discussion and questions, and to ensure the consultation reached a wider audience, as follows:

- 2 drop-in sessions for staff, partners, parents and carers;
- opportunity to book a face-to-face private meeting with the Head of Service
- a discussion meeting with Lewisham's Young Advisers.

### 3. Feedback from parents and carers, young people, schools, hub partners and associate organisations, and members of the public

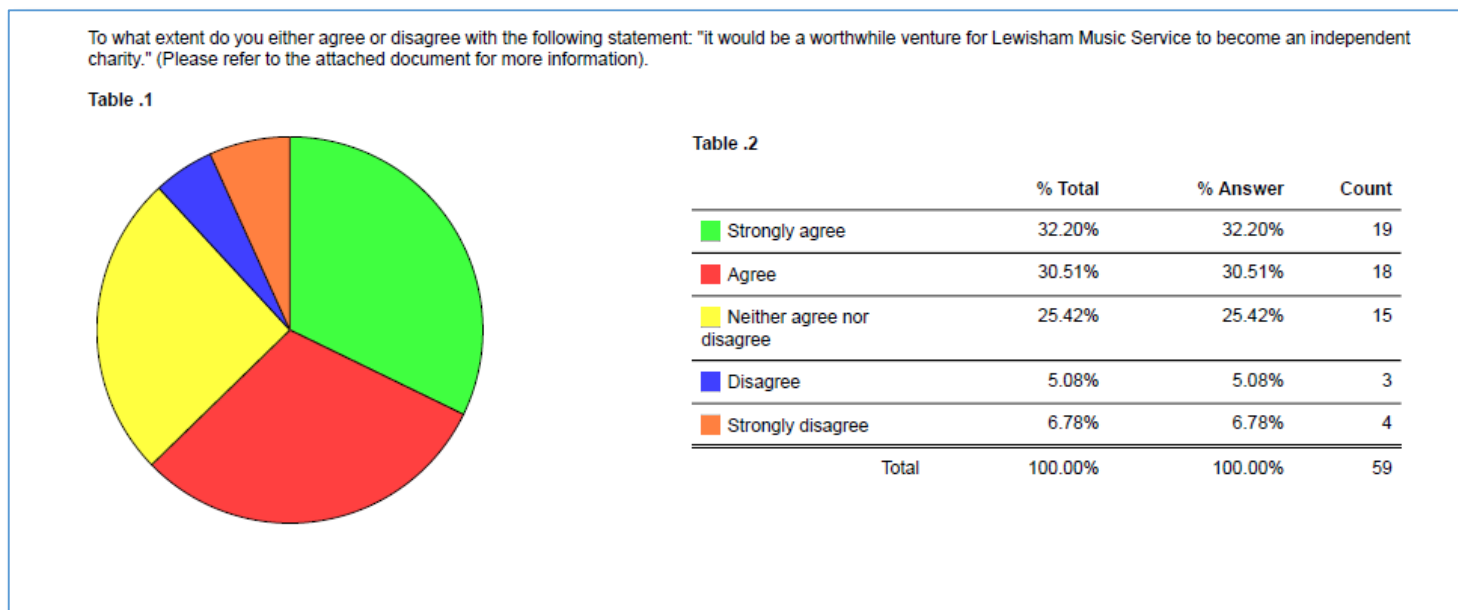
There were 59 responses from the following groups:

- 2 pupils;
- 25 parents/carers;
- 14 school staff members;
- 10 music hub partners and associate organisations;
- 8 other respondents (including a representative of a music and photography social enterprise, a volunteer, a music tutor, a prospective parent, a governor of a primary school, a previous pupil, a Lewisham resident with an interest in music, an adult over 50).

In response to the question *“To what extent do you either agree or disagree with the following statement: it would be a worthwhile venture for Lewisham Music Service to become an independent charity?”* answers were as follows:

- 62.7% strongly agree or agree
- 25.4% neither agree nor disagree
- 11.9% disagree or strongly disagree

Fig.1



### 4. Feedback from Music Service members of staff

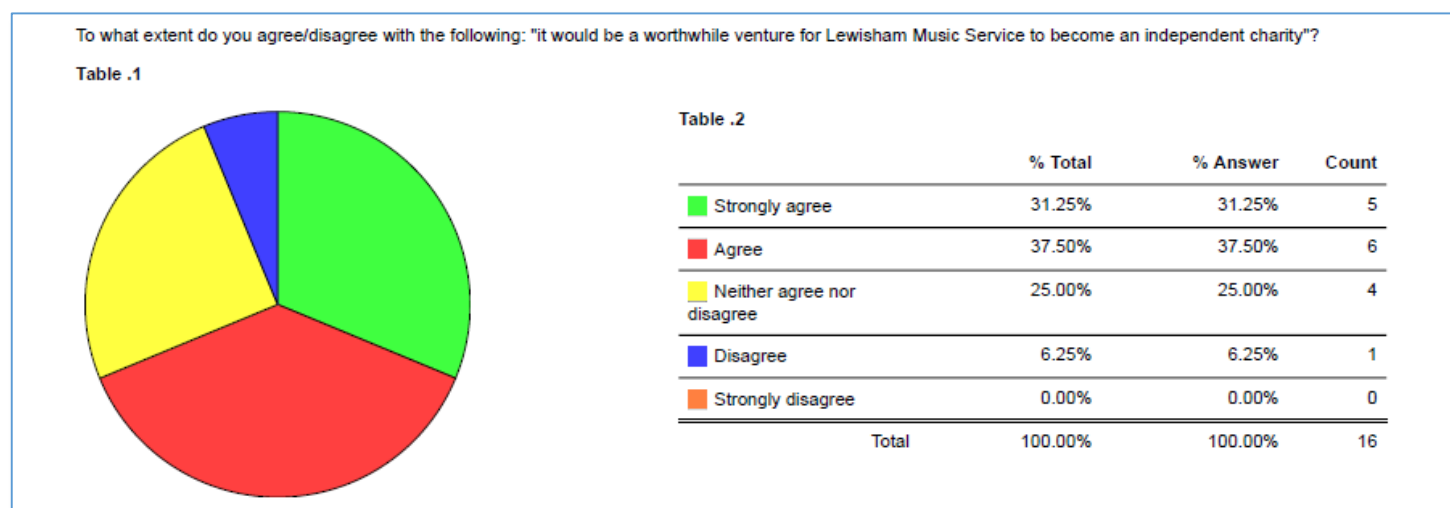
There were 16 responses:

- 9 music tutors;
- 2 administrators;
- 5 senior and middle managers.

In response to the question “To what extent do you either agree or disagree with the following statement: it would be a worthwhile venture for Lewisham Music Service to become an independent charity?” answers were as follows:

- 68.7% strongly agree or agree
- 25% neither agree nor disagree
- 6.3% disagree
- 0% strongly disagree

Fig.2



## 5. Comments

The main themes from respondents who offered comments in the public consultation are summarised below. Please note that what follows does not reflect every detail of the consultation but aims to capture the more substantial themes that were brought forward during the consultation.

### **Agree or Strongly Agree that it would be a worthwhile venture for the Music Service to become an independent charity**

**Increased opportunities to diversify service** – users, schools, stakeholders and staff stated that becoming an independent charity would afford the opportunity to diversify service delivery through offering a wider range of activities (15 respondents).

**Importance of seeking alternative funding** – 11 respondents highlighted that the charity plan would increase opportunities for the Service to access new funding streams. Some respondents mentioned that it was important for the Music Service to seek alternative funding as schools’ budgets have reduced and the likelihood of lessons in schools decreasing is high. The future of continued funding from Arts Council England was also regarded as uncertain and therefore a proactive step towards accessing new funding streams was advised.

**Increased flexibility through independence from Council** – 12 respondents stated it would be easier for the Music Service to innovate, diversify the service and access

alternative funding if it was to operate outside the local authority. It was recognised that new IT and payment systems may also enable greater efficiency when interacting with users.

Trust in Leadership – 3 respondents expressed their trust in the leadership of the Music Service and that it is currently run well. As a result, they supported the plan on the basis that Music Service managers considered it to be the best option.

**Disagree or Strongly Disagree that it would be a worthwhile venture for the Music Service to become an independent charity**

Additional cost of business services – 3 respondents questioned whether the additional cost of replacing the in-kind business services that the Music Service currently receives from the Council would be manageable.

Council should run the service – 4 respondents disagreed with the proposal in the grounds that they believed music education should be the responsibility of the local authority rather than an independent charity with an unelected board of trustees.

**Neither agree nor disagree that it would be a worthwhile venture for the Music Service to become an independent charity**

Comments included concerns about rise in fees for parents, additional administration for the Music Service staff and the increased cost of back office services (6 respondents).

**Alternative Models**

The consultation included the question ‘*Do you have any suggestions on any alternative models for the Music Service other than those set out in the accompanying information sheet?*’ The alternative models that were suggested included the Music Service as a Community Interest Company (CIC) (3 users and stakeholders) and leaving the service as part of the local authority (2 users and stakeholders).

**Additional comments and suggestions**

These included the following:

- using parents as volunteers if the service does become a charity;
- forging stronger links with local schools;
- providing music services for children and adults with disabilities;
- provision for early years.

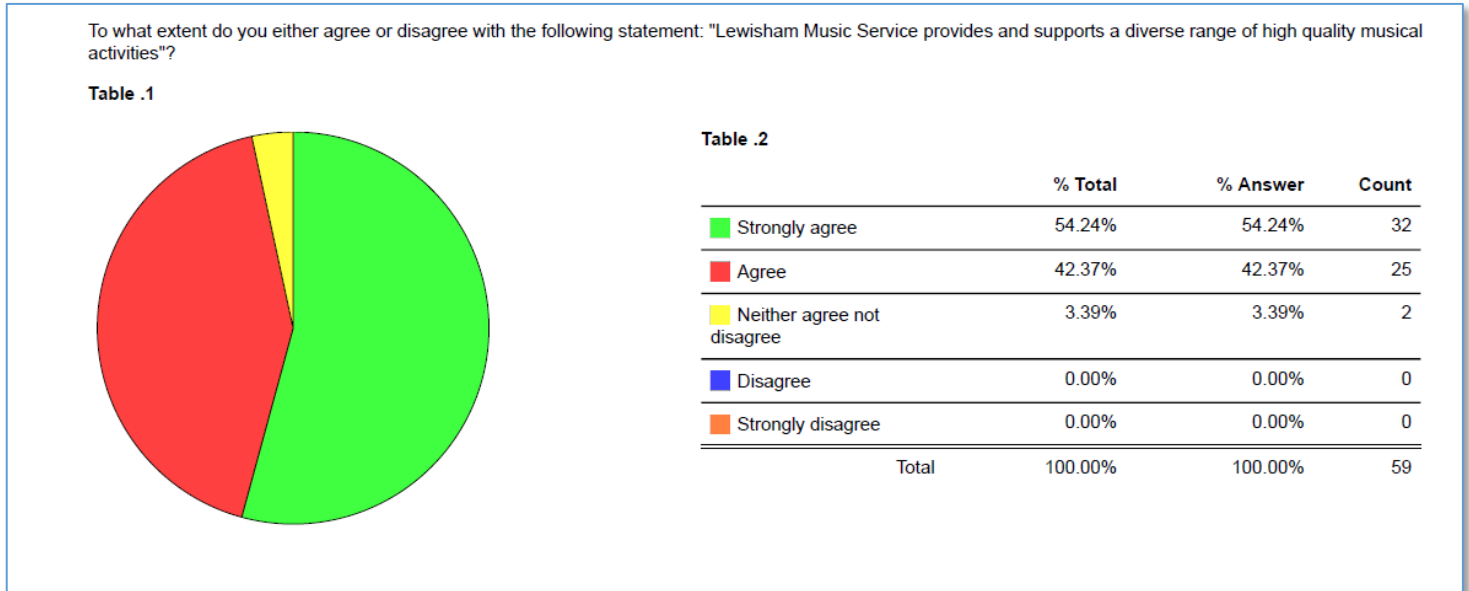
Several respondents expressed their gratitude to Lewisham Council for continuing to support the Music Service through times of austerity, mentioning that it is a very well run service.

**Views on the Music Service’s current provision**

Respondents were asked “*To what extent do you either agree or disagree with the following statement: Lewisham Music Service provides and supports a diverse range of high quality musical activities?*”

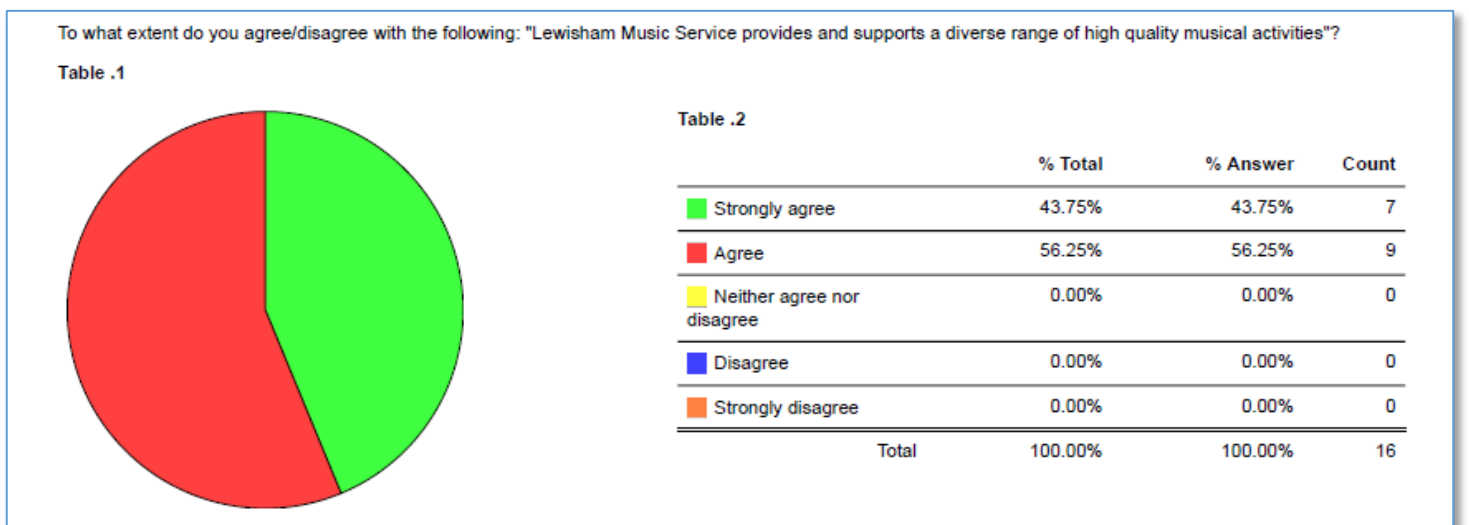
96.6% of user, school and stakeholder respondents agreed with this statement. In addition, many parent and school staff respondents commented that the Music Service provides a high quality service, that it provides excellent performance opportunities and runs excellent events. The service is regarded as good value for money and is accessible. The provision of instruments at reasonable prices was also highlighted.

Fig.3



100% of staff respondents strongly agreed or agreed that Lewisham Music Service 'provides and supports a diverse range of high quality musical activities'. Staff respondents highlighted that the service provision is high quality and at an affordable price for many pupils within Lewisham. The diversity of provision was also highlighted as a strength of the service.

Fig.4



One partner organisation responded that 'Lewisham Music Service is an exemplar in terms of access, opportunity and diversity'.

Overall between 73% and 87% of all respondents rated the following aspects of Lewisham Music Service's work as excellent or good:

- pupils' enjoyment, achievement and wellbeing;
- value for money;
- quality of teaching;
- range of opportunities;
- quality of events and projects.

## **6. Equalities monitoring**

59 respondents completed the Equalities Monitoring profiling.

- 3% were under 18 years of age. 3% were age 18 to 24. 7% were age 25 to 34. 39% were age 35 to 49. 39% were over 50 and 8% preferred not to say.
- 27% were male and 64% female. 8% preferred not to say.
- 7% were transgender.
- 7% had a disability.
- 46% had no religious affiliation. 41% were Christian. 12% preferred not to say.
- 62% were White British. 27% were of Black or Minority Ethnic heritage.

**APPENDIX 1** Consultation information sheet for users and stakeholders

**APPENDIX 2** Consultation questions for users and stakeholders

**APPENDIX 3** Consultation information sheet for Music Service staff

**APPENDIX 4** Consultation questions for Music Service staff

Peter Hayward

Head of Lewisham Music Service & Director of Lewisham Music Hub

September 2016

## APPENDIX 1

### CONSULTATION INFORMATION SHEET FOR USERS AND STAKEHOLDERS



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**ARTS COUNCIL  
ENGLAND**

#### The Future of Lewisham Music Service

#### Information for schools, pupils, parents and carers and Music Hub partner and associate organisations

**May 2016**

#### **Introduction:**

This information sheet outlines our proposals to restructure Lewisham Music Service as an independent charitable organisation.

The Mayor and Cabinet of Lewisham Council have agreed that the Music Service can proceed with detailed planning and consultation on our proposals to transfer out of Lewisham Council. For more information on the Mayor's decision see Mayor and Cabinet report (item 336) at

<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=139&MId=3864>

The transfer is not being proposed as a direct result of government funding cuts to music services or hubs, nor is this change being imposed by Lewisham Council and the Council is not shutting down the Music Service. Lewisham Music Service is leading this process with a careful analysis of options together with discussion with other independent charitable music services and hubs in and out of London.

The Music Service's proposals are designed to safeguard and maintain its music provision services for young people and for schools in Lewisham. Your opinions are important and they will help us develop and shape our plans. **When you have read this paper, please respond to the questionnaire.**

The period during which comments can be received is from Wednesday 11 May to Tuesday 7 June 2016.

#### **Did you know...?**

- Lewisham Music Service has a 17 year history as the largest music education provider in the borough. 58 music tutors deliver over 600 hours of tuition and music leadership each week for 10 weeks per term to over 6,500 children and young people in 69 of Lewisham's 89 schools and academies, as well as in a range of out of school settings.
- Lewisham Music Service is the music education hub for Lewisham. The service leads a network of over 25 music and arts partner and associate organisations which includes world class orchestras (London Philharmonic Orchestra, London Symphony Orchestra), higher education colleges (Goldsmiths, Trinity Laban) and local music and arts organisations (Heart n Soul, Horniman Museum & Gardens).
- Arts Council England (ACE) has given Lewisham Music Service the highest possible rating for the quality of its work as a music hub for three years running.
- The Music Service delivers whole class, small group and ensemble programmes in 69 of Lewisham's 89 primary, secondary and special schools.
- Last year, 2,420 children accessed learning an instrument for the first time through the Music Service's whole class programme in 71% of Lewisham's primary schools and special schools

with KS2 pupils. Instruments provided include recorder, violin, cello, brass, djembe drums, samba, guitar and ukulele. 64% of these children are continuing to learn an instrument this year including 830 children in whole class continuation groups. A further 3,162 children in schools receive individual or small group instrumental or vocal lessons.

- In 2014/2015, 79 of Lewisham schools and academies took part in at least one Music Hub activity. 4,343 young people from 217 school, Music Service and hub partner musical ensembles performed to 8,839 audience members in 32 performance events.
- The highly acclaimed Lewisham Music Hub Summer Gala at the Royal Festival Hall in July 2015 involved over 1,100 children and young people from 28 schools and 8 Music Service and hub partner ensembles. We have booked the Festival Hall for another summer concert in June 2017.
- Over 500 children and young people regularly take part in the Music Service's 36 diverse choirs and music ensembles in its Saturday Music Centre and in a variety of after school settings across the borough.
- The Music Service provides over 2,500 musical instruments to schools and pupils throughout Lewisham. Every possible type of instrument is provided from violins to djembe drums, from piccolos to bass guitars, from ukuleles to tubas.
- Our tutors and managers are fully qualified professional musicians and professional music educators.
- Our pupils excel in ABRSM grade examinations, access progression routes to London junior conservatoires and colleges, specialist music schools and local and national youth ensembles, and many take up music courses in further and higher education colleges and universities.
- Please visit our website for more information including a film about the Lewisham Music Hub [www.lewisham.gov.uk/musichub](http://www.lewisham.gov.uk/musichub)

### **The proposal**

Lewisham Music Service plans to transfer out of Lewisham Council and become an independent charitable organisation from April 2017. This development will offer greater independence and autonomy for the Music Service to sustain and develop its music provision, to increase access to new funding sources, and to ensure the cost-effective and sustainable delivery of musical activities in Lewisham both now and in the future.

### **The process**

We will prepare detailed papers, including a report of this consultation, for Mayor and Cabinet in July 2016.

Subject to Mayor and Cabinet approval, we plan to become an independent charity from April 2017.

We aim to deepen and extend our relationships with music and arts providers in our hub network, alongside developing new partnerships and collaborations.

Following legal advice and discussions with other independent music services, the structure we are proposing to adopt is a CIO, a charitable incorporated organisation.

The Music Service's staff, assets and property (including its stock of over 3,000 instruments and its music library) together with delivery models, tutor hours, staffing contracts and operational procedures will transfer to the new charity. We will ensure there is minimal disruption for schools, staff, parents and carers, and pupils as a result of the transfer.

### **The reasons for change**

Although we will focus on delivering and supporting music-making for young people, independence and autonomy as a charity will allow us to broaden and deepen musical engagement for people of all ages, providing high quality learning opportunities that support them to fulfil their musical aspirations and potential.

Since 2012 the Music Service has been funded by the Department for Education (DfE) through ACE to be the music education hub (Lewisham Music Hub) for the borough. Funding has only been agreed by government to April 2017. We are concerned about the future risks that dependence on one source of



uncertain funding may bring. As a charity, we can apply for a wider range of alternative funding than is possible if we were to remain as a local authority service. We believe we can operate more flexibly in a changing world where the need to develop new approaches to the operation of our services, to diversifying funding streams, and to strategic development will be crucial to the future of our organisation.

Our services in schools and out of school settings will be safeguarded and the future of these services will be more sustainable. These will include whole class programmes, individual and group tuition, ensembles, instrument hire, live events and projects, advisory and support services, and CPD.

Many other music services across England have transferred out or are considering transferring out of local authorities: it is estimated that 26% of the current 123 music services in England could become independent entities by 2018. We have learned and can continue to learn a great deal from other independent music services and hubs.

### **The advantages of being a charity**

Charitable status will enable us to set up bespoke governance with a new board of trustees bringing in new talent, expertise and experience from within the music, arts, education, charity and business sectors along with new advisory groups with representatives drawn from our staff, user groups, partners and associates.

We will be able to take advantage of some financial benefits for charities such as discounts on purchase of some services and tax reliefs.

Being a charity will not prevent us accessing future ACE hub grant funding – music services do not need to be local authority departments in order to be funded as music hubs.

Alongside the plan to become a charity, we wish to explore moving to new premises where the Service can establish a new identity and an outward-facing public image with an identifiable and accessible base for staff and stakeholders. We are closely involved as a partner organisation in the Heritage Lottery funded re-development of the Fellowship Inn in Bellingham. From 2018, this refurbished building will provide us with rehearsal, studio, examination centre, administration, storage and meeting facilities as well as access to new performance spaces.

Independence from Council systems will allow us to utilise and implement new bespoke digital, communication and back office services such as new payment systems and a new website with an online portal for learning resources and support. These developments will provide a more appropriate and effective service for staff, schools, users, and hub partners and associates.

Charitable status will permit more flexible operating and delivery models, factors which are increasingly important in ensuring the continued maintenance and delivery of good value public services.

We have not yet decided on a name for the new charity. We are discussing ideas with staff and stakeholders as part of this consultation process. We will develop new branding and marketing for the charity whilst ensuring that stakeholders realise the Music Service has not disappeared or been shut down but re-structured to the benefit of all who make use of its services.

## Benefits and risks

<b>Benefits</b>	<b>Risks</b>
<ul style="list-style-type: none"> <li>• <i>Reduced dependency on a single source of grant funding</i></li> <li>• <i>Charity tax reliefs and discounts</i></li> <li>• <i>Ability to access new funding from trusts and foundations</i></li> <li>• <i>Greater strategic and operational autonomy</i></li> <li>• <i>New fit-for-purpose premises</i></li> <li>• <i>Bespoke systems and governance</i></li> <li>• <i>Improved service delivery through increased flexibility and efficiency</i></li> <li>• <i>Access to a wide range of diverse and experienced music practitioners</i></li> <li>• <i>Improved online and communication resources</i></li> <li>• <i>Scope for developing new musical initiatives e.g. music for families and communities</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Increased exposure to financial risk</i></li> <li>• <i>Increased back office costs due to loss of in-kind council benefits e.g. HR, IT, payroll</i></li> <li>• <i>Transfer costs e.g. legal and consultancy fees</i></li> <li>• <i>Costs of new premises</i></li> <li>• <i>Management of new staff alongside those staff who are former Council employees</i></li> </ul>

## Other options

### Remaining within the Council

The Music Service comprises a large team of Council employees. The ACE funding that supports the Music Service is not guaranteed. There are significant risks for the Music Service if this source of external funding were to be reduced or withdrawn as Council budget cuts due to reductions in government grants may limit the Council's ability to maintain the Service from its own budgets and continue to provide in-kind support. The Music Service considers that whilst independence presents both benefits and challenges, the risks to our future are greater should we stay within the Council.

### Partnership with other music services

Some music services in England work across two or more designated geographical areas. Combining hub funding across more than one designated area would be subject to ACE approval. Whilst we do not rule out the possibility that strategic alliances and mergers may be in our best interests at some point in the future, at this stage the additional complications of managing such processes would make what is already an onerous transfer process unmanageable.

### Merging with an arts provider or public service provider

Some music services in England have merged with local arts organisations or have been absorbed by private sector companies that provide public services, such as those that manage leisure services. The information we have received on these arrangements suggests that music services do not have the independence they need to develop their services and can also be required to deliver profits for the parent company. From the discussion meetings we have already conducted, we believe not-for-profit charitable status is preferred by our schools, users and partners and will help build confidence and support for the new organisation.

## The new charity

### ***Our Vision***

Being musical is at the heart of human experience.

Lewisham Music Service aims to transform people's lives and communities through access to musical opportunity. We are committed to broadening and deepening musical engagement amongst people of all ages, particularly children and young people, and to providing high quality learning opportunities that support them to fulfil their musical aspirations and potential.

**Our Mission** Drawing on 17 years of experience in working with schools, young people and cultural organisations, our mission is to promote and celebrate:

- music in schools
- music in the community
- music in partnership
- cultural diversity, creativity and excellence
- the skills, knowledge and experience of music education practitioners
- equality of access
- the musical aspirations and goals of vulnerable and disadvantaged people in our communities
- access to music for children, young people and adults with additional needs.

### **Our Values**

- We will have the highest musical aspirations and ambition for all our participants and stakeholders.
- We will promote quality of access, fairness and music for all.
- We will work with transparency and accountability.
- We will provide high quality services that make a positive difference to the lives of children and young people, their families and their communities.

### **Conclusion**

Transfer from Lewisham Council will allow Lewisham Music Service both to maintain its current work and to develop and expand its future direction and programmes. The Service believes that as a charity it can continue to expand its services for schools, children and young people in a sustainable, creative and cost effective way whilst developing new services and opportunities for the wider community. Charitable status will reduce our dependence on public spending, improve financial resilience, and allow us greater flexibility to customise services and operations as required in a fast-moving and ever-changing cultural world.

### **Our responses to some of the questions you may want to ask...**

#### **All users and stakeholders**

- Will the charity change what is currently on offer?  
*No. The Music Service aims to maintain all programmes when the transfer takes place.*
- Will charges rise?  
*Funding uncertainties remain whether or not the Music Service transfers out of the Council and we are therefore unable to guarantee fees won't rise. However, as a charity, we will be able to raise additional funds and this will help us control costs. We are committed to ensuring our programmes are affordable, provide good value for money and compare favourably with our competitors and neighbouring boroughs. New finance management systems will mean schools, parents and carers may need to pay for services in advance.*
- Will musical instruments still be available for hire?  
*Yes. Our instrument stock will transfer across to the new charity.*
- Will project and performance opportunities change?  
*No. The new funding streams and partnerships our charitable status will bring about will enhance and broaden our performance programme.*
- Will the charity continue to offer external musical exams?

*Yes. From 2018, our new premises may allow us to expand the range of music exams on offer and increase the frequency of when they are available.*

### **Pupils, parents and carers**

- Will there be concessionary rates for families on low incomes?  
*Yes. We will always ensure our programmes provide good value for money and ensure concessions are in place for families on low incomes. A new bursary scheme will provide additional financial support for those in need.*
- Will venues for out of school services change?  
*If our move to Bellingham takes place, we may move some nearby after school ensembles to our new centre from 2018. We are not proposing to move the Saturday Music Centre.*

### **Schools**

- Will safeguarding and DBS measures change?  
*The charity will be responsible for DBS and safeguarding measures. Our policies will maintain current Council and government regulations, good practice and guidance.*
- Will schools still be able to communicate effectively with the Music Service if it leaves the Council?  
*Yes. Our new fit-for-purpose administration systems will ensure enquiries can be answered efficiently with a new online portal to support access to learning resources and information.*

### **Partners**

- Will the Music Service continue to lead the music education hub?  
*Yes, subject to continued DfE funding through ACE, and subject to a successful bid later in the year. ACE relationship managers are aware and supportive of our plans.*

### **Have your say**

To share with us your views on our proposals, please complete the attached questionnaire by Tuesday 7 June 2016. Responses received after this date will not be included in our report for Mayor and Cabinet.

If you have any questions regarding this engagement process or the information provided please contact Lewisham Music Service at

Lewisham Music Service

3<sup>rd</sup> Floor

Laurence House

1 Catford Road

SE6 4RU

Tel: 020 8314 6454

Email: [music.hub@lewisham.gov.uk](mailto:music.hub@lewisham.gov.uk)

## APPENDIX 2

### CONSULTATION QUESTIONS FOR USERS AND STAKEHOLDERS

#### The Future of Lewisham Music Service

#### Questionnaire for schools, pupils, parents and carers, hub partner and associate organisations

May 2016

#### **Introduction**

This questionnaire seeks the views of Lewisham Music Service users and stakeholders on its plan to transfer out of Lewisham Council and become an independent charity. We believe this development will allow the service to maintain its current provision of high-quality music education and experiences, whilst greatly enhancing its capacity to safeguard the future of its work.

The planned transfer to charitable status is not being proposed as a result of government funding cuts to musical services, nor is this change being imposed by Lewisham Council.

Lewisham Music Service is leading this process following careful analysis of its options, together with discussion with other independent charitable music education organisations in and out of London. Lewisham Music Service managers consider that charitable status will enable the service to continue to expand its music provision for schools, children and young people in a sustainable way, as well as enabling it to offer new musical opportunities to new users.

As we plan for this new future we are very keen to receive your views and opinions. These are important and will help drive and develop the future direction of our service.

We would be very grateful if you could complete the attached questionnaire. **Before doing so please read the attached information sheet which summarises our proposals.**

The period during which comments can be received is from Monday 9 May to Sunday 5 June 2016.

If you have any questions regarding this engagement process or the information provided please contact Lewisham Music Service at:

Lewisham Music Service  
3<sup>rd</sup> Floor  
Laurence House  
1 Catford Road  
SE6 4RU  
Tel: 020 8314 6454  
Email: [music.hub@lewisham.gov.uk](mailto:music.hub@lewisham.gov.uk)

#### **Section 1: Questions**

1 What type of music service user or stakeholder are you?

Pupil  Parent/carer  School

Music hub partner or associate organisation

If you ticked school please indicate which type:

Nursery or Children's Centre  Primary  Infant  Junior  Secondary  All through  Special  PRU

2 To what extent do you agree/disagree with the following:

*Lewisham Music Service provides and supports a diverse range of high quality musical activities.*

3 Please comment on your choice of answer.

4 From your experience, how would you rate the following aspects of Lewisham Music Service's work? (1: Excellent 2: Good 3: Average 4: Poor 5: Don't Know)

Promotion of young people's:

enjoyment  achievement  wellbeing

Value for money  Quality of teaching

Quality of live events and projects

Communication and marketing

Instrument provision  Range of musical opportunities

5 To what extent do you agree/disagree with the following:

*It would be a worthwhile venture for Lewisham Music Service to become an independent charity.*

(Please refer to the attached document for more information)

6 Please comment on your choice of answer.

## Section 2: Other Comments

1 Do you have any other comments on the planned changes to re-structure Lewisham Music Service as an independent charitable organisation?

2 Do you have any suggestions on any alternative models for the Music Service other than those set out in the accompanying information sheet?

## APPENDIX 3

### CONSULTATION INFORMATION SHEET FOR MUSIC SERVICE STAFF



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**ARTS COUNCIL  
ENGLAND**

#### The Future of the Music Service

#### Staff Consultation

#### May 2016

### 1 INTRODUCTION

- 1.1 The Mayor and Cabinet of Lewisham Council have agreed that the Music Service can proceed with detailed planning and consultation on our proposals to transfer out of Lewisham Council and become an independent charity. For more information on the Mayor's decision see Mayor and Cabinet report (item 336) at <http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=139&MIId=3864>
- 1.2 This paper outlines our proposals. Following the opportunities you have already had to attend discussion meetings about these proposals in January 2016 as well as the information and Q and A sessions at Music Service training days in September 2015 and April 2016, we are very keen to engage further with the views of our staff members. Your opinions are important and they will help us develop and shape our plans. **When you have read this paper, please answer the questionnaire.** There will be a further consultation with members of staff as part of the Transfer Undertakings (Protection of Employment) (TUPE) process should our proposals be approved by the Mayor and Cabinet.
- 1.3 We are running a parallel consultation process with schools, parents and carers, pupils, and hub partners. This consultation will help us prepare for the next stage in the process whereby a detailed paper, including a consultation report, will be presented to the Mayor and Cabinet in July 2016.
- 1.4 Lewisham Music Service is leading the charity scoping process with a careful analysis of options together with discussion with other independent charitable music services and hubs in and out of London. The transfer is not being proposed as a direct result of government funding cuts to musical services. Nor is this change being imposed by Lewisham Council and the Council is not shutting down the Music Service.
- 1.5 We believe re-structuring the Music Service as a charity will allow us to maintain our current provision of high-quality delivery whilst greatly enhancing our capacity to offer new opportunities to new users. As an autonomous independent organisation we believe we can operate more flexibly in a changing world where the need to develop new approaches to the operation of services, to diversify funding streams and to adapt to new strategic developments will be crucial to the future of our organisation.

### 2 WHAT SERVICES DOES THE MUSIC SERVICE CURRENTLY PROVIDE?

#### 2.1 Music Service delivery

- 2.1.1 The Music Service's team of 51 claims-based hourly paid tutors, 5 faculty coordinators, 1 singing leader, 1 Saturday Centre leader, 4 administrative staff and 3 senior managers delivers

over 600 hours of tuition and music leadership each week for 10 weeks per term to over 6,500 children and young people in 69 of Lewisham's 89 schools and academies, as well as in a range of out of school settings.

## **2.2 Lewisham Music Hub**

- 2.2.1 Since 2012 Lewisham Music Service has operated as a music education hub (Lewisham Music Hub) funded by Arts Council England (ACE) to deliver and support music education provision in Lewisham. The Service delivers and supports five core and three extended roles, as set out in the National Plan for Music Education (NPME, 2012 to 2020). It supports music provision for children aged 5 to 18 in all Lewisham's maintained schools, academies and free schools and/or those resident in the borough. Support for schools is governed by targets and systems described in the Hub's School Music Education Plan (SMEP). The Hub also develops partnerships and extends opportunities for young people through its network of over 25 music and arts partner and associate organisations which includes two world class London-based orchestras (LPO and LSO), higher education colleges (Goldsmiths and Trinity Laban) and local music organisations (Midi Music Company, Montage Theatre Arts).
- 2.2.1 ACE officers have stated that Lewisham Music Service runs one of the most successful music hubs in London. For three years running the Hub has received a 'minor risk' rating, ACE's highest level of approval. This is because ACE officers 'are confident in the management structures, delivery plans, and financial arrangements underpinning this activity, and in your overall delivery'.

## **2.3 Music in schools**

- 2.3.1 The Music Service has greatly expanded its delivery of KS2 whole class instrumental music programmes. Whole class lessons are currently provided and supported in 46 of Lewisham's 65 primary and all through schools with KS2 pupils and in 3 of Lewisham's 4 special schools. Over 2,400 children are currently learning to play an instrument through this scheme.
- 2.3.2 A further 3,900 children learn to play instruments and to sing in Music Service school-based whole class continuation groups, small group lessons and ensembles.
- 2.3.3 The Music Service charges schools for the tutor hours and instrument hire costs associated with these programmes.
- 2.3.4 In 2014/2015 over 2,000 Lewisham school children attended concerts, projects and events organised by music hub partner organisations.
- 2.3.5 The Music Service, in accordance with its role as a music education hub, visits every school to advise on curriculum and extra-curricular music provision, it provides information about projects and progression routes that are appropriate for pupils, and offers schools opportunities to take part in a wide variety of live events, projects and CPD sessions.

## **2.4 Music services provided directly to pupils**

- 2.4.1 Over 500 children and young people regularly access out of school music-making in the Music Service's 36 after school ensembles. These meet in schools and centres across the borough and at the Saturday Music Centre. Ensembles and programmes are designed to provide progression routes for those at the start of their musical learning through to intermediate and advanced levels. Some of the borough's most advanced young musicians take part in our ensembles, particularly in the Lewisham Schools Concert Band (founded 2001), the borough's flagship ensemble.
- 2.4.2 These programmes provide a unique opportunity for children from all corners of the borough to meet, sing and play music together in high quality borough ensembles.



- 2.4.3 Parents and carers are charged directly for these services. The Music Service funds concessionary rates for children eligible for Pupil Premium (formerly Free School Meals children) and for children who are looked after (children in care).

## **2.5 Performances and projects**

- 2.5.1 Over 4,343 children and young people from 217 schools and Music Service and hub partner ensembles took part in Music Service and Hub live events in the 2014/2015 school year including a highly acclaimed Hub Summer Gala at the Royal Festival Hall in July 2015.

## **2.6 Staff**

- 2.6.1 For the current staff structure see Appendix 1.
- 2.6.2 Music tutors are claims-based and hourly paid. This structure was adopted when the Music Service was formed in 1999 and rates of pay have risen in line with Lewisham Council awards for all staff across the Council.
- 2.6.3 Managers and administration staff are employed in accordance with local authority and national pay scales.

## **2.7 Finance**

- 2.7.1 Lewisham Music Service's turnover for 2016/2017 is £1.25m. Its ACE music hub grant for 2016/2017 is £403,894. 60% of its income is earned from services provided to schools, and parents and carers.

## **2.8 Operation and premises**

- 2.8.1 The Service's operational systems are Council systems and they are all run in accordance with Council policies under the management of Council departments. These include finance, HR, payroll, and IT services.
- 2.8.2 The Music Service management and administration team is based at the Council's central office building at Laurence House in Catford. Musical instruments, curriculum resources and sheet music are stored at Trinity Primary School.
- 2.8.3 After school programmes take place in a community centre and in a variety of schools around the borough. The Saturday Music Centre takes place at Prendergast Vale School in Lewisham.

## **3 WHY ARE WE PROPOSING MAKING CHANGES TO THE MUSIC SERVICE?**

### **3.1 Finance**

#### **3.1.1 Arts Council England (ACE)**

Since 2012, Lewisham Music Service has been funded by Arts Council England with funds made available by the Department for Education (DfE) to lead and function as a music education hub for Lewisham. Funding has been agreed to 31 March 2017. No announcements have yet been made about future funding from April 2017, but the expectation is that hubs will be needed to continue to support and deliver the NPME. We are hopeful that the opportunity for us to bid for a three year funding plan will be launched in autumn 2016.

#### **3.1.2 Lewisham Council**

Central government's commitment to reducing the national budget deficit has led to grants for local government being reduced. As a result, like other local councils, Lewisham Council has had to make savings and government funding for Lewisham is projected to continue falling. Lewisham's savings amount to 138m since 2010. The Council is anticipating it will need to make further cuts of £76m in its spending by 2020. Since 2010 the Council workforce has reduced by 1,697 staff.

Independent charitable status will enable the Music Service to exercise greater financial autonomy, to set up bespoke systems, and to explore diversification of its funding streams to reduce its dependency on a single source of core funding in order to safeguard its future for its staff, users and stakeholders.

### 3.1.3 School funding

The recent education white paper<sup>1</sup> sets out proposals for changes to school funding mechanisms, school governance and the role of local authorities. Schools are not obliged to use Council traded services. We do not expect school delivery to be affected by virtue of our proposed new status. However, in a climate of change and funding uncertainty we need to prepare for a future in which our services meet schools' needs, are of high quality and provide good value for money. We believe independence will allow the Music Service to continue to have a leading role in the local music education sector whilst enabling us to adapt to and deal with changing needs and priorities.

### 3.1.4 Charitable benefits

As a local authority service, the Music Service's ability to access grants from trusts and foundations is limited. If we become a charity we will be able to apply for additional funding from a wide range of organisations such as those that support some of our hub partners (for example Youth Music and Esmée Fairbairn Foundation). We will be able to gift aid donations and subscriptions (which could add 20% to some of our income streams) and also take advantage of some financial benefits for charities such as discounts on purchase of some services and tax reliefs.

## 3.2 **Operations**

### 3.2.1 Governance

The Music Service is part of Lewisham's School Improvement Team. The Head of Standards and Achievement, the Music Hub Strategy Board and our ACE Relationship Managers oversee our operation as a service and a hub.

Charitable status will enable us to set up bespoke governance for the Music Service. Trustees, patrons and advisory groups will bring in new talent, expertise, profile and experience from within the music, arts, education, charity and business sectors.

### 3.2.2 Premises

The Music Service is currently based at Laurence House. This location does not meet our developing needs with regard to desk space, storage, training, rehearsal and meeting areas, and nor does it present a practical and accessible environment for visitors and those making enquiries about our services.

Alongside the plan to become a charity, we are exploring moving to new premises to enhance the Service's new identity and its ability to deliver its new vision. We are closely involved as a partner organisation in the Heritage Lottery funded re-development of the Fellowship Inn in Bellingham. This new facility, owned by Phoenix Housing, will be at the heart of the regeneration of the Bellingham area and will operate as a new cultural and community hub. We wish to play a role in this exciting development. The refurbished premises will provide us with rehearsal, studio, examination centre, administration, storage and meeting spaces. The building will also have two large performance spaces available for live events and projects. These premises will give us an opportunity to play our part in the cultural life of Bellingham, work with local partners and the chance to apply for new funding streams to support new

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<sup>1</sup> <https://www.gov.uk/government/publications/educational-excellence-everywhere>

programmes for community groups such as families, early years and the elderly. Arts Council England officers are aware and supportive of these developments.

There will also be cost efficiencies in relocating some of our after school programmes as well as the possibility of raising income from subletting areas of the building allocated to our use.

### 3.2.3 Administration and management

Independence from Council systems will allow us to introduce new bespoke digital and back-office services which will provide a more appropriate and effective service for staff, schools and users.

### 3.2.4 Staff Contracts

All Music Service staff members are Lewisham Council employees. If our proposals go ahead, they will be transferred across from the Music Service to the charity under Transfer of Undertakings (Protection of Employment) (TUPE) regulations which will protect staff terms and conditions including pensions and redundancy. Separate government and local authority regulations protect public sector pensions; the Music Service will seek admission to the Local Government and Teachers' Pension schemes so that the pension benefits of staff members who transfer across to the new charity can be protected and contributions can continue to be made. As mentioned in 1.2, there will be a further staff consultation as part of this process.

The new charity will have the freedom to determine new contracts and terms and conditions for new employees, review its staffing structure, and will continue to engage high quality staff and artists in ways that meet its needs. Details will be finalised in due course when the budget for the new organisation is clearer following announcements about future hub funding.

## 3.3 **Strategic development**

3.3.1 The *Culture White Paper* (March 2016)<sup>2</sup> sets out an ambitious plan for how cultural life in Britain can be better accessed and supported. 'Culture will play an active role in building a fairer and more prosperous nation' (p.13). It is anticipated that music education hubs will connect with the aims set out in the white paper, especially with regard to ensuring culture is 'an essential part of every child's education, both in and out of school' (p.21). At the heart of this strategy is the importance of building stronger and healthier communities, building greater local and national partnerships and establishing cultural investment, resilience and reform. Public investment will need to sit alongside private investment, philanthropy and earned income. The government believes it is this mixture of income streams that will provide the basis for a thriving cultural sector. We feel the flexibility and diversity of funding that independence from the local authority will bring will enable the Music Service to function more sustainably and effectively in this cultural environment.

3.3.2 Many other music services across England have transferred out or are considering transferring out of local authorities: it is estimated that 26% of the current 123 music services in England could become independent entities by 2018.

3.3.3 There is no reason why, as an independent organisation, the Music Service cannot continue to maintain its positive relationships with relevant local authority teams and local schools. Our new advisory groups will help sustain and develop links with a wide range of stakeholders, including headteachers, councillors, staff, parents and carers, young people, hub partners and associates, and local authority colleagues.

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<sup>2</sup> <https://www.gov.uk/government/publications/culture-white-paper>

- 3.3.4 Lewisham Music Service, subject to continued ACE funding, will remain as the music education hub organisation for Lewisham. (It is not a requirement for music services to be local authority services in order to access hub funding). As the charity develops and grows, hub core and extended roles will be supplemented by new areas of delivery and operation that will reach beyond the music hub's prescribed roles, thereby enriching cultural offers for many more sectors within the Lewisham community.

## 4 WHAT WILL THE NEW CHARITY LOOK LIKE?

### 4.1 ***Our Vision***

Being musical is at the heart of human experience.

Lewisham Music Service aims to transform people's lives and communities through access to musical opportunity. We are committed to broadening and deepening musical engagement amongst people of all ages, particularly children and young people, and to providing high quality learning opportunities that support them to fulfil their musical aspirations and potential.

***Our Mission*** Drawing on 17 years of experience in working with schools, young people and cultural organisations, our mission for the next 5 years is to promote and celebrate:

- music in schools
- music in the community
- music in partnership
- cultural diversity, creativity and excellence
- the skills, knowledge and experience of music education practitioners
- equality of access
- the musical aspirations and goals of vulnerable and disadvantaged people in our communities
- access to music for children, young people and adults with additional needs.

### ***Our Values***

- We will have the highest musical aspirations and ambition for all our participants and stakeholders.
- We will promote quality of access, fairness and music for all.
- We will work with transparency and accountability.
- We will provide high quality services that make a positive difference to the lives of children and young people, their families and their communities.

- 4.2 We are planning for Lewisham Music Service to become a not-for-profit charitable organisation from April 2017.
- 4.3 Following legal advice and discussions with other independent music services, the structure we are proposing to adopt is a CIO, a charitable incorporated organisation.
- 4.4 Governance for the new charity will pass from Lewisham Council's Children and Young People's Directorate and its School Improvement Team to a newly appointed board of trustees. The charity's Chief Executive Officer (current Head of Service) will report to the board on all aspects of the charity's operation. Advisory groups will provide the opportunity for staff, young people, stakeholders and partners to be involved in the governance of the charity.
- 4.5 Our board of trustees, patrons and advisory groups will bring us professional governance and support in areas such as business management, charity operation, HR, legal advice and fund-raising to help us become a successful, sustainable organisation.
- 4.6 Subject to continuing music hub government funding, the Music Service will continue to function as Lewisham's music education hub organisation, supporting a diverse music network and providing a comprehensive range of musical services and opportunities for young people.

- 4.7 Our reliance on a single source of central government funding will reduce as we benefit from new funding streams, charity reliefs and benefits allowing us both to maintain and develop our services to the Lewisham community.
- 4.8 We will benefit from a greater diversity of funding streams and charity reliefs and benefits.
- 4.9 Although we will focus on delivering and supporting music-making for young people, we will broaden and deepen musical engagement for people of all ages, providing high quality learning opportunities that support them to fulfil their musical aspirations and potential.
- 4.10 Our delivery models, tutor hours, staffing contracts and operational procedures will transfer to the new charity. We will ensure there is minimal disruption for schools, staff, parents and carers, and pupils as a result of the transfer.
- 4.11 We will prioritise maintaining our services to schools alongside new offers and opportunities.
- 4.12 Our programme of after school and Saturday services will be maintained alongside new groups and new projects run both directly by the Service and in partnership with other music and arts organisations.
- 4.13 Our management and administration team will develop new bespoke systems for payroll, IT (including an online staff area, staff email addresses, online payroll and payment services and a new website) and finance.
- 4.14 We will support our teaching staff by maintaining effective and efficient management and administration teams, together with access to training and professional development. We will recruit new members of staff to complement our existing skilled and experienced team of music education practitioners.
- 4.15 The Music Service's property, including its stock of over 3,000 instruments and its music library, will transfer to ownership by the new charity.
- 4.16 A bursary scheme, supported by gift-aided charitable donations, will support children with musical aptitude from low income families with progression routes and access to appropriate service, hub and external music programmes.
- 4.17 From 2018 we expect to be based at The Fellowship in Bellingham. After school and Saturday services will continue to be run in schools and other settings around the borough. Transition premises for administration and management functions may be required from April 2017.
- 4.18 We have not yet decided on a name for the new charity. We are discussing ideas with staff and stakeholders as part of this consultation process. We will develop new branding and marketing for the charity whilst ensuring that stakeholders realise the Music Service has not disappeared or been shut down but re-structured to the benefit of all who make use of its services.

## 5 SUMMARY: BENEFITS AND RISKS

<b>Benefits</b>	<b>Risks</b>
<ul style="list-style-type: none"> <li>• <i>Reduced dependency on a single source of grant funding</i></li> <li>• <i>Charity tax reliefs and discounts</i></li> <li>• <i>Ability to access new funding from trusts and foundations</i></li> <li>• <i>Greater strategic and operational autonomy</i></li> <li>• <i>New fit-for-purpose premises</i></li> <li>• <i>Bespoke systems and governance</i></li> <li>• <i>Improved service delivery through increased flexibility and efficiency</i></li> <li>• <i>Access to a wide range of diverse and experienced music practitioners</i></li> <li>• <i>Improved online and communication resources</i></li> <li>• <i>Scope for developing new musical initiatives e.g. music for families and communities</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Increased exposure to financial risk</i></li> <li>• <i>Increased back office costs due to loss of in-kind council benefits e.g. HR, IT, payroll</i></li> <li>• <i>Transfer costs e.g. legal and consultancy fees</i></li> <li>• <i>Costs of new premises</i></li> <li>• <i>Management of new staff alongside those staff who are former Council employees</i></li> </ul>

## 6 OTHER OPTIONS

### 6.1 Remaining within the Council

- 6.1.1 Whilst we currently access in-kind Council services at no charge, continuation is not guaranteed.
- 6.1.2 The Music Service comprises a large team of Council employees. The ACE funding that supports the Music Service is not guaranteed. There are significant risks for the Music Service if this source of external funding were to be reduced or withdrawn as Council budget cuts are likely to limit the Council's ability to maintain the Service from its own budgets.
- 6.1.3 The Music Service considers that whilst independence presents both benefits and challenges, the risks to our future are greater should we stay within the Council.

### 6.2 Partnerships or mergers with external organisations

#### 6.2.1 Music Services

Some music services in England work across two or more designated geographical areas. However, no local music services or hubs have proposed merging with us. The Music Service will continue to be a member of the South Riverside Music Partnership (Lambeth, Royal Greenwich and Southwark music services and hubs, LPO, Trinity Laban) and we will continue to explore with our partners where areas for collaboration are in the best interests of our staff, schools, users and stakeholders. We consider that should we become an independent organisation operating outside the local authority sector, we can develop appropriate partnerships and collaborations with more freedom and autonomy. However, whilst we do not rule out the possibility that strategic alliances and mergers may be in our best interests at some point in the future, at this stage the additional complications of managing such processes would make what is already an onerous transfer process unmanageable.

#### 6.2.2 Merging with an arts provider or public service provider

Some music services have merged with local arts organisations or have been absorbed by private sector companies that provide public services, such as those that manage leisure services. The information we have received on these arrangements suggests that music services do not have the independence they need to develop their services and can also be

required to deliver profits for the parent company. From the discussion meetings we have already conducted, we believe not-for-profit charitable status is preferred by our schools, users and partners and will help build confidence and support for the new organisation.

## 7 CONCLUSION

- 7.1 Lewisham Music Service managers believe that charitable status will enable it both to sustain and expand its services for schools, children and young people in a sustainable way, enhancing creativity and value, as well as offering new opportunities for new users. It will enhance our ability to work closely with new and existing partners as well as engage with emerging new strategic directions across London and beyond.
- 7.2 The proposed transfer will enhance access to new funding streams, improve resilience to the inevitable strategic and financial changes within our sector, and give the Service the freedom to re-structure services and operations as required in order to maintain the provision of high quality services to its users.
- 7.3 Our proposals will not lead to a reduction in our services to schools nor will it disrupt children's learning out of school. The terms of the transfer will safeguard employment terms and conditions for current members of staff.
- 7.4 The Lewisham Music Service charity will be a new and exciting chapter in the Service's 17 year history. We recognise that staff support for the transfer will be crucial to its success. We hope all members of staff will want to join us in helping to shape a thriving, successful and sustainable organisation with a long and viable future.

## 8 THE TRANSFER PROCESS

- 8.1 Timetable for consultation and transfer:

<i>11 May 2016</i>	<i>Consultation begins</i>
<i>May 2016</i>	<i>Discussion meetings for staff and stakeholders (tbc)</i>
<i>7 June 2016</i>	<i>Consultation ends</i>
<i>15 June 2016</i>	<i>Discussion of final proposals by CYP Directorate Management Team</i>
<i>27 July to 3 August 2016</i>	<i>Decision on final proposals (business plan, constitution, budget plan, consultation report) by Mayor and Cabinet and LBL scrutiny committee.</i>
<i>September to December 2016</i>	<i>TUPE planning and consultation. Due diligence: assessment of assets, liabilities, and contracts DfE and ACE guidance on future funding for music education hubs.</i>
<i>January to February 2017</i>	<i>Finalised budget proposals. Preparation for move to transition premises (if required)</i>
<i>March 2017</i>	<i>Finalise transfer agreement</i>
<i>1 April 2017</i>	<i>Music Service starts trading and operating as a CIO</i>
<i>January 2018</i>	<i>Move to the Fellowship, Bellingham</i>

## **9 HAVE YOUR SAY**

9.1 To share with us your views on our proposals, please complete the attached questionnaire by Tuesday 7 June 2016. Responses received after this date will not be included in our report for the Mayor and Cabinet.

9.2 If you have any questions regarding this engagement process or the information provided please contact Lewisham Music Service at

Peter Hayward  
Lewisham Music Service  
3<sup>rd</sup> Floor  
Laurence House  
1 Catford Road  
SE6 4RU  
Tel: 020 8314 6450  
Email: [peter.hayward@lewisham.gov.uk](mailto:peter.hayward@lewisham.gov.uk)

### **Appendices attached were**

**1: Current Music Service Staff Structure**

**2: LBL TUPE guidance for staff**



## APPENDIX 4

### CONSULTATION QUESTIONS FOR MUSIC SERVICE STAFF

#### The Future of Lewisham Music Service

#### Staff Questionnaire

May 2016

#### Introduction

This questionnaire seeks the views of Lewisham Music Service staff members on its plan to transfer out of Lewisham Council and become an independent charity. We believe this development will allow the service to maintain its current provision of high quality music education and experiences, whilst greatly enhancing its capacity to safeguard the future of its work.

The planned transfer to charitable status is not being proposed as a result of government funding cuts to musical services, nor is this change being imposed by Lewisham Council.

Lewisham Music Service is leading this process following careful analysis of its options, together with discussion with other independent charitable music education organisations in and out of London. Lewisham Music Service managers consider that charitable status will enable the Service to continue to expand its music provision for schools, children and young people in a sustainable way, as well as enabling it to offer new musical opportunities to new users.

As we plan for this new future we are very keen to receive your views and opinions. These are important and will help drive and develop the future direction of our service.

We would be very grateful if you could complete the attached questionnaire. **Before doing so please read the attached information sheet which summarises our proposals.**

The period during which comments can be received is from Monday 9 May to Sunday 5 June 2016.

If you have any questions regarding this engagement process or the information provided please contact Lewisham Music Service at:

Lewisham Music Service  
3<sup>rd</sup> Floor  
Laurence House  
1 Catford Road  
SE6 4RU  
Tel: 020 8314 6454  
Email: [music.hub@lewisham.gov.uk](mailto:music.hub@lewisham.gov.uk)

#### Section 1: Questions

(Please tick and comment in the boxes most relevant to you)

- 1 *Please indicate your staff role –  
tutor, tutor with additional management responsibilities, administrator, manager*
- 2 To what extent do you agree/disagree with the following:

*Lewisham Music Service provides and supports a diverse range of high quality musical activities.*

3 Please comment on your choice of answer.

4 From your experience, how would you rate the following aspects of Lewisham Music Service's work? (1: Excellent 2: Good 3: Average 4: Poor 5: Don't Know)

Promotion of young people's:  
enjoyment  achievement  wellbeing

Value for money  Quality of teaching

Promotion and marketing

Instrument provision  Range of musical opportunities

Quality of live events and projects  Professional development

Staff support and management  Employment terms and conditions

Communication with staff

5 To what extent do you agree/disagree with the following:

*It would be a worthwhile venture for Lewisham Music Service to become an independent charity.*

6 Please comment on your choice of answer.

## **Section 2: Other Comments**

1 Do you have any other comments on the planned changes to re-structure Lewisham Music Service as an independent charitable organisation?

2 Do you have any suggestions on any alternative models for the Music Service other than those set out in the accompanying information sheet?