

DRAFT SAVINGS PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2021-24

Proposal Title:	Local Presence and Idea Store Asset Strategy		
Reference:	SAV / RES 003 / 21-22	Savings Type:	Service transformation
Directorate:	Resources	Savings Service Area:	Cultural and related services
Directorate Service:	Customer Services	Strategic Priority Outcome:	11. The Council continuously seeks innovation and strives for excellence to embed a culture of sustainable improvement
Lead Officer and Post:	Teresa Heaney, Interim Divisional Director Customer Programme	Lead Member and Portfolio:	Cllr Sabina Akhtar, Cabinet Member for Culture, Arts and Brexit

Financial Impact:	Current Budget 2020-21	Savings/Income 2021-22	Savings/Income 2022-23	Savings/Income 2023-24	Total Savings/Income
Budget (£000)	8,200	(600)	-	-	(600)

Staffing Impact (if applicable):	Current 2020-21	FTE Reductions 2021-22	FTE Reductions 2022-23	FTE Reductions 2023-24	Total FTE Reductions
Employees (FTE) or state N/A	169	Circa (35) for overall existing £1m saving and new £0.6m saving	-	-	(35)

Proposal Summary:

The concept of local presence has to date enabled us to maintain an appropriate level of local delivery whilst shifting much of the demand for services away from face to face and towards telephony or on-line delivery. We recognise that face to face support is valued by some of our residents and that some face to face support will continue to be needed for the foreseeable future, in order to support those unable to access services on-line due to economic, physical, learning or language barriers. To maintain a face to face presence at the local level, our approach has been to shift delivery of this towards the Idea Stores. The proposal set out below takes the need for some face to face delivery into account. We also recognise that the current service design, where the highest level of face to face support is only available at Rushmead, has proven unpopular with residents, and a more borough-wide approach is required.

However, we face significant financial challenges going forward. The Council already has a £1m target from two previous savings proposals associated with local presence in the MTFS. The details from the two previous savings proposals are as follows:

MTFS Savings 2020-22				20/21	21/22
Reference	Approved	Title	Original Scope of previous savings pro-formas	Savings target £'000	Savings target £'000
SAV/ RES 10 / 18-19	2018-19	Additional Local Presence Efficiencies	Further local presence and customer access improvements - (1) continue to develop/drive/encourage take up of digital services to further reduce demand for phone and face-to-face contact, thus enabling further staffing reductions (2) investigate options for including Clean & Green call handling within new refuse & recycling contract (3) consider moving to digital-only access for appropriate service areas	300	-
SAV / ALL 001 / 19-20	2019-20	Phase 2 Local Presence - putting Digital First	The increased use of digital services will be targeted to reduce staffing and transaction costs further whilst making services easier to access for residents. Digital services across the council will be designed to achieve specific cost reductions and these will be allocated on a service by service basis as the baseline costs are confirmed.	-	700

			This second phase of the Local Presence Review will ensure we don't duplicate services, we make the most efficient use of resources and that the way we deliver services keeps pace with what our residents want. This review will consider options to rationalise staff, buildings and services in each of the localities.		
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Some of the assumptions that underpin these two savings lines have not materialised and there is some double counting with other savings. There is however, a 'digital dividend' that should be taken out of Idea stores in line with these savings. The uptake by residents of the self-service machines, the introduction of online registration for courses and other changes mean that the current levels of staffing (high in comparison to other boroughs) can be reduced. The approximate size of this saving if applied across all sites would be c£650k. However, our proposal is that we only apply it to the four largest sites and take a saving of c£500k (12 FTE posts). This would of course leave us with £500k still to achieve and the requirement to help LBTH achieve further savings.

Our proposal is to save circa £1.1m from the Idea Stores budget which includes a new saving of c£600k.

A range of options for future delivery of library provision in the borough were put forward to the Council's Cabinet on 28 October, which included:

- Keep services unchanged putting increased pressure on other services to deliver savings (Not Recommended)
- Deliver savings by closing Cubitt Town Library, significantly reducing hours at Bethnal Green Library and Idea Store Watney Market, and making changes to Sunday opening hours and evening staffing levels at our four main sites
- Deliver a similar saving by closing Cubitt Town and Bethnal Green Libraries and Idea Store Watney Market but keeping service levels at our four main sites unchanged.

Any significant change to the library service is subject to public consultation and we commenced this on 30th November 2020 and it will run until 29th January 2021. **It should be noted that any change and resultant saving will not be finalised until a decision is taken by Cabinet following consideration of the results of that public consultation.**

We believe the proposal will maintain a robust and modern service that will meet the needs of residents into the future. It has allowed us to develop a medium term plan whereby over the next five years planned capital investment would result in us having:

- Four well-placed Idea Stores situated at Chrisp Street, Bow, a new site on the Isle of Dogs with a flag-ship store split across the current Idea Store Whitechapel and New Town Hall acting as a cultural hub for the borough.
- All four sites will have seen significant redevelopment including space designs which will support people to stay socially distant if required (current issues with Bow will be redesigned out).
- The digital offer which grew exponentially under Covid-19 will have continued to develop (this could include a click and collect and book drop at other sites across the borough)
- Bethnal Green Library and Idea Store Watney Market will be run as satellite sites for Idea Store Bow and Idea Store Whitechapel respectively with a reduced service on offer.

Revised Provision:

We have identified three sites that we propose to reduce hours (and close one of the library provisions) as part of the public consultation and we will consider how we might mitigate the impact of this and other ways of achieving the same outcome. An equalities impact assessment has been produced and will be revised following the results of the public consultation.

Risk and Mitigations:

Closing a library provision, even when one bolsters it with better delivery elsewhere, is never popular with local communities and there is a risk that these proposals will face opposition from local residents. However, we believe part of this can be mitigated by consulting well, explaining the need to make savings to residents and giving them a genuine say in how those savings are made. It is vital therefore that any public consultation is well produced and handled, with sufficient consideration given to the results.

Achieving the full saving in 2021-22 involves a tight timescale of public consultation and implementation and any delays will reduce the amount that can be delivered in the first year.

Resources and Implementation:

Support from SPP and Comms to build a robust public consultation documentation
 Support from HR
 0.5 FTE Project Management for 8 months
 Potentially help from procurement and IT should the open plus model prove to be wanted

October Cabinet consideration of saving proposals. Further governance and internal discussion refinement of ideas and development of consultation documentation

Staff consultation will also be necessary, and this will need to run partly concurrently with the public consultation in order to meet the timescales. Staff have seen a lot of change and this is likely to reduce morale. This can be mitigated partly by good (honest and early) communication and by ensuring the consultation concludes in a timely manner.

There is a risk that communities will want community run libraries, but that not enough volunteers will come forwards. We can mitigate against the impact of this by addressing what we would do in this case in the consultation and consultation response documentation.

Late Nov	Public consultation starts (9 weeks due to Christmas period)
Late Jan	Public consultation closes
February	Analysis of results and proposal development.
February	Staff consultation starts
March	Governance and decision final savings amount confirmed
March	Staff consultation closes
May	Changes implemented

SAVINGS PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	As good geographical coverage will remain, and our service delivery model is inclusive we do not believe this to be the case. The proposal to move away from a model that sees Rushmead as the only place that the digitally excluded can go if they need 'do for' support rather the more general support to use the equipment and navigate the on-line world offered out our Digital Hubs and towards a model where an appointment with the team that do this can be booked (in advance) and any of our Idea Stores is, we think, a positive move.
Does the change reduce resources available to support vulnerable residents?	No	It reduces the number of sites that the services are available at but not the type of services and resource available. The staff reductions would allow us to maintain a good number of staff in each of our sites. In terms of the staff reduction associated with the 'digital dividend, we are removing them after the digital change has impacted and not before.
Does the change involve direct impact on front line services?	Yes	The IS are a frontline service. If the public consultation results in us having some community run services this may result in some services not being available at those sites (as we cannot reasonably expect volunteers to be able to advise on other council services etc)
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	A reasonable geographical coverage will remain.
Changes to Staffing		
Does the change involve a reduction in staff?	Yes	The digital dividend involves a minimum reduction of 12.5 staff and the proposals for the 3 sites a reduction of between 22 and 30 members of staff.
Does the change involve a redesign of the roles of staff?	No	
Summary:		Additional Information and Comments:
To be completed at the end of completing the Screening Tool.		
Based on the Screening Tool, will a full EA will be required?	Yes	