

mobilise

Natalie Grazin Consulting Ltd.

Professional Coaching | Healthcare Improvement | Organisational Development

Kisharon Langdon Options Appraisal

Short Report

Mobilise Public Ltd with Natalie Grazin Consulting Ltd

January 2022

Kisharon   Langdon



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1. Forward & Context

In July 2021, the Chief Executives and Boards of Kisharon and Langdon commissioned external consultancy support with a specification led by the following project goal: *“To enable the agreement of a non-binding memorandum of understanding between the participating charities within 6 months”*. That specification stemmed from the following statement with a report submitted to the Steering Group in June 2020: *‘Various collaborative models have been investigated and the conclusion of the Chief Executives is that the organisational vehicle with the most potential to respond to the drivers of change and [optimise] the benefits of coming together is the creation of a “New Entity”’*.

Critically, closer collaboration was not driven by a desire to save money, but rather by identifying the optimum way to serve the best interests of people with autism and learning disabilities, their families and the community. With the onset of the Covid-19 crisis, the financial imperative became more important, but it was made clear at the start of the process – and reiterated to the consultants throughout it – that financial savings were not the driving rationale.

The imperative to collaborate was emphasised by research commissioned from Cordis Bright. In summary, that research showed that the current way of organising services is resource intense, suboptimal in reach, confusing and distressing for families and unhelpfully competitive. Independently, each charity also could see the limits to their quality and impact in the current setup. The consultancy work commissioned comprised two forms of support:

- i) it was required to undertake a “project management” role, facilitating and enabling the conversations that would enable the signing of an MOU;
- ii) it was required to be analytical, scrutinising the headline conclusion of the Steering Group through rigorous analysis of the “New Entity” option and comparing that to other options, albeit understanding those had already been assessed at the Steering Group to be less likely to deliver the required benefits. Specifically, this included the stipulation that 5 organisational models for collaboration had been identified and initially evaluated by the Steering Group, of which one was the Steering Group’s “preferred option”, namely the creation of a single “New Entity”. The tender therefore asked the project managers to focus on the preferred model, while summarily considering and assessing the other options, for completeness

The Mobilise team thank everyone from Kisharon and Langdon for the significant amount of work that was carried out through this project that supported our work, doing so in a relatively short period of time. We would also like to thank the Steering Group for their wisdom, their trust in us, and for giving full and proper oversight to the project. In particular, we thank the Senior Leadership Teams for the additional work they undertook with, a full spirit of cooperation, on top of continuing to manage services and their ordinary workload. We also thank the Chief Executives for their availability, encouragement, honest feedback, support and their genuine spirit of exploration for the common good that characterised and set the tone for us all.

We were impressed by the significant level of engagement that was given to this project by senior managers and trustees. It was characterised by an atmosphere of openness, genuine enquiry and potential. Both Kisharon and Langdon have significant strengths, and whilst the cultural fit is a good one, they do bring different styles and ways of working to the table that will only be of benefit to a future, shared organisation. The Mobilise team are clear that all the work and evidence produced throughout project suggests that by proceeding with the preferred option of the steering group, significantly more could be delivered for existing people supported, and capacity built to address more of the needs of a

growing Jewish learning disabled population in the future. We believe that there are significant benefits for each of the charities and the adults they support.

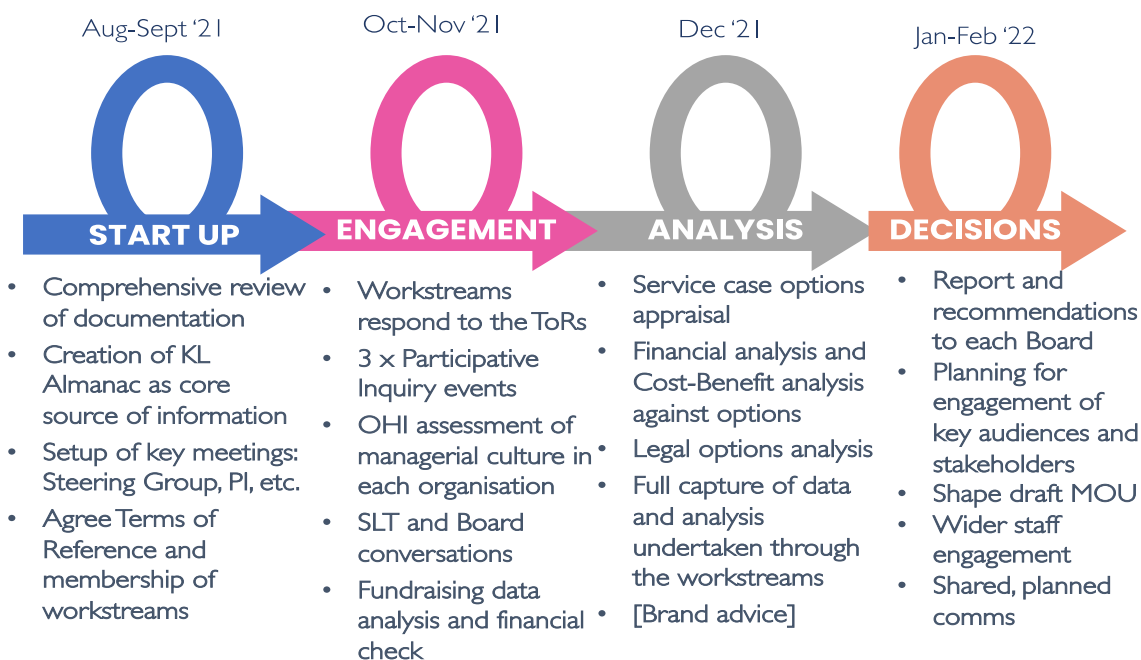
However, we are also aware that there are challenges for each organisation in coming together that must be highlighted, carefully planned for and addressed if trustees are to feel confident in taking this step. Langdon is still delivering on a relatively new strategy that is addressing issues of the quality of support, communication and working more closely families. Families already feel that Langdon has grown quickly and that this has impacted on their sense of connection to and ability to influence the organisation. For Kisharon, staff feel confident with things as they are now, and have concerns as to how any future organisation would be perceived by its more orthodox stakeholders could impact critically on both service take up and funding. These are challenges and risks that trustees will be aware of as they consider the work and evidence that has been produced and make their decisions for the future.

This report is a shortened version of the full, final report for the project.

2. Overall project process

The project was set up with 4 phases, shown in the figure below:

The 4 steps within the “Exploring Merger” KL project



10 workstream groups were established, with professional and Trustee involvement from each organisation as shown below. Detailed Terms of Reference were agreed, incorporating every aspect of the data collection, analysis, deliverables and tests requested by the Steering Group. These are shown in full in the Workstream Reports Appendix to the full report.

There are 10 workstreams addressing the test questions

Workstream	Kisharon	Langdon
1. Formal Education	Janice Marriott (Tuffkid nursery), Dr Emily Haddock (school), Aviva Braunold, Emma Castleton, Sharon Mullish	Jane Baker, Ben Miller
2. Employment, Enterprise & Training	Sarah Sharlott, David Rasouly	Alan Weinstock, Courtney Wright, Sophie Fraiss
3. Adult Care & Housing Support	Hadassa Kessler, Nicola Reid-Warner, Victoria Hart	Helen Sowa, Penny Toubkin, Paul Joseph, Stephanie Cooper
4. Day Opportunities (life long learning)	Hadassa Kessler, David Rasouly	Alan Weinstock, Helen Sowa, Sophie Fraiss, Shelley Shieff
5. Finance & Property	Paul Darnell, David Rasouly	Barry Shine, Russell Tenzer, Paul Joseph
6. HR, Culture and Equalities, Diversity & Inclusion	Lee Zucker, Corrin Kaye	Eleri Russell, Karen Phillips
7. Governance	Richard Franklin, Claire Lemer, Andrew Loftus	Neil Taylor, Michael Blane, Nigel Henry
8. Religious Observance	Richard Franklin, Hadassa Kessler, Richard Levy	Neil Taylor, Nigel Henry, Robin Jacobs
9. Systems	Paul Darnell, Errol Fadil	Penny Toubkin, Barry Shine
10. Fundraising & Marketing	Jessica Levy/Carolyn Rozenberg (from Nov), Philip Goldberg, Andrew Loftus	Sara Pollins, Nick Doffman, Nigel Henry

Alongside the workstreams, a range of other methods and processes were central to this work and are presented within this report, namely:

- a service case options appraisal, comparing the options in terms of their impact on services
- a financial appraisal of the preferred new structure and the alternate options; and a cost benefit analysis of each option
- an analysis of the cultural fit of the organisations including religious ethos
- a participative element (Participative Inquiry) of cultural inquiry and dialogue between SLTs and Trustees
- an analysis of the financial position of the partners, along with in-depth scrutiny to understand differences in operations such as employment and salary arrangements
- a risk analysis in relation to the implementation of the Steering Group's preferred option
- development of a forward plan, setting out the next steps for the two Boards

3. Participative Inquiry: a key part of the project management process

One of the core methodologies used as a core part of this process was the use of an approach known as "participative inquiry" (PI). This was central to the design, because the Steering Group, CEOs and Project Managers understood the importance of building on the positive relationships between the CEOs, widening the pool of professionals and Trustees directly brought into the discussions and building up trust, understanding and experience of collaborating.

Practically, the PI approach meant that the project managers supported the two SLTs and on one occasion, a number of Trustees, to be in structured dialogue with each other during the project. Three participative inquiry sessions were held during October and November. Through this approach, the hard work of building understanding, listening for difference, and cultivating relationships began to happen. This process of participative inquiry was complementary to the data gathering and analytical work; and long-term, having invested in it now will also speed up the process of implementing change if a new single entity were to be established.

4. Workstream findings

The workstreams ultimately were the forum for scrutinising each organisation in depth and establishing if there were any previously unknown risks, issues or problems that Trustees should know about. They also were the vehicle for exploring the benefits of coming together. The headlines across all 10 workstreams, were that:

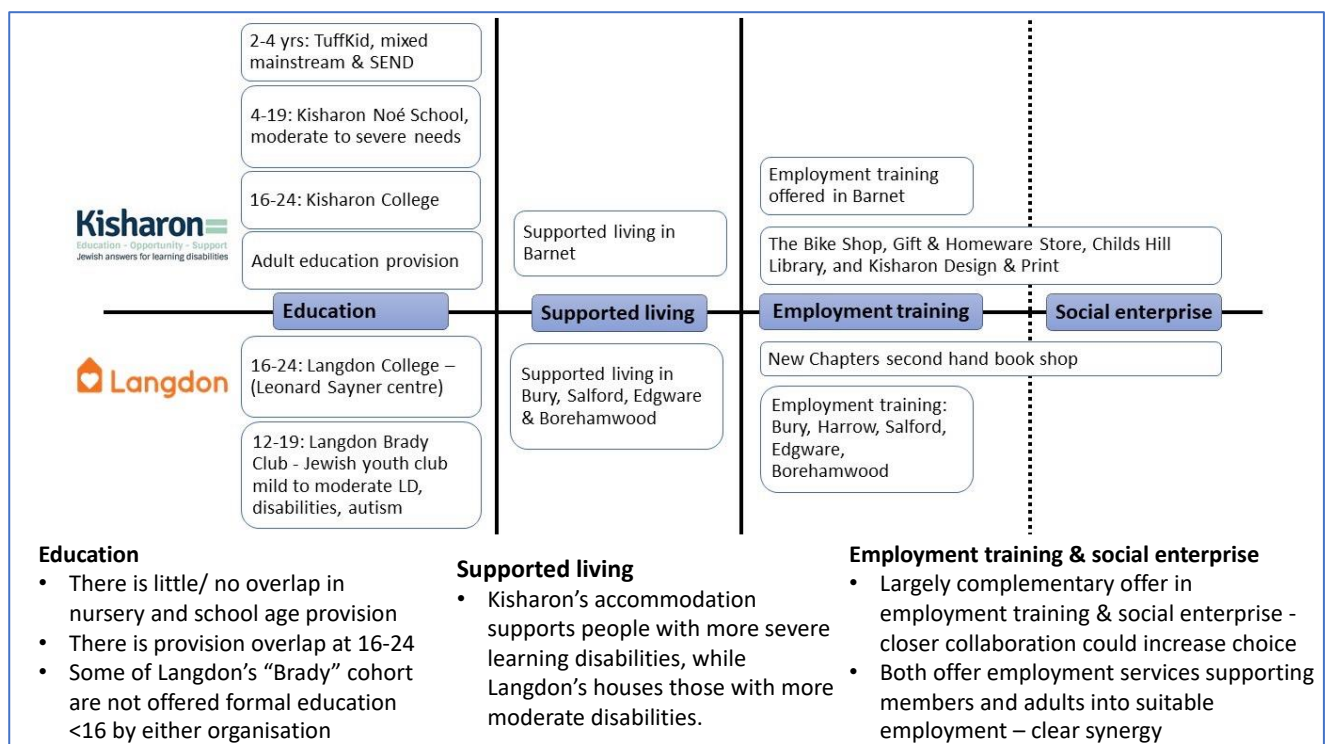
- no “red-flag” issues - i.e. risks sufficient to halt the work - were discovered
- where there were differences in approach, groups developed compromise approaches fairly easily, even in areas of the greatest sensitivity
- there were clear and in some cases, very positive assessments of the possible benefits of coming together, with the strongest assessment of the benefits of creating a single entity stemming from the four groups working on Education; Fundraising; HR/People; and Employment, Enterprise and Training/Day Opportunities

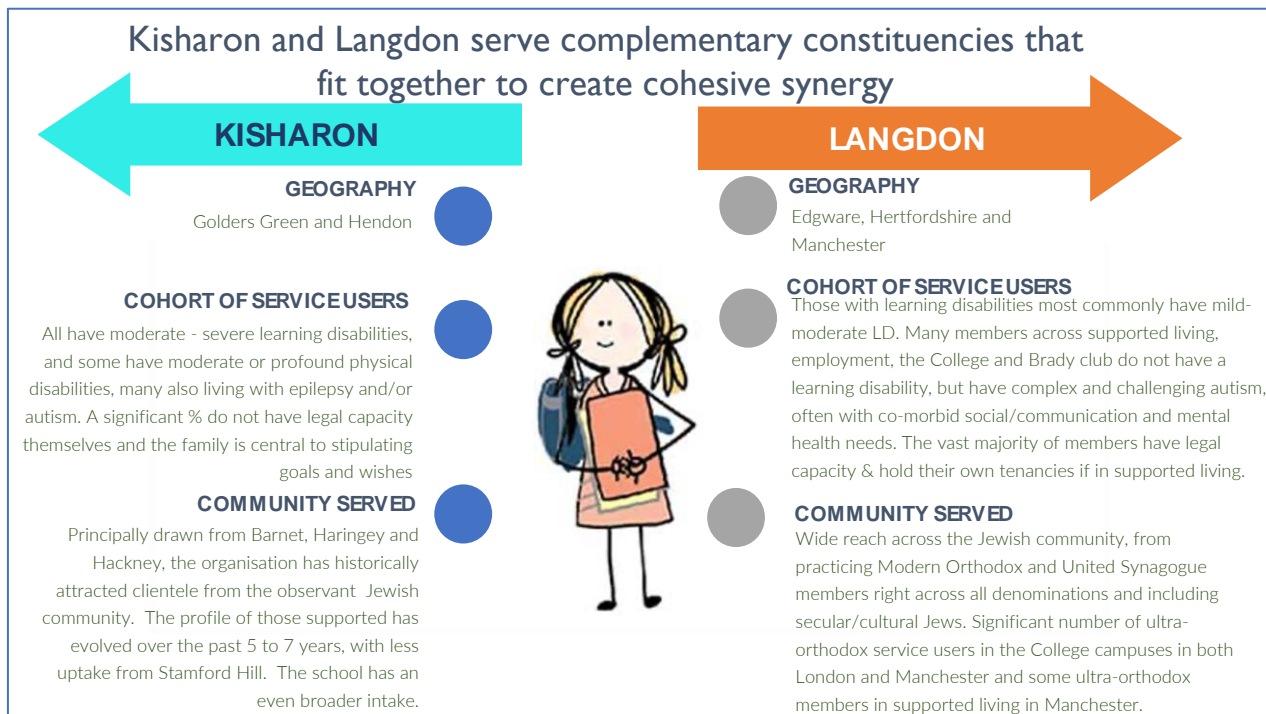
The completed reports for each of the workstreams can be found in the Appendix document, which contains a wealth of important information and analysis; the main report contains a highly-summarised version of each workstream. The outputs of each workstream include the following:

- High level description of the provision/situation in each organisation
- The current and future challenges facing each organisation
- The group’s collective description of the feasible benefits of coming together

4.1 Workstreams focused on direct service provision

The figures below give a high-level overview of how the service provision of the two organisations fit together and how their offers are different but complementary:





Service Overview

The following sections, based on the findings of the workstream groups, set out the summary of each organisation's provision under the 4 major service headings. The workstreams gathered and analysed extensive information regarding the two charities' provision, operations, finances, staff numbers, service models, policies and much more, beyond these summaries.

Education

There was found to be very little or no overlap between the two organisations at nursery and school age. Kisharon has a nursery provision, 'Tuffkids' for 30 children aged two to four for mixed mainstream and SEND, and recently built and opened Kisharon Noé School that will soon reach its full complement of seventy-two 4- to 19-year-olds with moderate to severe needs. Langdon has no formal provision for these age groups, though it does operate Brady Club which offers informal education provision for 12- to 19-year-olds with mild to moderate learning disabilities and/or autism. Langdon College is for 16 to 24 year olds and operates in Manchester and London currently delivering to 34 students of mild to moderate learning disability and/or autism, as well as PMLD, SLD and ASD learners. Kisharon delivers a smaller college operation out of Childs Hill Library, though formally operates under Langdon College's licence and some of Kisharon supported young adults also attend Langdon College. Both Langdon College and Kisharon Noé School have their own governance arrangements with links to their respective charity boards (see governance workstream).

Employment and Social Enterprise

Both organisations have employment and social enterprise functions, which it was ascertained share values and culture, but which currently are relatively small; there is no duplication between them. Importantly, in terms of service case justification, both charities see their social enterprise functions as part of their charitable offer, as much as – or possibly more importantly than – their function in bringing in income.

Kisharon social enterprises are a trading entity, and each enterprise must fulfil two of the following three principles: Provide meaningful opportunities for the people we support; make a financial surplus; promote the Kisharon brand. The Kisharon bike shop employs eight people Kisharon supports; Equal Gift

and Homeware shop is a 'high-end' gift shop makes a small profit and promotes the brand but only offers a few volunteer hours to people Kisharon supports; Kisharon Design & Print is shifting focus towards festive gifts and Rosh Hashanah involved 28 shuls and community organisations, selling 6,350 units with Kisharon college students and people contributing 100 of 305 hours of work; Childs Hill Library is run in partnership with Barnet Council and volunteers are drawn both from the local community, the people Kisharon support and from Langdon; Kisharon Employment service supports people at Kisharon into jobs and was providing up to 580 hours of supported employment each month before the pandemic. Kisharon's library breaks even and the bike shop comes close to this.

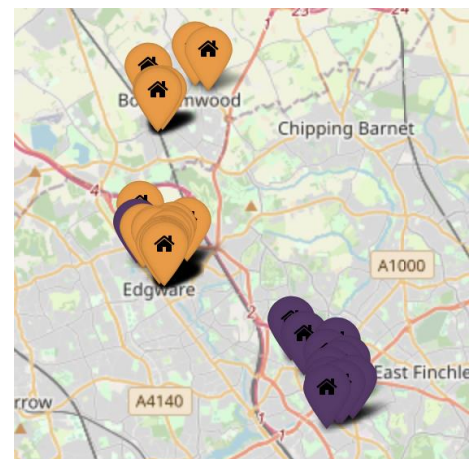
Langdon in turn operates one large social enterprise - New Chapters both in London and Manchester (though Manchester may be closing) - a second hand book and music store and also run an employment service. New Chapters is sustained through significant fundraised income, though the benefits of work and skills development for members is seen as intrinsically beneficial. Langdon's employment service supports 36 members in paid work in London, 8 in Manchester and a further 22 volunteer placements and is funded through grant and fundraised income. It provides a dedicated job coach for up to 12 months for adults with a learning disability or autism who are motivated to find employment and need support. It is currently oversubscribed with demand from both adults Langdon supports and outside of the organisation. Langdon has recently been successful in generating a £300k grant over three for the recruitment of two additional employment coaches which will enable it to respond to the demand and enhance the outcomes of those benefiting from the service

Adult Care and Supported Housing

The service core of Langdon – by far its biggest service – is its supported housing. Kisharon also offers supported housing.

Kisharon have 30 adults in supported living which will rise to 33 with Decoy Avenue opening. Their minimum hours to make a placement viable is 20 and their supported adults vary from this to 24 hours per day support with waking night and a ratio of two staff to one supported adult. Langdon have 120 people in supported living with 80 in London and 32 in Manchester. Their viable supported hours range from two (with a few less than that) per day to 24 hours a day though 24/7 support is mostly provided on a shared basis, though the average is 36 hours per week. Manchester demand has been flat although it has been picking up and there are significant packages in the pipeline. Enquiries in London reached 20 per month during the course of this piece of this work and there are 7 new placements simply waiting for LA panel decisions on funding. Both organisations place people in gender specific households (with one potential impending exception in Langdon), and with regards to safeguarding, religious observance and level of Kashrus. 20 out of Langdon's 120 members in supported living come under CQC regulation whilst almost all Kisharon's 34 supported adults do (CQC regulate if personal or nursing care involved).

Kisharon's housing is mostly property sourced for purchase or rental on the open market which are then rented through JLiving. Langdon have a mix of owned (more in Manchester) and rented properties and these are managed in house by a small housing team. Langdon outsource maintenance in London (albeit we are looking to bring this in house) and employ a maintenance person in Manchester. Kisharon employs a maintenance person who works across housing and other Kisharon properties. The geographical spread of owned and rented properties across both organisations can be viewed [here](#). Kisharon properties are generally in good condition with one needing refurbishment; Langdon's London accommodation is in better order than some of the Manchester properties, though there are funds and a programme in place for improvements. Both organisations plan to



continue sourcing rented properties, and Kisharon has a project beginning with Industrial Dwellings Society to redevelop its property on Finchley Road that will provide six to eight new flats.

Both organisations identified that a central challenge for their services is “cohorting”, i.e. identifying suitable groups of people to share accommodation units. The services have similar cultures, values and operating models, which is perhaps unsurprising in such a highly regulated, statutorily commissioned and funded service.

Day Opportunities/Activities

Relative to the service areas covered above, there is more difference in current provision models in day opportunities than in other services. However, Kisharon are at the start of a significant transformation project around their day services, as a result of which their services may align more with the ethos of service delivery and models in Langdon.

Langdon’s focus is on community-based engagement, with a social activity programme that includes pubs, going out to eat in restaurants; live music and events; arts and creativity; and building life skills including healthy eating, physical exercise and digital skills. Langdon’s new strategy is developing a comprehensive programme providing a programme in four themes: Wellbeing, Community Connection, Employment and Skills, and Beyond Business. Cohorts who Langdon support are active in the community and want to do things others in the age group do. Kisharon offer day opportunities either using direct payments or privately funded. Kisharon is transforming in this area and moving a 9 to 4pm programme into ‘Good Days’: a more dynamic, flexible approach that will offer supported activity in evenings and weekends.

4.2 Workstreams focused on drivers of service quality

In these sections, summaries are given of the workstreams’ analysis of the current state of the various functions that support service provision and drive quality.

Finance & Property

This workstream scrutinised the nature and extent of the property portfolios and their geographic footprint; the financial status of each organisation; and undertook a cost benefit analysis exercise to compare a proposed new organisational structure with the alternatives, and with the current organisational structures of the two organisations.

The finance work included analysis of assets and liabilities, income streams and expenses; looking at statutory and management accounts; key contracts and agreements; various technical schedules and financial projections/forecasts from both organisations. Nothing substantive was identified of note in either organisation on contingent liabilities, financial management, internal controls, pensions, or accounting policy (except valuation of properties).

Kisharon and Langdon have some structural similarities, but also differences: Langdon operates as a single charity group, with activities split into different entities: property ownership, mortgages, fundraising, and head office (Foundation); housing management (Housing); college (College); and everything else (Community). Kisharon has most activities in its eponymous entity, with social enterprise (Enterprises) split out, property ownership and mortgages in Kisharon Charitable Trust (KCT), and the school in Kisharon Academy Trust (KAT).

Although there are some theoretical restrictions to this, in practice cash can move fairly freely between entities. Both have good liquidity at the moment; on a net current assets basis, Kisharon at £1.6m (Aug 2021); Langdon at £1.3m (Oct 2021), excluding a mortgage it is refinancing.

Both organisations have property financed through secured loans. Kisharon has £2.8m loans outstanding, Langdon has £4m. Langdon is in the process of completing the negotiations to refinance this with Unity Trust Bank, and is intending for the first time to switch to a repayment mortgage. Both Kisharon and Langdon have financial covenants which are broadly similar, with the one that matters most being the debt service cover covenant, requiring them to keep EBITDA at least 150% of loan payments.

Langdon has many more properties than Kisharon, but they are cheaper properties. Kisharon has £19m of properties on its balance sheet, including £12m for the school. These are not revalued, so the fair value may probably be £20m-£21m. Langdon holds £10m of properties.

It is felt that most of Langdon's properties are in a worse state of repair than Kisharon's; this applies particularly to the Manchester properties. Langdon is working through a £736k restricted fund aimed at improving its property portfolio.

Kisharon has plans to develop its site on Finchley Road. If successful in its partnership, it will end up exchanging the site and £1m for 8 flats, and ground floor space suitable for community/day ops/social enterprise purposes; the partner would get 9 flats. The pre-contract for this development is signed, with express terms of a contribution of £1.1m.

Differences in letting process were identified: Kisharon's supported living properties are let via a housing association (JLiving), whereas Langdon do it directly. Discussions on scale vs. quality suggested historical differences in strategic emphasis between the two organisations regarding supported living.

Regarding income and expenditure, both organisations have services that are effectively cost neutral (e.g. Langdon College & Kisharon's TuffKid nursery), activities that require subsidy (e.g. social enterprises, day ops/activities). Supported Living shows surpluses for both organisations in the way they typically look at it, but this is without including full cost allocations from head office costs. Langdon does allocate rental costs to Langdon Housing; for Kisharon, there is a 'hidden' subsidy from owned properties not paying market rent.

Although there are some variations in pay structures, they are not large. The biggest difference is in the pay of support staff, one of the largest costs for both organisations: Langdon pays more (£9.85) for unqualified support workers, as opposed to Kisharon's pay for unqualified support workers of £9.33. However, Kisharon pays more for qualified support workers (£10.97) and lead support workers (£13.26), as opposed to Langdon's pay rates of £10.83 for qualified support workers and £11.86 for lead support workers. Kisharon has approximately 29,000 unqualified hours; Langdon in London, it is estimated, has about 55,000 qualified hours plus 14,000 lead support worker hours. Assuming each of these were uprated to the higher rates, the combined cost would be about £42k p.a. In Manchester, Langdon is paying about the real living wage (£9.90) for qualified staff (£10.00) and £9.60 for unqualified; if the decision were made to bring qualified staff up to real living wage and maintain differential, there is an additional cost.

In terms of forecasts, both organisations see things continuing much as they are now, with continued growth in the number of supported living placements. Kisharon is currently assuming growth of five supported living clients each year; as at January 2022, as a representative snapshot, Langdon has 7 active referrals awaiting local authority funding approval and another 3 people at various stages of the referral

pipeline. For Langdon, the big change is in switching to a repayment mortgage – its forecast shows the need to fundraise more to cover these repayments.

HR/ People/ Culture & Equalities

This workstream covered management staffing, structures and roles, carer/support staff, staff engagement, staff longevity and benchmarks for qualifications in each organisation. It also aimed to address questions about organisational alignment and equality, diversity and inclusion.

The Senior Leadership and Management Teams are strong in both organisations and both are working actively to invest in and develop the quality of management at lower levels. This matters because the experience of how an individual line manager supports and trains someone is the biggest determinant of whether they stay or leave. Retention and turnover are challenges in both organisations.

As of January 2022, Kisharon have a total staff headcount (including full time and part time staff) of 162, and Langdon 230. (These headcount numbers will vary over time due to the nature of the workforce, including having many part-time care staff). Structurally, there are two significant differences in how the workforce is managed: at Langdon, the HR Manager is a full member of the SLT, whereas the post is at one level lower in Kisharon. Secondly - and quite fundamentally for the cultures of the two organisations - at Langdon, the 33 College staff are managed entirely independently of the main Langdon HR department, whereas the 46-school staff of Kisharon constitute a significant proportion of the workforce at Kisharon. Full details in table below.

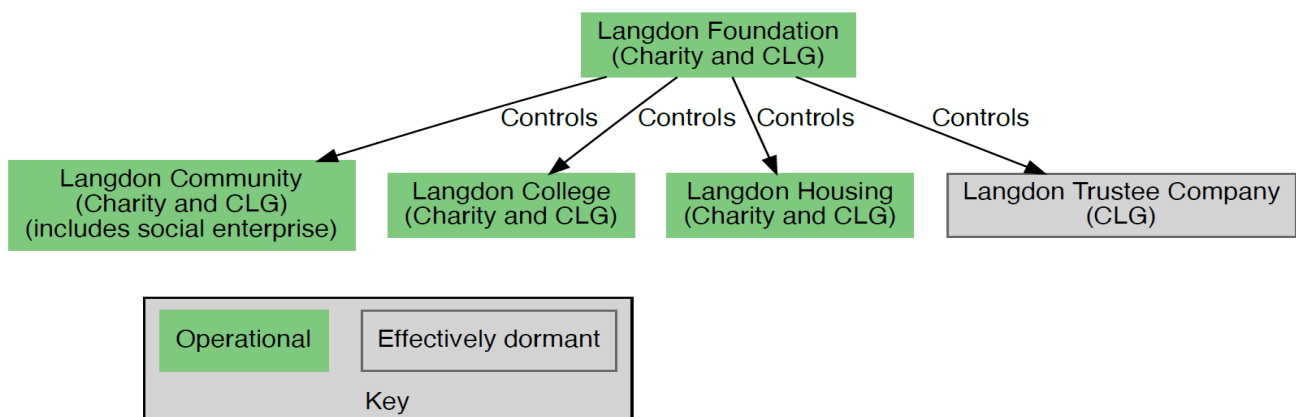
No. employees	Kisharon	Langdon Total	Langdon London	Langdon Manchester
Head Office	24 employees, 7 self-employed	30	26	4
Supported living	61	140	92	48
Day services	18			
Employment	1	2	1	1
Social enterprise	10	9	8	1
College	3	36		
Nursery	9			
School	46			
Housing		4	2	2
Youth Services			9	

Governance

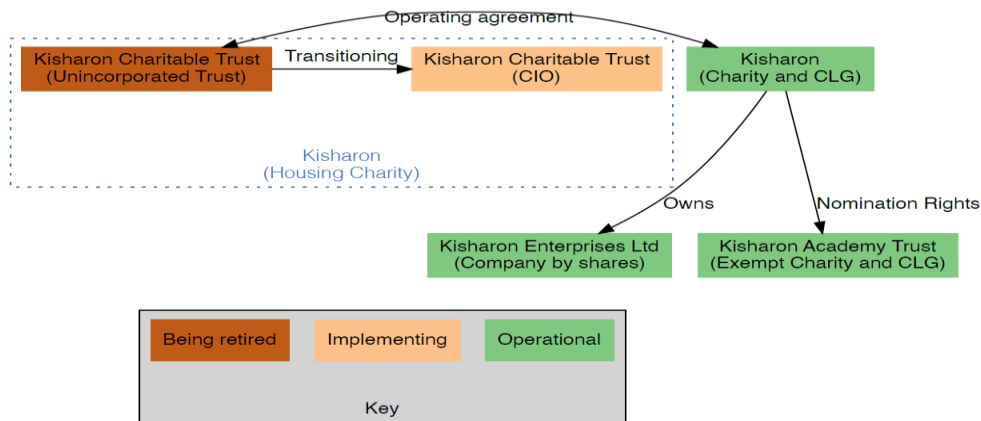
This workstream reviewed how governance is structured and works in practice across each organisation and developed proposals for governance structures both for the initial phase of transition following any signing off of an MOU, and the direction of travel for the longer term. The current sub-committee structures of the two organisations are as shown in the figure below:

Kisharon	Langdon
Main Board	Main Board
Nominations	Nominations & Remuneration
Risk (Audit, Property & Corporate Services)	Finance, Audit & Risk
Fundraising & Marketing	Fundraising
Operations	Clinical Governance
	Housing & Property
	Community Services
School Governors	College Governors
Subsidiary statutory boards	Subsidiary statutory boards

Langdon has a series of legal entities, mostly controlled by the Langdon Foundation: Langdon Community, Langdon College, Langdon Housing and a mostly dormant Langdon Trustee Company, although Langdon College can be somewhat independent of the Langdon Foundation. 4 new Trustees joined the Langdon Board following elections, held for the first time in April 2021. Langdon also recently restructured and developed a committee structure beneath the Board that undertakes significant work for the Foundation and includes as committee members a significant number of experts and other community stakeholders, in order to improve oversight (and act as pro-bono consultants). For example, the current refurbishment programme of supported living properties is overseen by the property committee.



Kisharon also has a number of legal entities, though here they are structured more independently. The Kisharon Charitable Trust holds the property assets and an operating agreement with Kisharon Charity, which owns Kisharon Enterprises and nominates trustees to Kisharon Academy Trust, which is otherwise independent of the Kisharon Charity. There had not been much change in trustees even though elections should have taken place every four years, though recently 3 new trustees joined the Kisharon Charity board. Trustees are also more directly involved in the championing and delivery of significant property projects.



Looking ahead, the workstream saw the importance of any future arrangements reflecting a partnership of equals through its governance structure and the people involved. Future governance structures for each of the options as well as potential wording for charitable objects can be found later in this document, section 9, Governance & Ethos Appraisal.

Religious Ethos

This workstream assessed the similarities and differences and possible alignment between the two organisations regarding religious ethos, and inclusion. Policies and practice were considered, relating to Kashrus, Shabbat, rabbinic authority, scope of who is served (i.e. who is “Jewish”); and how far religious practices are central to the ethos and culture of the organisation. Both organisations fundamentally are committed to being person-centred, i.e. to shaping care and support around the wishes of the individual. A way forward was found, the outputs of which appear later in this report as part of the governance and religious ethos appraisal.

Systems

This workstream reviewed the IT systems that are used in each organisation for finance, fundraising, CRM, care support, HR and property; and considered whether a new organisational structure could provide a better long-term outcomes in this area. Current systems are as follows:

Core systems	Kisharon	Langdon
Finance	Sage	Sage 70 (On premises) Langdon College on a separate system
HR	Sage HR Kisharon is intending to procure a replacement. Bamboo deemed unsuitable as no rostering.	Sage HR Langdon about to procure...Bamboo is favourite (but has no rostering).
Payroll	Sage Payroll Kisharon is intending to procure a replacement	Manual exports + outsourced payroll company
Rostering	None currently Kisharon is intending to procure.	Tagtronics Not universally used.
Fundraising	Raiser’s Edge (Cloud-based) Transitioning to this from old system now.	Raiser’s Edge (Cloud-based)

Property Maintenance	CAR Property (Tracking, Scheduling, Budgeting)	MaintainX iAuditor (Property Checks)
Care	Iplanit	IROC (Outcomes) – London only iAuditor (Medication Checks) KPI (Case Management)
Desktop & collaboration	Office 365	Office 365 (Windows) Teams/Sharepoint/Box
Telecoms		3CX Spitfire (Voice)

Overall, it was concluded that the same systems are used for many aspects of operations and that this would make any integration substantially easier than it might have been. One area was identified as being at risk of imminent divergence: HR systems. Although both organisations currently use Sage HR, both are about to procure different replacements.

Fundraising & Marketing

This workstream reviewed the differences and similarities in approaches to fundraising and assessed the cross-over in charitable trust and major donor funders across the two organisations, as well as looking at any potential impact on future ability to fundraise, and options and appetites for brand strategy.

Both organisations' fundraising functions have performed well in recent years and have identified opportunities for growth in their strategies. Langdon's voluntary income has seen steady growth, particularly in trusts and foundations, with campaigns income more recently, and while they were previously more reliant on events fundraising, their income profile is now much more diverse. Kisharon, meanwhile, has undertaken very successful capital fundraising and major donor work in recent years. Both charities are focused on increasing their income through legacies and mid-level donations (e.g., regular and "cash" giving) and this is potentially a strong area of opportunity if working together more closely.

Analysis of supporter overlap between the two organisations shows that in terms of foundations, 19 supported both organisations in the last three years, and only nine of those had given more than £10,000 to both, totalling £2.78M. Of these nine, three are giving more than twice as much to Kisharon and 2 more than twice as much to Langdon, while 4 give similar amounts to each (£321.5k). Similarly, of the 387 individual donors who supported both organisations, only 22 donors made cumulative donations greater than £1,000 to both organisations over the last three years (giving £311,261 to Kisharon and £374,127 to Langdon).

5. A common purpose: the vision and goals of a single new organisation

The original tender documentation for the project managers did not ask for any further work to be done on the top-level strategic framework for the preferred option of a single new organisational entity. However, as the project developed, the Steering Group asked that work be undertaken to create afresh an aspirational set of strategic descriptors that would inspire and drive the work.

The strategic descriptors shown here were developed by capturing the language, ambitions and ideas of the SLTs and Trustees, particularly through the Participative Inquiry workshops and encounters with each of the trustee boards. The CEOs and SLTs then continued to develop the framework during December 2021.

6.1 Proposed Strategic Framework for future single entity

Our Vision

That people with learning disabilities and autism are supported to thrive.

Our Mission

To offer outstanding, whole life opportunities so that the people we support can live aspirational, interdependent, lives, reaching their potential, contributing as equals in our Jewish community and beyond.

Our Offer

We will become the trusted provider of choice in the Jewish community for children, young people and adults across a broader range of need from mild to moderate to profound and multiple learning disabilities and across the autistic spectrum.

We will build an outstanding offer, with comprehensive, holistic and best in class services, delivering improved outcomes, and supporting more independent and fulfilling lives. We will work together with our members, enabling them to develop friendships, thrive, and be valued by their communities.

We will provide:

- A pathway for parents that will offer a seamless service through all education key stages for children offering nursery, school, and college provision and lifelong learning opportunities into adulthood.
- A support and housing offer to new and existing adults in peer groups more suitable to levels of need, location, religiosity, and gender.
- A wider range of training and employment opportunities that will ensure we are able to offer a person-centred approach unique to each person.

An organisation with greater reach will attract more resources, enabling us to offer 'wrap around' support with care, supported living, education, lifelong learning, training, employment, and fun underpinned by traditional Jewish values. A focus on each person, meaningful relationships and interaction within the localities we operate will enable each person the opportunity to thrive becoming valued contributors to their local community.

Our Voice

Increased scale and dynamism will support a powerful voice, able to advocate for and strengthen awareness of Learning Disability and Autism in the Jewish community and beyond, advocating for greater inclusion in education and employment, with gravitas to attract resources from local authorities, central government and other major funders. More people will be involved in decisions that affect their lives ensuring their voices are heard, that they are engaged, secure, confident, excited and empowered.

Our Community / Identity

We will build a stronger learning disability identity and brand that will be recognised for the best of Jewish values and ethos in education and support for which both organisations have been known. Our growth will enhance our ability to meet the projected increase in need. Our diversity will ensure we can offer culturally appropriate services for all sections of the Jewish community enriching the Jewish lives of all those we support. By coming together, we can immediately offer a greater range of places for those

we support in Hendon, Golders Green, Edgware, Borehamwood, Manchester and Stamford Hill and extending our community-based model to wherever it is needed.

Our People

People will be at the heart of what we do, as it is through our people that we are able to deliver the caring, supportive, and ‘family’ style services we are known for. We will build a values-led organisation able to attract an even better workforce and volunteers, with more specialist roles, stronger professional development and career pathways, recognising talent and investing in learning and development. We will ensure our people are empowered at the front line to get things done, supporting motivation and wellbeing. With a stronger brand and better learning and development, we will be more able to appreciate all staff and volunteers, supporting better recruitment and retention at all levels of the organisation.

Our Funding

We will create the critical mass we need giving us greater leverage with public sector commissioners and the ability to create a broader and more sophisticated fundraising operation. This will give us the scale to help us recruit, retain and steward donors and investors, building a larger support base. With a larger asset base and team, we will be able to strengthen our housing, asset management and development functions. Greater fundraising capability, will enable us to upgrade existing housing, acquire and develop new estate assets and realise our vision for tertiary education supporting the transitions that follow.

Our Strategy and Quality

With improved operational efficiencies, reduced overhead cost, and greater purchasing power, there will be scope for investing in bolder thinking and improved creativity, enabling us to develop different models of support. We will develop our skills and capacity to meet the needs of our existing community as they grow older, and the projected growth in the learning disability and autistic populations. We will prioritise a focus on quality, ensuring people we serve are able to both support our improvement and inform our direction. As we grow, we will seek to work more collaboratively ensuring that, as leaders in the field of learning disability and autistic spectrum conditions, we will build the vision and long-term capacity for the Jewish community to meet future need, supporting and working with community organisations that share our values.

6.2 Targets and objectives for a future single entity

The Steering Group also asked for work to be undertaken to shape a draft “strategic plan” for any possible new entity, containing a set of tangible targets that a future organisation might reasonably be expected to achieve over its first 18 months, 3 years, 5 years and 10 years. The targets below are a very first draft created by the SLTs that give a sense of what could be delivered.

18 months

Strategy and Governance	Marketing	Funding	People we support/ members	Workforce	Community
<p>Agree and implement new structures - secure regulatory approval</p> <p>Identify and implement anticipated minimum £500K identified efficiencies / economies of scale to be reallocated to front line services</p> <p>Review, rank and cost new strategic priorities</p>	<p>Implement and launch Brand</p>	<p>Identify and secure Cornerstone Leadership Giving Commitments</p> <p>First combined fundraising initiatives: enhancing donor recruitment, retention, and stewardship prospects</p>	<p>Exploiting synergies between different, but related service offers</p> <p>Consolidate the range of opportunities for members and their families</p> <p>Build trust of members and their families to maximise the level of support for organisation</p> <p>Creation of regular family led support groups offering mutual support and learning</p> <p>Consolidate and enhance quality assurance systems and processes – safeguarding, auditing, compliance, complaints</p>	<p>Integrating cultures – Creation of a distinctive identity. Specific mechanisms to be put in place to help develop a sense of shared ownership - open discussions, away days, staff meetings</p> <p>Improve workforce competence and productivity through sharing of best practice by increasing number of qualified staff by 15%</p> <p>Integrate the different systems and processes of the organisation</p>	<p>Four designated youth clubs and holiday schemes, targeted at different age groups (Langdon Brady)</p>

3 years

Strategy and Governance	Education	Housing	Community	Employment	Funding	People we support/ members	Workforce
Complete digitisation of on-line care management support, HR, rostering and e-learning platforms and utilisation of assistive technology to meet Integrated Social Care requirements ^[5]	<p>Ensure provision is in place for primary and secondary educational anticipated growth</p> <p>Relocate shared Further Education College onto purpose-built site increasing joint capacity to 50 students</p>	<p>Build first joint £10m 20 Unit mixed Supported Living and Social Housing scheme^[8]</p> <p>Initiate housing stock standardisation and upgrade on a rolling programme for 100 existing units located in London and Manchester for redecoration and/ or upgrade in facility and function where or as appropriate (Cost: tbd)</p> <p>Dispose (and reapply) assets superfluous to requirements (Value tbd)</p>	<p>Develop Langdon Community and Kisharon's Good Days^[9] day and community support programming in line with agreed community-based strategies^[10]</p> <p>Scale up community assets available in terms of volunteering opportunities and partnership working with other organisations volunteer capacity to increase by 20%</p> <p>Expand youth provision to different geographical areas and different age groups - reaching a 100 young people and young adults on a regular basis through weekly clubs and holiday schemes</p>	<p>Unify and extend offering, increasing opportunities available from 180 to over 2350 placements</p> <p>Ensuring 60% of all placements are in paid P/T or F/T equivalent or voluntary positions</p> <p>20% increase in positive outcomes e.g. successful employment placements</p>	<p><i>Statutory Income</i></p> <p>Accessing full Housing Refurbishment Support available under the proposed Social Care Legislation^[12]</p> <p><i>Voluntary Income</i></p> <p>Develop national reach for revenue fundraising contribution (extending from London, South Herts and Manchester base)</p> <p>Launch Philanthropic Endowments Initiative</p> <p>Venture Philanthropy: initiate plans for Social Investment (SIB) Financing to develop property portfolio</p>	<p>Integration of social work capacity to improve assessment processes, transition, and admission arrangements</p> <p>Develop and embed evidenced based/ strength-based framework linked with development and outcomes for all people we support – choice, control and self-determination</p> <p>Enabling a holistic service offer to people we support and families – ‘one stop shop’</p> <p>Expanded range of meaningful community activities and opportunities for people we support</p> <p>People we support involvement at all levels of the organisation – recruitment, training, quality assurance</p> <p>More streamlined way of working with IT infrastructure and software - common telephony and email, common IT, finance and CRM systems, and integrated website</p>	<p>Development of a workforce learning and development programme to ensure quality and consistency in support, linked with qualifications and workforce training.- increased number of qualified staff to level 2/3 by 30%</p> <p>Create an employee recognition scheme to boost positivity and morale</p> <p>Enhance approach to volunteer recruitment, training and deployment to support member activity & Jewish ethos</p> <p>Reduce staff turnover by 10%</p>

5 years

Education	Housing	Employment	Workforce	People we support/ members	Workforce
<p>Create Multi-Academy Trust^[14]</p> <p>Further extend the reach of 16-25 educational offering (releasing additional space for anticipated growth in early years education taking place within the first three years)</p> <p>Initiate planning to extend facilities for Nursery Education</p> <p>Initiate education Initiative for people with SEND, Learning Disabilities and /or autism covered by the CARE Act but who are unlikely to attract EHCP funding)^[15]</p>	<p>Complete 50% of Rolling refurbishment programme to aspirational standards necessary for DDA compliance</p> <p>Redevelop Langdon College sites for “next-gen” residential and supported living</p> <p>Initiate programme to develop appropriate proportion of the identified 100 extra accommodation places required in the community by 2035^[16]</p>	<p>Increasing number of placements to 360 in paid P/T or F/T equivalent positions and/or voluntary roles</p> <p>40% increase in positive outcomes e.g. successful placements</p>	<p><i>Statutory Income:</i></p> <p>Commence utilisation of Housing refurbishment support secured</p> <p><i>Voluntary Revenue Generation</i></p> <p>Embed national fundraising campaigns^[17]</p> <p>Grow philanthropic endowments initiative</p> <p><i>Venture Philanthropy:</i> look to utilise Social Investment Bond (SIB) or equivalent asset-based financial instruments to finance the development programming</p>	<p>Services, including housing, community opportunities, employment and support are joined-up to offer seamless care experiences of person-led support</p> <p>Serve new communities in different geographies – expand service provision in Manchester and Hertfordshire</p> <p>Offer specialist care to elderly people with learning disability</p> <p>Develop transition services to preparing young people for adulthood</p> <p>Work in a collaborative and integrated way with health, housing, transport, leisure, and other services, to deliver person-centred care and support, create new opportunities to improve outcomes for people</p> <p>Using the potential of technology to support people's lives and aspirations e.g. smart technology, sensor devices, e rostering, digital social care records</p>	<p>Improve benefits, employment conditions, to attract and retain more social care staff with the skills and confidence to provide good care – reduced staff turnover by 20%</p> <p>Further increase the diversity and inclusiveness of the workforce, creating career opportunities that appeal to all parts of the community – 20% increase in the number of people from ethnic minorities within management teams</p> <p>Piloting alternative ways of working both new and traditional e.g. flexing to focus on promoting independence and innovation - Personal Assistants, Community connectors, Wellbeing workers and recruitment of specialist practitioners such as OTs and increase in social work capacity</p> <p>Development of organisational knowledge and skills framework and career structure</p> <p>Promotion of best practice and wellbeing culture, backed with clear benefits of investment informed by interventions and pilots</p>

10 years

Strategy and Governance	Education	Employment	Funding	People we support/members	Workforce
Look to implement further communal consolidation in London and Manchester	Extended Nursery Education offering / facilities	Complete 100% of first round of rolling refurbishment programme	<i>Statutory Income:</i> Secure additional support based on enhanced track record	New models implemented based on key and emerging areas of need and gaps in service provision – e.g. Autism, Early Intervention, Transition	Enable specialisation in specific areas such as supporting people with, autism, end of life, dementia
Extend reach of Supported Living / Community Engagement to Gateshead/ Scotland	For Primary / Secondary Education, either: Joint initiatives with Geshet / Aim Habonim (Manchester); or create a new School ^[18]	Identify/ work on joint initiatives with other communal providers identified to remedy shortfall in supported living housing supply	<i>Voluntary Revenue Generation:</i> Explore opportunities in US / Israel based on models developed ^[19]	People's ability to live at home independently and reduce the need for care ^[20] , through use of technology and home adaptations	Development of further pathways for leadership programmes and career progression
Further develop Manchester offering	Implement "Missing Education" plan (for those covered by the Care Act but unfunded)	Developing/ securing at least 50% of the appropriate proportion of additional housing stock identified as required	<i>Venture Philanthropy:</i> look to additional raising based on track record	Integration of digital technology, AI, and shift towards some remote delivery of care through online technologies including mobile computing, personal and wearable devices and "the internet of things". Advanced data and analytics to fill gaps in knowledge about people who need and draw on support in order to better shape services for the future. Develop schemes for palliative and end of life support with appropriate and relevant other communal providers	A digital hub for the workforce to access support, information and advice, and a portable record of learning and development

7. Options Appraisal: the impact on services

This section provides a summary of the formal options appraisal, comparing the impact on services of the "Preferred Option" ('New Jewish Learning Disability Company formed out of a merger of two organisations') identified prior to the start of this project, with the other 4 options stipulated in the tender documentation.

The focus for the options appraisal is the service case and the potential impact on current and future beneficiaries. This focus reflects the position of both Boards that the sole question driving the entire project is whether a different organisational structure would deliver better services and impact for the charities' beneficiaries and for the community. Other areas have been included in the service case options appraisal because their effective operation impacts significantly on the service case. The service case options appraisal is followed by a financial analysis, cost benefit and funding analysis (section 8), which is then followed by an appraisal of governance options and religious ethos (section 9).

While we have made assessments in this suite of papers about the relative merits of the various options for closer working, it should be noted that there will also be risks associated with doing so which will need to be mitigated. We have included a risk register in the main report, compiled by the two organisations' Chief Executives.

7.1 Background and process for the options appraisal

The Chief Executives and Steering Group had previously identified and evaluated 5 different organisational models. The Chief Executives' assessment of the merits of each option, as shown in the right-hand column below, were set out in a paper agreed by the Steering Group in June 2020:

Option	Chief Executives' comments (June 2020)
1. Joint working on specific projects, with a view to forming an 'ever closer union'	<i>"This would be a very disappointing outcome"</i>
2. Shared back office	<i>"The effort would not be matched by the return"</i>
3. Subsidiary model, formed out of one or two becoming semi-autonomous entities within one of the organisations acting as the parent	<i>"Not fit for purpose in terms of unequal distribution of decision making"</i> <i>"Unpalatable enough to raise serious questions about its viability"</i>
4. Shared infrastructure body (Three components/identities preserved in some way - e.g. 'x' is the provider of some services; 'y' the provider of others, etc – but planning and budget-setting, as well as back office, etc is carried out 'centrally')	<i>"Possible merit as a holding structure, pending further building of trust and relationships required for full integration"</i> <i>"Risk of upheaval, confusion, minimal savings and lack of coherence and cohesion required by drivers"</i>
5. New Jewish Learning Disability Company, formed out of a merger of all three, or two out of three	<i>"Most likely to deliver benefits effectively and efficiently"</i> <i>"Most coherent proposition in relation to the drivers and the need to act decisively in the context of the new normal post Covid-19"</i>

One further important point to note is that Option 1 is essentially a "do nothing/maintain status quo" option, as the two organisations have increasingly been working together on shared projects and collaborating informally across a wide range of areas for a number of years.

During the course of the project, particularly as a result of the in-depth conversations within the Governance workstream, two further options were proposed, which are for the purposes of this report regarded as variations of option 5. These two additional options are as follows:

5a: A group structure that would put everything possible in the 'topco' such as HR, strategy, fundraising, property and education, employment and social enterprise (though even some of these elements may be best delivered through separate entities fully owned by 'topco') with smaller Kisharon and Langdon delivery organisations continuing for the purpose of delivering community and adult care/supported living services with differing approaches. This option was suggested by Bates Wells Braithwaite, (the project's legal advisors) as follows and was suggested as a potential steppingstone towards full merger: *"Both entities continue to exist, but are formally linked in their governance structure (e.g. one becomes the parent of the other, or a new entity is set up and appointed as parent of both existing entities)."*

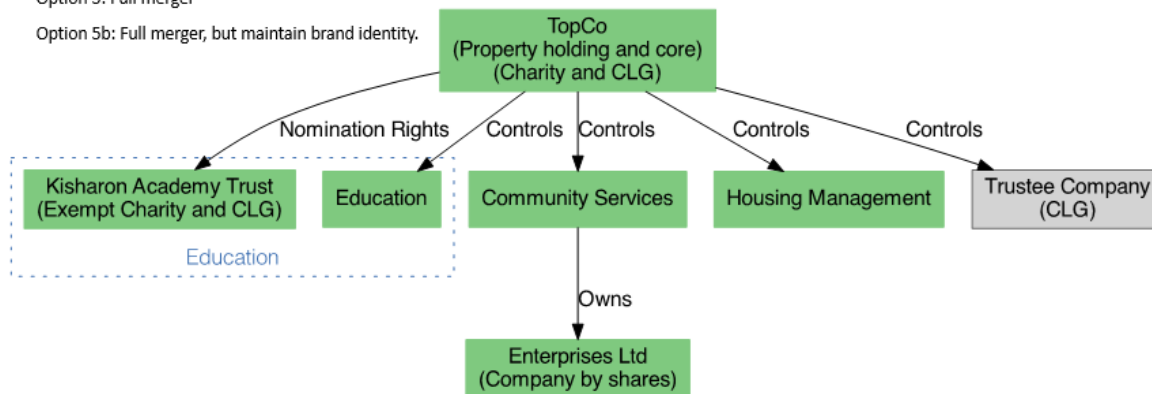
5b: Full merger as 5, except that Kisharon and Langdon identities would remain for specific, identified purposes (e.g. gateway to supported living, fundraising)

Structure charts of both of these additional options are set out below for clarity:

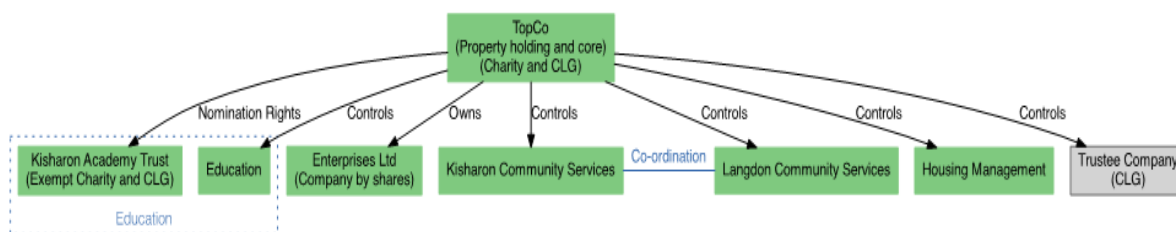
Option 5/5b: Full merger

Option 5: Full merger

Option 5b: Full merger, but maintain brand identity.



Option 5a: Group structure



The method used to undertake the options appraisal was agreed at the Steering Group in December. Whilst at one level it could be argued that the assessments are subjective – representing the views of the workstream participants and the project team undertaking the assessment - the level of detail the work has been developed to and the level of experience across both professionals and trustees who have been involved, helps ensure the analysis expressed here is reasonable and reliable.

7.2 Findings and conclusions of the Service Case Options Appraisal

The following table summarises the conclusions of the Service Case Options Appraisal. It demonstrates that this formal analysis very much reflects the June 2020 recommendation from the Chief Executives to the Steering Group, as shown above. That is, that, in relation to the 5 organisational models identified by the Steering Group:

1. **Joint working on specific projects** could give some benefits, but is already occurring and cannot on its own deliver the step change in outcomes and impact desired

2. Very few of the benefits would accrue with a **shared back office model**; indeed, given that both Boards have consistently reiterated that the key driver for any change is the potential to improve services for members, service users and families, this model falls far short as the primary benefit it delivers is financial alone
3. Whilst a **subsidiary model** could in theory deliver many of the benefits, it is palatable as an option to neither of the organisations and therefore will carry higher risk
4. A **shared infrastructure body** again in theory could deliver some of the benefits, though it would bring less clarity and risk being more cumbersome and complex from a process point of view; it therefore carries a relatively unattractive level of high risk without sufficient moderating benefit.
5. The **three possible forms of a full merger** - 5, 5a and 5b - all have the potential to deliver the greatest benefits across all the criteria for evaluation set out by the Steering Group.

The table below shows the performance of each option against the criteria set out by the Steering Group:

Option	Service: Education	Service: Employment	Service: Care & Housing	Service: Day Opportunities	Service: HR/ People & Strategy	Service: Systems	CBA: Annual Benefit	CBA: Funding (& Brand)	G&E: Governance	G&E: Religious Ethos
1. Joint working on specific projects	?	?	?	?	✗	?	£0	✗	n/r	n/r
2. Shared back office	✗	✗	✗	✗	?	?	£50,000	✗	n/r	n/r
3. Subsidiary model	?	?	?	?	?	?	£292,000	✗	✗	?
4. Shared infrastructure body	?	?	?	?	?	?	£50,000	✗	?	n/r
5. New Jewish Learning Disability Company (merger)	✓	✓	✓	✓	✓	✓	£542,000	✓	✓	Resolvable
5a. Group Structure where as much as possible goes into 'topco'	✓	✓	✓	✓	✓	✓	£439,000	✓	✓	Resolvable perhaps less risk
5b. As 5 whilst retaining existing identifies for specifics	✓	✓	✓	✓	✓	✓	£542,000	✓	✓	Resolvable perhaps less risk

Key: ✓ = Significant Potential for benefit; ✗ = No Significant Benefit; ? = Potential or some benefit though less clarity, higher risk or unattractive.
Service: Service Case Options Appraisal; CBA: Cost Benefit Analysis; G&E: Governance & Ethos Appraisal

The full options appraisal contained in the main report includes a detailed assessment and narrative description of the impact of the 5 organisational models for the services provided by Langdon and Kisharon.

The options appraisal also required the particular scrutiny of the preferred option against a set of “tests”. The appraisals of each test are set out below, supported by the conclusions reached by the relevant workstream in relation to the preferred option:

Services

Education

By coming together as a new single entity, the two organisations could:

- offer an almost continuous education service from aged 2 to 25 (though not in all geographic locations), which could grow further over time to span a wider range of support needs
- bring together the different and complementary areas of expertise of the two organisations to create a gold-standard, consistent quality provision available across more and less orthodox communities, both in London and Manchester
- Kisharon’s reputation with more orthodox communities could help Langdon in Manchester reach the growing orthodox community there
- Langdon could benefit from Kisharon expertise and state of the art facilities for learners with more complex needs and from its staff who could support Langdon’s Kodesh/Jewish Studies curriculum and ethos
- Langdon would bring expertise in working with people with autism and no or mild learning disabilities, which according to the Cordis Bright report will be the fastest growing cohort in the years to come, including within the core Kisharon Hendon/Golders Green community
- through having a larger team and cohort to educate, gaps currently affecting the quality of both organisations’ educational offers could be addressed, including building skills in mental health support; doing more Continuing Professional Development; diversifying the educational offer, creating more choice and better tailored activities.

The medium to long term ambitions expressed would be to relocate both college services into a single new, purpose built, further education college, perhaps bringing social enterprise and apprenticeships into the mix, and increasing the capacity to 50 students; and to establish a Multi Academy Trust as the umbrella body to deliver economies of scale and an improved parent and child experience, unifying Primary, Secondary and Tertiary Education.

Education: Will the preferred option support the delivery of an enhanced range and better quality formal education opportunities to SEN pupils members/supported adults and those not yet in touch with services?	Yes
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Employment, enterprise and training

By coming together as a new single entity, the two organisations could:

- provide a structured and outcome-based framework for employability skills to a wider group, tailored to meet a spectrum of needs, delivering a wider choice of enterprise opportunities and choices for members, linked with a greater number of enterprises, and enabling more specialist interventions, support and skills development
- bring greater expertise to social enterprise development, moving in the direction of being an incubator for social enterprises
- have a wider geographical reach, which would be viewed by employers in the community and Local Authorities as attractive

- bid for 2nd and 3rd tier subcontracts from DWP that could be scalable and saleable
- set up improved pathways and accreditation with the College function, having more robust models for measurement of journey and progress; and provide a more structured end to end service for those who wish to access the labour market.

Employment, Enterprise, and Training: Will the preferred option support the delivery of an enhanced range and better-quality employment support and training opportunities to members/supported adults and work experience opportunities across 'in-house' social enterprise opportunities?	Yes
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Adult care and housing

By coming together as a new single entity, the two organisations could:

- enable the support of more people through better cohorting, as there would be a larger overall pool of service users, creating more opportunities for suitable groupings.
- eliminate current exclusions from supported housing provision, e.g. currently if needs are considered too complex or high, Langdon may turn down supporting a potential member; likewise, adults who require less support than 20 hours would currently not be serviced by Kisharon. Both of these "exclusions" would no longer need to apply
- extend the attractiveness of the offer in the more orthodox communities of Borehamwood and Manchester, where Langdon already has an operational base and staff, but Kisharon's ethos and brand would be appealing
- restructure functions such as housing maintenance for greater efficiency and impact across a significantly wider pool of properties,
- build a new social enterprise around property maintenance, with opportunities for supported adults to have training or get work experience
- build stronger referral to placement pathways, with something in between social work referral/assessment and the housing support team, to support navigation and the family
- strengthen capital appeals that would support property purchases and improvement
- grow more rapidly by extending financial models to include more borrowing, based on having a larger property asset portfolio

Adult Care & Housing	Appraisal
Test 1: Will the preferred option/s support the delivery of better-quality support to members/supported people with learning disabilities – including care packages, key workers, development and care planning?	Yes
Test 2: Will the preferred option/s enable better property management & repair, with the right assistive technologies with more properties owned or long term rented from reputable social landlords?	Yes

Day opportunities

By coming together as a new single entity, the two organisations could:

- offer more options and a more varied portfolio of activities for members/supported people, as well as providing a pathway and journey
- offer a more comprehensive, aspirational and varied programme with a menu of options, potentially offering programmes seven days a week, including evenings
- integrate Jewish culture into their programming, building an offer that has the potential to extend across the Jewish learning disability community regardless of level of learning or

physical disability, and providing more orthodox members or less observant members and/or clients with individualised programmes based on their observance.

- Build stronger links with local communities and institutions, offering more opportunities for integration and participation in wider community life
- Evaluate more rigorously the outcomes and quality of their day opportunities activities, by investing in and applying a single outcomes measurement framework, as a result of which the service could be continuously improved based on meaningful data about “what works”

Day Opportunities: Will the preferred option/s support the delivery of better day opportunities for all?	Yes
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Drivers of service quality: HR/People and Systems

The HR/People/Culture/EDI workstream felt that coming together as a larger organisation ‘*would undoubtedly be better from a workforce perspective*’. It would provide the necessary management capacity to address challenges, be better able to retain high performers through more career development opportunities, a stronger and more intentional in-house learning and development programme and allow the organisation to create more specialist roles. It was also felt that a larger HR team could offer specialists in recruitment and employee relations, an improved service to managers, and better reward and recognition which for both organisations, are underdeveloped currently.

As a ‘people business’, improved support for the workforce should drive an improvement across a range of quality and impact factors. The SLTs of both organisations argued that the capacity to recruit and develop staff more effectively could make a substantial difference to the quality of delivery and outcomes.

A larger organisation is also likely to be able to accommodate more staff with specialisms (such as autism, or LD & older people) and is likely to have its own dedicated learning and development function in house both of which have the potential to considerably improve all aspects of learning and development, improving the quality of outcomes.

HR/People/Culture/EDI	Appraisal
Test 1: Will the preferred option/s support the delivery of an enhanced range and better-quality staff and services?	Yes
Test 2: Are there other areas where the preferred option will facilitate a stronger in-house team that can deliver step change required (eg, fundraising, HR) and better deliver impact/ efficiencies?	Yes
Test 3: Is there enough alignment around organisational ethos and inclusion that would support closer working and a will to learn/shift in each other’s direction on any more challenging area?	Yes

The systems workstream concluded that a new single entity should produce a stronger IT function and expertise, with some small efficiencies: software licences for duplicated software; a potential for volume discounts; limited savings in outsourced support as they will still have a similar number of users, but expectations of some savings on central elements such as security and network infrastructure where there are some economies of scale; potential savings from amalgamating IT support costs, coupled with the potential to in-source activity (feedback from elsewhere in the organisation is that this could reduce delays, and thus improves some operational efficiency).

Working more closely together would also encourage knowledge and experience sharing, driving improvement. This “best of breed” approach should lead to identifying opportunities for improved work, better expertise, and organisation.

Systems test: How easy/difficult is it to bring any systems together: database/systems: property, HR, donors, members; financial systems; development planning (members)?	All achievable (see above)
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8. Cost Benefit Analysis and Fundraising Options Appraisal

8.1 Cost Benefit Analysis

In undertaking the cost benefit analysis of the implications of a combination of the organisations, the workstream considered transition costs (legal, accounting, and consultancy fees, PR, branding, transition management, IT transition/integration, and redundancies) and ongoing benefits (reduced headcount (SLT & back office) with addition back of some middle management/administrative support, reduced premises cost, IT support, IT licenses, software, infrastructure, professional services and central costs, impact on support staff salaries, memberships and subscriptions, and fundraising.)

Assessment of which of these costs and benefits (and in some case what proportion of them) would apply in each of the options produced results as follows:

Option	Transition cost	Annual benefit
1. Joint working on specific projects	£0	£0
2. Shared back office	£53,000	£50,000
3. Subsidiary model	£275,000	£292,000
4. Shared infrastructure body	£163,000	£50,000
5. New Jewish Learning Disability Company (merger)	£615,000	£542,000
5a. Group Structure where as much as possible goes into ‘topco’	£594,000	£439,000
5b. As 5 whilst retaining existing identifies for specifics	£593,000	£542,000

Finances and Cost Benefits	Appraisal
Test 1: Is the cost benefit of the preferred option acceptable? Do any of the alternate options look better from a cost benefit perspective?	See the table above. Whilst the figures in the cost benefit table are estimates for guidance, it is clear that Option 5 or 5b are the clear winners, with 5a a close runner up.
Test 2: Are there particular financial threats and opportunities that emerge for the preferred option that trustees should consider?	Although no obvious issues have arisen, it would be prudent to consider an entity-by-entity cashflow covering the transition period, in light of the particular structure chosen, the schedule of transition work envisaged, and expected Business as Usual activity.

Finances and Cost Benefits	Appraisal
	It is likely that a combination of entities or control would require consent from lenders to both organisations. Early discussions should be had to ensure no last minute obstacles arise (and Langdon should ensure that there are no problematic terms in its current loan negotiations). Note that a combination could give risk to better finance terms than either entity has currently.

8.2 Fundraising options appraisal (including voice and brand)

There were no specific tests set out for voice and brand at the outset. With fundraising, the Steering Group wished to see *‘a critical mass that can give leverage in terms of sophisticated fundraising’* and more consolidated donor support.

The workstream carefully considered the relative risks and benefits of the various options set out by the Steering Group. Detailed analysis was undertaken, as outlined above, to understand the degree of overlap between donors of all forms. Case studies were also sought and considered, in order to understand the fundraising experience of other charities after merger.

The workstream concluded that in relation to coming together, the risks to income do not outweigh the significant opportunities of working together more closely as a stronger fundraising function. The opportunity to recruit and retain excellent fundraising team members would be improved by the creation of a larger organisation, with a total fundraising target more akin to the larger organisations within the Jewish community. From a fundraising perspective, the proposition that the organisations can do more if working together is a compelling ‘ask’.

There was seen to be an opportunity for a greater diversity and balance of income (and therefore less risk), if the two organisations were to fundraise together, building on each organisation’s strengths, with each organisation currently more reliant on complementary income streams.

Analysis of supporter overlap between the two organisations shows that in terms of foundations, 19 supported both organisations in the last three years, and only nine of those had given more than £10,000 to both, totalling £2.78M. Of these nine, three are giving more than twice as much to Kisharon and two more than twice as much to Langdon, while four are giving similar amounts to each (£321.5k).

Similarly, of the 387 individual donors who supported both organisations, only 22 donors made cumulative donations greater than £1,000 to both organisations over the last three years (giving £311,261 to Kisharon and £374, 127 to Langdon).

In addition, both organisations are keen to develop fundraising in potential growth areas such as legacies and mid-level giving; these are areas where potential is significantly greater and both organisations would be better placed to do this if working closely together.

The key message for fundraising audiences should be congruent with the strategy as a whole, if it is decided to create a single entity: that the impetus behind doing so is to provide greater benefit for the people for whom the two organisations provide services - that the organisations can do more if working together is a compelling ‘ask’. Tailored and personalised communication should take place in particular with the 22 overlapping major donors and the nine foundations who have supported both organisations with greater than £10,000, having agreed a lead communicating organisation in each case.

Voice and brand

In terms of voice, a single entity has the potential to become a greater, more powerful voice for the (Jewish) learning disability community, one that is able to campaign, lobby or advocate as appropriate for inclusion in education and employment. This organisation will be more able to raise awareness within the Jewish community to the growing need and to strengthen national and local awareness in learning disabilities. It will have greater presence, with more managers who can learn and contribute to the leading of the organisation, and more legitimacy in its voice derived from the greater numbers reached and from the improved statistics and data that can be called on to demonstrate its arguments. An ambitious combining of two relative newcomers in the Jewish learning-disabled world could easily become the prime brand for learning disabilities and autism in the Jewish community. It can be agile and “up and coming” while still speaking to and for its current communities from both organisations.

Arguably the bigger risk, if a new organisation were to develop a new brand, is establishing the new brand and the risk around brand recognition in relation to fundraising. For Kisharon, which has a particularly strong brand name in the orthodox communities and is particularly successful with the numbers of people that donate and capital fundraising, this is arguably the bigger risk.

In this context, if fully merging organisations were considered to be too great a risk to fundraising, a mitigating solution might be in adopting a group structure, which would enable each organisation to continue to speak to its own audiences. This would however negate some of the potential benefits outlined above.

Fundraising and brand	Appraisal
Test 1: Are the proposals for the future likely to support an enhanced approach to fundraising from a resourcing and an outcomes point of view?	Yes
Test 2: That there is not significant crossover in major donors/ trusts or that major donors/ trusts would not be concerned about transferring their allegiance to a combined organisation (communication at a time to be agreed).	There is some but not significant crossover. Canvassing of supporters proposed in the next phase of work.
Test 3: That trusts/foundations agree that working more closely is a good thing, and that where trusts/foundations fund both Kisharon and Langdon they would want to continue funding at similar levels in total (or more).	Canvassing of supporters proposed in the next phase of work.

9. Governance & Religious Ethos Appraisal

Governance Appraisal

Option 1 (closer working on specific projects) would not require any governance changes.

Option 2 (shared back office) would also not require any governance changes, though arrangements would need to be managed by a service level agreement or similar.

Option 3 (a subsidiary model) is akin to a merger, though with one organisation taking the lead and becoming parent to the other. Whilst the above sections show that a similar level of benefit could be achieved as a full merger in much of the service case options appraisal, we believe this option would involve higher risk of failure and is unattractive simply because neither of the organisations embarked on this process to become a subsidiary of the other.

Option 4 (a shared infrastructure organisation) could deliver many of the benefits of a merger, though is more cumbersome as it would require some level of independent operation of the shared infrastructure body, whilst still requiring both organisational boards to continue to operate, approve relevant documents simultaneously such as strategy, and would carry less commitment from each organisation as a full merger and therefore a higher degree of risk.

Options 5 represents the full merger option

Option 5a (a group structure that would put everything possible in the 'topco' such as HR, strategy, fundraising, property and education, employment and social enterprise (though even some of these elements may be best delivered through separate entities fully owned by 'topco'), with smaller Kisharon and Langdon delivery organisations continuing for the purpose of delivering community and adult care/supported living services with differing approaches. This option was suggested by Bates Wells Braithwaite, (the project's legal advisors) as follows and was suggested as a potential steppingstone towards full merger:

"Both entities continue to exist, but are formally linked in their governance structure (e.g. one becomes the parent of the other, or a new entity is set up and appointed as parent of both existing entities)."

Critically, 5a was developed to ensure that there was a way forward, should the organisations not be able to agree on matters of religious ethos, particularly those that appear in the objects / constitution. **As outlined in the following section, those challenges were largely now resolved through the workstream process and therefore the Governance workstream concluded that 5a is probably not necessary or the best option to progress.**

Option 5b (full merger as 5, except that Kisharon and Langdon identities would remain for specific, identified purposes such as gateway to supported living, fundraising)

In relation to all the Option 5 models, the queries to resolve in the next phase include whether there needs to be a separate property holding company, how best to deal with the College and Kisharon Academy trust both in the short and longer term, and whether a trustee company is still needed (where members/supported adults who need power of attorney interests are vested).

It should be noted here that since the workstream in this area finalised, the work was brought to the project's legal advisors at Bates Wells Braithwaite, who suggest that rather than set up a new charity or 'topco', that most mergers fold one organisation into the other. As long as the future name, composition of Board and key roles, intent, and external messaging is clear that this is a merger of equals, this way of delivering the change saves significant time (e.g. less need to seek approval from the Charity Commission), legal work and cost.

Charitable objects

The governance workstream also explored differences in the wording of charitable objects. This highlighted significant differences between the two organisations. Kisharon states its objective as "To advance the orthodox Jewish religion in accordance with the doctrines and principles of orthodox traditional Judaism amongst Jewish People who have physical and/or learning disabilities"; whereas Langdon states "The charity shall be established in accordance with the tenets of the Jewish religion."

Beneficiary definitions were also quite different, with Kisharon's being: "...for the benefit of persons ... learning disabilities and who are recognised as members of the Jewish faith by the Court of the Chief Rabbi Beth Din London"; whilst Langdon's states "the advancement of education and the relief of individuals with special educational needs or mental illness."

Langdon expressed concern that Kisharon's existing objects could exclude some existing members and Kisharon stated that their practice is closer to Langdon's than the objects currently state. Kisharon also noted that their Academy Trust objects were broader in this respect than the charity's and that this needed resolving for Kisharon itself in the longer term. It was agreed that more work would be undertaken on a more inclusive form of words; that governance structures would also be explored as a way of resolving differences; and that the Steering Group should be involved in the conversation.

Proposed charitable objects of any new single entity

The following represents an agreed form of words that, while not final and will need finessing by the legal team in the next phase of this work, are helpful as they separate out the organisation and where it looks for rabbinic decisions and authority, and the people it will support.

The objects of the Charity are the education; employment training and opportunities; housing; social care as well as associated advice and support for Jewish people (or such other people as the trustees may from time to time decide) who are:

- (a) Children with Special Educational Needs;*
- (b) Adults with Learning Disabilities;*
- (c) People with mental and physical health conditions associated with clause (a) or(b); and*
- (d) Families of persons in categories (a) – (c) for connected (but no other) purposes:*

The Charity is established in furtherance of the ethos, rules, and regulations in accordance with the authority of the London Beth Din, Court of the Chief Rabbi or any such other equivalent authority as from time to time determined by the Charity's Trustees.

It is agreed that:

- 1. The charity will have a Rabbinic Advisor appointed by a Nominations Committee.*
- 2. Nominated representatives of the trustees will have right of veto on any Rabbinic Appointment*

Board composition

Principles for the composition of any new board were also discussed, which included involving all trustees who are now central to this work in a transitional Board in a meaningful way; a composition that reflects a partnership of equals; perhaps a neutral chair; a rigorous process to ensure that the Board consists of the best people for the job); that a final board post-transition should be more skills/experience based.

Governance & Religious Ethos	Appraisal
Test 1: Are there significant differences between the organisations in approach to governance and can these be aligned?	Not significant differences and can be aligned

Governance & Religious Ethos	Appraisal
Test 2: Can an interim; transitional or more permanent governance structure be developed to the satisfaction of Directors, Trustees and key stakeholders?	Yes

Religious Ethos

Because of the different roots and perspectives of each organisation, there were some challenges identified that needed to be addressed through this religious ethos workstream. **Nevertheless, the workstream concluded that religious ethos did not need to constitute a barrier to implementing the preferred option.** It also concluded that there may be opportunities in this area too for each organisation in coming together. For Langdon, Kisharon can bring a deeper, more Jewishly knowledgeable and practising community of staff, volunteers and trustees to support Langdon on its journey to a stronger Jewish ethos. Likewise, Kisharon are already grappling with the impact of having an intake to the Kisharon Academy Trust that is more Jewishly diverse now than Kisharon's currently supported adults; the organisation will need to consider how it supports those from KAT who may want and need supported living with Kisharon in the future. How to provide a rich Jewish experience that meets the needs of this more Jewishly diverse cohort is an area in which Langdon already has experience.

As a result of the in-depth analysis of policy and practice undertaken by the Religious Ethos workstream, it was possible to establish a proposed approach for a new entity, should that go ahead. The proposed approach covers the following areas: membership, religious ethos policy development process; staff; way of life; dress code; Shabbat/Yom Tov; partnerships; end of life; other miscellaneous issues.

It should be noted that in relation to dress code, this is also something that falls within the HR/Inclusion/Culture workstream; and that workstream came to a different conclusion regarding some aspects of the future dress code, most critically, the requirement for women to wear skirts rather than trousers. Whilst this is the current policy within Kisharon, the Kisharon representatives on the HR/People workstream did not advocate for that being the policy in a newly formed, merged organisation.

However, both the HR and Religious Ethos workstreams concluded that the issue was not a "red flag" or deal-breaker issue and the experience of the conversations was positive and collaborative. **Indeed, despite the real sensitivity and complexity of the discussions within the Religious Ethos group, the experience supported workstream members generally to believe that good solutions would be achievable based on the mutual trust and respect between the two organisations.**

Most importantly, the workstream concluded that a newly merged organisation has the potential to truly speak and more effectively provide for children and adults with learning disabilities from all parts of the Jewish community. Bringing together Kisharon's reputation and expertise in providing for the more orthodox parts of the Jewish community should immediately support Langdon deliver stronger Jewish content and practice to both its existing more orthodox Jewish and all members. Langdon will both immediately benefit from this, an area it wants to (yet is more challenged to) deliver strongly to. Langdon has greater experience of dealing with non-orthodox Jews, a client group that is already coming through to Kisharon through the Kisharon Academy Trust, and Langdon's experience of delivering person centred approaches will benefit Kisharon on its journey with members & stakeholders.

Religious Ethos: Do staff and trustees recognise that existing values and beliefs around religious ethos are reflected/protected in the proposals for the future?	Yes
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10. Cultural Fit

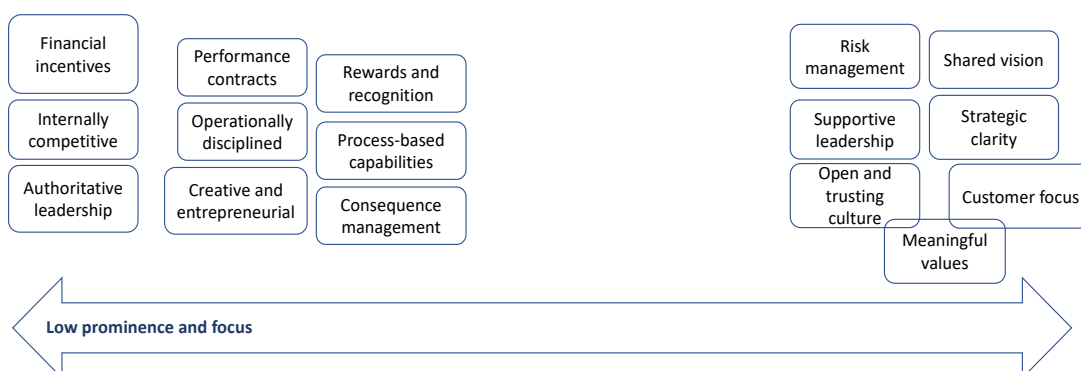
The brief to the project managers required that the project “*interrogate cultural alignment across organisations covering religious observance, organisational ethos, and inclusion*”. This section scrutinises organisational culture – each charity’s behavioural norms, management and leadership styles and practices, language and values. (Cultural issues related to religious ethos were considered within the same workstream on People/Culture/EDI, but in terms of this report, the findings were included within the Religious Ethos section above).

Organisational culture was formally assessed through a tool called the OHI; and was also taken as the central question for the various “encounters” and conversations between the two SLTs at a series of ‘Participative Inquiry’ events.

The OHI exercise showed that the two SLTs’ self-assessments revealed a fairly remarkable degree of synergy. To some extent, this stems of course from the fact that both organisations are voluntary sector social care providers; hence there is greater likelihood of commonality than comparing either with a different type of organization such as a retailer or law firm. However, the extent of the alignment is still highly significant and not to be taken for granted as simply the consequence of their similar purposes; there are certainly many social care providers and also many Jewish charities that have a very different cultural profile.

Rather, these results suggest that the day-to-day operating culture of the two organisations – the way that they get things done, the key mechanisms that they use to set and achieve their goals – are very similar. The results outlined below show that the same cultural practices were at the very top of the list in both organisations; and equally, the same practices were *least* present in both organisations.

There are multiple areas of commonality between Langdon and Kisharon



Both organisations prioritise vision, strategy and meaningful values and having very strong alignment from leadership all the way through the organisation, accountability through personal ownership of the values; and above all, being focused on understanding and meeting the needs of the “customers” (the very top-scoring item for both organisations), balanced by a culture of strong risk management.

This might seem obvious, but it is worth noting that this differentiates them from other organisations with a different formula for success; whilst both organisations have proud track records of innovation

and creativity, social care is not a sector that requires the constant creation of entirely new products or services in order to survive, which is the nature of some other sectors with. Long-term delivery and the achievement of excellence matter at least as much as innovation in social care. For these reasons, the rapidly transforming, R&D/innovation-driven archetype is not common within health and social care.

However, it is also true that of both organisations that they do not need to invest in the sort of infrastructure and culture that is required in organisations that work at very large scale. Classically this would be an archetype seen in retail, franchise, possibly multi-national organizational contexts, where the challenge is to achieve standardization and consistency at large scale. This archetype does exist within health and social care: it is seen in the large-scale social care providers such as groups with multiple care homes, which rely heavily standardized Standard Operating Procedures, very directive performance management and policy-based cultures. That is also not the culture of either Kisharon or Langdon.

In both organisations, the practices with the lowest prominence within the organisational culture are Quality of Execution practices. This reflects the fact that neither organisation is very large and so the sort of practices that guarantee standardisation at scale (e.g. in a franchise operation or a multi-national) are not central or relevant. Moreover, the nature of the client group in both organisations requires staff to be able to respond to new situations from an embedded values-base day after day.

11. Next steps: Actions, timeframe, risk management

A **forward plan** is provided in the main report, setting out the timetable and actions as a roadmap for the Steering Group. The plan spans the process from individual Board decisions through to agreement of MOU (March 2022), further detailed “workstream” activity during “Intention to Proceed” phase (April-August 2022), transition phase (Sept-Dec 2022), through to “Press Go”, which is estimated to be possible in January 2023.

A comprehensive **risk assessment of the strategic and operational risks** of implementing the preferred option, Option 5, by the two Chief Executives working together has been undertaken which also appears as an appendix to the main report. It is recommended that the next stage of this work would be to take it to each organisation’s Senior Management Team and the Steering Group for further consideration.